

Marc Richter Vice President **Regulatory Services**

February 22, 2016

CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION

By Electronic Delivery

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

> Re: Filing of an Executed Restated and Amended Facilities Agreement Between the Central Hudson Gas & Electric Corporation and Consolidated Edison Company of New York, Inc., and Request for Critical Energy Infrastructure Information Designation, Docket No. ER16-___-000

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Section 35.12 of the Commission's Regulations, ² Central Hudson Gas & Electric Corporation ("Central Hudson") and Consolidated Edison Company of New York, Inc. ("Con Edison") hereby tender for filing an executed Restated and Amended Facilities Agreement ("Agreement"), designated as Service Agreement No. 2263, between Central Hudson and Con Edison (collectively, the "Parties").

The New York Independent System Operator, Inc. ("NYISO") is not a party to this Agreement because the project is not subject to the NYISO's interconnection process, which requires a three party agreement as the Agreement. The Agreement is between two New York transmission owners and is being filed by the Parties. Two-party

² 18 C.F.R. § 35.12 (2008).

¹ 16 U.S.C. § 824d (2006).

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interconnection agreements are designated as Service Agreements under the NYISO Open Access Transmission Tariff ("OATT").³

I. BACKGROUND

On June 3, 2010, the Commission accepted for filing a Facilities Agreement between Central Hudson and Con Edison, dated as of February 8, 2010 ("2010 Facilities Agreement"). The 2010 Facilities Agreement provided for the construction and operation of a second electrical connection ("Second Tie") between substations that Con Edison and Central Hudson own in East Fishkill, New York. Con Edison's substation operates at 345kV and Central Hudson's substation operates at 115kV.

Central Hudson owns, maintains, and operates the portion of the Second Tie that is located within the Central Hudson Substation. It also owns, maintains, and operate (subject to Con Edison's operating jurisdiction) a circuit breaker located on Con Edison's property. Con Edison owns and maintains the disconnect switch necessary for the Second Tie which is located at the Con Edison substation.

The 2010 Facilities Agreement inadvertently did not expressly include the agreed upon provision that Central Hudson would be responsible for the real estate property taxes associated with portion of the Second Tie that is located on Con Edison property. The Agreement corrects this oversight and states that Central Hudson shall be responsible for such property taxes.⁴ There are no other substantive changes in the Agreement from the 2010 Facilities Agreement.

The provision in the Agreement that Central Hudson shall be responsible for the property taxes associated with the portion of the Second Tie located on Con Edison property is consistent with the Commission's recent acceptance of the interconnection agreements between Con Edison and Central Hudson⁵ and between Con Edison and Orange and Rockland Utilities, Inc.,⁶ which were part of the proposed electric transmission line between Con Edison's Ramapo substation and the Central Hudson's Rock Tavern substation.

 3 Consolidated Edison Company of New York, Inc., 119 FERC \P 61,206 (2007); Consolidated Edison Company of New York, Inc., Docket No. ER09-1515-000, Letter Order dated September 3, 2009; Niagara Mohawk Power Corporation, 121 FERC \P 61,183 (2007).

⁴ Con Edison has not billed and Central Hudson paid not any of the associated property taxes.

⁵ Docket No. ER15-1422, Central Hudson Gas & Electric Corporation and Consolidated Edison Company of New York, Inc. (May 14, 2015).

⁶ Docket No. ER15-1846, Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (July 17, 2015).

III. REQUEST FOR CEII TREATMENT

Pursuant to the Commission's regulations at 18 C.F.R. §388.112 and 18 C.F.R. § 388.113, Con Edison and Central Hudson request that Annex I and Annex II to the Agreement be protected from disclosure as Critical Energy Infrastructure Information ("CEII"). These one-line diagrams contain one-line schematics of transmission facilities which, if disclosed, could pose a threat to the security and the reliability of the New York State bulk power system. These diagrams provide more than simply the general location of critical infrastructure. Unlike publicly available maps of power transmission lines and generation and substation facilities, these schematics show the exact nature and specific location of facilities and transmission lines used to maintain the reliability of the New York State bulk power system. They reveal critical information related to the facilities and transmission depicted therein that, if disclosed, could be useful to a person seeking to disable the power grid. Therefore, the disclosure of these CEII diagrams would pose a threat to the reliability of the New York State bulk power system and to the health and safety of New York residents. Moreover, the information revealed in these schematics reveal CEII that the Commission has determined to be exempt from mandatory disclosure under 5 U.S.C. § 552(b) (7) (F). The diagrams have been omitted from the Public version of the Agreement included in this filing. The diagrams are included only in the CEII version of the Agreement in the filing.

All communications relating to this request for CEII treatment should be addressed to the following:

For Con Edison:

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Of New York, Inc.
4 Irving Place, Room 13NW
New York, NY 10003
Phone: (212) 460, 4244

Phone: (212) 460-4244 Fax: (212) 529-1130 Paul A. Savage Associate Counsel Consolidated Edison Company Of New York, Inc. 4 Irving Place, Room 1815-S New York, NY 10003 Phone: (212) 460-2764

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For Central Hudson

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IV. COMMUNICATIONS AND CORRESPONDENCE

Communications regarding this filing should be directed to:

For Central Hudson:

Paul A. Colbert Associate General Counsel- Regulatory Affairs Central Hudson Gas & Electric Corporation 284 South Avenue Poughkeepsie, New York 12601

Phone: (845) 486-5831 Fax: (845) 486-5782

For Con Edison:

Paul A. Savage Associate Counsel Consolidated Edison Company Of New York, Inc. 4 Irving Place, Room 1815-S New York, NY 10003

Phone: (212) 460-2764 Fax: (212) 529-9265

V. DOCUMENTS SUBMITTED

This filing consists of the following documents:

- A. this filing letter;
- B. a Public version of the Agreement; and
- C. a CEII version of the Agreement.

VII. SERVICE

Copies of this filing have been served on the Central Hudson, NYPSC, and the NYISO.

VIII. CONCLUSION

Wherefore, Con Edison and Central Hudson respectfully request that the Commission accept the attached Agreement.

Respectfully submitted,

Marc Richter

Consolidated Edison Company of New York, Inc.

Vice President

By: Wave Pachter