

July 16, 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 Large Generator Interconnection Agreement Among the New York Independent System Operator, Inc., Niagara Mohawk Power Corporation d/b/a National Grid, and Arkwright Summit Wind Farm LLC; Request for Waiver of the 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 Large Generator Interconnection Agreement entered into by the NYISO, National Grid, as the Connecting Transmission Owner, and Arkwright Summit Wind Farm LLC ("Arkwright"), as the Developer (the "Amended Agreement").³ The Amended Agreement is labeled as Service Agreement No. 2356 under the NYISO's Open Access Transmission Tariff ("OATT").

The Joint Filing Parties respectfully request that the Commission accept the Amended Agreement for filing. The Amended Agreement conforms to the NYISO's *pro forma* Large Generator Interconnection Agreement ("Pro Forma LGIA") that is contained in Attachment X to the OATT with: (i) limited non-conforming exceptions that are described and justified in Part I of this letter; and (ii) limited non-conforming exceptions previously accepted by the Commission for the prior version of this agreement. Further, as described in Part II of this letter, the Joint Filing Parties respectfully request a waiver of the Commission's prior notice requirements⁴ to make the Amended Agreement effective as of June 28, 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 Capitalized terms that are not otherwise defined in this filing letter shall have the meaning specified in Attachments S or X of the NYISO OATT, and if not defined therein, in the NYISO OATT and NYISO Market Administration and Control Area Services Tariff.

⁴ 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 Large Generator Interconnection Agreement among the NYISO, National Grid, and Arkwright (the “Original Agreement”) that was filed in Docket No. ER17-2334-000 on August 18, 2017,⁵ and was accepted by the Commission on October 12, 2017.⁶ The Original Agreement substantially conformed to the Pro Forma LGIA, but included certain non-conforming modifications that were accepted by the Commission.

As described in the Amended Agreement, Arkwright is constructing a wind farm in Arkwright, New York (“Facility”). The Facility will consist of thirty-six Vestas V110 wind turbines (thirty-two 2.2 MW turbines and four 2.0 MW turbines), with a total output of 78.4 MW. The Facility will interconnect to the New York State Transmission System via a new five-breaker open-ring station located between structures 120 and 122 of National Grid’s 115 kV Dunkirk – Falconer Lines 161 and 162. Figure A-1 of Appendix A of the Amended Agreement provides a one-line diagram showing the Point of Interconnection.

Arkwright elected to seek both Energy Resource Interconnection Service (“ERIS”) and Capacity Resource Interconnection Service (“CRIS”) from the NYISO. Arkwright is participating in the current Class Year Interconnection Facilities Study (“Class Year Study”) for Class Year 2017. The Class Year Study has identified System Upgrade Facilities required for the interconnection of the Facility, including upgrades required to mitigate transfer degradation between the NYISO and PJM Interconnection, LLC (“PJM”) caused by certain projects participating in the Class Year Study, including the Facility (“Thermal Transfer Limit Upgrades”). Accordingly, the NYISO, National Grid, and Arkwright have amended the Original Agreement to reflect these Thermal Transfer Limit Upgrades, Arkwright’s preliminary share of their costs, and requirements for Arkwright’s limited operation of the Facility prior to their completion.

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

The Amended Agreement was fully executed on June 28, 2018 by the NYISO, National Grid, and Arkwright. As described above, the Original Agreement largely conformed to the Pro Forma LGIA with certain limited exceptions accepted by the Commission. The Amended Agreement includes these limited exceptions and certain other non-conforming exceptions to the Pro Forma LGIA described below. The Joint Filing Parties submit that the changes specified below satisfy the Commission’s standard for variations from the Pro Forma LGIA because

⁵ *New York Independent System Operator, Inc., and National Grid USA Service Company, Inc., filing of LGIA among NYISO, NMPC and Arkwright Summit Wind Farm*, Docket No. ER17-2334-000 (Aug. 18, 2017).

⁶ *New York Independent System Operator, Inc., and National Grid USA Service Company, Inc., Letter Order*, Docket No. ER17-2334-000 (Oct. 12, 2017).

unique circumstances exist that require a non-conforming agreement.⁷ Therefore, the Joint Filing Parties respectfully request that the Commission accept the Amended Agreement with the limited non-conforming changes described below.

1. Variations From the NYISO's Pro Forma LGIA

a. Modifications to Reflect Limited Operation of the Facility Prior to Completion of Certain Upgrade Facilities

As described above, the Class Year Study has identified Thermal Transfer Limit Upgrades. These upgrades will not be completed prior to Arkwright's completion of the Facility. Consistent with Article 5.9 of the Pro Forma LGIA and Section 30.12.3 of Attachment X of the NYISO's OATT, the NYISO and National Grid performed certain analysis to determine the extent to which the Facility can operate prior to completion of the upgrades. The requirements for the limited operation of the Facility are described in Article 3 of Appendix C of the Amended Agreement. Accordingly, the parties have modified Article 4.1.1 of the Amended Agreement to provide that the NYISO's provision of ERIS and CRIS are subject to the limited operations requirements in Article 3 of Appendix C.⁸ The Commission has previously accepted this change to the Pro Forma LGIA in similar circumstances.⁹

b. Modifications to Reflect Insurance Requirements from the Original Agreement

Following the execution of the Original Agreement, Arkwright and National Grid complied with the insurance requirements set forth in Section 18.3 of that agreement. The NYISO subsequently filed on October 16, 2017,¹⁰ and the Commission accepted on December 17, 2017,¹¹ tariff revisions as part of a comprehensive interconnection process improvement initiative ("Queue Reform Revisions"), which included revisions to the insurance requirements and increased coverage amounts in Article 18.3 of the Pro Forma LGIA. As Arkwright and National Grid have already complied with the insurance requirements in accordance with the Original Agreement and are near completion of the facilities covered by the agreement, the

⁷ See, e.g., *PJM Interconnection, LLC*, 111 FERC ¶ 61,163 at PP. 10-11, *reh'g denied*, 112 FERC ¶ 61,282 (2005).

⁸ Pursuant to Article 4.1.1, the provision of CRIS is also subject to the requirements of Article 2 of Appendix C which provides, in subsection (d), "The Developer may not supply Unforced Capacity to the New York Control Area from the Large Generating Facility until it has complied with the deliverability requirements pursuant to Attachment S of the NYISO OATT, including acceptance of any cost allocation for SDUs and the posting of associated security or payments."

⁹ See *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER17-352-000 (Jan. 5, 2017) (accepting modifications to Article 4.1.1 of the filed interconnection agreement to address limited operations).

¹⁰ See *New York Independent System Operator, Inc., Proposed Tariff Revisions Regarding Interconnection Process Improvements*, Docket No. ER18-80-000 (Oct. 16, 2017) ("October 2017 Filing").

¹¹ See *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER18-80-000 (December 7, 2017).

parties have agreed to retain the requirements of Article 18.3 in effect at the time the Original Agreement was executed.

c. Modifications Consistent with Order No. 842

Following the effective date of the Original Agreement, the Commission revised its regulations in Order No. 842¹² 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.¹³ In compliance with Order No. 842, the NYISO inserted a new Article 9.5.5 in its Pro Forma LGIA to include primary frequency response requirements and modified the language of Article 9.5.4 of its Pro Forma LGIA consistent with the primary frequency response provisions.¹⁴

As the Amended Agreement is not for a newly interconnecting facility nor the result of a new interconnection request, the new primary frequency response requirements do not apply, and neither Article 9.5.5 of the Pro Forma LGIA nor the corresponding language in Article 9.5.4 of the Pro Forma LGIA have been included in the Amended Agreement.¹⁵

d. Modifications Consistent with Order No. 827

As a wind generating facility, Arkwright's Facility is subject to certain reactive power requirements set forth in Appendix G of the Original Agreement. The Queue Reform Revisions removed Appendix G from the Pro Forma LGIA, because, consistent with the Commission's Order No. 827, the reactive power requirements in Appendix G were no longer applicable to newly interconnecting wind generators that had executed an Interconnection Facilities Study Agreement after September 21, 2016.¹⁶ However, Arkwright executed its Interconnection Facilities Study Agreement prior to September 21, 2016, and its Facility continues to be subject to the requirements in Appendix G. Accordingly, the parties agreed to retain Appendix G in the Amended Agreement.

¹² *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").

¹³ Order No. 842 at PP. 1, 247.

¹⁴ *New York Independent System Operator, Inc., Compliance Filing Order No. 842*, Docket No. ER18-1620-000 (May 15, 2018).

¹⁵ Order No. 842 ("[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.").

¹⁶ See October 2017 Filing at p. 93 (referencing the Commission's *Reactive Power Requirements for Non-Synchronous Generation*, Order No. 827, 155 FERC ¶ 61,277 (2016) at PP. 60-63 in which the Commission advised that once all transition projects have executed LGIAs, the Transmission Provider should submit a filing pursuant to Section 205 of the Federal Power Act to remove Appendix G from the LGIA).

e. Ministerial Modifications

The parties have agreed to make the following modifications in the Amended Agreement to correct certain modifications from the Queue Reform Revisions:

- Correction of the cross-reference in Article 2.1 from Article 3.1, which no longer exists, to Article 3;
- Correction to the first reference to “Indemnified Party” in Article 18.1.2 of the Pro Forma LGIA, which was inadvertently changed to “Indemnifying Party;” and
- Correction of a cross-reference in Article 22.4.

The Commission has previously accepted these changes to the Pro Forma LGIA in similar circumstances.¹⁷

C. Modifications

The NYISO, National Grid, and Arkwright have made the following modifications to the Original Agreement to ensure consistency with the current Pro Forma LGIA, to reflect the limited operations requirements as well as to reflect modifications to the upgrades, costs, requirements and other provisions set forth in the appendices that have been modified from the Original Agreement:

- Modifications to reflect revisions to the Pro Forma LGIA 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 System Upgrade Facilities, Estimated Costs, and Other Requirements provisions in Appendix A;
- Revisions to the Milestones and Security provisions in Appendix B;
- Insertion of Requirements for Limited Operations in Appendix C; and
- Updates to the addresses for the delivery of notices and billings provided in Appendix F.

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

The Joint Filing Parties request an effective date of June 28, 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.

¹⁷ See, e.g., *New York Independent System Operator, Inc. and Consolidated Edison Co. of New York, Inc.*, Letter Order, Docket No. ER18-1161-000 (May 17, 2018).

The Commission has previously permitted interconnection agreements to become effective upon the date of execution.¹⁸

III. Communications and Correspondence

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

For the NYISO¹⁹

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¹⁸ 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 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).

¹⁹ 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.

For Niagara Mohawk d/b/a National Grid

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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 28, 2018.

Respectfully submitted,

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Counsel for the

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