

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

Hecate Energy Greene County 3 LLC

v.

Docket No. EL21-49-000

**Central Hudson Gas & Electric Corporation
New York Independent System Operator, Inc.**

ANSWER OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

Pursuant to Rule 213 of the Commission’s Rules of Practice and Procedure,¹ the New York Independent System Operator, Inc. (“NYISO”) respectfully submits this answer (“Answer”) to the February 11 Complaint (the “Complaint”)² filed against the NYISO and Central Hudson Gas & Electric Corporation (“Central Hudson”) in the above-captioned docket by Hecate Energy Greene County 3 LLC (“Complainant”). The Complaint must be denied because Complainant has not met its burden of proof under Sections 206 and 306 of the Federal Power Act (“FPA”).³

¹ 18 C.F.R. § 385.213 (2020).

² *Hecate Energy Greene County 3 LLC v. Central Hudson Gas & Electric Corp. and New York Independent System Operator, Inc.*, Complaint Requesting Fast Track Processing of Hecate Energy Greene County 3 LLC, Docket No. EL21-49 (February 11, 2021) (“Complaint”).

³ The Commission recently reiterated that complainants have the burden of initially providing sufficient evidence to establish a *prima facie* case and will prevail only if the preponderance of evidence supports their position. See *City of Oakland City of Oakland, California v. Pacific Gas and Electric Company*, 165 FERC ¶ 61,249 at PP 24-25 (2018). The same standard applies to complaints filed under Sections 206 or 306 of the FPA. *Id.*

Complainant has not shown that the NYISO⁴ failed to use Reasonable Efforts when processing Complainant's Interconnection Request for the Green County 3 solar project ("Project") in the NYISO's Small Generator Interconnection Procedures ("SGIP").⁵ While certain discrete steps in the processing of the Project might have been completed more efficiently, the overall time taken to complete the review was reasonable given the unique issues raised by this Project. The Complaint fails to acknowledge the various ways in which the Project was far from typical and ignores key facts and circumstances that necessitated a lengthier than normal study process.

Complainant's assertion that the NYISO must not have used Reasonable Efforts based solely on the total number of days from its Interconnection Request to the execution of its facilities study agreement is specious and conclusory. The Complaint cannot simply assume away the significant and unusual challenges that the Project posed. The NYISO worked diligently to process Complainant's Interconnection Request in light of the complexities of the proposed interconnection and evolving circumstances as the study was being conducted. The NYISO consistently demonstrated a level of effort and diligence at or above that which it uses in administering its interconnection procedures for all projects under the SGIP.

Complainant has also not shown that the NYISO violated its tariff when it developed the base case for the Project's facilities study. There is no basis for its claim that tariff violations resulted in the Project incorrectly being assigned System Upgrade Facilities. The NYISO

⁴ This Answer does not attempt to address all of the Complaint's claims with respect to Central Hudson. Nevertheless, this Answer's demonstration that the Complaint has not met its burden of proof with respect to the NYISO should be a more than sufficient basis for the Commission to deny the Complaint in its entirety.

⁵ All capitalized terms in this Answer will have the meanings set forth in the NYISO's Open Access Transmission Tariff ("OATT") or its Market Administration and Control Area Services Tariff ("Services Tariff"), unless otherwise specified.

establishes the base cases for facilities studies in the SGIP in accordance with its filed rate set forth in Attachments S and Z of the NYISO's Open Access Transmission Tariff ("OATT"). Attachment S authorizes the NYISO to account for updates from Transmission Owners to their existing facilities when the NYISO prepares base cases. Such updates include, among other things, the impacts to the Transmission Owners' existing facilities of generation projects that are interconnecting to their distribution systems via New York State's Standardized Interconnection Requirements ("NYSSIR"). The NYISO acted in accordance with its OATT when it incorporated Central Hudson's system updates in the base case for the facilities study for the Project.

In short, the Complaint has not met its burden of proof. The NYISO made Reasonable Efforts to study the Project and did not violate its tariffs. The Complaint must therefore be denied.

I. BACKGROUND

A. NYISO's Small Generator Interconnection Procedures

The SGIP are set forth primarily in Attachment Z of the OATT and establish the requirements for the interconnection of a Small Generating Facility to either the New York State Transmission System or the Distribution System in New York State that is Commission-jurisdictional.⁶ If a generator seeks to interconnect to distribution facilities that are not Commission-jurisdictional, it must follow the NYSSIR administered by the New York State

⁶ OATT Section 32.1.1.1.

Department of Public Service or an individual utility's interconnection procedures, depending on the project size.⁷

The SGIP establishes process steps and timeframes for the NYISO's administration of a Small Generating Facility's Interconnection Request. The NYISO must use Reasonable Efforts to perform each step.⁸ The NYISO assigns a Queue Position to a Small Generating Facility upon the submission of the Interconnection Request, and the facility is included in the NYISO's Interconnection Queue.⁹ A generator participating in the NYSSIR or a utility's interconnection procedures is not subject to the SGIP requirements in the OATT, is not assigned a Queue Position, and is not included in the NYISO's Interconnection Queue.

Once the NYISO determines that the Interconnection Request is complete, the NYISO, Interconnection Customer, and Connecting Transmission Owner hold a scoping meeting to discuss the Interconnection Request.¹⁰ The NYISO, in coordination with the other parties, will then proceed to conduct successive Interconnection Studies concerning the Small Generating Facility—an optional feasibility study (if elected by the Interconnection Customer), a system impact study, and a facilities study.¹¹ The NYISO may perform the system impact study and facilities study serially or in clusters.¹²

⁷ The NYSSIR is applicable to distribution generation and energy storage resources of 5 MW or less interconnection to distribution facilities. See New York State Standardized Interconnection Procedures, *available at*: [http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/DCF68efca391ad6085257687006f396b/\\$FILE/December%202019%20SIR%20-%20FINAL%20-%20Clean.pdf](http://www3.dps.ny.gov/W/PSCWeb.nsf/96f0fec0b45a3c6485257688006a701a/DCF68efca391ad6085257687006f396b/$FILE/December%202019%20SIR%20-%20FINAL%20-%20Clean.pdf). The utilities' interconnection processes are for those interconnections not subject to either the NYSSIR or NYISO process.

⁸ OATT Sections 32.4.1, 32.4.6.

⁹ OATT Section 32.1.6.

¹⁰ OATT Sections 32.1.3, 32.3.2.

¹¹ OATT Sections 32.3.3, 32.3.4, 32.3.5. This description of the NYISO's SGIP is for a Small Generating Facility that is not eligible to use the Fast Track Process.

¹² OATT Section 32.1.6. The NYISO's Transmission Expansion and Interconnection Manual further provides that "[i]f multiple Small generator projects that are interconnecting in close proximity and are moving forward in the same timeframe under Attachment Z to the NYISO OATT, the NYISO may evaluate them in a

The Interconnection Studies are designed to identify the Interconnection Facilities and Upgrades required for the reliable interconnection of the Small Generating Facility to the New York State Transmission System or Distribution System in accordance with the NYISO Minimum Interconnection Standard. The Interconnection Customer is responsible for the costs of such Interconnection Facilities and Upgrades.¹³ If the facilities study for the Small Generating Facility determines that no System Upgrade Facilities or only Local System Upgrade Facilities are required, the facilities study will be complete. At that point, the Small Generating Facility would proceed to enter into a Small Generator Interconnection Agreement with the NYISO and Connecting Transmission Owner.¹⁴ If, however, the facilities study identifies a non-Local System Upgrade Facility, the Small Generating Facility must be evaluated as a member of the NYISO's next Class Year Interconnection Facilities Study ("Class Year Study") process as set forth in Attachments S and X of the OATT. A Class Year Study evaluates the cumulative impact of a group of proposed generators that have achieved a certain level of development in place of a strictly serial queue.¹⁵ The System Upgrade Facilities required for the Small Generating Facility (if they continue to be identified) and the Interconnection Customer's cost responsibility for such upgrades will be determined in accordance with the Class Year Study requirements.

clustered [System Impact Study] and/or clustered Facilities Study, as appropriate." NYISO Transmission Expansion and Interconnection Manual at Section 3.4.4.

¹³ OATT Sections 32.3.1.2, 32.2.5.3.1, 32.2.5.3.2.

¹⁴ Local System Upgrade Facilities include, for example, a new ring bus for a line connection, while non-Local System Upgrade Facilities (*e.g.*, replacement of an overdutied circuit breaker at a nearby substation or rebuilding/reconductoring portion of a transmission line) require further evaluation in a Class Year Study. *See* OATT Sections 32.3.5.3.2, 32.3.5.7.

¹⁵ OATT Sections 32.1.6, 32.3.5.3.2.

B. Four Projects Sought To Interconnect To An Electrically Similar Location On Or Near Central Hudson’s North Catskill – Coxsackie 69 kV Line

Complainant is a wholly-owned subsidiary of Hecate Energy, LLC. It submitted an Interconnection Request for the Project on January 10, 2017. The Project is a 20 MW solar generating facility that Complainant seeks to interconnect to Central Hudson’s North Catskill – Coxsackie 69 kV transmission line. The NYISO assigned the Project Queue No. 597 in its Interconnection Queue. Complainant elected to skip the optional feasibility study and proceeded directly to a system impact study.

Shortly before Complainant submitted its Interconnection Request, two other wholly-owned subsidiaries of Hecate Energy LLC—Hecate Energy Greene 1 LLC (“Hecate 1”) and Hecate Energy Greene County 2 LLC (“Hecate 2”)—submitted separate Interconnection Requests for related solar generating facilities on or near the North Catskill – Coxsackie 69 kV line or nearby distribution facilities.¹⁶ Specifically, on September 5, 2016, Hecate 1 submitted an Interconnection Request for Greene County 1 (a 20 MW solar project) which was assigned Queue No. 572. Hecate 2 simultaneously submitted an Interconnection Request for Greene County 2 (a 10 MW solar project),¹⁷ which was assigned Queue No. 573.¹⁸

In addition to these three affiliated projects, an unaffiliated Interconnection Customer—Greene County Energy Properties, LLC— submitted an Interconnection Request on September

¹⁶ The Project, Greene County 1, and Greene County 2 were proposed as constituting a 50 megawatt photovoltaic solar energy generation facility. See *Application of Hecate Energy Greene 1 LLC, Hecate Energy Greene 2 LLC and Hecate Energy Greene County 3 LLC, Co-Applicants, for a Certificate of Environmental Compatibility and Public Need to Construct a 50-Megawatt Solar Electric Generating Facility in the Town of Coxsackie, Greene County, New York*, NYPSC Case No. 17-F-0619 (October 13, 2017).

¹⁷ Greene County 2 proposed to interconnect to Central Hudson’s Coxsackie 13.8 kV Substation, which is a Commission-jurisdictional distribution line for purposes of projects seeking to interconnect and make wholesale sales. However, that substation is in close electrical proximity to the 69 kV line where the other projects propose to interconnect.

¹⁸ As Complainant, Hecate 1, and Hecate 2 are all wholly-owned subsidiaries of Hecate Energy LLC and the NYISO interacted with the three entities collectively via the same personnel, the NYISO uses the term “Complainant” herein to refer to Complainant, Hecate 1, and Hecate 2, when applicable.

20, 2016, to interconnect another 20 MW solar facility on the same North Catskill – Cocksackie 69 kV line within the same general timeframe. The NYISO assigned the Greene County Energy project Queue No. 577. For convenience, when this Answer refers collectively to the Project, Complainant’s two affiliated projects, and the unaffiliated Green County Energy project, it shall refer to them as “the Four Projects.”

C. The NYISO Performed A Clustered System Impact Study For The Four Projects

The NYISO, following consultation with Central Hudson, concluded that a clustered system impact study was needed to appropriately evaluate the unique complexities and reliability concerns raised by the proposed interconnections of the Four Projects on or near a 69 kV transmission line and its nearby distribution facilities. On July 12, 2017, the NYISO tendered a system impact study agreement, which was fully executed on August 28, 2017. The NYISO then commenced work on the system impact study, issuing an initial complete draft to the parties on July 19, 2018, which following multiple iterations, was completed on February 25, 2019.

D. The NYISO Worked With Complainant In The Facilities Study Process To Maximize The Number Of Its Projects That Could Move Forward Without Requiring Further Evaluation In The Class Year Study

The NYISO also performed the facilities study for the Project, Greene County 1, and Greene County 2 on a clustered basis due to their proposed proximity.¹⁹ On March 12, 2019, the NYISO tendered the draft facilities study agreements to Complainant for its three affiliated projects, which was returned executed 30 days later. The Complainant then provided several iterations of the data concerning the Greene County 1 project until all required data was provided

¹⁹ For reasons not relevant to the current Complaint, the unaffiliated Interconnection Customer’s project did not move forward on the same timeline as the Complainant’s Project, Hecate 1 and Hecate 2.

on June 25, 2019. The NYISO confirmed that the data were sufficient, and the agreement was fully executed on July 15, 2019.

In July and August, 2019, the NYISO coordinated several meetings with Complainant and Central Hudson related to the clustered facilities study. On July 30, 2019, Central Hudson advised the NYISO and Complainant that certain NYSSIR interconnection queue projects had become “firm” for purposes of Central Hudson’s system and those updates to Central Hudson’s system would need to be reflected in the base cases consistent with the NYISO OATT. The base cases were updated accordingly.

On October 2, 2019, the NYISO provided the first draft of the facilities study report to Complainant. The report showed that the combined effect of Complainant’s three projects resulted in thermal overloads that created the need for a non-Local System Upgrade Facility at the cost of approximately \$10 million. That cost was preliminarily allocated to the Project and Greene County 1.²⁰

The NYISO worked with both Complainant and Central Hudson to identify an approach where the projects could be sequenced in a way that would not cause thermal overloads on the 69 kV transmission facilities.²¹ As a result of this sequencing, the facilities study did not identify any non-Local System Upgrade Facilities for Greene County 1 and Greene County 2. Complainant proceeded with this approach, completing the facilities study for Greene County 1 and Greene County 2 and executing Small Generator Interconnection Agreements for these projects.

²⁰ The facilities study identified a Local System Upgrade facility for Greene County 2 that was required regardless of the interconnection of the other two projects.

²¹ The NYISO will work with Interconnection Customer when issues or concerns are raised during a study to identify whether there is a more efficient or lower cost option to interconnect the project.

However, even under this revised approach, the Project continued to cause thermal overloads. The facilities study for the Project, therefore, identified the need for a non-Local System Upgrade Facility. Accordingly, the Project had to proceed to a Class Year Study for additional analysis, which is discussed below in Section II.A.2.d, below.

II. ARGUMENT

Complainant bears the burden of proof under Sections 206 and 306 of the FPA.²² Complainant has not met this burden of proof. As described below and as supported by the attached affidavits of James Ross Altman, Manager, Public Policy and Interregional Planning, and Edwin B. Cano, Supervisor, Facilities Studies, the NYISO used Reasonable Efforts, did not act inconsistent with its OATT requirements, and did not otherwise violate the filed rate doctrine.

A. The NYISO Processed Complainant's Project In Accordance With The SGIP's "Reasonable Efforts" Requirements

The Complaint asserts that the NYISO did not use Reasonable Efforts when processing the Interconnection Request for the Project and that its actions were not substantially equivalent to those a party would use to protect its own interests.²³ Complainant's assertions are based largely on the total number of days that passed between Complainant's submission of its Interconnection Request and the execution of the facilities study agreement for the Project. Complainant claims that this "delay" was unreasonable and that the NYISO and Central Hudson would have acted more quickly to protect their own interests.

²² See footnote 3, *supra*.

²³ Complainant inappropriately expands the Reasonable Efforts standard, arguing that the NYISO had a responsibility to "use reasonable efforts *to protect Complainant's interests as if it were their own*". Complaint at p 22. The Reasonable Efforts standard, however, requires "efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use *to protect its own interests*." OATT Section 30.1.

It is true that it took longer to complete the interconnection studies for the Project than is typical for Small Generating Facilities. However, as demonstrated herein, the circumstances surrounding the Project were in no way typical. The unusual complexities presented by the Project's interconnection contributed to the length of the study. The NYISO used Reasonable Efforts in administering the SGIP for the Project in light of the unique difficulties associated with the proposed interconnection. The Complaint's omission of any mention of the challenges presented by the Project is a misleading distortion of the NYISO's performance.

1. Reasonable Efforts Requirements under the SGIP

The NYISO is required by Attachment Z to make "Reasonable Efforts" to meet the SGIP's timeframes,²⁴ using the same level of effort in processing and analyzing Interconnection Requests from all Interconnection Customers.²⁵ "Reasonable Efforts" are defined as "efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests."²⁶ The Commission does not require best or optimum efforts.²⁷

²⁴ OATT Section 32.4.1. Complainant argues that the NYISO did not satisfy the requirements in Section 32.4.1 of the OATT for using Reasonable Efforts—*i.e.*, notifying the Interconnection Customer, explaining the reason for the failure to meet the deadline, and providing an estimated time by which it will complete the applicable interconnection procedure in the process. *Id.* However, the NYISO was in continued communication with all of the Interconnection Customers, including Complainant, throughout the SGIP concerning the progress of their projects.

²⁵ OATT Section 32.4.6.

²⁶ See OATT Attachment Z, Appendix 7 (Small Generator Interconnection Agreement), Att. 1 (definition of "Reasonable Efforts"); Attachment X, Section 30.1 (definition of "Reasonable Efforts"); Attachment X, Appx. 4 (Large Generator Interconnection Agreement), Article 1 (definition of "Reasonable Efforts").

²⁷ See *Standardization of Small Generator Interconnection Agreements and Procedures*, Order No. 2006 ("Order No. 2006"), FERC Stats. & Regs. ¶ 31,180, at P 244, *order on reh'g*, Order No. 2006-A, FERC Stats. & Regs. ¶ 31,196 (2005), *order granting clarification*, Order No. 2006-B, FERC Stats. & Regs. ¶ 31,221 (2006) (distinguishing best efforts and reasonable efforts); see also *EDF Renewable Energy, Inc. v. Midcontinent Indep. Sys. Operator, Inc.*, Order Denying Rehearing, 165 FERC ¶ 61,071 at n 33 (2018) (stating that "reasonable efforts" are akin to Good Utility Practice. See MISO, MISO FERC Tariff, Attachment X, § 1 Definitions; see also Order No. 845, 163 FERC ¶ 61,043 at P 290. See also, *e.g.*, Preventing Undue Discrimination and Preference in Transmission Service, Order No. 890-B, 123 FERC ¶ 61,299, at Appendix B, *pro forma tariff*

2. The NYISO Used Reasonable Efforts in Processing the Complex Proposed Interconnections for the Four Projects

The NYISO used Reasonable Efforts to process the Project in the SGIP. The complexity of studying the proposed interconnection of multiple projects at approximately the same electrical location on or near Central Hudson’s 69 kV transmission line and in close proximity to Central Hudson’s distribution facilities—none of which are secured by the NYISO—contributed to the system impact study needing more time than usual. The time required was extended further by the need to rerun certain analyses due to updates for the Four Projects and the complications of administering a cluster study.²⁸ The study timeline was also impacted by the timing of a transmission project that Central Hudson announced and planned to place in to service in 2022. The NYISO and Central Hudson agreed to review a scenario late in the study that included Central Hudson’s transmission project to determine whether it reduced the potential need for a non-Local System Upgrade Facility for any of the Four Projects.

The Complaint’s description of the SGIP process is misleading because it focuses narrowly on the Project. It makes no mention of the affiliated Greene County 1 and Greene County 2 projects, the performance of cluster studies for the Four Projects, or the NYISO’s extensive efforts, in coordination with Central Hudson, to avoid the need for upgrades (and, in particular, for a non-Local System Upgrade Facility). The Complaint falls far short of meeting its burden of proof by failing to even acknowledge these factors.

(2008) (explaining that Good Utility Practice is not limited to “optimum” practices, but rather includes “acceptable” practices)’’).

²⁸ The NYISO notes that there were delays from all the parties to this clustered system impact study at various points in the study. Those individual delays, however, were not the primary cause of the duration of the study, which was due largely to complications of the study described in this section.

The following subsections and the affidavit of James Ross Altman provide additional relevant factual information that was omitted from the Complaint but is necessary to a full understanding of the challenges posed by the Project.

a. Clustered System Impact Study

As noted above, the NYISO, in consultation with Central Hudson, determined that the system impact study for the Four Projects should be performed in a single cluster study. A cluster study can take longer than a typical stand-alone study due, in part, to the involvement of multiple, additional parties and the complexities associated with assessing different project combinations. However, it provides specific benefits and efficiencies compared to performing a series of individual studies.

For example, a cluster study can identify the collective reliability impact of multiple projects that may be overlooked by separate, stand-alone studies. A cluster study also allows the costs of any necessary upgrades to be allocated across the applicable projects. In addition, a cluster study potentially reduces the study costs to the Interconnection Customers. The NYISO performs cluster studies in the SGIP on rare occasions when, as in this instance, generator projects are proposed to interconnect in close proximity and move forward in the same timeframe. The NYISO continues to believe that it was reasonable to use the cluster study process in this case. The Complaint makes no attempt to show that the NYISO acted unreasonably in doing so.

b. Assessment of Impacts on Transmission and Distribution Facilities Not Secured by the NYISO

The fact that the Four Projects sought to interconnect on or near Central Hudson's 69 kV transmission line and in close proximity to Central Hudson's distribution system made the system impact study more challenging. For example, the scope of work for the study included

more extensive analyses to evaluate potential issues on the lower-voltage transmission facilities and distribution system. Additionally, the lower-voltage nature of the area being studied made it necessary to take more time to construct base cases. While the transmission facilities not secured by the NYISO are contained in the NYISO's and Transmission Owners' FERC Form No. 715 cases, there is no existing case that sufficiently models the transmission facilities not secured by the NYISO or distribution facilities for the purpose of the NYISO's Interconnection Studies. Therefore, the NYISO, in coordination with Central Hudson, had to build out the cases needed for the relevant portion of the transmission system.

Further, under the NYISO Minimum Interconnection Standard, the NYISO must determine whether it can mitigate observed overloads in the studies through the redispatch of generation. This process is straightforward on the NYISO-secured portions of the grid.²⁹ However, determining whether redispatch is feasible on transmission facilities not secured by the NYISO is more complex—particularly when multiple units are involved—and requires the input of the Connecting Transmission Owner.³⁰ These considerations necessitated that the NYISO and Central Hudson take additional time to complete the analysis of the Four Projects.

Finally, Interconnection Studies under the SGIP do not typically require an in-depth evaluation of the distribution system. However, the scope of work for the clustered system impact study for the Four Projects necessarily included specific evaluations to analyze the combined impact on the nearby distribution system.³¹ These distribution system evaluations

²⁹ Since the NYISO secures the higher-voltage transmission system, it will monitor and dispatch the system in real-time in a manner to maintain reliability. Therefore, the Interconnection Studies of the higher-voltage transmission system typically require only a limited number of system conditions in the various analyses.

³⁰ The lower-voltage transmission facilities that are not secured by the NYISO are not similarly monitored in real-time by the NYISO, but rather are monitored by the Transmission Owner. As a result, more extensive analyses are required based on a greater number of system conditions to determine the possibility of adverse reliability impacts related to the proposed interconnection.

³¹ The distribution analysis were specifically identified in the scope for the clustered system impact study.

took additional time to perform. However, these evaluations proved to be necessary because Central Hudson identified a need for a distribution system upgrade.

c. The NYISO's and Central Hudson's Efforts to Mitigate the Need for System Upgrade Facilities for the Four Projects in the Clustered System Impact Study

As discussed in Section I.D, the NYISO and Central Hudson worked diligently to identify opportunities to mitigate the need for non-Local System Upgrade Facilities for the Four Projects. These efforts were appropriately undertaken and were ultimately successful but added to the overall study timeline. The clustered system impact study initially identified certain thermal overloads on Central Hudson's 69 kV transmission facilities that would have necessitated significant non-Local System Upgrade and required each of the Four Projects to enter a Class Year Study in order to allocate the costs of those upgrades.³²

Notably, during this period, Central Hudson announced its intention to move forward with a new transmission project that ultimately reduced the need for upgrades. Specifically, Central Hudson presented a firm transmission project in its Local Transmission Owner Plan under Attachment Y to the OATT that would replace certain overloaded 69 kV transmission facilities by the end of 2022. The NYISO and Central Hudson evaluated the impact of the upgrade on the Four Projects. They concluded that it would mitigate the adverse impacts on the 69 kV transmission facilities, eliminating the need for the non-Local System Upgrade Facilities that had been originally identified in the system impact study for the Four Projects.

The NYISO and Central Hudson also analyzed whether the Four Projects could go into service prior to completion of the new transmission upgrades in 2022. These analyses determined that it would be feasible under certain conditions.

³² OATT Section 32.1.6.

All of the above work on behalf of the Four Projects required additional analysis and time, but resulted in a preliminary finding in the system impact study that non-Local System Upgrade Facilities were not required. Therefore, the Four Projects benefitted from the NYISO's and Central Hudson's efforts because they did not need to proceed at that time to the Class Year Study process.

d. The NYISO Efforts in the Facilities Study Process Were Reasonable and Sought to Maximize the Extent to Which Complainant's Various Projects Could Move Forward Without Requiring Further Evaluation in a Class Year Study

The Complaint's claim that the NYISO took longer than the ten days allowed to fully execute the completed facilities study omits details and is based on a mischaracterization of the relevant OATT provisions.³³ Following Complainant's return of the completed facilities study agreement for the Project, Greene County 1, and Greene County 2, the required technical data, and the applicable study deposits, the NYISO had to confirm that all the technical data were complete. Per Section 32.3.5.2 of Attachment Z of the OATT, the ten business day timeframe for the NYISO and Central Hudson to execute the agreements did not begin to run until the technical data was confirmed to be complete.³⁴ The NYISO had to make several rounds of additional information requests (as it typically does for Interconnection Customers that have not provided all necessary information). As noted above in Section I.D, the NYISO received all required data on June 25, 2019, which after confirmation by the NYISO, prompted the execution of a revised agreement. This is the NYISO's typical method of processing facilities study

³³ See Complaint at p 22 (claiming that the NYISO's tariff requirements only afford 10 business days after receipt of the executed facilities study agreement).

³⁴ OATT Section 32.3.5.2 ("[T]he Interconnection Customer must return the executed facilities study agreement within 30 Calendar Days, together with the required technical data set forth in Appendix 6 and the required deposit . . . The ISO and Connecting Transmission shall execute the facilities study agreement no later than ten (10) Business Days after the ISO confirms receipt of the executed facilities study agreement, the study deposit and required technical data from the Interconnection Customer.").

agreements, and the NYISO's treatment of the Project was consistent with the provisions of Section 32.3.5.2 of Attachment Z to the OATT.

Moreover, subsequent to the execution of the facilities study agreement, the NYISO and Central Hudson continued to work diligently with Complainant to identify opportunities for its multiple projects to move forward while requiring the fewest possible upgrades. As described above, the cluster facilities study for Complainant's projects with the updated base cases preliminarily determined that a non-Local System Upgrade Facility would be required to address thermal overloads on the 69 kV line to address the combined effect of the three projects.

In light of this finding, the NYISO worked with Central Hudson and Complainant to explore whether any of its three projects could move forward independently or in combination without requiring the non-Local System Upgrade Facility (*i.e.*, thereby not requiring further evaluation in a Class Year Study). Based on further analysis, the NYISO was able to determine that two of the projects—Greene County 1 and Greene County 2—could move forward without the need for the non-Local System Upgrade Facility. As a result, only one of Complainant's projects would be required to participate in the Class Year Study and potentially be responsible for the costs of the identified upgrade.

In the end, Complainant elected to move forward with Greene County 1 and Greene County 2 and to finalize the small generator facilities study for the Project as a stand-alone study. Complainant understood, at the time, that the Project would then need to enter the next Class Year Study to further evaluate its impact and allocate the costs of any necessary non-Local System Upgrade Facilities among applicable projects. Greene County 1 and Greene County 2

were able to finalize their interconnection agreements, which were accepted by the Commission on November 5, 2020.³⁵

3. Complainant’s argument that the NYISO did not act in a manner “substantially equivalent to those a Party would use to protect its own interest” is entirely misplaced.

The Commission should reject the Complaint’s repeated assertions that the NYISO did not act in a manner substantially equivalent to those a party would use to protect its own interest. The purpose of the “substantially equivalent” standard as described by the Commission was to ensure “comparable treatment for all,” and that “a public utility provide comparable service to non-Affiliates.”³⁶

The NYISO is an independent, not-for-profit corporation that does not possess a financial interest in, and is not affiliated, with any generator, whether participating in its own Interconnection Queue or otherwise.³⁷ Complainant should therefore be expected to offer a reasonable explanation of why the NYISO might disfavor the Project relative to other proposed facilities. Instead, the Complaint made no attempt to explain why the NYISO would treat the Project differently. In fact, the NYISO used Reasonable Efforts in administering the Interconnection Request for the Project in the SGIP, using a level of effort and diligence for the unusually complex interconnection at issue in this proceeding at or above that which it uses in

³⁵ *New York Indep. Sys. Operator, Inc.*, Letter Order, Docket No. ER20-2943-000 (November 5, 2020); *New York Indep. Sys. Operator, Inc.*, Letter Order, Docket No. ER20-2944-000 (November 5, 2020).

³⁶ Order No. 2003-A, 106 FERC ¶ 61,220 at P 83 (2004).

³⁷ The Commission has acknowledged this independence of independent system operators and regional transmission owners from generators. For example, in its Order Nos. 2003 and 2006, the Commission provided independent system operators and regional transmission organizations with greater flexibility in customizing their interconnection procedures because of the entities independence from generators. *See, e.g., New York Indep. Sys. Operator, Inc., et al.*, Order on Small Generator Interconnection Compliance Filings, 118 FERC ¶ 61,130 at P 14 (2007) (“Under this [independent entity variation] standard, the Commission affords an ISO greater flexibility to customize its interconnection procedures and agreements than a non-independent Transmission Provider because an ISO does not own generation, and thus lacks the incentive to discriminate in favor of certain generation or to obstruct access to the grid by independent generators.”).

administering its interconnection procedures for all other generators. Moreover, the significant effort expended by the NYISO and Central Hudson to address the complicated interconnection, including finding options to avoid upgrade costs, shows that the NYISO undertook efforts consistent with those the NYISO would have undertaken to protect its own interest.

B. The NYISO Established The Base Cases For The Facilities Study For The Project In Compliance With All Applicable OATT Requirements And Did Not Violate The Filed Rate Doctrine

The Complaint asserts that the NYISO did not follow its filed rate when it incorporated updates to Central Hudson's system in the base case for the facilities study for the Project. Specifically, the Complaint alleges that the NYISO improperly included in the base case certain generators interconnecting to Central Hudson's distribution system via the NYSSIR and, as a result, that Complainant's Project was incorrectly assigned certain System Upgrade Facilities.³⁸

Complainant has not shown that the NYISO violated its filed rate in developing the base cases associated with the Project. As demonstrated below and as supported by the attached affidavit of Edwin B. Cano, Complainant's assertions reflect a misunderstanding of the NYISO OATT's interconnection procedures and how they interact with the separate state interconnection procedures for state-jurisdictional distribution facilities. The NYISO reasonably interpreted and followed all applicable tariff rules at every step.

1. The NYISO Established the Base Case for the Facilities Study for the Project in Accordance with its OATT

The NYISO established the base case for the cluster facilities study for the Project, Greene County 1, and Green County 2 in accordance with the express requirements of Attachment S of the OATT. Attachment S establishes the rules for creating the base case used in

³⁸ See Complaint at pp 26-36.

the Interconnection Studies conducted in the NYISO's Large Facility Interconnection Procedures ("LFIP") and SGIP.

Section 25.5.5 of Attachment S establishes the Existing System Representation rules that the NYISO uses to create the base case for Interconnection Studies. Section 25.5.5 describes these rules in the context of creating the Annual Transmission Reliability Assessment and the Annual Transmission Baseline Assessment.³⁹ These base cases are used in the NYISO's Class Year Study.

Section 30.2.3 of Attachment X of the OATT establishes that the Attachment S rules also apply for establishing the base case for the Interconnection Studies in the LFIP. Section 30.2.3 states that:

The power flow, short circuit and stability data bases and underlying assumptions, hereinafter referred to as Base Cases, provided shall be those that the ISO is using in the Annual Transmission Baseline Assessment then in progress, or if such data bases are not available, the data bases from the last completed Annual Transmission Reliability Assessment conducted pursuant to Attachment S of the ISO OATT prior to the request or posting to the secure portion of the NYISO website.

Attachment Z similarly establishes that the NYISO shall use the same base case rules for the SGIP that it uses for the LFIP. The NYISO defined "Base Case" in its SGIP as: "The base case power flow, short circuit, and stability data bases used for the Interconnection Studies by the ISO, Connecting Transmission Owner or Interconnection Customer; described in Section 30.2.3 of the Large Facility Interconnection Procedures." The NYISO's approach is also

³⁹ The Annual Transmission Baseline Assessment ("ATBA") evaluates the pre-existing baseline system before the Class Year Projects are included and identifies any System Upgrade Facilities and associated cost estimates for that system. The Annual Transmission Reliability Assessment ("ATRA") evaluates the condition with the Class Year Projects added to the baseline system, identifies the System Upgrade Facilities required for the Class Year Projects collectively, and then performs a design, preliminary engineering, and estimation of cost and time to construct for each System Upgrade Facility. See OATT Section 25.1.2.

consistent with the Commission’s direction in Order No. 2006 to use the provisions of the LGIP as guidance for interpretation and implementation in situations where the SGIP lacks specific provisions.⁴⁰

2. The NYISO Incorporated Central Hudson’s Updates to Its Existing Facilities in the Base Case for the Project Pursuant to the Existing System Representation Rules in Attachment S of the OATT

The NYISO acted in accordance with the base case requirements in Attachment S when it incorporated Central Hudson’s system updates in the base case for the cluster facilities study for the Project, Greene County 1, and Greene County 2. Specifically, the NYISO incorporated Central Hudson’s system updates to its existing facilities in accordance with the Existing System Representation rules set forth in Section 25.5.5.1 of Attachment S.

In developing the Existing System Representation, the NYISO coordinates with the New York Transmission Owners to obtain updates regarding their local systems for the five-year study period. The New York Transmission Owners provide their updates to their existing local facilities in accordance with Section 25.5.5.1. Specifically, Section 25.5.5.1(vii) provides for “all other changes to existing facilities . . . that are identified in the Load and Capacity Data Report or reported by Market Participants to the ISO as scheduled to occur during the five year cost allocation study planning period.”⁴¹ At the beginning of each study in the SGIP, the Connecting Transmission Owner will provide updates to its existing facilities, which can include

⁴⁰ See Order No. 2006 at PP 47-48, 59.

⁴¹ At the time the base case was developed for the facilities study for the Project, these Existing System Representation rules were located in Section 25.5.5.2(vi) of Attachment S of the OATT. The NYISO subsequently revised Attachment S in a December 19, 2019, filing in FERC Docket No. ER20-638. In that filing, the NYISO deleted the then-existing, outdated rules in Section 25.5.5.1. As a result, Section 25.5.5.2(vii) became Section 25.5.5.1(vii). The NYISO did not modify the substance of this subpart as part of the tariff revisions.

adjustments to account for NYSSIR queue projects that have reached a certain point of development.

Complainant's assertion that the NYISO acted outside of its OATT in incorporating Central Hudson's updates to its facilities (i) overlooks the explicit provision capturing updates provided by a Transmission Owner that would occur within the 5-year study period and (ii) appears to be based on a misunderstanding regarding the NYISO's involvement in determining whether individual generators interconnecting via the NYSSIR to state-jurisdictional distribution systems should be reflected in the Transmission Owner's system. Complainant inappropriately seeks to expand the NYISO's role with respect to proposed projects that are not subject to the NYISO's interconnection procedures and that are not included in its Interconnection Queue. It would also obligate the NYISO to undertake responsibilities to oversee the Transmission Owner's distribution-level systems.

The NYISO does not assess generators interconnecting through the NYSSIR or an individual Transmission Owner's queue for inclusion as updates in the NYISO's base case. Rather, consistent with Section 25.5.5.1(vii) of Attachment S, the NYISO receives updates from the Transmission Owners concerning their systems, which includes the impacts of generation interconnecting via the NYSSIR or utility's interconnection procedures on the state-jurisdictional distribution system. This approach aligns with the accepted division between Commission-jurisdictional interconnection requirements and the obligations and responsibilities of Transmission Owners concerning their own systems.⁴²

⁴² See Order No. 2006 at P 8 ("This Final Rule does not violate the FPA section 201(b)(1) provision that the Commission does not have jurisdiction over local distribution facilities "except as specifically provided . . ." This is because the Final Rule applies only to interconnections to facilities that are already subject to a jurisdictional OATT

Each Transmission Owner establishes its own requirements governing when projects interconnecting to their distribution systems have met a sufficient level of development to warrant inclusion in their local transmission and distribution system updates. The NYISO described this process in its initial Order No. 2006 compliance filing establishing the SGIP, stating that “[t]he Transmission Owners will continue to administer these state-jurisdictional interconnections, and they will continue to report to the NYISO any system impacts that result from such interconnections so that the NYISO can incorporate these impacts into its base case modeling.”⁴³ Complainant’s attempt to expand the NYISO obligations and responsibilities to require criteria in the NYISO’s OATT for updates to Transmission Owners’ distribution systems impermissibly conflates processes and fails to cite authority to do so.⁴⁴

at the time the interconnection request is made and that will be used for purposes of jurisdictional wholesale sales. Because of the limited applicability of this Final Rule, and because the majority of small generators interconnect with facilities that are not subject to an OATT, this Final Rule will not apply to most small generator interconnections.”) (internal citation omitted); *Participation in Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Order No. 2222 (“Order No. 2222”), 172 FERC ¶ 61,247 at PP 94, 96 (2020) (even though it concerns interconnections for wholesale, Order No. 2222 explains the limits of the Commission’s jurisdiction concerning local interconnections; specifically, the Commission noted that “we agree with commenters that state and local authorities, which have traditionally regulated distributed energy resource interconnections, have the requisite experience, interest, and capacity to oversee these distribution-level interconnections,” and that “Order No. 2003 does not apply to most distributed generation, since these facilities almost always interconnect to facilities that are not subject to an OATT.”).

⁴³ *New York Indep. Sys. Operator, et al.*, Compliance Filing, Docket No. ER06-311-000 at p 9 (December 8, 2005).

⁴⁴ The Complaint mistakenly claims that the criteria for determining when a NYSSIR project should be considered “firm” was presented to “two NYISO committees in April and June of 2019,” suggesting that the NYISO has responsibility for determining which projects should be reported to the NYISO. Complaint at pp 28-29. The Interconnection Policy Working Group (“IPWG”) and Interconnection Technical Work Group (“ITWG”) are working groups coordinated by the New York State Department of Public Service, and involve issues related to the NYSSIR and utility’s interconnection processes. While the NYISO participates in them, they are not under the umbrella of the NYISO’s stakeholder committees or working groups.

3. The NYISO Appropriately Applied the Queue Position Requirements in Its OATT, which Do Not Apply to Generators Participating in the NYSSIR or Utility's Interconnection Procedures

The Complaint asserts that the NYISO's incorporation of Central Hudson's system updates in the base case of the facilities study for the Project contradicts the NYISO's tariff rules concerning a project's Queue Position. Section 32.1.6 of Attachment Z establishes that "[t]he Queue Position of each Interconnection Request will be used to determine . . . the study assumptions to be used in the analyses conducted under" the SGIP studies. Complainant argues that its Project has an earlier Queue Position than projects that applied subsequent in time to interconnect to Central Hudson's distribution system through the NYSSIR and, per Section 32.1.6, that such projects cannot be included in the study assumptions for the facilities study for Complainant's Project.⁴⁵

The Commission should reject Complainant's argument because the Queue Position rules in Attachment Z of the OATT only apply between projects that are participating in the NYISO's transmission expansion and interconnection procedures. A Queue Position is defined in Attachment Z of the OATT as "[t]he order of a valid Interconnection Request, Study Request, or Transmission Interconnection Application relative to all other such pending requests, that is established based upon the date and time of receipt of the valid request by the ISO," unless otherwise indicated in the transition rule not applicable here.⁴⁶ That is, only Developers that submit a valid request in the NYISO's transmission expansion or interconnection procedures are eligible for a Queue Position.⁴⁷ The NYISO is not required by its OATT to provide, and does

⁴⁵ See Complaint at pp 35-36.

⁴⁶ OATT Attachment Z, Appendix 1 (definition of Queue Position)

⁴⁷ See OATT Attachment Z, Section 32.1.6 (establishing that NYISO will maintain a combined queue for Interconnection Requests evaluated under Attachments X and Z of the OATT).

not provide, Queue Positions for projects interconnecting under the NYSSIR or the utility's local interconnection plans, which projects are not included in the NYISO's Interconnection Queue. The requirements in Section 32.1.6 apply as between projects with Queue Positions in the NYISO's Interconnection Queue, not between a project with a Queue Position in the NYISO's Interconnection Queue and a project participating in the NYSSIR or utility interconnection procedures.

C. Even If The Commission Concludes That The NYISO's Base Case Rules Were Not Sufficiently Clear Concerning State Queued Projects, It Should Still Deny Complainants' Requested Relief

Complainant asserts that the Project should not be assigned System Upgrade Facilities because they should have been allocated to certain NYSSIR projects instead. Even if the Commission were to conclude that the NYISO's base case rules were not sufficient concerning projects participating in the state interconnection queues, the Commission should reject Complainant's request for relief for several reasons.

First, granting the requested relief leaves unanswered the question of which project or projects would then become responsible for the upgrade costs. The NYISO does not have authority under its OATT to assign, and allocate the costs of, System Upgrade Facilities to projects seeking to interconnect to state-jurisdictional distribution facilities pursuant to the NYSSIR or utility's interconnection procedures.⁴⁸ Even if the NYISO had such tariff authority, Complainant has not demonstrated that its Project would be the one to benefit from the NYSSIR queue projects not being included in the base case. For example, the Project was submitted to

⁴⁸ Cf. OATT Section 25.1.1 (establishing that the Attachment S rules are for assigning and allocating costs of new interconnection facilities that are required for the reliable interconnection of generation projects and Class Year Transmission Projects to the New York State Transmission System and to the Distribution System).

the NYISO after the Greene County Energy project, which was seeking to interconnect at approximately the same location.

Second, at present, the non-Local System Upgrade Facility has only been preliminarily determined for Complainant's Project, which must now participate in a Class Year Study. In addition to the Project, there are several other generators proposing to interconnect in the same area eligible for Class Year 2021. Moreover, Class Year 2021 will reflect system changes that have occurred since the facilities study. Accordingly, the NYISO may identify the same upgrade or a modified version of the upgrade in the Class Year Study, and upgrade costs may be allocated across a number of projects.

Finally, if the Commission believes that there should be additional detail in the NYISO's OATT concerning the interaction between the NYISO's Interconnection Queue and the state queues, the NYISO would not object to developing further clarifications. However, such a potential tariff enhancement would be a prospective enhancement to existing provisions that have not been shown to be unjust or unreasonable.⁴⁹ It would not be a basis for granting the Complaint's requested relief. If the Commission were to require the NYISO to add new tariff language, the NYISO would need guidance on the application of such rules to pending studies, including Class Year 2021. The NYISO's base case rules described above apply across all Transmission Owners and implicate state interconnection procedures. Any changes to these rules would have implications statewide, impacting settled expectations concerning the assignment and allocation of costs concerning numerous System Upgrade Facilities, not simply the one upgrade at issue in this Complaint.

⁴⁹ *Light Power & Gas of NY LLC*, 169 FERC ¶ 61,216 at P 12 (2019) (holding that the Commission's recommendation of improvements to a jurisdictional tariff to address similar situations in the future does not demonstrate that the NYISO's actions are unreasonable or unduly discriminatory).

D. The NYISO Is Committed To Improving Coordination Between The NYISO And New York State Interconnection Queues

The Complaint has failed to demonstrate that there are any coordination issues between the NYISO's and New York State's interconnection procedures that result in the NYISO OATT being unjust, unreasonable, or unduly discriminatory. Nevertheless, the NYISO recognizes the benefits that would come from enhancing the coordination between the NYISO's Interconnection Queue and the state's interconnection queues. Accordingly, the NYISO has participated in New York Public Service Commission joint committees concerning such coordination and has been having discussions with the Transmission Owners on improving coordination across the queues.⁵⁰ The Commission should permit the NYISO and New York State to continue to explore this topic and pursue process changes and tariff revisions as appropriate.

E. The Complaint Does Not Justify Its Request For "Costs Incurred"

The Commission should reject Complainant's requests for costs, with interest, that it asserts it has incurred due to the application of the "Inclusion Practice."⁵¹ As detailed above, the Complaint is without merit and should be denied. Even if the Complaint had merit, there would be no basis for awarding any kind of costs or interest. Complainant has neither justified its request for such costs nor indicated exactly what costs it seeks. Moreover, the Complaint has not explained what authority it is asking the Commission to exercise. The Commission has

⁵⁰ See generally, footnote 44, *supra*.

⁵¹ See Complaint at p 36.

previously indicated that it does not have the authority to impose monetary damages or to provide relief for litigation-related expenses or lost business opportunities.⁵²

IV. COMPLIANCE WITH COMMISSION RULE 213(c)(2)(i)

Attachment I to this Answer addresses the formal requirements of Commission Rule 213(c)(2) in order to ensure the NYISO's full compliance with them.

V. COMMUNICATIONS AND CORRESPONDENCE

Communications in this proceeding should be directed to:

Robert E. Fernandez, Executive Vice
President & General Counsel
Karen Georgenson Gach, Deputy General
Counsel
Raymond B. Stalter, Director, Regulatory
Affairs

*Sara B. Keegan, Senior Attorney
*Brian R. Hodgdon, 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
bhodgdon@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.
Hunton Andrews Kurth LLP
951 East Byrd Street
Richmond, VA 23219
Tel: (804) 788-8200
Fax: (804) 344-7999
mmessonnier@hunton.com

*Designated to receive service.⁵³

⁵² See *Transource, LLC v. PJM Interconnection, LLC*, 168 FERC ¶ 61,119 at P 285 (2019) (“We affirm the Presiding Judge’s denial of TranSource’s request for monetary relief, including relief for lost business opportunities and litigation-related expenses. . . . Commission precedent recognizes that, while the Commission has broad remedial authority, it does not have the authority to grant monetary damages.” (internal footnotes omitted)); *id.* at n. 896 (“Commission precedent does not recognize a distinction between “monetary damages” and “monetary relief.” We believe that lost business opportunities and other litigation-related expenses, whether described as “monetary damages” or “monetary relief” are outside of the scope of the FPA.”). See also *Bachofer v. Calpine Corp.*, 134 FERC ¶ 61,100 at P 9 (2011) (“Monetary damages are also beyond the scope of the Commission’s authority under Part II of the [FPA].”); *New England Power Pool*, 98 FERC ¶ 61,299 at 62,290 n.6 (2002) (“Under the [FPA], it is well established that the Commission has no authority to order reparations and can only set rates for the future.” (citing *Gulf States Utils. Co. v. Ala. Power Co.*, 824 F.2d 1465, 1471 (5th Cir. 1987))).

⁵³ The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2019) to permit service on counsel in both Washington, D.C. and Richmond, VA.

VI. LIST OF DOCUMENTS SUBMITTED WITH THIS ANSWER

- Admission and denials consistent with Commission Rule 213(c)(2) (Attachment I);
- Affidavit of James Ross Altman, Manager, Public Policy and Interregional Planning (Attachment II); and
- Affidavit of Edwin B. Cano, Supervisor, Facilities Studies (Attachment III).

VII. CONCLUSION

For the reasons set forth above, the Complaint should be denied in its entirety. The Commission should take no further action and should not initiate any further proceedings.

Respectfully Submitted,

/s/ Sara B. Keegan

Sara B. Keegan, Senior Attorney
Brian R. Hodgdon, Senior Attorney
New York Independent System Operator, Inc.

March 15, 2021

cc: Matt Christiansen
Jignasa Gadani
Jette Gebhart
Leanne Khammal
Kurt Longo
John C. Miller
David Morenoff
Larry Parkinson
Douglas Roe
Frank Swigonski
Eric Vandenberg
Gary Will

Attachment I

Compliance with Commission Rule 213(c)(2)

A. Specific Admissions and Denials of Material Allegations

In accordance with Commission Rule 213(c)(2)(i), the New York Independent System Operator, Inc. (“NYISO”) addresses in its answer (“Answer”) the material allegations raised by Hecate Energy Greene County 3 LLC (“Complainant”) in its February 11, 2021, complaint (“Complaint”). In addition to its statements in its Answer, the NYISO admits or denies, to the extent practicable and the best of its knowledge and belief at the time, the material factual allegations in the Complaint as specified below.¹ To the extent that any fact or allegation in the Complaint is not specifically admitted in its Answer or below, it is denied. Except as specifically stated in its Answer or below, the NYISO does not admit any facts in the form or manner stated in the Complaint. Denials of allegations made in the text of the Complaint should be understood as encompassing all related allegations and assertions in, and regarding, the attachments accompanying the Complaint.

1. The NYISO denies all allegations that it violated the Federal Power Act (“FPA”) and its Open Access Transmission Tariff (“OATT”) in processing Complainant’s Interconnection Request for its Green County 3 solar project (“Project”) or that its actions were unjust and unreasonable, unduly discriminatory, and preferential, and inconsistent with Commission policy and precedent. Complaint at 2. As discussed in its Answer, the NYISO acted in accordance with its OATT requirements in processing the Interconnection Request for the Project.
2. The NYISO admits, to the best of its knowledge, that Complainant is a wholly-owned subsidiary of Hecate Energy, LLC. Complaint at 8.
3. The NYISO admits Complainant submitted a request to interconnect its Project—a 20 MW solar generating facility, which was assigned Queue No. 597. Complaint at 3, 7, 8.
4. The NYISO admits that the Project’s planned point of interconnection is on Central Hudson’s North Catskill – Cocksackie 69 kV transmission line. Complaint at 7.
5. The NYISO admits that Complainant’s Interconnection Request is governed by the NYISO’s Small Generator Interconnection Procedures (“SGIP”) set forth in Attachment Z of the NYISO OATT. Complaint at 8.
6. The NYISO admits that generators that are not seeking to interconnect to the New York State Transmission System or to the Commission-jurisdictional Distribution System interconnect to distribution facilities outside of the NYISO’s interconnection procedures. Complaint at 26.

¹ Commission Rule 213(c)(2) provides that “the answerer must, to the extent practicable: (i) Admit or deny, specifically and in detail, each material allegation of the pleading answered; and (ii) Set forth every defense relied on.” 18 C.F.R. § 385.213(c)(2).

7. The NYISO admits that its SGIP and the NYSSIR have different interconnection queues. Complaint at 26.
8. The NYISO admits that its SGIP and study agreements establish certain process milestones. Complaint at 8, 9.
9. The NYISO admits that its OATT requires the NYISO to use Reasonable Efforts in administering the SGIP but clarifies that it satisfied the Reasonable Efforts requirement throughout the interconnection study process for the Project. Complaint at 17.
10. The NYISO admits the accuracy of following dates set forth in the Complaint concerning the administration of the Project's Interconnection Request in the SGIP; however, the NYISO denies that these dates represent a comprehensive list of all relevant dates or information associated with the processing of the Project's Interconnection Request in the SGIP. Complaint at 15, 18-23.
 - The Interconnection Request for the Project was deemed complete on February 13, 2017.
 - The scoping meeting for Project was held on March 9, 2017.
 - The NYISO provided estimated timeframe for the system impact study on July 12, 2017.
 - The Complainant executed the system impact study agreement on August 15, 2017.
 - The NYISO executed the system impact study agreement on August 24, 2017.
 - The NYISO provided the initial draft of the system impact study on July 19, 2018.
 - The system impact study was finalized on February 25, 2019.
 - Complainant notified the NYISO of its intent to move forward with a facilities study on March 4, 2019.
 - The NYISO provided the draft facilities study agreement on March 12, 2019.
 - Complainant responded to additional data requests for the facilities study on June 25, 2019.
 - The NYISO sent a revised facilities study agreement on July 3, 2019.
 - The NYISO executed the facilities study agreement on July 15, 2019.
 - The facilities study agreement for the Project was dated July 16, 2019.

11. The NYISO denies that Complainant executed the initial tendered facility study agreement on April 14, 2019. Complaint at 22. Complainant executed the agreement on April 10, 2019.
12. The NYISO admits that the number of days between the date the Interconnection Request for the Project was deemed complete and the execution date of the facilities study agreement was 883 days. Complaint at 3, 5, 17, 23.
13. The NYISO denies that there was an “unreasonable” delay between Complainant’s submission of its Interconnection Request and the execution of the facilities study agreement. Complaint at 4, 15. As described in the Answer, this duration was largely due to the complexities of the proposed interconnection of the Project and was reasonable given those complexities.
14. The NYISO denies the allegation that it did not use Reasonable Efforts in processing the Interconnection Request for the Project. Complaint at 2, 3, 5, 15, 17-25.
15. The NYISO denies the allegation that its efforts in processing the Interconnection Request for the Project were not equivalent to the efforts that it would have made to protect its own interests. Complaint at 5, 17-25.
16. The NYISO admits that its base case rules for Interconnection Studies in the SGIP are set forth in Attachment S of the OATT and that the first step of creating the base case is developing an Existing System Representation as set forth in Attachment S of the OATT. Complaint at 30-31.
17. The NYISO admits that it works with the Connecting Transmission Owner to obtain details regarding its local system, including firm transmission and generation projects scheduled to go in-service during the 5-year study planning period. Complaint at 31.
18. The NYISO denies the allegation that it acted outside of or in contradiction to its OATT requirements in establishing the base cases for the facilities study for the Project, including by incorporating system updates from Central Hudson that accounted for certain generators interconnecting through the New York State’s Standardized Interconnection Process (“NYSSIR”). Complaint at 2, 5, 6, 16, 26-36.
19. The NYISO denies that its OATT does not establish rules for incorporating Central Hudson’s updates to its system in the Existing System Representation. Complainant at 32. As described in the Answer, Complainant misunderstands how such updates are incorporated into the Existing System Representation in accordance with Attachment S of the OATT.
20. The NYISO denies the allegation that its development of the base case for the facilities study for the Project contradicted the Queue Position rules in Attachment Z of its OATT. Complaint at 6, 35-36.
21. The NYISO denies the allegation that System Upgrade Facilities were incorrectly assigned to the Project. Complaint at 2, 4, 5.

22. The NYISO denies that Complainant has met its burden of proof to show that it would not have been assigned System Upgrade Facilities if certain projects were not included in its Project's base case. Complaint at 4, 5, 6, 17, 24.
23. The NYISO has insufficient information on which to form a belief as to the truth or accuracy of Complainant's description of the NYSSIR process. Complaint at 9-12.
24. The NYISO has insufficient information on which to form a belief as to the truth or accuracy of Complainant's description of the generator projects participating in the NYSSIR or the status of such projects that prompted Central Hudson to include these generators in its system updates. Complaint at 3, 4, 13-14, 21, 23-24, 28-30.
25. The NYISO denies that it was "well aware" that the NYSSIR projects had entered the NYSSIR or details regarding their anticipated sequencing. The NYISO does not administer the NYSSIR process. Complaint at 23.
26. The NYISO denies that it must take into account a project in the NYSSIR interconnection queue when conducting Interconnection Studies absent the Connecting Transmission Owner's inclusion of such project in its system updates. Complaint at 27.
27. The NYISO denies that criteria for determining when a project in the NYSSIR interconnection queue should be considered "firm" and included in each queue's study process was discussed at two NYISO committees in April and June of 2019. Complaint at 28-29.
28. The NYISO admits that the collective impact of the Project with NYSSIR projects included in the interconnection study system model resulted in thermal overloads on portions of the North Catskill – Cocksackie 69 kV transmission facilities, mitigation for which was identified as a non-Local System Upgrade Facility for the Project with a cost estimate of approximately \$10 million. Complaint at 3.
29. The NYISO has insufficient information on which to form a belief as to the truth or accuracy of Complainant's description of the manner in which Central Hudson incorporates projects from the NYISO interconnection queue in its system models. Complaint at 3-4.

Defenses

In accordance with Commission Rule 213(c)(2)(ii), the NYISO sets forth the following defenses:

1. Complaint has failed to meet its burden of proof under Sections 206 and 306 of the Federal Power Act and Commission Rule 206.

Proposed Resolution Process

Commission Rule 213(c)(4) states that an answer "is required to describe the formal or consensus process it proposes for resolving the complaint." In compliance with that requirement, the NYISO requests that the Complaint be dismissed based solely on the pleadings in the proceeding.

Attachment II

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

Hecate Energy Greene County 3 LLC

v.

Docket No. EL21-49-000

**Central Hudson Gas & Electric Corporation
New York Independent System Operator, Inc.**

AFFIDAVIT OF JAMES ROSS ALTMAN

Mr. James Ross Altman declares:

1. I have personal knowledge of the facts and opinions stated herein.
2. I currently serve as Manager, Public Policy & Interregional Planning for the New York Independent System Operator, Inc. (“NYISO”). Previously, I served as the Supervisor of Interconnection Studies at the NYISO from approximately 2016 to 2020. My business address is 10 Krey Boulevard, Rensselaer, New York 12144.
3. I earned a Bachelor of Science and a Master of Science in Electrical Engineering from Virginia Polytechnic Institute & State University (“Virginia Tech”). I have 14 years of experience in the energy industry and have held my current position at the NYISO since October 2020. Prior to holding my current position, I was the NYISO’s Supervisor of Interconnection Studies for four years, and before that a Senior Consultant at Siemens Power Technologies International.
4. As the Supervisor of Interconnection Studies, I managed hundreds of Interconnection Feasibility Studies and System Impact Studies for generation, transmission, and load projects connecting to the New York State Transmission System and Distribution System, as applicable. This involved coordinating with NYISO engineers, technical consultants, Connecting Transmission Owners, and developers to apply the NYISO’s interconnection procedures, which ensure open access to developers while maintaining reliability. As part of my responsibilities, I also represented the NYISO in various NYISO stakeholder forums, as well as other interconnection-related working groups coordinated by the New York State Department of Public Service.
5. I am submitting this affidavit in support of the NYISO’s Answer to the February 11 Complaint (the “Complaint”)¹ filed against the NYISO and Central Hudson Gas & Electric Corporation (“Central Hudson”) in the above-captioned docket by Hecate Energy Greene County 3 LLC (“Complainant”).

¹ *Hecate Energy Greene County 3 LLC v. Central Hudson Gas & Electric Corp. and New York Independent System Operator, Inc.*, Complaint Requesting Fast Track Processing of Hecate Energy Greene County 3 LLC, Docket No. EL21-49 (February 11, 2021) (“Complaint”).

6. On or about January 10, 2017, Complainant submitted a Small Generator Interconnection Request under the Small Generator Interconnection Procedures (“SGIP”) to the NYISO proposing to interconnect a 20 MW photovoltaic solar generator to Central Hudson’s low-voltage transmission system. Complainant named the project “Greene County 3” (“Project”), and the NYISO assigned it Queue No. 597 in its interconnection queue.
7. Shortly before Complainant submitted the Project, two wholly-owned subsidiaries of Hecate Energy LLC (which is also affiliated with Complainant) submitted two other projects that proposed to interconnect in the same general area of Central Hudson’s low-voltage transmission and distribution system. Specifically, Hecate Energy Greene 1 LLC submitted “Greene County 1”, which the NYISO assigned Queue No. 572, and Hecate Energy Greene 2 LLC submitted an Interconnection Request for “Greene County 2”, which the NYISO assigned Queue No. 573.
8. Prior to Complainant submitting the Interconnection Request for the Project, another unaffiliated Interconnection Customer submitted an Interconnection Request for “Greene County Energy” on September 20, 2016, which was assigned Queue No. 577.
9. The NYISO validated the Project’s Interconnection Request on February 13, 2017 after needing to request a clarification on the provided information, and then proceeded to the scoping meeting.
10. Following the scoping meeting, there were complexities that the NYISO and Central Hudson identified due to the proposed interconnection of the Project, Greene County 1, Greene County 2, and Greene County Energy (collectively, “the Four Projects”) and their combined impact on not just the New York State Transmission System but also Central Hudson’s distribution system, as well as thermal sensitivity analysis for nearby existing generation. The parties had to work towards resolving those concerns before the scope of work could be finalized and the system impact study agreements could be executed.
11. The SGIP permit the NYISO to study Interconnection Requests in clusters in the system impact study or facilities study, and when their collective impact triggers non-Local System Upgrade Facilities, then they have to be evaluated in the NYISO’s Class Year Study.
12. Given the proposed points of interconnection of the Four Projects on or near the North Catskill – Cocksackie 69 kV line and that the projects are proceeding within the same time frame, the NYISO, in consultation with Central Hudson, determined that a cluster study was necessary in order to account for the collective impact of the projects on the reliability of the New York State Transmission System and Distribution System and to determine their contribution to any identified System Upgrade Facilities.
13. In the scope of work for the system impact studies, the NYISO, in consultation with Central Hudson, added additional analyses to evaluate potential reliability impacts on the 69 kV transmission facilities (which are unsecured by the NYISO) and distribution system. For example, the scope of work included analyses for steady state voltage

fluctuations and LTC/Voltage Regulator Tap Movement on the local distribution system and an islanding evaluation.

14. Additionally, the lower-voltage nature of the transmission system where the Four Projects proposed to interconnect presented additional work in order to build the necessary models to perform the system impact study. Specifically, the NYISO's and Transmission Owners' FERC 715 cases contain the transmission facilities within the New York Control Area. However, the NYISO generally does not have existing cases of transmission and distribution facilities that are not secured by the NYISO with sufficient detail to conduct the necessary interconnection analyses, unless the NYISO has previously performed a specific study of that area. As a result, the NYISO and Connecting Transmission must build out the applicable models to detail the transmission and distribution system with sufficient detail to perform the necessary studies.
15. Given the nature of the transmission and distribution systems where the Four Projects proposed to interconnect, the NYISO and Central Hudson built out the necessary models to perform the analyses identified in the scope of work.
16. The NYISO also needed to identify specific steps to undertake the clustered system impact study because the NYISO has conducted a limited number under the SGIP and there are certain administrative challenges that are not normally posed by a stand-alone system impact study, which the NYISO needed to address.
17. Moreover, in addition to building the underlying topology of the transmission and distribution systems, the NYISO, in coordination with Central Hudson, had to build the models to include the proposed projects. Efforts in modeling four projects as opposed to one project takes additional time. For example, if there is a simulation error that results while testing the models, it takes additional work to identify the cause of the error, which could be one or more of the projects. When the NYISO models a single project, the universe of potential causes of an error is smaller and usually more easily identified.
18. The NYISO also must evaluate and validate the results of analyses before presenting them to the Interconnection Customer. This not only requires investigating and confirming violations but also understanding each project's contribution to a violation when multiple projects are studied in a cluster. If there is a result that is unreasonable or erroneous, or there is a change to one of the projects, the analyses must be rerun. When there are four projects, the NYISO must rerun the analyses for all four projects.
19. During the clustered system impact study, the NYISO and Central Hudson coordinated on the building and testing of the models and performance on the analyses. Many of the analyses took additional time based on the nature of the 69 kV transmission system, which is not secured by the NYISO, as well as investigating potential violations that were identified in the analyses.
20. When the NYISO does not secure a portion of the New York State Transmission System, there is additional work that must be performed by the Connecting Transmission Owner

to fully evaluate the impact of the proposed interconnection under all conditions that could reasonably occur.

21. The analysis of unsecured transmission facilities takes longer than analyses on the transmission facilities that are secured by the NYISO, as the NYISO monitors those facilities in real-time and has the ability to dispatch the system accordingly. For interconnection studies, that means that the NYISO generally requires performing the analyses on a select number of conditions identified in the scope of work.
22. For the clustered system impact study, NYISO, in coordination with Central Hudson, needed to perform analyses based on a greater number of system conditions that could occur on the 69 kV transmission line in order to confidently determine whether the project could result in any adverse reliability violations. This takes longer than performing analyses on the transmission facilities that are secured by the NYISO, as the NYISO monitors those facilities in real-time and has the ability to dispatch the system accordingly. For interconnection studies, that means that the NYISO generally requires performing the analyses on a select number of conditions identified in the scope of work.
23. The NYISO provided the initial draft of the system impact study to Complainant on or about July 19, 2018, which identified, among other things, thermal overloads on certain 69 kV transmission facilities.
24. The NYISO, Central Hudson, and the Interconnection Customers went through multiple rounds of comments based on the finding that the Four Projects contributed to thermal overloads on portions of the North Catskill – Coxsackie 69 kV transmission facilities that could not be mitigated under the NYISO's Minimum Interconnection Standard.
25. Certain questions raised by the parties required extensive investigation to determine whether the parties could mitigate thermal overloads on the unsecured portions of the transmission system without the need for System Upgrade Facilities. The NYISO, in coordination with Central Hudson, performed the additional analysis.
26. Additionally, there was a discovered issue in the model for Complainant's project that resulted in a tripping issue. Based on the comments, the NYISO updated the model with additional information from Complainant, and reran the applicable analyses.
27. However, around the time when the NYISO issued the initial draft system impact study report in July 2018, Central Hudson announced that a transmission upgrade identified in its Local Transmission Owner Plan ("LTP") under Attachment Y to the OATT became "firm" and planned to be in service by 2022. The project consisted of upgrading portions of the 69 kV transmission facilities that were identified to be overloaded in the system impact study.
28. Based on the announcement of the LTP transmission upgrade, there was a belief that the inclusion of Central Hudson's transmission upgrade could help to eliminate the thermal overloads identified in the initial study, and the NYISO agreed to perform certain scenario evaluations on the impact of the Four Projects after modeling Central Hudson's transmission upgrade as in service.

29. This approach required conducting a scenario intended to re-evaluate the system in order to find the least cost basis for the Four Projects to interconnection given the circumstances, but required additional evaluation and time to complete.
30. The scenario evaluation showed that Central Hudson's LTP transmission upgrade addressed the identified overloads on the 69 kV transmission facilities originally identified in the system impact study.
31. The NYISO, in conjunction with Central Hudson, also evaluated whether there were certain interim operating procedures where the Four Projects could go into service prior to Central Hudson's transmission upgrade without causing any adverse reliability impacts.
32. The NYISO, in collaboration with Central Hudson, prepared three versions of the reports incorporating updates based on comments from the various parties and performing additional study work before finalizing the report on February 25, 2019 (*i.e.*, making it a total of four versions shared with the Interconnection Customers).
33. The final system impact study report determined that under the sensitivity with Central Hudson's transmission upgrades in service, the Project and the three other studied projects did not cause any significant adverse impacts. However, without those upgrades, the analyses identified thermal overloads on the 69 kV transmission facilities and will require a non-Local System Upgrade Facility on the 69 kV transmission facilities. The report also detailed that the projects could go into service prior to completion of Central Hudson's transmission upgrades with limited operating restrictions under certain conditions.
34. As a result of the system impact study findings, the NYISO determined that the Project, Greene County 1, Greene County 2, and Greene County Energy were not required to proceed to a Class Year Study in order to study non-Local System Upgrade Facilities; however, the results would be updated in the relevant facilities study.
35. The NYISO, in coordination with Central Hudson, also identified certain upgrades that would be necessary to Central Hudson's distribution system, which were identified through the additional distribution analyses.
36. This concludes my affidavit.

ATTESTATION

I am the witness identified in the foregoing affidavit. I have read the affidavit and am familiar with its contents. The facts set forth therein are true to the best of my knowledge, information, and belief.

/s/ James Ross Altman

James Ross Altman²

Dated: March 15, 2021

² Mr. Altman's affidavit has not been notarized as is permitted under the Commission's January 25, 2021 order extending the previous emergency waiver of the notarization rules. *See Temporary Action to Facilitate Social Distancing*, 174 FERC ¶ 61, 047 (2021).

Attachment III

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

Hecate Energy Greene County 3 LLC

v.

Docket No. EL21-49-000

**Central Hudson Gas & Electric Corporation
New York Independent System Operator, Inc.**

AFFIDAVIT OF EDWIN B. CANO

Mr. Edwin B. Cano declares:

1. I have personal knowledge of the facts and opinions stated herein.
2. I serve as the Supervisor of Facilities Studies for the New York Independent System Operator, Inc. ("NYISO"). My business address is 10 Krey Boulevard, Rensselaer, New York 12144.
3. I earned a Bachelor of Science in Electrical Engineering from Holy Angel University and a Master of Engineering in Electrical Engineering from Technological University of the Philippines. I have more than 15 years of experience in the energy industry and have held my current position at the NYISO since February 2016. Prior to holding my current position, I held positions at the NYISO as Senior Planning Engineer and before that Senior Operations Engineer. Through my current duties, I manage the NYISO's facility studies for interconnection and transmission expansion projects and conduct planning and operations studies.
4. I am responsible for overseeing the NYISO's performance of all facilities studies for transmission expansion and interconnection projects in accordance with the NYISO's Open Access Transmission Tariff ("OATT") and ISO Procedures. This includes facility studies conducted under the NYISO's Large Facility Interconnection Procedures set forth in Attachment X of the OATT, the Small Generator Interconnection Procedures ("SGIP") set forth in Attachment Z of the OATT, the Transmission Interconnection Procedures set forth in Attachment P of the OATT, and the transmission expansion requirements set forth in the OATT. As part of my responsibilities, I oversee the study of Small Generating Facilities in the facilities study stage of the SGIP to ensure that new generation may reliably connect to the New York State electric grid. I also oversee the processing of the NYISO's Class Year Study, which includes Large Facilities and certain Small Generating Facilities that are required to undergo the Class Year Process pursuant to the OATT.

5. I am submitting this affidavit in support of the NYISO's Answer to the February 11 Complaint (the "Complaint")¹ filed against the NYISO and Central Hudson Gas & Electric Corporation ("Central Hudson") in the above-captioned docket by Hecate Energy Greene County 3 LLC ("Complainant").
6. On or about February 25, 2019, the NYISO completed the clustered system impact study in the SGIP for Complainant's Project—Greene County 3, as well as three other projects—Greene County 1, Greene County 2, and Greene County Energy. Greene County 1 and Greene County 2 are proposed by wholly-owned subsidiaries of Hecate Energy LLC—Hecate Energy Greene 1 LLC ("Hecate 1") and Hecate Energy Greene 2 LLC ("Hecate 2"), while Greene County Energy is proposed by an unaffiliated Interconnection Customer.
7. At the beginning of March 2018, Complainant, Hecate 1, and Hecate 2 notified the NYISO that they wished to proceed to the facilities study for their respective projects.
8. Given the proximity of the proposed interconnections of the Complainant's Project, Greene County 1, and Greene County 2 on or near Central Hudson's North Catskill – Coxsackie 69 kV line and the potential collective impact of the projects that were identified in the system impact study, the NYISO commenced the facilities study as a clustered study for the three projects.
9. On March 12, 2019, the NYISO tendered draft facilities study agreements for the three projects. Complainant returned the executed facilities study agreements on April 11, 2019.
10. As with any Small Generating Facility undergoing a facilities study, the NYISO reviews the data that the Interconnection Customer provides in Attachment A to the facilities study agreement to ensure that it is complete and technically sufficient. This is both a tariff requirement and necessary for the actual performance of the study. The NYISO and Connecting Transmission Owner are unable to begin the analysis for the facilities study without complete and accurate information from the Interconnection Customer.
11. Because the NYISO was conducting the facilities study for the Project, Greene County 1, and Greene County 2, the NYISO reviewed the data for all three projects simultaneously and determined that data Complainant provided was incomplete and required clarification. Specifically, the NYISO found that Complainant's data did not include the required one-line diagram or quadrangle map of the project. The NYISO requested the missing information to cure the deficiencies on April 16, 2019.
12. The parties went through several iterations of providing and reviewing data until the NYISO received all of the required data on June 20, 2021, and the NYISO confirmed it was sufficient on June 26, 2021. It is fairly common for the NYISO and an

¹ *Hecate Energy Greene County 3 LLC v. Central Hudson Gas & Electric Corp. and New York Independent System Operator, Inc.*, Complaint Requesting Fast Track Processing of Hecate Energy Greene County 3 LLC, Docket No. EL21-49 (February 11, 2021) ("Complaint").

Interconnection Customer to have several iterations of clarifying, supplementing, and/or correcting the data submitted in Attachment A to the facilities study agreement.

13. Once the NYISO confirmed the data was sufficient for all three projects, it began the execution process for the facilities study agreements for the Project, Greene County 1, and Greene County 2. This process typically includes the NYISO updating and resending the facilities study agreement with any revisions or updated data to the Interconnection Customer for signature (if necessary), then the Connecting Transmission Owner will execute the agreement, and finally the NYISO will execute, compile, and forward copies of the agreement to the other parties.
14. The agreements for the Project, Greene County 1, and Greene County 2 were fully executed as of July 15, 2019 with the NYISO signing the agreements last. It is the NYISO's standard practice to serve as the final check before the agreements are fully executed.
15. On July 30, 2019, the NYISO held a "kickoff" meeting with Complainant and Central Hudson related to the facilities study of the three projects, as well as follow-up meetings on August 7, 2019 and August 21, 2019.
16. During the July 30, 2019 meeting, Central Hudson advised the NYISO and Complainant that certain New York State Standardized Interconnection Request ("NYSSIR") queue projects became "firm" for purposes of Central Hudson's system since the creation of the base cases for the system impact study, and those updates to Central Hudson's system would need to be reflected in the base cases for the facilities study consistent with the OATT. In most cases, the Transmission Owner will advise the NYISO of or the NYISO will ask the Transmission Owner whether there are updates that need to be reflected in the cases for the study.
17. Central Hudson responded to questions raised during the meeting related to the NYSSIR queue projects and provided information as early as August 7, 2021, identifying at a high-level the NYSSIR queue projects and their associated output that would affect the loading on the North Catskill – Cocksackie 69 kV line.
18. Following a discussion among Complainant and Central Hudson, Central Hudson sent, on September 6, 2019, a list of the NYSSIR queue projects that Central Hudson deemed firm and that would move forward. This list contained the six NYSSIR queue projects—none of which were reflected in to the base cases for the clustered system impact study as they became firm after the development of that base case.
19. The NYISO creates the base cases for the facilities study pursuant to the rules set forth in Section 25.5.5 of Attachment S to the OATT by starting with the Annual Transmission Base Assessment for the Class Year then in progress or the most recent Annual Transmission Reliability Assessment, as applicable. In doing so, the NYISO reaches out to the owners of the potentially affected systems to receive any updates that are not captured in the present case.

20. With regard to the facilities study for the Project, Greene County 1, and Greene County 2, Central Hudson made the appropriate updates to the base cases provided to it by the NYISO, which included the above-mentioned NYSSIR queue projects, and performed the analyses for the facilities study.
21. On October 2, 2019, the first draft of the facilities study report was provided to Complainant. The analyses found that the combined effect of all three of the projects resulted in thermal overloads on Central Hudson's 69 kV transmission facilities and, thereby, required a non-Local System Upgrade Facility to address such overloads.
22. The NYISO explained that given the results of the facilities study, the projects would need to go into the next open Class Year Study to have the non-Local System Upgrade Facilities studied and cost allocated as required by Section 32.3.5.3.2 of Attachment Z to the OATT.
23. Complainant disagreed with the NYISO's assessment, and argued that its Project, Greene County 1, and Greene County 2 should have priority over the NYSSIR queue projects based on the dates of when the projects submitted their respective interconnection requests in the SGIP and because the NYSSIR queue projects were not included in the base cases for the clustered system impact study.
24. In response, the NYISO explained that it did not agree with Complainant's assessment of its rules and how the NYISO's process works for establishing the base cases and priority. The NYISO, however, actively engaged Complainant to determine whether there was a potential solution that could identify a path for some, but not all, of its projects to complete the facilities study without triggering the need for the non-Local System Upgrade Facility on Central Hudson's 69 kV transmission facilities.
25. After considering potential alternative solutions and performing additional analyses, the NYISO determined that Greene County 1 and Greene County 2 could proceed forward together without triggering non-Local System Upgrade Facilities. However, Greene County 1 and Complainant's Project could not proceed together under any combination without triggering the need for the non-Local System Upgrade Facilities. As a result, the NYISO explained that the Project would need to be studied in the Class Year Study if Greene County 1 and Greene County 2 completed the facilities study under the SGIP.
26. Complainant, Hecate 1, and Hecate 2 elected to proceed forward with Greene County 1 and Greene County 2 completing the facilities study in the SGIP.
27. The NYISO proceeded to assess the Project in a stand-alone facilities study, and the NYISO concluded the facilities study for Complainant's Project, on February 10, 2020, after extensive discussion on the non-Local System Upgrade Facility at issue under the Complaint.

28. On September 22, 2020, the NYISO filed executed interconnection agreements for Greene County 1 and Greene County 2 with the Commission, which were accepted on November 5, 2020.² Neither project was allocated the costs of the non-Local System Upgrade Facilities at issue under the Complaint.
29. This concludes my affidavit.

ATTESTATION

I am the witness identified in the foregoing affidavit. I have read the affidavit and am familiar with its contents. The facts set forth therein are true to the best of my knowledge, information, and belief.

/s/ Edwin B. Cano

Edwin B. Cano³

Dated: March 15, 2021

² See *Joint Filing of an Executed Small Generator Interconnection Agreement Among the New York Independent System Operator, Inc. Central Hudson Gas & Electric Corporation, and Hecate Energy Greene 1 LLC*, Docket No. ER20-2943-000 (September 22, 2020); *Joint Filing of an Executed Small Generator Interconnection Agreement Among the New York Independent System Operator, Inc. Central Hudson Gas & Electric Corporation, and Hecate Energy Greene 2 LLC*, Docket No. ER20-2944-000 (September 22, 2020); see also *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER20-2943-000 (November 5, 2020); *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER20-2944-000 (November 5, 2020).

³ Mr. Cano's affidavit has not been notarized as is permitted under the Commission's January 25, 2021 order extending the previous emergency waiver of the notarization rules. See *Temporary Action to Facilitate Social Distancing*, 174 FERC ¶ 61,047 (2021).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 15th day of March 2021.

/s/ Joy A. Zimmerlin

Joy A. Zimmerlin
New York Independent System Operator, Inc.
10 Krey Blvd.
Rensselaer, NY 12144
(518) 356-6207