

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

New York Independent System Operator, Inc.) **Docket Nos. ER04-449-018**
New York Transmission Owners) **ER04-449-019**

**MOTION FOR EXTENSION OF TIME AND REQUEST FOR EXPEDITED
ACTION**

Pursuant to Rules 212 and 2008 of the Commission’s Rules of Practice and Procedure,¹ the New York Independent System Operator, Inc. (“NYISO”) respectfully submits this motion for an extension of time to comply with the Commission’s June 30, 2009 Order’s (“June 2009 Order”) directive that the NYISO make regarding the “criteria for the potential formation of additional locational installed capacity zones”, and that such “filing should address the implications and effects of a new capacity zone or zones on the tariff provisions and market rules governing Capacity Resource Interconnection Service” (“CRIS”).² The NYISO requests an additional 180 days (*i.e.*, until April 4, 2011) to make the directed filing.³ Granting the requested extension would allow continued discussions on the NYISO’s proposed criteria that would govern the potential formation of additional locational Installed Capacity zones. Such discussions have the potential to achieve a stakeholder consensus that would resolve controversies before they

¹ 18 C.F.R. §§ 385.212 and 385.2008 (2009).

² New York Independent System Operator, Inc., 127 FERC ¶ 61,318 at P 53 (2009) (“June 2009 Order”). Although the referenced paragraph directed the NYISO to make the filing regarding the criteria, the corresponding ordering clause (ordering clause D) stated that this filing was to be made by the “Filing Parties,” *i.e.*, the NYISO and the New York Transmission Owners (“NYTOs”). The New York Transmission Owners are: Central Hudson Gas & Electric Corporation; Consolidated Edison Company of New York, Inc.; Long Island Power Authority; New York Power Authority; New York State Electric & Gas Corporation; Niagara Mohawk Power Corporation d/b/a National Grid; Orange and Rockland Utilities, Inc.; and Rochester Gas and Electric Corporation

³ *Id.*

reach the Commission. Allowing additional time for further stakeholder review therefore has the potential to hasten, not delay, the actual implementation of new capacity zone criteria.

The NYTOs have authorized to NYISO to state that the NYTOs support the requested extension of time.

I. Background

In its June 2009 Order, the Commission accepted the Filing Parties' proposal to work with stakeholders to address "dynamic changes to the New York Control Area that may warrant the creation of additional capacity zones within the NYISO market."⁴ The June 2009 Order, recognizing that the development of such criteria would be a "continuing" process that would require stakeholder consultations provided three years from the date of filing of the Consensus Deliverability Plan, *i.e.*, until October 5, 2010, for the Filing Parties to "address the implications and effects of a new capacity zone or zones on the tariff provisions and market rules governing [CRIS]."⁵

As required by the June 2009 Order, the NYISO has been working through its stakeholder process to develop proposed criteria for new capacity zones. The NYISO had discussions at an April 23, 2009 meeting of its Interconnection Issues Task Force. Subsequently, the NYISO discussed these issues in Installed Capacity Working Group meetings on May 8, 2009, June 5, 2009, and July 7, 2009. Most recently, the NYISO presented to, and discussed with stakeholders, proposed specific criteria for the establishment of new capacity zones at an Installed Capacity ("ICAP") Working Group

⁴ *Id.*

⁵ *Id.*

meeting on August 30, 2010. The NYISO requested and received written comments on the proposed criteria. Based on the written comments submitted, the oral comments during the August 30 ICAP Working Group meeting, and further its analysis, the NYISO presented to and discussed with, stakeholders revised criteria at the September 16, 2010 ICAP Working Group meeting.

II. Motion for Extension of Time

The NYISO believes that continued stakeholder discussions will facilitate the development of a proposal that can receive broad support, thereby minimizing the number of disputed issues once the proposed criteria is submitted to the Commission. Although there have already been stakeholder discussions on the development of a broadly-supported proposal, a consensus has not yet been reached. The NYISO is currently evaluating oral comments received during the September 16, 2010 ICAP Working Group meeting and plans to discuss a revised proposal with stakeholders. Allowing an extension of time will enable the NYISO to continue stakeholder discussions on criteria for the development of additional capacity zones and to work towards a consensus on the criteria.

Further, the NYISO would use the additional time to complete its review of the “implications and effects” of a new capacity zone or zones on the tariff provisions and market rules governing CRIS. Among other things, the NYISO intends to ensure that the potential impacts on other tariff provisions are considered in the stakeholder process.

At the August 30, 2010 ICAP Working Group meeting, the NYISO delineated a list of some process and procedure issues regarding the potential creation of new capacity zones. Additionally, the NYISO and stakeholders have discussed the manner in which

new capacity zone determinations would be addressed through the NYISO's governance processes. Developing a common understanding of these issues and implications will inform the development of the criteria, the identification and assessment of the implications and effects, and enhances the opportunity to develop consensus.

The NYISO respectfully submits that no party's interests would be harmed if this request is granted, as the additional time will be used to continue to discussions and address stakeholder concerns, with the aim of producing a proposal that will enjoy consensus support and that can be effectuated with less controversy.

III. Request for Expedited Action

The NYISO respectfully requests that the Commission issue an order granting its requested extension no later than October 4, 2010 so that the Filing Parties may know their filing obligations with certainty. To the extent necessary, the NYISO also requests that the Commission shorten, or waive, any applicable comment period so that it may issue an order by October 4.

IV. Conclusion

For the reasons set forth above, the NYISO submits that good cause exists to grant an extension of time, until April 4, 2011, to make a compliance filing regarding the criteria for new capacity zones and addressing the implications and effects of a new capacity zone or zones on the tariff provisions and market rules governing Capacity Resource Interconnection Service.

Respectfully submitted,

/s/Gloria Kavanah

Gloria Kavanah

Senior Attorney

New York Independent System Operator, Inc.

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 24th day of September, 2010.

By: /s/ John C. Cutting

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