

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

New York Independent System Operator, Inc. and PJM Interconnection L.L.C.)))	Docket Nos. ER17-905-000 and ER17-905-001
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**MOTION FOR LEAVE TO ANSWER AND ANSWER
OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.**

Pursuant to Rules 212 and 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”),¹ the New York Independent System Operator, Inc. (“NYISO”) submits a motion for leave to answer, and an answer to, the requests filed in the above docket by the New Jersey Board of Public Utilities (“NJBP”) and the Public Service Electric and Gas Company (“PSE&G”) for rehearing of the Commission’s *Order Accepting Tariff Revisions and Denying Request for Rehearing and Clarification* issued on October 6, 2017 (“October 6 Order”).² Collectively, the NJBP’s and PSE&G’s pleadings are referred to below as the “Rehearing Requests.”

I. REQUEST FOR LEAVE TO FILE ANSWER

The NYISO recognizes that the Commission generally discourages answers to rehearing requests.³ Nonetheless, the Commission has the discretion to accept answers to rehearing requests, and has done so when those answers help to clarify complex issues, provide additional information, or are otherwise helpful in the Commission’s decision-making process.⁴ The

¹ 18 C.F.R. §§ 385.212 and 385.213.

² *New York Independent System Operator, Inc. and PJM Interconnection L.L.C.*, 161 FERC ¶ 61,033 (2017).

³ See 18 C.F.R. § 385.213(a)(2).

⁴ See *Black Oak Energy, L.L.C. v. PJM Interconnection, L.L.C.*, 125 FERC ¶ 61,042 at P 14 (2008) (accepting answer to rehearing request because the Commission determined that it has “assisted us in our decision-making process.”); *FPL Energy Marcus Hook, L.P. v. PJM Interconnection, L.L.C.*, 123 FERC ¶ 61,289 at P 12 (2008)

NYISO's answer fulfills these purposes as it is limited to a few key points on which the NYISO has a unique perspective and will assist the Commission in its decision-making.⁵ Accordingly, the NYISO respectfully requests leave to answer the Rehearing Requests.

II. ANSWER

The Rehearing Requests argue that the Commission erred in the October 6 Order by precluding the allocation of costs to New York, which they allege will benefit from the initial Operational Base Flow or OBF.⁶ The NYISO has not asked PJM for any OBF. The NYISO agreed to the initial 400 MW OBF at PJM's request to support reliable system operation in Northern New Jersey. The OBF is not required to protect the reliable operation of the New York State Transmission System.

The NYISO recently agreed⁷ to PJM's request to reduce the initial 400 MW OBF to zero⁸ as of October 31, 2019. NYISO agreed to the OBF reduction based on PJM's statement that forward looking planning studies show "the Bergen-Linden Corridor project will eliminate the

(accepting "PJM's and FPL's answers [to rehearing requests], because they have provided information that assisted us in our decision-making process"); *N. Y. Indep. System Operator, Inc.*, 123 FERC ¶ 61,044 at P 39 (2008) (accepting answers to answers because they provided information that aided the Commission's decision-making process).

⁵ By its silence, the NYISO does not concur in any other grounds advanced in the Rehearing Requests, all of which ignore critical portions of the record evidence and arguments considered by the Commission.

⁶ See *New Jersey Board of Public Utilities*, Request for Rehearing, Docket Nos. ER17-905-000 and ER17-905-001, (November 6, 2017) at p. 5; *Public Service Electric and Gas Company*, Request for Rehearing, Docket Nos. ER17-905-000 and ER17-905-001, (November 6, 2017) at pp. 6-7.

⁷ See NYISO Letter to PJM, September 29, 2017, attached hereto as Attachment I, and available at http://www.nyiso.com/public/webdocs/markets_operations/documents/Miscellaneous/Notices/NYISO_agreement_to_reduce_initial_OBF_effective_10-31-2019.pdf?_cldee=c2Fzc29ubUBjb25lZC5jb20%3d&recipientid=contact-0f94869ce3eae4119401005056815c52-ccaf69a035f24c20859b469d000bec3d&esid=03d4051c-dda9-e711-9439-005056815c52.

⁸ See PJM Letter to NYISO, September 8, 2017, attached hereto as Attachment II, and available at http://www.nyiso.com/public/webdocs/markets_operations/documents/Miscellaneous/Notices/PJM_request_to_reduce_initial_OBF_effective_10-31-2019.pdf?_cldee=c2Fzc29ubUBjb25lZC5jb20%3d&recipientid=contact-0f94869ce3eae4119401005056815c52-ccaf69a035f24c20859b469d000bec3d&esid=03d4051c-dda9-e711-9439-005056815c52.

need for the OBF”⁹ and NYISO’s own assessment that the OBF reduction is not projected to present any reliability issues within the New York Control Area.¹⁰

III. CONCLUSION

The New York Independent System Operator, Inc. respectfully requests that the Commission grant this motion for leave to answer, accept this answer, and reject the Rehearing Requests.

Respectfully submitted,

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⁹ See PJM Letter to NYISO.

¹⁰ See NYISO Letter to PJM.