

July 26, 2016

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

**Re: Niagara Mohawk Power Corporation d/b/a National Grid
Docket No. ER16-____-000
Small Generator Interconnection Agreement with
Innovative/Colonie, LLC**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ and Part 35 of the Federal Energy Regulatory Commission’s (“Commission”) regulations,² Niagara Mohawk Power Corporation d/b/a/ National Grid (“National Grid”) submits a Small Generator Interconnection Agreement (“SGIA”) between National Grid and Innovative/Colonie, LLC (“Innovative/Colonie”). The SGIA is designated as Service Agreement No. 2293 under the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”).

National Grid respectfully requests that the Commission grant waiver of its prior notice requirement and accept the SGIA for filing effective as of the date it was executed, *i.e.*, April 29, 2016.

I. Background

National Grid is a public utility subject to the Commission’s jurisdiction that owns transmission facilities located in New York.

Innovative/Colonie owns a 6.4 MW landfill gas generation facility (the “Plant”) located in Colonie, New York. The Plant is certified as a qualifying facility (“QF”).³

The Plant is currently subject to an Interconnection Agreement (“Prior Interconnection Agreement”) between National Grid and Innovative Energy Systems, Inc. (as Innovative/Colonie was previously named) that the Commission accepted for

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35.

³ See the self-certification of QF status filed in Docket No. QF05-155-003 on May 25, 2016 (“QF Self-Certification”).

filing in Docket No. ER06-696 effective May 2, 2006.⁴ National Grid will submit a separate filing to terminate the Prior Interconnection Agreement effective April 29, 2016 conditioned upon the acceptance of the 2016 SGIA submitted in this filing.

II. Description of the SGIA and Filing Requirements

The SGIA submitted in this filing generally conforms with the *pro forma* Small Generator Interconnection Agreement set forth in Appendix 9 of Attachment Z to the NYISO OATT, with only minor modifications. Those modifications include the elimination of the NYISO as a party to the agreement and revisions to reflect the fact that the Generating Facility is an existing facility.

Apart from reflecting updated provisions that conform the SGIA to the current version of the NYISO *pro forma* Small Generator Interconnection Agreement, the SGIA differs from the Prior Interconnection Agreement in the following respects:

- The introductory provisions and Article 13 of the SGIA (entitled “Notices”) include updated contact information for the National Grid and Innovative/Colonie representatives.
- Attachment 2 to the SGIA (entitled “Detailed Scope of Work, Including Description and Costs of the Small Generating Facility, Interconnection Facilities, and Metering Equipment”) includes provisions describing the Plant and the attachment facilities, point of interconnection, and point of change of ownership for the Plant. Attachment 2 omits outdated provisions from Attachment 2 to the Prior Interconnection Agreement regarding construction costs and estimated operation and maintenance costs associated with the interconnection of the Plant.
- Attachment 3 to the SGIA (entitled “One-Line Diagram Depicting the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Upgrades”) contains an updated one-line diagram.
- Attachment 4 to the SGIA (entitled “Milestones”) omits milestone dates from Attachment 4 to the Prior Interconnection Agreement that have already been met.
- Attachment 5 to the SGIA (entitled “Additional Operating Requirements for the New York State Transmission System, the Distribution System and Affected Systems Needed to Support the Interconnection Customer’s Needs”) omits an electric system bulletin that was included in Attachment 5 to the Prior Interconnection Agreement but that need not be included in the SGIA.

⁴ See Commission letter order, Docket Nos. ER06-694-000, *et al.* (Mar. 31, 2006). The Prior Interconnection Agreement is designated as Service Agreement No. 916 under the NYISO OATT.

The SGIA states that it will become effective upon execution by National Grid and Innovative/Colonie, subject to acceptance by the Commission.⁵ The SGIA was executed on April 29, 2016.

Pursuant to the Commission's order in *New England Power Company*,⁶ the Commission's standard interconnection rules promulgated in Order No. 2003, and the procedures and agreements related thereto, including the Small Generator Interconnection Procedures set forth in Appendix Z to the NYISO OATT, do not apply in this case. In *New England Power Company*, the Commission held that, where there are no proposed increases in capacity or material modifications of the characteristics of an existing generating facility, Order No. 2003 does not apply to generator interconnection agreements because they are not "new interconnection requests."⁷

The Plant is an existing facility, and pursuant to the NYISO Small Generator Interconnection Procedures, the NYISO and National Grid have determined that there are no proposed material increases in capacity or material modifications to the characteristics of the facility.⁸ Thus, for the reasons explained in *New England Power Company*, the Commission should also find here that the standard interconnection rules promulgated in Order No. 2003, and the procedures and agreements related thereto, including the NYISO Small Generator Interconnection Procedures, do not apply in this case. Because this interconnection was not processed under the NYISO Small Generator Interconnection Procedures, the NYISO is not a party to the SGIA.

III. Effective Date and Request for Waiver

Pursuant to Section 35.11 of the Commission's regulations,⁹ National Grid respectfully requests waiver of the requirement contained in Section 35.3 of the Commission's regulations¹⁰ to allow the SGIA to become effective upon the date the agreement was executed by the Parties, *i.e.*, April 29, 2016.

⁵ SGIA, Article 3.1.

⁶ 109 FERC ¶ 61,364 (2004).

⁷ *Id.* at P 13. *See also Jersey Central Power & Light Company*, 110 FERC ¶ 61,273, at P 11 (2005) (stating that "because the revision to the existing interconnection agreement does not 'increase the capacity of a generating unit in the PJM Region,' PJM's interconnection procedures in its OATT . . . do not apply").

⁸ As noted in the QF Self-Certification, the Plant was recently expanded from 4.8 MW to 6.4 MW. However, the NYISO and National Grid determined that the expansion was not a material increase in capacity or a material modification because it was less than a 2 MW increase and the Plant was designed for a final capacity of 6.4 MW. Therefore, the expansion did not need to be processed under the NYISO Small Generator Interconnection Procedures. *See* NYISO OATT, Attachment Z, Section 32.1.3.

⁹ 18 C.F.R. § 35.11.

¹⁰ 18 C.F.R. § 35.3.

Good cause exists for the Commission to grant this waiver. Granting the waiver will accord with the intent of National Grid and Innovative/Colonie to make the SGIA effective as of April 29, 2016, the date the Parties executed the SGIA, as stated therein. Therefore, no prejudice will result to any Party from granting the waiver. For these reasons, the Commission should find that good cause exists to grant an effective of April 29, 2016.

IV. Attachments

In addition to this transmittal letter, this filing includes the SGIA which is provided in Attachment A hereto.

V. Communications and Service

Communications regarding this filing should be addressed to the following individuals, whose names should be entered on the official service list maintained by the Secretary for this proceeding:

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Copies of this filing have been served on Innovation/Colonie, the NYISO, and the New York State Public Service Commission.

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VI. Conclusion

For the reasons stated herein, National Grid respectfully requests that the Commission accept the SGIA effective as of April 29, 2016.

Respectfully submitted,

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