

July 11, 2018

By Electronic Delivery

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

Re: Joint Filing by New York Independent System Operator, Inc., Niagara Mohawk Power Corporation d/b/a National Grid of an Executed Amended and Restated Small Generator Interconnection Agreement Among the New York Independent System Operator, Inc., Niagara Mohawk Power Corporation d/b/a National Grid, and Monroe County, New York; and Request for Waiver of 60-Day Notice Period; Docket No. ER18-____-000.

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act¹ and Section 35.13 of the Commission's regulations,² the New York Independent System Operator, Inc. ("NYISO") and Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid") (together, the "Joint Filing Parties") hereby tender for filing an executed Amended and Restated Small Generator Interconnection Agreement among the NYISO, National Grid, as the Connecting Transmission Owner, and Monroe County, New York ("Monroe County"), as the Developer (the "Amended Agreement"). The Amended Agreement is labeled as Service Agreement No. 2219 under the NYISO's Open Access Transmission Tariff ("OATT").

The Joint Filing Parties respectfully request that the Commission accept the Amended Agreement for filing. With the limited exception described in Part I of this letter, the Amended Agreement conforms to the NYISO's *pro forma* Small Generator Interconnection Agreement ("Pro Forma SGIA") that is contained in Attachment Z to the OATT. Further, as described in Part II of this letter, the Joint Filing Parties respectfully request a waiver of the Commission's prior notice requirements³ to make the Amended Agreement effective as of June 26, 2018, which is the date of its full execution.

¹ 16 U.S.C. § 824d (2012).

² 18 C.F.R. § 35.13 (2017).

³ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

I. Discussion

A. Background

The Amended Agreement supersedes the Small Generator Interconnection Agreement among the NYISO, National Grid, and Monroe County (the “Original Agreement”) that was filed in Docket No. ER15-2285-000 on July 27, 2015,⁴ revised by the parties and re-filed on September 22, 2015,⁵ and accepted by the Commission on November 12, 2015.⁶ The Original Agreement substantially conformed to the Pro Forma SGIA, but included certain non-conforming modifications that were accepted by the Commission.

As described in the Original Agreement, Monroe County operates a 6.4 MW landfill gas-to-energy generation facility located in Riga, New York (the “Facility”). The existing 6.4 MW Facility consists of eight Caterpillar 800 kW 3516 generators. The Point of Interconnection for the Facility is the point at which it interconnects to National Grid’s Caledonia-Churchville 34.5 kV Line #201 at Pole 610, approximately 8.42 miles from Caledonia Substation and 0.65 miles from Churchville Substation, as depicted on the one-line diagram in Attachment 3 of the Amended Agreement.

Monroe County originally operated the Facility under a two-party agreement with National Grid that pre-dated the NYISO’s interconnection procedures. Monroe County subsequently proposed to expand the Facility to 9.6 MW by installing two Caterpillar 1600 kW 3520 generators in a separate structure. As a result of the proposed expansion, the NYISO, National Grid, and Monroe County entered into the three-party Original Agreement in place of the then existing two-party agreement. Monroe County did not elect for the NYISO to evaluate under its Class Year Facilities Study Process the additional capacity created by the proposed expansion of the Facility to 9.6 MW. Accordingly, the Original Agreement included non-conforming modifications to Section 1.3.1 and related provisions in Attachment 5 to limit the Facility’s Capacity Resource Interconnection Service (“CRIS”) value to 6.4 MW.

Monroe County subsequently informed the NYISO and National Grid that it no longer plans to expand the Facility. Accordingly, the Joint Filing Parties have amended the Original Agreement to remove references to the expansion.

⁴ *New York Independent System Operator, Inc., and National Grid USA Service Company, Inc., filing of SGIA among NYISO, NMPC and Monroe County*, Docket No. ER15-2285-000 (Jul. 27, 2015).

⁵ *New York Independent System Operator, Inc., Amendment to SGIA 2219 among NYISO, NMPC and Monroe County*, Docket No. ER15-2285-000 (Sept. 22, 2015).

⁶ *See New York Independent System Operator, Inc., and National Grid USA Service Company, Inc., Letter Order*, Docket No. ER15-2285-000 (Nov. 12, 2015).

B. The Amended Agreement Closely Conforms to the Pro Forma SGIA Contained in Attachment Z of the NYISO OATT

The Amended Agreement was fully executed on June 26, 2018 by the NYISO, National Grid, and Monroe County. As described above, the Original Agreement largely conformed to the Pro Forma SGIA with certain limited exceptions accepted by the Commission. As described below, these previously accepted non-conforming changes are no longer necessary and were removed from the Amended Agreement; however, the Amended Agreement contains one limited non-conforming exception to the Pro Forma SGIA. This limited non-conforming exception described below concerns the applicability of the primary frequency response requirements adopted by the Commission in its Order No. 842.⁷ The Joint Filing Parties submit that the changes specified below satisfy the Commission's standard for variations from the Pro Forma SGIA because unique circumstances exist that require a non-conforming agreement.⁸ Therefore, the Joint Filing Parties respectfully request that the Commission accept the Amended Agreement with the removal of the non-conforming changes made to the Original Agreement and the inclusion of the limited non-conforming change described below.

1. Removal of Previous Modifications to the Pro Forma SGIA

The Original Agreement included non-conforming changes in Article 1.3.1 to limit the Facility's CRIS value in the manner described in Attachment 5 to reflect that, notwithstanding the proposed expansion, the Facilities CRIS rights were limited to 6.4 MW. This language is no longer required as, without the expansion, the Facility's CRIS rights equal the Energy Resource Interconnection Service of the Facility. The Parties have therefore deleted the non-conforming revision to Article 1.3.1 and removed the related language from Attachment 5.

2. Variation From the NYISO's Pro Forma SGIA

In Order No. 842, the Commission revised its regulations to require newly interconnecting large and small generating facilities, or large and small generating facilities for which a new interconnection request has been submitted, to install, maintain, and operate equipment capable of providing primary frequency response.⁹ In compliance with Order No. 842, the NYISO inserted a new Article 1.8.3 in its Pro Forma SGIA for the primary frequency response requirements.¹⁰

⁷ *Essential Reliability Services and the Evolving Bulk-Power System—Primary Frequency Response*, Order No. 842, 83 Fed. Reg. 9636 (Mar. 6, 2018), 162 FERC ¶ 61,128 (2018) (“Order No. 842”).

⁸ *See, e.g., PJM Interconnection, LLC*, 111 FERC ¶ 61,163, at PP. 10-11, *reh'g denied*, 112 FERC ¶ 61,282 (2005).

⁹ Order No. 842 at PP. 1, 247.

¹⁰ *New York Independent System Operator, Inc., Compliance Filing Order No. 842*, Docket No. ER18-1620-000 (May 15, 2018).

As the Amended Agreement is not for a newly interconnecting facility nor the result of a new interconnection request, the primary frequency response requirements in Article 1.8.7 do not apply. Accordingly, Article 1.8.3 of the NYISO's Pro Forma SGIA has not been included in the Amended Agreement.¹¹

C. Modifications

The NYISO, National Grid, and Monroe County have made the following modifications to the Original Agreement to ensure consistency with the current Pro Forma SGIA and to reflect the modification to the proposed Facility described in the Original Agreement:

- Modifications to reflect revisions to the Pro Forma SGIA that have been approved by the Commission since the execution of the Original Agreement;
- Modifications to reflect that this is the "Amended and Restated" Agreement;
- Revisions to the Project Description, Interconnection Customer's Interconnection Facilities, and Connecting Transmission Owner's Interconnection Facilities provided in Attachment 2 to remove references to the Facility's expansion anticipated in the Original Agreement;
- Deletion of the Scope of Work and Responsibilities and Cost Estimate of Connecting Transmission Owner's Interconnection Facilities from Attachment 2 to reflect that no new facilities will be designed or constructed;
- Insertion of updated one-line diagram in Attachment 3;
- Revision of milestones associated with the Facility in Attachment 4; and
- Deletion of the description of System Upgrade Facilities, Elective System Upgrade Facilities, and the cost estimates related thereto from Attachment 6 to remove references to the Facility's expansion anticipated in the Original Agreement.

II. Proposed Effective Date and Request for Wavier of the 60-Day Notice Period

The Joint Filing Parties request an effective date of June 26, 2018 for the Amended Agreement, which is the date of its full execution. The Joint Filing Parties respectfully request that the Commission waive its prior notice requirement to permit the requested effective date. The Commission has previously permitted interconnection agreements to become effective upon the date of execution.¹²

¹¹ Order No. 842, P. 252 ("[T]he requirements of [Order No. 842] apply to all newly interconnecting large and small generating facilities that execute or request the unexecuted filing of a LGIA or SGIA on or after the effective date of this Final Rule as well as all existing large and small generating facilities that take any action that requires the submission of a new interconnection request that results in the filing of an executed or unexecuted interconnection agreement on or after the effective date of this Final Rule.").

¹² See, e.g., *New York Independent System Operator, Inc. and New York State Electric & Gas Corporation*, Docket No. ER11-2953-000 (April 7, 2011) (accepting interconnection

III. Communications and Correspondence

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

For the NYISO¹³

Robert E. Fernandez, General Counsel
Karen Georgenson Gach, Deputy General Counsel
*Sara B. Keegan, Senior Attorney
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144
Tel: (518) 356-6000
Fax: (518) 356-4702
skeegan@nyiso.com

*Ted J. Murphy
Hunton Andrews Kurth LLP
2200 Pennsylvania Avenue, NW
Washington, D.C. 20037
Tel: (202) 955-1500
Fax: (202) 778-2201
tmurphy@hunton.com

*Michael J. Messonnier Jr.
Sevren R. Gourley
Hunton Andrews Kurth LLP
951 East Byrd Street
Richmond, VA 23219
Tel: (804) 788-8200
Fax: (804) 344-7999
mmessonnier@hunton.com

For Niagara Mohawk d/b/a National Grid

*Kathryn Cox-Arslan
Director, Transmission Commercial Services
National Grid
40 Sylvan Road
Waltham, MA 02451
Tel: (781) 907-2406
Fax: (781) 522-1063
Kathryn.Cox-Arslan@nationalgrid.com

*David C. Lodemore
Senior Counsel
National Grid
40 Sylvan Road
Waltham, MA 02451
Tel: (781) 907-3704
Fax: (781) 296-8091
david.lodemore@nationalgrid.com

Christopher J. Novak
Senior Counsel
National Grid

agreement effective as of date of execution); *see also* *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-985-000 (June 26, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority, Letter Order*, Docket No. ER08-861-000 (May 27, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority, Letter Order*, Docket No. ER08-699-000 (May 16, 2008) (same).

¹³ The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2014) to permit service on counsel in both Washington, D.C. and Richmond, VA.

40 Sylvan Road
Waltham, MA 02451
Tel: (781) 907-2112
Fax: (781) 296-8091
Chris.Novak@nationalgrid.com

*Designated to receive service.

IV. Documents Submitted

The Joint Filing Parties submit the following documents with this filing letter:

- A clean version of the Amended Agreement (“Attachment I”);
- A blacklined version of the Amended Agreement showing the changes from the Original Agreement (“Attachment II”); and
- The signature pages for the Amended Agreement (“Attachment III”).

V. Service

On behalf of the Joint Filing Parties, the NYISO will send an electronic link to this filing to the official representative of 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. In addition, a complete copy of the documents included with this filing will be posted on the NYISO’s website at www.nyiso.com.

VI. Conclusion

Wherefore, the Joint Filing Parties respectfully request that the Commission accept the Amended Agreement for filing with an effective date of June 26, 2018.

Respectfully submitted,

Sara B. Keegan
Sara B. Keegan
Counsel for the
New York Independent System Operator, Inc.

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David C. Lodemore
David C. Lodemore
Counsel for Niagara Mohawk Power Corporation
d/b/a National Grid

cc: Anna Cochrane
James Danly
Jignasa Gadani
Jette Gebhart
Kurt Longo
David Morenoff
Daniel Nowak
Larry Parkinson
Douglas Roe
Kathleen Schnorf
Gary Will