

195 FERC ¶ 61,028
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Laura V. Swett, Chairman;
David Rosner, Lindsay S. See,
Judy W. Chang, and David LaCerte.

New York Independent System Operator, Inc.

Docket Nos. ER26-570-000
ER26-570-001

ORDER ACCEPTING TARIFF REVISIONS SUBJECT TO CONDITION

(Issued April 13, 2026)

1. On November 21, 2025, as amended on February 12, 2026, pursuant to section 205 of the Federal Power Act (FPA)¹ and Part 35 of the Commission's Regulations,² New York Independent System Operator, Inc. (NYISO) submitted revisions to its Open Access Transmission Tariff (OATT) and to its Market Administration and Control Area Services Tariff (Services Tariff)³ to implement new market rules for operations, scheduling, and management of transmission service for the Champlain Hudson Power Express Merchant Transmission Facility (Project).⁴ As discussed below, we accept the OATT and Services Tariff revisions, effective March 16, 2026, subject to a compliance filing to be submitted within 30 days of the date of this order.

I. Background

2. The Project is a 1,250 megawatt (MW) high-voltage direct current merchant transmission line that will run from the Hertel substation in Quebec, Canada to the Astoria Annex Substation in Queens, New York.⁵ The Project is being developed and financed by CHPE, LLC (CHPE), a limited liability company organized under the laws

¹ 16 U.S.C. § 824d.

² 18 C.F.R. pt. 35 (2025).

³ See Appendix for tariff record accepted in this order.

⁴ Capitalized terms used but not defined herein are defined in the OATT and/or Services Tariff.

⁵ Filing, Transmittal Letter at 1.

of New York.⁶ The construction, maintenance, and operation of the Project will be funded entirely by CHPE and/or other subscribers to the line; therefore, these costs are not included in NYISO's transmission revenue requirement.⁷ NYISO explains that Hydro Quebec's Transmission Function (HQT) will operate the portion of the line in Canada.⁸

3. In 2020, the Commission authorized CHPE to charge negotiated rates for transmission rights on the Project, noting that CHPE will turn over operational control of the United States portion of the transmission line to NYISO, who will operate the line pursuant to NYISO's OATT.⁹ As a result of CHPE's open season process, H.Q. Energy Services U.S. (HQUS) is subscribed to 100% of the Project's transmission capacity for a term of 40 years.¹⁰ NYISO anticipates beginning to import power over the Project to New York on or after May 1, 2026.¹¹

II. Filings

A. November 21 Filing

4. NYISO states that the proposed OATT and Services Tariff revisions are needed so that the Project's physical transmission reservation system can interface with NYISO's financial reservation system and because NYISO will have operational control of the Project, consistent with CHPE's previous commitments in the Negotiated Rate Order.¹² NYISO states that physical transmission service reservations are frequently used to fund the construction of merchant transmission facilities like the Project because holding physical rights ordinarily guarantees the purchaser the right to use the line or to sell-off rights that it does not intend to use.¹³ NYISO explains that such physical transmission

⁶ *CHPE, LLC*, 171 FERC ¶ 61,186, at P 2 (2020) (Negotiated Rate Order).

⁷ *Id.* PP 1, 8.

⁸ Filing, Transmittal Letter at 3.

⁹ Negotiated Rate Order, 171 FERC ¶ 61,186 at P 19.

¹⁰ Filing, Transmittal Letter at 8; *see CHPE, LLC*, Docket No. ER20-1214-002 (Feb. 8, 2022) (delegated order).

¹¹ Filing, Transmittal Letter at 3.

¹² *Id.* at 1 (citing Negotiated Rate Order, 171 FERC ¶ 61,186 at P 19).

¹³ *Id.* at 4.

rights differ from its financial reservation system that does not allow market participants to reserve and hold transfer capability, but rather makes the capability of its transmission system available for scheduling each day in NYISO's Day-Ahead and Real-Time Markets.¹⁴ NYISO explains that its financial reservation system is a Locational Based Marginal Price (LBMP) system that bundles transmission and energy purchases and deliveries, then applies economic dispatch to use the full capability of the transmission system to arrive at a least production cost solution to serve the New York Control Area (NYCA) load using available resources.¹⁵

5. NYISO states that the Project will be the first merchant transmission facility (MTF) over which NYISO would have operational control that employs physical reservations to allocate transmission rights.¹⁶ NYISO explains that, at least initially, the Project will be implemented as a unidirectional transmission facility over which MTF Reservation holders can submit Bids to NYISO to schedule Imports¹⁷ into the NYCA from Quebec.¹⁸ Specifically, NYISO states that energy will be delivered to the Astoria Annex Substation and will earn the LBMP that NYISO develops for the Astoria Proxy Generator Bus. NYISO asserts that, whereas CHPE will manage reservations for transmission service on the Project, NYISO will schedule transmission service for import into the NYCA.¹⁹

6. NYISO explains that the majority of the proposed revisions appear in a new Attachment II to Section 41 of its OATT (Proposed Section 41), with additional revisions in other sections of the OATT and Services Tariff.²⁰ NYISO states that provisions in Proposed Section 41 address, among other things: (1) CHPE's administrative duties as

¹⁴ *Id.* at 4-5.

¹⁵ *Id.* at 5-6.

¹⁶ *Id.* at 5. NYISO adds that CHPE will execute a *pro forma* operating agreement to become a non-incumbent transmission owner in New York. *Id.* at 2.

¹⁷ NYISO's OATT defines an Import as a Bilateral Transaction or sale to the LBMP Market where Energy is delivered to a NYCA Interconnection from another Control Area. NYISO, OATT, § 1.9 (Definitions I) (2.0.0).

¹⁸ Filing, Transmittal Letter at 5.

¹⁹ *Id.* at 5-6 (“[R]equests for transmission service will be granted, limited, or denied by . . . NYISO.”).

²⁰ *Id.* at 2, 7, 9, 21-24, attach. II (redlined version of proposed Attachment II to Section 41 of the OATT).

the MTF Provider; (2) the rights and responsibilities of entities that hold or seek to obtain MTF Reservations;²¹ (3) rules addressing when and how Project reservations can be transferred, sold, or made available for acquisition by third parties; (4) how MTF Reservation holders will submit Bids into NYISO's financial reservation system; (5) how NYISO will schedule and curtail Imports to the NYCA over the Project; (6) operating rules that are unique to the Project; (7) how congestion will be calculated on the MTF; (8) rules for when data sharing or communications between NYISO, CHPE, or HQT fail; and (9) the MTF Reservation holder's obligation to provide requested data to NYISO or to its external Market Monitoring Unit (MMU).²² NYISO also explains that, as the MTF Provider, CHPE is responsible for "administering and maintaining the MTF Provider OASIS, administering MTF Reservations, and operating the MTF consistent with the Operating Agreement between the MTF Provider and [NYISO], the ISO's Tariffs and applicable reliability standards and rules."²³

1. Separate OASIS Sites

7. NYISO proposes that CHPE will operate a limited purpose Open Access Same-Time Information System (OASIS) where the information that is necessary to administer physical MTF Reservations will be posted.²⁴ NYISO states that it would be too expensive and time-consuming to develop the new software necessary for NYISO to integrate the Project's physical reservation model with NYISO's financial reservation system, especially given the Project's targeted commercial operation date of May 2026.²⁵ NYISO also notes that having a separate CHPE OASIS means that NYISO would only need to make minimal modifications to its existing systems in place for external merchant transmission facilities that are operated by ISO-NE and PJM and import energy into NYISO.²⁶

²¹ Proposed OATT Section 41.3.1.1 (defining an MTF Reservation as "a right to receive firm transmission service from the [Project's] Point of Receipt [at the US-Canada border] to its Point of Delivery [at the Astoria Annex Substation] in accordance with this Attachment II and the MTF Provider Business Practices").

²² Filing, Transmittal Letter at 2, 5, 11-20.

²³ NYISO, Proposed OATT, attach 2, § 41 (0.0.0), § 41.1.

²⁴ Filing, Transmittal Letter at 7.

²⁵ NYISO's OASIS posting information is listed in section 2.4 of the NYISO OATT.

²⁶ Filing, Transmittal Letter at 7 & n.18.

8. NYISO adds that, while it proposes to assign duties to CHPE similar to those assigned to Cross-Sound Cable Company, LLC (Cross-Sound Cable) under Schedule 18 of the ISO-NE tariff to manage the Cross-Sound Cable merchant transmission facility,²⁷ Cross-Sound Cable's web page is a sub-page within ISO-NE's OASIS, whereas CHPE's OASIS would be completely separate from NYISO's OASIS.²⁸ NYISO states that CHPE is working with Open Access Technologies, Inc., NYISO, and the Northeast Power Coordinating Council to achieve compliance with applicable reliability standards for the CHPE OASIS.²⁹

9. NYISO states that, with respect to MTF Reservations, CHPE will perform the following tasks on the CHPE OASIS: (1) identify HQUS as the initial MTF Reservation holder; (2) schedule the MTF Reservations, i.e., point-to-point transmission service requests over the Project into NYISO; (3) post the MTF Reservation holder, quantity in MW, and duration of each reservation; (4) manage a "bulletin board" where holders of MTF Reservations and qualified Transmission Customers can arrange bilateral transactions, which must be posted on the CHPE OASIS before they take effect; (5) calculate and post available transfer capability (ATC) that CHPE will use to determine the availability of MTF Reservations; and (6) post the MTF Provider Business Practices and notice of proposed new or revised MTF Provider Business Practices.³⁰

10. In particular, NYISO's proposed revisions lay out the steps required to deliver energy over the Project into the NYCA. NYISO proposes to treat the Project as an External³¹ line and energy flows at the Astoria Proxy Generator Bus as Imports into the NYCA.³² NYISO explains that it will post the Imports on the NYISO OASIS, consistent with how it schedules service on merchant transmission facilities not within its operational control.³³ NYISO explains transmission customers with valid MTF

²⁷ Cross-Sound Cable is a merchant transmission facility connecting ISO-NE (in Connecticut) and NYISO (in Long Island).

²⁸ *Id.* at 7.

²⁹ *Id.* at 9.

³⁰ *Id.* at 8-9.

³¹ NYISO's OATT defines External as "[a]n entity (e.g., Supplier, Transmission Customer) or facility (e.g., Generator, Interface) located outside the Control Area being referenced or between two or more Control Areas." NYISO, OATT, § 1.3 (Definitions – C) (15.0.0).

³² *See* NYISO, Proposed OATT, § 41 (0.0.0), § 41.14.1.

Reservations will then submit bids for those imports. Finally, NYISO will schedule the Imports based on the amount of Project capacity that clears NYISO's Day-Ahead and Real-Time Markets auctions, consistent with how NYISO schedules all requests for transmission capacity reservations through its financial reservation system.³⁴

11. NYISO states that its bid verification software will only recognize and validate bids in its Day-Ahead and Real Time-Markets that are supported by MTF Reservations that are timely and properly posted on CHPE's OASIS. However, NYISO contemplates that "foreseeable problems" could arise that disrupt the automated exchange of data between CHPE, MTF Reservations, or communications between CHPE, NYISO, and MTF Reservation holders. Accordingly, NYISO proposes OATT provisions to govern how the parties will ensure access to information regarding MTF Reservations and Bids/Imports when such problems arise.³⁵

2. Capacity Reassignment

12. NYISO also proposes provisions governing capacity reassignment, whereby an MTF Reservation holder may voluntarily sell, assign or transfer all or a portion of its rights to an acquiring Eligible Customer that has agreements in place with the MTF provider on the CHPE OASIS.³⁶ NYISO notes that, if exchange of an MTF Reservation is made via a bilateral agreement, the participating parties transfer the funds and must timely record the change on the CHPE OASIS.³⁷ NYISO further explains that, if the MTF Reservation is posted for purchase at a price on the CHPE OASIS and an offer is submitted by a transmission customer, then CHPE will participate in the fund transfer and the MTF Provider's creditworthiness requirements will apply to the purchasing entity. NYISO's proposed tariff provisions also require CHPE to post pertinent data related to capacity reassignments and acquisitions, such as availability and pricing.

13. NYISO explains that, because HQT and HQUS are affiliated, these entities could coordinate to "prevent third parties from acquiring and using the reservations to schedule Imports to New York."³⁸ Therefore, NYISO proposes to monitor the CHPE OASIS for

³³ OATT Section 2.4.

³⁴ Filing, Transmittal Letter at 2, n.4, 4-6.

³⁵ *Id.* at 17; *see* NYISO, Proposed OATT, § 41.14

³⁶ Filing, Transmittal Letter at 16, 18.

³⁷ *Id.* (citing NYISO, Proposed OATT, §§ 41.8.1, 41.8.3, 41.18.4).

³⁸ *Id.* at 10.

affiliate transactions that could amount to (1) physical or economic withholding of the opportunity to schedule transmission service, and (2) under-delivery of scheduled Energy in real-time, where such under delivery may have a material impact on prices or guarantee payments in NYISO-administered markets. NYISO also proposes to have read-only access to all areas of the CHPE OASIS (including customer-specific pages and information) and require CHPE and MTF Reservation holders to promptly respond to data requests from NYISO or the MMU that seek information about possible physical or economic withholding.³⁹ NYISO avers that, if it identifies anticompetitive behavior, it must inform the MMU for possible referral to the Commission's Office of Enforcement.

B. Deficiency Letter and Response

14. On January 16, 2026, a letter was issued notifying NYISO that its filing is deficient and requesting additional information (Deficiency Letter). The Deficiency Letter asked NYISO to explain how the separate CHPE OASIS and provisions on capacity reassignment are consistent with or superior to requirements in the *pro forma* OATT established by Order Nos. 888, 889, and 890 and Parts 37 and 38 of the Commission's regulations.⁴⁰

³⁹ *Id.* at 11.

⁴⁰ Deficiency Letter at 2-3 (citing *Promoting Wholesale Competition Through Open-Access Non-discriminatory Transmission Servs. by Pub. Utils.; Recovery of Stranded Costs by Pub. Utils. & Transmitting Utils.*, Order No. 888, FERC Stats. & Regs. ¶ 31,036, at n.434 (1996) (cross-referenced at 75 FERC ¶ 61,080), *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048 (cross-referenced at 78 FERC ¶ 61,220), *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Pol'y Study Grp. v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002); *Open-Access Same-Time Information Sys. & Standards of Conduct*, Order No. 889, FERC Stats. & Regs. ¶ 31,035 (1996) (cross-referenced at 75 FERC ¶ 61,078), *order on reh'g*, Order No. 889-A, FERC Stats & Regs. ¶ 31,049 (cross-referenced at 78 FERC ¶ 61,221), *reh'g denied*, Order No. 889-B, 81 FERC ¶ 61,253 (1997), *aff'd in relevant part sub nom. Transmission Access Pol'y Study Grp. v. FERC*, 225 F.3d 667 (D.C. Cir. 2000); *Preventing Undue Discrimination & Preference in Transmission Serv.*, Order No. 890, 118 FERC ¶ 61,119, at PP 109, 373-377, *order on reh'g*, Order No. 890-A, 121 FERC ¶ 61,297 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009); 18 C.F.R. pts. 37, 38).

15. On February 12, 2026, NYISO responded to the deficiency letter (Deficiency Response). NYISO argues that the proposed OASIS and capacity reassignment provisions satisfy the Commission's consistent with or superior to standard, and requests that the Commission accept the proposed revisions including minor amendments, which it inadvertently omitted in its original filing.⁴¹ NYISO states that it consents to revising Section 41 to list all of the currently-effective North American Energy Standard Board (NAESB) Wholesale Electric Quadrant (WEQ) standards and adding a statement that they are "incorporated by reference to the extent that the requirements therein apply to [CHPE]." NYISO states that this type of language was previously accepted by the Commission for Cross-Sound Cable.⁴² In the alternative, NYISO requests that the Commission grant waiver of any individual OASIS, NAESB WEQ standards, or reassignment requirements that the Commission believes NYISO has not fully satisfied, should the Commission determine that the filing does not fully satisfy the consistent with or superior to standard.⁴³

16. NYISO requests that the proposed tariff revisions, as amended and further supported by the Deficiency Response, become effective on March 16, 2026. NYISO states that good cause exists to waive the standard 60-day notice period.⁴⁴ NYISO explains that it expects test energy scheduling to begin in late March, and contends that timely test energy scheduling is essential to implementing the Project in the NYISO-administered Energy Market by the planned commercial start date of May 1, 2026.⁴⁵ NYISO argues that not being able to schedule test energy risks delaying the substantial economic and reliability benefits that the Project is expected to bring to New York and the ability of the Project to commence commercial operation and start service for MTF Reservation holders.⁴⁶ NYISO states that a March 16, 2026 effective date would ensure that the proposed revisions would be on file to govern the scheduling of test energy.

⁴¹ Deficiency Response at 1, 18. NYISO also proposed amendments to the November 21 Filing to include two definitions that were inadvertently omitted from the November 21 Filing: the definition of "Champlain Hudson Power Express Merchant Transmission" and "MTF Reservation."

⁴² *Id.* at 14

⁴³ *Id.* at 17-18.

⁴⁴ *Id.* at 19 (citing 18 C.F.R. § 35.11).

⁴⁵ *Id.* at 2

⁴⁶ *Id.* at 4-6.

1. Separate OASIS Sites

17. NYISO argues that the proposed OATT revisions regarding the limited purpose OASIS satisfy the Commission's consistent with or superior to standard.⁴⁷ NYISO contends that the Commission's OASIS regulations expressly contemplate that multiple transmission providers may share responsibility for performing OASIS functions.⁴⁸ Further, NYISO argues that CHPE will be subject to oversight by NYISO's Market Monitoring and Analysis Department and its independent MMU.⁴⁹ NYISO argues that such monitoring of CHPE's limited purpose OASIS, which is not required by the Commission's regulations, will provide superior transparency and customer protection compared to the *pro forma* OATT's incorporation of Part 37.

18. NYISO asserts that it will perform the vast majority of the tasks required under Parts 37 and 38, with the exception of CHPE's OASIS responsibilities pertaining to MTF Reservations.⁵⁰ With respect to Part 37, NYISO argues that CHPE's responsibilities are limited to managing MTF Reservations. NYISO states that, for all other functions, NYISO has complied with or obtained waivers of Part 37. NYISO contends, therefore, that there is no reason to require CHPE or NYISO to incur the expense that would be required to set up a CHPE OASIS that satisfies all of the requirements of Part 37. NYISO argues that CHPE will have the ability to comply with Part 37 requirements that are relevant to its limited transmission provider responsibilities that are not being performed for it by NYISO.⁵¹

19. With respect to Part 38 requirements, NYISO argues that CHPE will comply with NAESB WEQ standards that are applicable to the limited services that CHPE will provide under the limited purpose OASIS.⁵² NYISO argues that CHPE is not subject to, nor is it required to seek waiver of NAESB WEQ standards that are facially inapplicable to transmission providers.⁵³ NYISO argues that, given the narrow scope of the services

⁴⁷ *Id.* at 10.

⁴⁸ *Id.* (citing 18 C.F.R. § 37.5(a)).

⁴⁹ *Id.* at 10-11 (citing NYISO, Proposed OATT, §§ 41.5.9, 41.6, 41.15, 41.16).

⁵⁰ *Id.* at 7.

⁵¹ *Id.* at 12.

⁵² *Id.*

⁵³ *Id.* at 13 (citing *Standards for Bus. Practs. & Comm'n Protocols for Pub. Utils.*, Order No. 676-H, 151 FERC ¶ 61,046, at P 20 (2015)).

available on the Project, many NAESB WEQ standards will not apply to CHPE. NYISO states that the Commission clarified in Order No. 676 that “[a] public utility whose OASIS is administered by an ISO or RTO may comply with the requirement to include the OASIS standards in its OATT by adding a provision to its OATT stating that the ISO or RTO will be performing these functions on its behalf.”⁵⁴

20. NYISO states that it has no objection to clarifying proposed Section 41 of its OATT to include language in the CHPE OASIS provisions that tracks the Commission’s *pro forma* OATT language.⁵⁵ Accordingly, NYISO states that it consents to the Commission accepting NYISO’s proposal subject to the requirement that NYISO submit a compliance filing adding the *pro forma* OATT language for the CHPE OASIS.⁵⁶

21. NYISO states that it consents to submitting a compliance filing that would add *pro forma* language related to NAESB WEQ standards.⁵⁷ Specifically, NYISO commits to revise proposed Section 41 to state that CHPE would:

post on [its] OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this Tariff. The MTF Provider shall post on OASIS and on its public website an electronic link to the NAESB website where any rules, standards and practices that are protected by copyright may be obtained.

22. NYISO states that it would also consent to further revisions that would include other relevant tariff language, including: (1) OASIS terms and conditions in Parts 37 and 38 of the Commission regulations; and (2) listing and incorporating by reference WEQ

⁵⁴ *Id.* at 14 (quoting *Standards for Bus. Pracs. & Comm’n Protocols for Pub. Utils.*, Order No. 676, 115 FERC ¶ 61,102, at P 83 (2006)).

⁵⁵ *Id.* at 8.

⁵⁶ *Id.* at 7-9 (referencing *NRG Power Mktg., LLC v. FERC*, 862 F.3d 108, at 114-15 (D.C. Cir. 2017) (*NRG*)).

⁵⁷ *Id.* at 8-9 (citing *NRG*, 862 F.3d at 114-15).

Version 4.0 standards “to the extent that the requirements therein apply to the MTF Provider.”⁵⁸

2. Capacity Reassignment

23. NYISO argues that the proposed capacity reassignment tariff provisions concerning the CHPE MTF fully satisfy the Commission’s consistent with or superior to standard.⁵⁹ NYISO argues that the capacity reassignment provisions are not directly comparable to the Commission’s *pro forma* transmission capacity reassignment provisions, and the proposed deviations are consistent with or superior to the *pro forma* because the unique nature of the CHPE MTF line necessitates the need for the deviations.⁶⁰ NYISO explains that the limited differences reflect the characteristics of a single DC scheduling path merchant transmission facility, compared to the more complex integrated AC transmission network that the *pro forma* rules were developed to accommodate. NYISO also states that its proposed revisions are modeled closely on the physical reservation capacity reassignment provisions that the Commission accepted for Cross-Sound Cable.⁶¹

III. Notices and Responsive Pleadings

24. Notice of NYISO’s initial filing was published in the *Federal Register*, 90 Fed. Reg. 54648 (Nov. 28, 2025), with interventions and protests due on or before December 12, 2025. Timely motions to intervene were filed by CHPE, HQUS, Independent Power Producers of New York, Inc., and New York Transmission Owners.⁶² The New York State Public Service Commission filed a timely notice of intervention. CHPE and HQUS also filed comments supporting the filing.

25. CHPE and HQUS state that the proposed revisions are consistent with Commission policies approving similar merchant transmission facilities.⁶³ HQUS states

⁵⁸ *Id.* at 9.

⁵⁹ *Id.* at 1.

⁶⁰ *Id.* at 16.

⁶¹ *Id.* at 4, 15, 18.

⁶² New York Transmission Owners include: Central Hudson Gas & Electric Corporation; Consolidated Edison Company of New York, Inc.; Long Island Power Authority; New York Power Authority; New York State Electric & Gas Corporation; Niagara Mohawk Power Corporation; Orange and Rockland Utilities, Inc.; and Rochester Gas and Electric Corporation.

⁶³ CHPE December 12, 2025 Comments at 4; HQUS December 12, 2025

that the proposed OATT revisions are consistent with Commission policy regarding resales and reassignments of transmission service.⁶⁴ HQUS further argues that, consistent with Commission policy, the proposed OATT revisions ensure that available transmission capacity will not be withheld.

26. Notice of NYISO's Deficiency Response was published in the *Federal Register*, 91 Fed. Reg. 8225 (Feb. 20, 2026), with interventions and protests due on or before February 23, 2026. On February 13, 2026, CHPE submitted comments in support of the Deficiency Response.

27. CHPE argues that NYISO's proposed OATT revisions fully satisfy the Commission's consistent with or superior to standard because a majority of the OASIS-related functions will be performed by NYISO, including economic evaluation, scheduling of transmission service, and operation of the Project.⁶⁵ CHPE asserts that NYISO's Deficiency Response clarifies the intent of Proposed Section 41 by consenting to add *pro forma* OATT references to OASIS regulations.

IV. Discussion

A. Procedural Matters

28. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214, the notice of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

B. Substantive Matters

29. We accept NYISO's proposed revisions to its OATT and Services Tariff, effective March 16, 2026, subject to a compliance filing to be submitted within 30 days of the date of this order, as discussed below.⁶⁶ We find NYISO's proposed revisions to implement

Comments at 3, n.3 (citing *NECEC Transmission LLC*, 192 FERC ¶ 61,221 (2025)).

⁶⁴ HQUS December 12, 2025 Comments at 3, n.4 (citing *pro forma* OATT Sections 23.1(a), 23.3).

⁶⁵ CHPE February 13, 2026 Comments at 3.

⁶⁶ The United States Court of Appeals for the District of Columbia Circuit has held that, in certain circumstances, the Commission has "authority to propose modifications to a utility's [FPA section 205] proposal *if the utility consents to the modifications.*" *NRG*, 862 F.3d at 114-15 (emphasis added).

new market rules for operations, scheduling, and management of transmission service for the Project in its OATT and Services Tariff to be just and reasonable and not unduly discriminatory or preferential because they will allow NYISO to integrate the Project's physical reservation model with NYISO's financial reservation model. We also find that NYISO's proposed revisions are consistent with or superior to the *pro forma* OATT.

30. In Order Nos. 888 and 889, the Commission required each public utility (or its agent) that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce to create or participate in an OASIS that will provide open access transmission customers information about available transmission capacity, prices, and other information.⁶⁷ In Order No. 890, the Commission reformed the *pro forma* OATT to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis. Part 38 of the Commission's regulations incorporates by reference certain standards promulgated by the NAESB WEQ, which establish a set of business practice standards and communication protocols for the electric industry. The Commission has permitted deviations from the open access requirements of the *pro forma* OATT, as promulgated by Order Nos. 888, 889, and 890, on a case-by-case basis when applicants sufficiently explain either how the deviations are consistent with or superior to the *pro forma* OATT or why certain *pro forma* OATT provisions are inapplicable to the applicant's business model.⁶⁸

⁶⁷ *Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Servs. by Pub. Utils.; Recovery of Stranded Costs by Pub. Utils. and Transmitting Utils.*, Order No. 888, FERC Stats. & Regs. ¶ 31,036 at 31,636-55, 31,694, 31,697-98, 31,719, 3,1859, 31,927, 31,934-35, *order on reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048 at 30,180, 30,220-22, 30,225, 30,237, 30,274-76, 30,301, 30,232, *order on reh'g*, Order No. 888-B at 62,074-75, *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046, *aff'd in relevant part sub nom. Transmission Access Pol'y Study Grp. v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. N. Y. v. FERC*, 535 U.S. 1 (2002); Order No. 889, FERC Stats. & Regs. ¶ 31,035 at 31,596-05, 31,607-12, 31,615, 31,619, *order on reh'g*, Order No. 889-A, FERC Stats & Regs. ¶ 31,049 at 30,548-49, 30,550-51, 30,558-59, 30,561-62, 30,563-65, 30,567-69, 30,571-72, *reh'g denied*, 81 FERC at 62,174-76; *see also* 18 C.F.R. §§ 37.2(a)-(b).

⁶⁸ *See Lucky Corridor, LLC*, 181 FERC ¶ 61,004, at PP 12, 16, 18-19 (2022) (citing *Mont. Alberta Tie, Ltd.*, 116 FERC ¶ 61,071, at P 60 (2006)) (approving the omission of certain *pro forma* OATT provisions because they were inapplicable to Lucky Corridor's merchant transmission projects); *see also ISO New England Inc.*, 125 FERC ¶ 61,201, at PP 13-14 (2008) (waiving certain WEQ standards because they were inapplicable to ISO-NE's business model).

31. We accept NYISO's proposed revisions to delegate limited authority to CHPE to maintain a limited purpose OASIS. As NYISO points out, Commission regulations require transmission providers to operate an OASIS "either individually or jointly with other Transmission Providers."⁶⁹ The purpose of the Commission's OASIS regulations is to "ensure that potential customers of open access transmission service receive access to information that will enable them to obtain transmission service on a non-discriminatory basis from any Transmission Provider" by providing a transparent "process for requesting transmission service."⁷⁰ We find that NYISO's proposed dual-OASIS structure is consistent with the purpose of the Commission's OASIS requirements by ensuring transparent, non-discriminatory access to information necessary to obtain transmission service.⁷¹ The separate CHPE OASIS serves the limited purpose of providing a platform for the resale and reassignment of physical transmission rights on the Project.

32. At the same time, NYISO ensures that any MTF Reservations align with financial reservations made on the NYISO OASIS, providing transmission customers with bidding information for NYISO to schedule verified MTF Reservations as Import Energy. NYISO will only schedule the resulting imports on the Project once a transmission customer's bid clears the Day-Ahead or Real-Time Market and a valid MTF Reservation has been verified by NYISO based on the amount of Project capacity that clears those markets. Therefore, NYISO maintains responsibility for the scheduling and dispatch of energy into the NYCA, and, combined with NYISO's OASIS proposal as discussed below, the proposal satisfies the Commission's open access and transparency requirements regarding requests, scheduling, and interruption of transmission service and the posted availability of transmission capacity.

33. Regarding the Commission's OASIS posting requirements, NYISO has explained how its OATT and Services Tariff already complies with certain OASIS and standard of conduct requirements under Parts 37 and 38 of the Commission's regulations with respect to the CHPE OASIS. For the remainder of those requirements, we find that NYISO has either (1) shown how its proposal is consistent with or superior to the *pro forma* OATT, (2) explained how such requirements are inapplicable to its business model,⁷² or (3) committed to filing revisions on compliance, as discussed below.

⁶⁹ 18 C.F.R § 37.5(a).

⁷⁰ *Id.* §§ 37.2(a)-(b).

⁷¹ *Id.* § 37.5(a).

⁷² Deficiency Response, attach. II. For example, NYISO notes that proposed OATT Section 41.1 provides for transmission customers to post, view, and download information from the CHPE OASIS regarding available products and services, which is consistent with the Commission's OASIS requirements in 18 C.F.R. § 37.5(f). NYISO

34. NYISO has explained how certain requirements of Part 37 are inapplicable to CHPE's business model or NYISO's financial reservation system. As one example, NYISO omits certain provisions, explaining how regulations requiring load calculations and the posting of redispatch data do not apply to the CHPE OASIS because CHPE is not a load serving entity, and redispatch is not a viable option on a unidirectional merchant transmission direct current line that has one point of receipt and one point of delivery.⁷³ We find that it is reasonable for NYISO to omit tariff provisions on these inapplicable requirements.⁷⁴

35. In Order No. 888, the Commission required that a public utility's tariff must explicitly permit the voluntary reassignments of all or part of a holder's firm point to point transmission capacity rights to any eligible customer, subject to price caps.⁷⁵ In

explains that its proposal ties the CHPE OASIS posting requirements to the timing of NYISO's Day-Ahead and Real-Time Markets, and thus is superior to the Commission's OASIS requirements in 18 C.F.R. § 37.6(b)(3)(i)(C)(1) regarding updating posted information for constrained paths. Additionally, NYISO explains that CHPE will not need to post on the CHPE OASIS the ancillary service-related information required to be posted under 18 C.F.R. § 37.6(a)(1) because CHPE will not sell ancillary services. Pursuant to OASIS requirements in 18 C.F.R. § 37.6(e)(2), NYISO states that CHPE will post when a request for transmission service is denied by stating that CHPE will post the denials and the information about the reason for denial, to the extent the denials occur within CHPE's area of responsibility.

⁷³ Deficiency Response, attach. II (explaining why 18 C.F.R. §§ 37.6(b)(3)(iv) and 37.6(j) are inapplicable to the CHPE merchant transmission facility).

⁷⁴ *Supra* note 68; *see, e.g., N.Y. Indep. Sys. Operator, Inc.*, 133 FERC ¶ 61,208 (2010) (granting NYSIO's request for waiver of certain OASIS posting requirements under Part 37 of the Commission's regulations because they are rules for physical reservation systems and therefore are not applicable to NYISO's financial transmission reservation system). In accepting NYISO's proposal and finding some of the requirements under Part 37 of the Commission's regulations inapplicable, we are not waiving CHPE's obligation to comply with applicable requirements under Part 37. For example, NYISO states that proposed NYISO OATT Section 41 does not expressly address CHPE's data retention obligation under section 37.6(a)(5) of the Commission's regulations. In its Deficiency Response, NYISO states that, as a Transmission Provider, CHPE will be subject to applicable Commission data retention requirements, including those imposed by this subsection, and CHPE has confirmed to NYISO that it will comply with these requirements.

⁷⁵ Order No. 888, FERC Stats. & Regs. ¶ 31,036 at 31,694-98.

Order No. 890, the Commission further required that all sales or assignments of capacity be conducted through or otherwise posted on the transmission provider's OASIS, and execute a service agreement on or before the date the reassigned service commences.⁷⁶ We find that NYISO's proposed revisions are consistent with or superior to these requirements, as discussed below.

36. First, NYISO asserts that its proposed capacity reassignment provisions reflect the characteristics of a single direct current scheduling path for the Project, compared to the more complex integrated alternating current transmission networks the *pro forma* OATT rules were developed to accommodate. We find that NYISO's capacity reassignment provisions are consistent with or superior to the capacity reassignment provisions in the *pro forma* OATT because they provide that a transmission customer may sell, assign, or transfer all or a portion of its transmission capacity rights, and that all re-sales or assignments of MTF Reservations are to be posted on the CHPE OASIS on or before the date the reassigned service commences.⁷⁷ We find that the proposed revisions are consistent with or superior to the Commission's *pro forma* OATT because: (1) transmission services over the Project must be posted on the CHPE OASIS; (2) any unused capacity would be made available to all qualifying market participants under the NYISO OATT; (3) CHPE must post any denials of transmission service on its OASIS according to the Commission's OASIS rules, thereby rendering transmission services non-discriminatory; and (4) the additional market monitoring oversight and communication failures protocols proposed by NYISO will provide transparency and customer protections.⁷⁸

37. Next, NYISO has consented to incorporating certain *pro forma* language related to NAESB WEQ standards.⁷⁹ Accordingly, we direct NYISO to submit a compliance filing within 30 days of the date of issuance of this order incorporating those revisions into the OATT.⁸⁰

⁷⁶ Order No. 890, 118 FERC ¶ 61,119 at PP 815-824.

⁷⁷ See Proposed OATT Sections 41.8.1 and 41.8.3; Order No. 888, FERC Stats. & Regs. ¶ 31,036 at 31,694-98; Order No. 890, 118 FERC ¶ 61,119 at PP 808-824.

⁷⁸ Deficiency Response at 10-11 (citing NYISO, Proposed OATT, §§ 41.5.9, 41.6, 41.15, 41.16).

⁷⁹ *Id.* at 12-15.

⁸⁰ See, e.g., *N.Y. Indep. Sys. Operator, Inc.*, 191 FERC ¶ 61,030, at PP 21, 43-44 (2025) (directing compliance where NYISO consented to certain tariff revisions); *Sw. Power Pool, Inc.*, 184 FERC ¶ 61,073 (2023) (directing SPP to file a compliance filing implementing clarifications SPP proposed in its response to a deficiency letter).

The Commission orders:

(A) NYISO's proposed revisions to its OATT and Services Tariff are hereby accepted, effective March 16, 2026.

(B) NYISO is directed to submit a compliance filing within 30 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Secretary.

Additionally, we remind NYISO to include a web page link to the CHPE provider OASIS web page on the NYISO OASIS pursuant to the Commission's OASIS requirement that "Transmission Providers must provide a link to all of the rules, standards, and practices that relate to transmission services posted on the Transmission Provider's public Web sites." *See* 18 C.F.R. § 37.6(c)(2).

Appendix – Tariff Record

ER26-570-000

New York Independent System Operator, Inc.
NYISO Tariffs

- [NYISO OATT, 2.4 OATT Open Access Same Time Information System - OASIS \(1.0.0\)](#)
- [NYISO OATT, 3 OATT Point-To-Point Transmission Service \(4.0.0\)](#)
- [NYISO OATT, 3.1 OATT Nature of Firm Point To Point Transmission Service \(6.0.0\)](#)
- [NYISO OATT, 9 OATT Attachment C - Methodology To Assess Available Transf \(6.0.0\)](#)
- [NYISO OATT, 12.4 OATT Att F Treatment Of Confidential And Transmission S \(10.0.0\)](#)
- [NYISO OATT, 16.3 OATT Att J Transmission Service, Schedules And Curtailm \(14.0.0\)](#)
- [NYISO OATT, 19.2 OATT Att M Award of TCCs Other Than Through TCC Auction \(13.0.0\)](#)
- [NYISO OATT, 19.8 OATT Att M Auctions for TCCs \(10.0.0\)](#)
- [NYISO OATT, 19.9 OATT Att M Procedures for Sales of TCCs in Each Auction \(10.0.0\)](#)
- [NYISO OATT, 35.23 OATT Att CC Schedule D - M2M Coordination \(11.0.0\)](#)
- [NYISO OATT, 41 OATT Att II - Champlain Hudson Power Express Merchant T \(0.0.0\)](#)
- [NYISO MST, 4.2 MST Day-Ahead Markets and Schedules \(38.0.0\)](#)
- [NYISO MST, 4.4 MST Real-Time Markets and Schedules \(54.0.0\)](#)
- [NYISO MST, 17.1 MST Att B LBMP Calculation \(43.0.0\)](#)
- [NYISO MST, 23.2 MST Att H Conduct Warranting Mitigation \(56.0.0\)](#)
- [NYISO MST, 29 MST Attachment N - External Transactions at the Prxy Gnr \(2.0.0\)](#)

ER26-570-001

New York Independent System Operator, Inc.
NYISO Tariffs

- [NYISO OATT, 1.3 OATT Definitions - C \(16.0.0\)](#)
- [NYISO OATT, 1.13 OATT Definitions - M \(12.0.0\)](#)
- [NYISO OATT, 1.17 OATT Definitions - Q \(4.0.0\)](#)
- [NYISO OATT, 1.18 OATT Definitions - R \(16.0.0\)](#)
- [NYISO MST, 2.3 MST Definitions - C \(38.0.0\)](#)

- [NYISO MST, 2.13 MST Definitions - M \(34.0.0\)](#)
- [NYISO MST, 2.17 MST Definitions - Q \(5.0.0\)](#)
- [NYISO MST, 2.18 MST Definitions - R \(37.0.0\)](#)