

September 30, 2015

Hon. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Re: New York Independent System Operator, Inc., Further Compliance Filing in  
Docket Nos. EL15-26-000, ER15-498-00[ ]**

Dear Secretary Bose:

In accordance with Paragraphs 62 and 78 of the Commission's August 4, 2015 Order on Clarification, Rehearing, and Compliance (the "Order on Compliance"),<sup>1</sup> the New York Independent System Operator, Inc. ("NYISO") respectfully submits proposed compliance revisions to its Market Administration and Control Area Services Tariff ("Services Tariff"). The NYISO requests that the Commission accept its proposed compliance revisions with an effective date of February 26, 2015.

The Order on Compliance accepted in nearly whole part the tariff revisions filed by the NYISO on April 13, 2015 (the "Initial Compliance Filing"), and directed the NYISO to make a clarifying revision to a sentence in the competitive entry exemption provisions under the buyer-side capacity market power mitigation measures ("BSM Rules").<sup>2, 3</sup> In accordance with the Order on Compliance, this further compliance filing includes the language that the Commission specifically directed the NYISO to incorporate. This compliance filing also includes a minor ministerial correction which is described below.

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<sup>1</sup> *Consolidated Edison Company of New York, Inc., et al. v. New York Independent System Operator, Inc.*, 152 FERC ¶ 61,110 (2015).

<sup>2</sup> Order on Compliance at P 78.

<sup>3</sup> The BSM Rules are set forth in Section 23.4.5.7, *et seq.* of the Services Tariff.

## I. DOCUMENTS SUBMITTED

The NYISO respectfully submits this filing letter and the following documents:

1. A clean version of the proposed revisions to Services Tariff Section 23.4.5.7.9.3.2 (“Attachment I”);<sup>4</sup>
2. A blacklined version of the proposed revisions to Services Tariff Section 23.4.5.7.9.3.2 (“Attachment II”).<sup>5</sup>
3. A clean version of revisions to Services Tariff Section 23.4 proposed in this filing, along with all revisions accepted by or pending before the Commission as of the date of this filing, the revisions accepted in the Additional CRIS Order, such pending revisions are those proposed in the SCR Compliance Filing, and the revisions accepted as of this date in the Outage States Order or proposed in the June 1, 2015 Outage States compliance filing (“Attachment III”);<sup>6, 7</sup>
4. A blacklined version of the proposed compliance revisions to Services Tariff Section 23.4, marked on the eTariff base that incorporates all revisions accepted

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<sup>4</sup> The base tariff language in Attachment I and Attachment II (*i.e.*, the language which the compliance tariff revisions described herein are proposed to modify) only reflects language that was accepted and effective, or was pending before the Commission, as of the February 26, 2015 effective date of the Compliance Filing in Docket No. ER15-1498-000. It therefore reflects the language presented to the Commission in the Initial Compliance Filing, which parties reviewed and filed comments on, as described in the Order on Compliance. It does not reflect effective or pending language from the following proceedings: (a) NYISO compliance filing in Docket No. ER10-2731-002 regarding an offer floor exemption for Special Case Resources dated April 20, 2015 in response to FERC Order 150 FERC ¶ 61,208 (2015) (“SCR Compliance Filing”); (b) *New York Independent System Operator, Inc.*, Delegated Letter Order, ER13-1380-005 (August 5, 2014) (accepting compliance filing to delete the current exclusion of forward capacity sales in Services Tariff Section 23.4.5.5(1) effective March 23, 2015) (the “G-J Pivotal Supplier Revision”); (c) *New York Independent System Operator, Inc.*, 151 FERC ¶ 61,075 (2015) (the “Outage States Order”) which conditionally accepted revisions effective May 1, 2015, subject to a June 1, 2015 compliance; and (d) *New York Independent System Operator, Inc.* Delegated Letter Order, Docket No. ER15-1281-000 (May 6, 2015) (accepting “Additional CRIS” tariff revisions effective May 12, 2015 as described in such order (the “Additional CRIS Order”)).

<sup>5</sup> *Id.*

<sup>6</sup> *New York Independent System Operator, Inc., Compliance Filing in Docket No. ER14-2518-000*, Docket No. ER14-2518-003 (June 1, 2015) (“Outage States June 1 Filing”).

<sup>7</sup> Attachments III and IV would reflect Services Tariff Section 23.4 should the Commission accept the revisions herein proposed, with the respective requested effective dates, in: (a) the SCR Compliance Filing, (b) Outage States June 1 Filing, and (c) the revisions proposed herein. As of the date of this filing, the latest actual or proposed effective date to a revision in Section 23.4 is May 12, 2015 (*i.e.*, the tariff revisions accepted in the Additional CRIS Order.)

by or pending before the Commission as of the date of this filing. (“Attachment IV”);

5. Solely for purposes of showing the build of the eTariff, a table reflecting a list of the tariff revision to Services Tariff Section 23.4 along with filing dates and pertinent Commission orders (“Attachment V”); and
6. Solely for purposes of showing the build of the eTariff, the series of tariff sections that are described in Attachment V (Attachment VI).<sup>8</sup>

## II. BACKGROUND

On April 13, 2015, NYISO submitted its first compliance filing in this proceeding to implement the competitive entry exemption. The rules proposed in that filing included a rule on the proposed new Generator<sup>9</sup> or Unforced Capacity Deliverability Rights (“UDR”) projects that are eligible, and those that are not eligible, to request a competitive entry exemption. The Limited Protest of the Independent Power Producers of New York, Inc. (“IPPNY”) requested a clarification of one sentence in the proposed rules, indicating that the language could be interpreted to allow a generator or UDR project that is a member of Class Year 2012 or prior to terminate membership in its current class year, enter a Class Year after 2012 and seek a competitive entry exemption.<sup>10</sup> As IPPNY noted in its Limited Protest, the NYISO did not intend that interpretation and does not object to IPPNY’s proposed revisions to that sentence.<sup>11</sup>

The Order on Compliance agreed and directed the NYISO to incorporate the revision proposed by IPPNY “thereby clarifying that the competitive entry exemption is not available for generator or Unforced Capacity Deliverability Rights projects that are members of completed Class Years.”<sup>12</sup> The Commission conditionally accepted the NYISO’s proposed revisions regarding Class Year 2012 eligibility subject to this compliance revision.

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<sup>8</sup> The documents that comprise Attachment VI, the eTariff build, solely reflect the Services Tariff language effective on a particular date. They do not necessarily reflect the language as presented to the Commission in a filing. Examples of the manner in which language pending before the Commission was proposed for revision before the Commission acted on proposed language filed earlier, or was later revised in compliance with a Commission order on rehearing, can be seen in, *e.g.*, the Additional CRIS Compliance Filing Section IV; the NYISO’s *Request for Expedited Clarification of the New York Independent System Operator, Inc.*, Docket Nos. EL07-39-007, ER08-695-005, ER10-2371-001 (March 30, 2015); and the SCR Compliance Filing. The Commission’s record in the respective proceedings provides the full context, whereas certain documents in Attachment VI hereto do not.

<sup>9</sup> Capitalized terms that are not otherwise defined herein shall have the meaning specified in the Services Tariff.

<sup>10</sup> Docket No. ER15-1498-000 *Limited Protest of Independent Power Producers of New York* (“IPPNY Limited Protest”) (May 4, 2015) at 3-5.

<sup>11</sup> IPPNY Limited Protest at 4.

<sup>12</sup> Order on Clarification P 78.

### **III. DESCRIPTION OF PROPOSED COMPLIANCE TARIFF REVISIONS**

In accordance with the Order on Compliance, this compliance filing proposes to revise Section 23.4.5.7.9.3.2 of the Services Tariff to specify that “A Generator or UDR project that remains a member of a completed Class Year, if such Class Year is Class Year 2012 or prior Class Years, shall not be eligible to request or receive a Competitive Entry Exemption.” This is the exact language that the Commission directed the NYISO to adopt, except that the NYISO has corrected a minor grammatical error to use the singular “UDR project” (rather than “projects” for consistency within the sentence.

### **IV. EFFECTIVE DATE**

The NYISO requests that the Commission make the tariff revisions proposed in this filing effective on February 26, 2015, the day that the Commission issued the Order.<sup>13</sup>

### **V. COMMUNICATIONS AND CORRESPONDENCE**

All communications and services in this proceeding should be directed to:

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### **VI. SERVICE**

This filing will be posted on the NYISO’s website at [www.nyiso.com](http://www.nyiso.com). The NYISO will serve the parties in the Ordering docket, EL15-26-000. In addition, the NYISO will e-mail an electronic link to this filing to the official representative of each party to this proceeding, to each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, and to the New Jersey Board of Public Utilities.

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<sup>13</sup> See Order, Ordering Paragraph (C).

## VII. CONCLUSION

Wherefore, for the foregoing reasons, the New York Independent System Operator, Inc. respectfully requests that the Commission accept the tariff revisions proposed in this filing and make them effective as of February 26, 2015.

Respectfully submitted,

/s/ Gloria Kavanah

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Counsel for the  
New York Independent System Operator, Inc.

cc: Michael Bardee  
Anna Cochrane  
Kurt Longo  
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Gary Will

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 30<sup>th</sup> day of September 2015.

/s/ Joy A. Zimmerlin

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