

September 13, 2011

By Electronic Filing

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

**Re: *New York Independent System Operator, Inc.*, Docket No. ER11-4303-000
Proposed Errata Regarding Voltage Support Service and Request for
Expedited Action**

Dear Secretary Bose:

On August 12, 2011 the New York Independent System Operator, Inc. (“NYISO”) submitted proposed tariff revisions to its Market Administration and Control Area Services Tariff (“Services Tariff”) and Open Access Transmission Tariff (“OATT”) to amplify and clarify sections governing Voltage Support Service and to improve the consistency of the tariffs with the NYISO’s Ancillary Services Manual.

By this errata filing, the NYISO is correcting inadvertent errors in the Services Tariff Section 15.2.2.2 narrative description of, and formula set out for, calculating Lost Opportunity Costs for Generators who are Suppliers of Voltage Support Service. The NYISO inadvertently failed to correctly indicate, through the use of properly placed parentheses, the mathematical operation of the formula and these clarifications describe more appropriately how the formula is to operate. The corrected formula and narrative represent the manner in which the current software calculates Lost Opportunity Costs for these Suppliers and no substantive changes are being proposed. Two ministerial corrections to this section are also proposed.

Because its proposed errata are minor, and consistent with and address the same substantive issue as the revisions included in the NYISO’s August 12, 2011 filing in the above-captioned proceeding, the NYISO respectfully requests that the Commission act as expeditiously as possible to issue an order accepting the errata as of the same effective date that was requested in the August 12, 2011 filing, *i.e.*, October 11, 2011.

I. Errata Corrections

The NYISO is correcting the formula for calculating Lost Opportunity Costs for Generators who are Suppliers of Voltage Support Service, provided in Section 15.2.2.2, by

correctly placing the parentheses. As corrected, the formula indicates that Lost Opportunity Costs are calculated, on an interval by interval basis, as the greater of zero or the difference between: (i) the product of: (a) the real-time LBMP in the interval and (b) the difference between: (1) the Economic Operating Point for the Supplier in the interval and (2) the maximum of the Supplier's Actual Energy Injection, its real-time schedule and its Day-Ahead schedule; and (ii) the Suppliers Energy Bid for the reduced output. This is then converted to units of dollars by multiplying by the length of the interval in units of hours.

The NYISO is also inserting the subtraction sign in this formula that appears in the redlined tariff provided on August 12, 2011 but was inadvertently omitted from the clean tariff section submitted on that date.

In addition, the NYISO is improving the narrative description of the calculation of Lost Opportunity Costs in Section 15.2.2.2 by indicating in revised text the proper mathematical order of the calculation.

Finally, the NYISO is proposing two ministerial changes to this section. First, the NYISO proposes to eliminate a redundant sentence in Section 15.2.2.2 which introduces the formula. The NYISO also proposes to replace the title to Figure 2.0(b) to eliminate an inadvertent proofing note.

II. Services Tariff Revision Detail

The corrected narrative in Section 15.2.2.2 now reads:

The Lost Opportunity Cost payment shall be calculated as the maximum of zero or the difference between: (i) the product of: (a) the appropriate MW of output reduction and (b) the Real-Time LBMP at the Generator bus; and (ii) the Generator's Energy Bid for the reduced output of the Generator, multiplied by the time duration of reduction in hours or fractions thereof.

The formula in 15.2.2.2 has been modified as follows:

$$LOC_t = \max \left(\left(LBMP_{RT,t} \times (EOP_t - \max(AEI_t, RTS_t, DAS_t)) - \int_{\max(AEI_t, RTS_t, DAS_t)}^{EOP_t} Btd \right), 0 \right) \times \frac{S_t}{3600}$$

III. Documents Submitted

The NYISO submits the following documents:

1. This filing letter;
2. A clean version of the revisions to Section 15.2 of the Services Tariff ("Attachment I"); and
3. A black lined version of the revisions to Section 15.2 of the Services Tariff ("Attachment II").

IV. Effective Date

The NYISO respectfully requests that the Commission review this errata filing on an expedited basis, accept it as containing minor corrections and ministerial clarifications, and accept the attached revisions for filing with the same October 11, 2011 effective date as the Commission assigns to the tariff revisions that the NYISO submitted on August 12, 2011. Although the requested effective date of October 11, 2011 is short of the sixty-day-prior notice period, the NYISO submits that an October 11, 2011 effective date remains appropriate because of the minor nature of these proposed changes.

The Commission has discretion to waive the sixty-day prior notice period and make tariff revisions effective before it closes when "good cause" is shown.¹ Good cause for such a waiver exists for the changes to the tariff proposed herein because the changes proposed herein are minor mathematical clarifications to a formula. With these corrections, the formula in Section 15.2.2.2 will accurately describe the mathematical calculations the NYISO's software currently performs. Other proposed changes are only ministerial in nature. As well, these proposed changes are consistent with the changes previously approved by NYISO stakeholders. The NYISO has noticed its Market Participants to this filing in the same manner it provided notice of the original filing.

V. Service

The NYISO will send an electronic link to this filing to to all parties on the Commission's official service list in this proceeding, the official representative of each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, and to the New Jersey Board of Public Utilities. In addition, the complete filing

¹ See e.g., *California Independent System Operator Corp.*, 113 FERC ¶61, 287 at PP 48-50 (2005).

will be posted on the NYISO's website at www.nyiso.com. This is in accordance with 18 C.F.R. 35.2(e).

VI. Communications and Correspondence

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

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* Persons designated for receipt of service.

VII. Conclusion

The NYISO respectfully requests that the Commission accept this errata filing with an effective date of October 11, 2011.

Respectfully submitted,

/s/ Mollie Lampi

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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 13th day of September, 2011.

/s/ Joy Zimmerlin

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