NEW YORK INDEPENDENT SYSTEM OPERATOR
10 Krey Boulevard ♦ Rensselaer, NY 12144

February 25, 2010

By Hand Delivery

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

Re: *New York Independent System Operator, Inc.*, Docket No. ER10-xxx Proposed Tariff Revisions to certain Black Start procedures and certification requirements.

Dear Secretary Bose:

In accordance with Section 205 of the Federal Power Act and Part 35 of the Commission's regulations, the New York Independent System Operator, Inc. ("NYISO") respectfully submits proposed revisions to its Market Administration and Control Area Services Tariff ("Services Tariff") to revise the steam turbine testing procedure for generators providing local Black Start services[1] in New York City and to add an additional certification requirement for certain Black Start Generator owners.

I. Documents Submitted

1. This filing letter;

2. A clean version of the proposed revisions to the NYISO's Services Tariff ("Attachment I"); and

3. A blacklined version of the proposed revisions to the NYISO's Services Tariff ("Attachment II").

II. Background

Black Start is an ancillary service required to be purchased by loads to restore system capability in the event of a total blackout. This service is maintained by the NYISO on a statewide basis for those generators included in the ISO System Restoration Plan and by Transmission Owners on a local basis as part of individual restoration plans for their Transmission Districts. Costs for this service are allocated statewide by the NYISO and locally by the Transmission Owners, pursuant to Rate Schedule 5 of the

[1] Unless otherwise indicated, terms that are capitalized are used as defined in the NYISO's Services Tariff.

Services Tariff. In this filing the NYISO proposes changes to local Black Start testing requirements and local Black Start certifications.

Specifically, the NYISO proposes changes to Appendices I and II of Rate Schedule 5 of the Market Services Tariff. The changes to Appendix I maintain the eight hour maximum time for a steam turbine to successfully complete its Black Start test but provide additional flexibility in performing the required test. The changes to Appendix II of Rate Schedule 5 of the Services Tariff arose after the New York State Reliability Council ("NYSRC") imposed a requirement that Black Start generator owners certify that they have maintained and tested their components according to good industry practice. The NYISO took these issues through the stakeholder process and now proposes to make the following specific changes to its Services Tariff.

III. Tariff Description and Justification

A. Revisions to Appendix I of Rate Schedule 5 of the Services Tariff

Appendix I of Rate Schedule 5 of the Services Tariff contains the Black Start testing procedure for the Consolidated Edison Transmission District. The current procedure for testing steam turbine facilities in the local Black Start program requires that the unit be synchronized to the transmission system no more than six hours after isolation and be firm to the system and at minimum load in no more than two hours after closing its breaker. The new requirement is that the unit be operating at minimum load no more than 8 hours after isolation, rather than 2 hours after closing its breaker. Thus, the maximum time limit is still maintained while giving the unit flexibility in performing the test. A local Black Start generator within the Consolidated Edison Transmission District requested this change, and Consolidated Edison agreed. The NYISO also proposes one other ministerial change in the numbering of Gas Turbine Testing Steps in Appendix I because of a typographical error.

B. Revisions to Appendix II of Rate Schedule 5 of the Services Tariff

The NYISO proposes to add the following phrase to the certification form for its local Black Start Units:

> [Name of Generator] further certifies that it identifies and maintains a list of critical components in its black start facilities (e.g., batteries, diesel back-up generators, invertors etc.) and has performed tests to verify the condition of these critical components in accordance with good industry practice.

This change is necessitated by recent changes to the NYSRC Rules which require Black Start providers to certify that they maintain and test critical components in accordance with good utility practice. This further certification is in addition to the

certification that the units already provide that they have successfully tested in accordance with ISO Procedures.

IV. Effective Date

The NYISO requests an effective date for these tariff amendments of April 26, 2010, 60 days from the date the proposed changes have been filed with the Federal Energy Regulatory Commission.

V. Requisite Stakeholder Approval

These amendments were approved, with two abstentions, by the NYISO Operating Committee on November 12, 2009 and by the NYISO Management Committee on November 19, 2009.

VI. Communications and Correspondence

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

Robert E. Fernandez, General Counsel
Elaine Robinson, Director of Regulatory Affairs
Mollie Lampi, Assistant General Counsel
* Kristin Bluvas, Attorney
10 Krey Boulevard
Rensselaer, NY 12144
Tel: (518) 356-7530
Fax: (518) 356-7678

* Persons designated for receipt of service.

VII. Service

The NYISO will send an electronic link to this filing to the official representative of each of its customers, to each participant on its stakeholder committees, to the New York Public Service Commission, and to the electric utility regulatory agency of New Jersey. In addition, the complete filing will be posted on the NYISO's website at www.nyiso.com. This is in accordance with 18 C.F.R. 35.2(e).

VIII. Conclusion

Wherefore, for the foregoing reasons, the New York Independent System Operator, Inc. respectfully requests that the Commission accept for filing the proposed tariff revisions that are attached hereto with an effective date of April 26, 2010.

Respectfully Submitted,

/s/ Kristin A. Bluvas
Kristin A. Bluvas
Attorney
New York Independent System Operator, Inc.

ATTACHMENT I

force majeure event, Consolidated Edison and the plant owner will conduct the test outside the test period without a *pro rata* reduction in annual payments.

5. If a black start test is not successful, the plant owner will have a reasonable opportunity to reschedule and conduct a subsequent test.

Gas Turbine Facility Testing Requirements

1. A qualifying test of a gas turbine must be conducted when the unit is in a cold condition, i.e., the unit will be off line and will be brought on line specifically to conduct the black start tests.
2. The gas turbine-Generator units to be tested will be off line at the start of the test and will be isolated from all external Consolidated Edison light and power sources.
3. The black start test must demonstrate that (i) the designated black start unit can be started and can energize the isolated light and power bus; and (ii) that the light and power source is adequate for the purpose of bringing the other units on line. Part (ii) must be demonstrated by starting up an additional gas turbine from the light and power bus that has been energized through Part (i) of the test. Site specific appendices will be developed to reflect these general criteria.
4. Once isolated from Consolidated Edison's light and power, the gas turbine facility will have 90 minutes to ready the equipment and to request permission to synchronize the additional generating unit to a live bus on the Consolidated Edison transmission system. When

shall be deemed firm as of 48 hours prior to the scheduled beginning of the test. A firm test may not be called off or deferred except (1) by the ISO, for system or local reliability reasons; or (2) if the unit is unable to be in hot condition because it was not selected by the ISO to run on the day prior to the test. As is the case for any ISO-approved outage, the plant owner shall not offer the unit into the Day Ahead Market for operation during the test the day, and such non-offering into the market shall be deemed not to diminish the unit's availability.

2. The steam unit will be required to start up using energy and voltage control from a gas turbine-generator to energize its internal light & power bus, and be ready to synchronize to an energized transmission system when directed by the Consolidated Edison System Operator.
3. A test shall be considered successful if, after isolation from the Consolidated Edison transmission system, the hot steam unit is synchronized to the transmission system in no more than 6 hours after the completion of the isolation and is firm to the system and operating at minimum load in no more than 8 hours after the completion of the isolation.
4. A maximum of two (2) Consolidated Edison System Operations or Engineering personnel will be allowed onsite to witness the test. ISO representatives may be onsite to witness the test. If an ISO representative is not onsite, a representative from Consolidated Edison and the plant owner will initiate calls to ISO operations personnel to signal the start time, completion time and outcome of the test.

Rate Schedule 5. Appendix II

[Name of Generator Owner] hereby certifies that the **[name/location of generation equipment]** successfully performed a Black Start and System Restoration Services test on **[date]** in accordance with the ISO Procedures. [Name of Generator Owner] further certifies that it identifies and maintains a list of critical components in its black start facilities (e.g., batteries, diesel back-up generators, inverters etc.) and has performed tests to verify the condition of these critical components in accordance with good industry practice.

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Signature of Officer

ATTACHMENT II

force majeure event, Consolidated Edison and the plant owner will conduct the test outside the test period without a *pro rata* reduction in annual payments.

5. If a black start test is not successful, the plant owner will have a reasonable opportunity to reschedule and conduct a subsequent test.

Gas Turbine Facility Testing Requirements

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4. Once isolated from Consolidated Edison's light and power, the gas turbine facility will have 90 minutes to ready the equipment and to request permission to synchronize the additional generating unit to a live bus on the Consolidated Edison transmission system. When

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2. The steam unit will be required to start up using energy and voltage control from a gas turbine-generator to energize its internal light & power bus, and be ready to synchronize to an energized transmission system when directed by the Consolidated Edison System Operator.

3. A test shall be considered successful if, after isolation from the Consolidated Edison transmission system, the hot steam unit is synchronized to the transmission system in no more than 6 hours after the completion of the isolation and is firm to the system and operating at minimum load in no more than 8~~2~~ hours after ~~closing its breaker~~the completion of the isolation.

4. A maximum of two (2) Consolidated Edison System Operations or Engineering personnel will be allowed onsite to witness the test. ISO representatives may be onsite to witness the test. If an ISO representative is not onsite, a representative from Consolidated Edison and the plant owner will initiate calls to ISO operations personnel to signal the start time, completion time and outcome of the test.

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Signature of Officer