

October 16, 2020

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

**Re: Niagara Mohawk Power Corporation
Docket No. ER21-____-000
Filing of Amended Engineering & Procurement Agreement with
New York Transco, 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 (“Niagara Mohawk”) submits an amended Engineering & Procurement Agreement (“Amended E&P Agreement”) between Niagara Mohawk and New York Transco, LLC (“NY Transco”).³ The Amended E&P Agreement is designated as Service Agreement No. 2531 under the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”).

The Amended E&P Agreement is an undisputed agreement to update the initial prepayment provisions and the scope of work set forth in the Original E&P Agreement. Niagara Mohawk requests that the Commission accept the Amended E&P Agreement to be effective as of September 17, 2020.

I. Background

Niagara Mohawk is a public utility subject to the Commission’s jurisdiction that owns transmission facilities located in New York which have been placed under the operational control of the NYISO.

NY Transco is a limited liability company organized and existing under the laws of New York. NY Transco is owned by subsidiaries of National Grid USA (of which

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Part 35.

³ Together, Niagara Mohawk and NY Transco are referred to in the Amended E&P Agreement and in this transmittal letter as the “Parties.” The Amended E&P Agreement amends the original version of that agreement (“Original E&P Agreement”) previously accepted by the Commission as discussed below.

Niagara Mohawk is another subsidiary), Consolidated Edison Company of New York, Inc., AVANGRID, Inc., and CH Energy Group, Inc.

Niagara Mohawk and NY Transco entered into the Original E&P Agreement to facilitate the performance of certain work that NY Transco has requested Niagara Mohawk to do with respect to the mitigation of the impact of the New York Energy Solution (“NYES”) Project on Niagara Mohawk’s transmission system. As relevant here, the Original E&P Agreement includes Section 7.2 thereto, which addresses an initial prepayment that NY Transco is required to provide to Niagara Mohawk that represents Niagara Mohawk’s current estimate of the actual cost of the work it anticipates performing during the initial 18 months following the effective date of the Original E&P Agreement, and Exhibit A thereto, entitled “Scope of Company Work”.

The Commission accepted the Original E&P Agreement for filing effective March 18, 2020, as requested by the Parties.⁴

II. Amended E&P Agreement

The Parties have revised Section 7.2 in the Amended E&P Agreement to: (1) update the initial prepayment amount from \$1 million to \$1.075 million based on Niagara Mohawk’s most recent estimate of the actual anticipated cost of its work; (2) acknowledge receipt of the original \$1 million amount from NY Transco; (3) state that Niagara Mohawk will invoice NY Transco for, and NY Transco will timely pay, the \$75,000 balance due; and (4) delete a now-obsolete provision stating that Niagara Mohawk will not be obligated to commence any work thereunder prior to its receipt of the initial prepayment.

The Parties have replaced Exhibit A in the Original E&P Agreement with revised Exhibit A in the Amended E&P Agreement. Revised Exhibit A a non-exclusive list of transmission line engineering support efforts that Niagara Mohawk will provide relating to its own facilities. Revised Exhibit A also reflects minor clean-up changes.

As is true under the Original E&P Agreement, Niagara Mohawk is performing services at actual cost as set forth in Articles 1.0 and 7.0 of the Amended E&P Agreement. The Commission should find the price of the services to be performed pursuant to the Amended E&P Agreement to be just and reasonable because Niagara Mohawk will perform these services at actual cost.

III. Effective Date

The Commission’s regulations require service agreements to be filed not more than 30 days after service under the agreements has commenced.⁵ The Parties intend the Amended E&P Agreement to go into effect as of September 17, 2020, *i.e.*, fewer than 30 days after the date the Amended E&P Agreement is being filed. Therefore, Niagara

⁴ Commission Letter Order, Docket No. ER20-1584-000 (June 15, 2020).

⁵ 18 C.F.R. § 35.3(a)(2).

Mohawk requests that the Commission accept the Amended E&P Agreement effective September 17, 2020.

IV. Documents Enclosed

In addition to this transmittal letter, this filing includes the following documents:

- (1) The Amended E&P Agreement (Service Agreement No. 2531 under the NYISO OATT), provided in clean format (Attachment A);
- (2) A document showing in red-line the differences between the Original E&P Agreement and the Amended E&P Agreement (Attachment B); and
- (3) An agreement between the Parties to revise the Original E&P Agreement as reflected in the Amended E&P Agreement (Attachment C).

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 NY Transco, the NYISO, and the New York Public Service Commission.

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VI. Conclusion

For the reasons stated herein, Niagara Mohawk respectfully requests that the Commission accept the Amended E&P Agreement effective as of September 17, 2020.

Respectfully submitted,

/s/ Christopher J. Novak

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