

THIS FILING LETTER DOES NOT CONTAIN ANY CEIL. ATTACHMENTS I, II, AND IV DO NOT CONTAIN ANY PRIVILEGED OR CONFIDENTIAL INFORMATION. ATTACHMENT III INCLUDES ONE-LINE SCHEMATICS FOR WHICH CEIL DESIGNATION IS REQUESTED IN SECTION III BELOW, AND IS SUBMITTED SEPARATELY.

January 22, 2024

By Electronic Delivery

Honorable Debbie-Anne A. Reese, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Filing of an Executed Large Generator Interconnection Agreement for the Riverhead Solar 2 Project (NYISO Queue Position No. 535) Among the New York Independent System Operator, Inc., Long Island Lighting Company d/b/a LIPA, and Riverhead Solar 2, LLC; Request for Critical Energy Infrastructure Information Designation; and Request for Waiver of the 60-Day Notice Period; Docket No. ER24-____-000

Dear Ms. Reese:

Pursuant to Section 205 of the Federal Power Act¹ and Section 35.13 of the Commission's regulations,² the New York Independent System Operator, Inc. ("NYISO") hereby tenders for filing an executed Large Generator Interconnection Agreement for the Riverhead Solar 2 project (NYISO Queue Position No. 535) entered into by the NYISO, Long Island Lighting Company d/b/a LIPA ("LIPA"), as the Connecting Transmission Owner, and Riverhead Solar 2, LLC ("Riverhead"), as the Developer (the "Interconnection Agreement").³ The Interconnection Agreement is labeled as Service Agreement No. 2740 under the NYISO's Open Access Transmission Tariff ("OATT").

The NYISO respectfully requests that the Commission accept the Interconnection Agreement for filing. With the limited exceptions described in Part I of this letter, the Interconnection Agreement conforms to the NYISO's *pro forma* Large Generator Interconnection Agreement ("Pro Forma LGIA") that is contained in Attachment X to the OATT. Further, as described in Part II of this letter, the NYISO respectfully requests a waiver of

¹ 16 U.S.C. § 824d.

² 18 C.F.R. § 35.13 (2022).

³ Capitalized terms that are not otherwise defined in this filing letter shall have the meaning specified in Attachments S or X of the NYISO OATT, and if not defined therein, in the NYISO OATT and NYISO Market Administration and Control Area Services Tariff.

the Commission's prior notice requirements⁴ to make the Interconnection Agreement effective as of January 5, 2024, which is the date of its full execution. Finally, as described in Part III of this letter, the NYISO requests, at LIPA's request, that the one-line diagrams included in the Interconnection Agreement be protected from disclosure as Critical Energy Infrastructure Information.

I. Discussion

A. Background

Riverhead is constructing a 36 MW solar electricity generating facility located in the Town of Calverton in Suffolk County, New York (the "Facility"). Additional details regarding the Facility can be found in Appendix C of the Interconnection Agreement. The Facility will interconnect to certain facilities of LIPA that are part of the New York State Transmission System. The Point of Interconnection is LIPA's 138 kV Edwards Avenue Substation. Figure A-1 in Appendix A of the Interconnection Agreement includes a one-line diagram showing the Point of Interconnection.

The Point of Interconnection for the Facility is also used by the existing Riverhead Solar Farm facility ("Riverhead Solar Farm Facility") owned and operated by Riverhead Solar Farm, LLC ("Riverhead Solar Farm"). The Riverhead Solar Farm Facility is subject to an interconnection agreement among the NYISO, LIPA, and Riverhead Solar Farm (*i.e.*, NYISO OATT Service Agreement No. 2436) ("Riverhead Solar Farm Facility Interconnection Agreement").

The existing Riverhead Solar Farm Facility feeds power to the Riverhead Solar Collector Substation, which equipment are the Interconnection Customer's Interconnection Facilities up to the Point of Change of Ownership with LIPA. The power is then fed through the Connecting Transmission Owner's Interconnection Facilities to the Point of Interconnection for the New York State Transmission System at LIPA's Edwards Avenue Substation.

Riverhead will own and operate the Facility in accordance with this Interconnection Agreement among the NYISO, LIPA, and Riverhead. The Facility will also feed power through the Interconnection Customer's Interconnection Facilities (called Developer's Attachment Facilities in the Interconnection Agreement)⁵ at the Riverhead Solar Collector Substation and will also interconnect to the New York State Transmission System via the Connecting

⁴ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, clarified, 65 FERC ¶ 61,081 (1993).

⁵ The Riverhead Solar Farm Facility is a Small Generating Facility. The NYISO's Standard Small Generator Interconnection Procedures in Attachment Z of the OATT use the terms "Interconnection Facilities," "Interconnection Customer's Interconnection Facilities," and "Connecting Transmission Owner's Interconnection Facilities" in the context of a Small Generating Facility, while the Standard Large Facility Interconnection Procedures in Attachment X of the NYISO OATT use the terms "Attachment Facilities," "Developer's Attachment Facilities," and "Connecting Transmission Owner's Attachment Facilities" to describe the same facilities in the context of a Large Generating Facility.

Transmission Owner's Interconnection Facilities (called Connecting Transmission Owner's Attachment Facilities in the Interconnection Agreement) at LIPA's existing Edwards Avenue Substation.

Riverhead and Riverhead Solar Farm have entered into a separate Shared Facilities Agreement, dated April 10, 2019, among Riverhead, Riverhead Solar Farm, and sPower Services, LLC, which agreement (i) was accepted for filing by the Commission effective May 7, 2019 in its Docket No. ER19-1787-000, and (ii) establishes as between Riverhead and Riverhead Solar Farm their respective obligations for their shared ownership, operation, and maintenance of the Developer's Attachment Facilities (the "Shared Facilities Agreement"). Section 6 of Appendix A of the Interconnection Agreement establishes certain requirements for a single point of contact – the Riverhead Generators – for Riverhead and Riverhead Solar Farm for purposes of operating and maintaining the shared Developer's Attachment Facilities, using the shared Connecting Transmission Owner's Attachment Facilities, interfacing with the NYISO and LIPA concerning the projects' interconnections, and making required payments under the projects' interconnection agreements. The NYISO, LIPA, and Riverhead Solar Farm incorporated the same requirements concerning the shared facilities in an amended and restated version of the Riverhead Solar Farm Facility Interconnection Agreement, which is being filed with the Commission contemporaneously with this filing.

B. The Interconnection Agreement Closely Conforms to the Pro Forma LGIA Contained in Attachment X of the NYISO OATT

The Interconnection Agreement was fully executed on January 5, 2024, by the NYISO, LIPA, and Riverhead. The Interconnection Agreement largely conforms to the language in the Pro Forma LGIA contained in Attachment X of the NYISO OATT with the exceptions described below in this Part I.B. The NYISO submits that the changes specified below satisfy the Commission's standard for variations from the Pro Forma LGIA, because unique circumstances exist that require a non-conforming agreement.⁶ Therefore, the NYISO respectfully requests that the Commission accept the Interconnection Agreement with the non-conforming changes.

1. Modifications Required to Address LIPA's Status as a Non-Jurisdictional, Tax-Exempt Municipal Utility

The Interconnection Agreement includes several modifications recognizing LIPA's status as a non-jurisdictional municipal utility pursuant to Section 201(f) of the Federal Power Act ("FPA").⁷ As a municipal utility, LIPA is not subject to certain federal and state tax laws. Further, LIPA holds, and has the authority to issue, tax-exempt debt for use in the construction, operation and maintenance of its transmission system. LIPA's tax-exempt status and issuance of tax-exempt debt already is recognized under applicable terms of the NYISO OATT and related

⁶ See, e.g., *PJM Interconnection, LLC*, 111 FERC ¶ 61,163 at PP 10-11, *reh'g denied*, 112 FERC ¶ 61,282 (2005).

⁷ 16 U.S.C. § 824(f).

agreements. Accordingly, this Interconnection Agreement includes the following set of changes:

- The Recitals have been modified to note LIPA's status as a non-jurisdictional municipal utility.
- Articles 2.1, 2.3.1 and 29.13 have been modified to delete the words "Connecting Transmission Owner" to reflect that the NYISO (in its role as the jurisdictional public utility) is individually making required filings with the Commission pursuant to the FPA. Article 29.13 is further modified, consistent with LIPA's non-jurisdictional status, to reflect that any party may make a unilateral filing with the Commission to modify this Interconnection Agreement pursuant to FPA Section 206.
- Article 3 has been modified to clarify that the filing of the Interconnection Agreement with the Commission by the NYISO shall not be construed as a waiver of LIPA's status as a non-jurisdictional municipal utility pursuant to FPA Section 201(f).
- Article 5.11 has been modified to indicate that LIPA's Attachment Facilities and Stand Alone System Upgrade Facilities will be treated as Transmission Facilities Requiring ISO Notification.
- Article 5.17, which governs tax matters, has been deleted to reflect LIPA's tax-exempt status as a municipal utility. The parties have inserted "Reserved" into Article 5.17, so the numbering for subsequent sections does not need to be adjusted due to the deletion.

These modifications do not change the substantive procedures and standards for interconnection. The purpose of these modifications is to properly reflect LIPA's non-jurisdictional and tax-exempt status. The Commission has previously accepted these types of modifications to the Pro Forma LGIA.⁸

In addition, the parties agreed to make certain revisions to reflect the fact that Long Island Electric Utility Servco LLC ("Servco") will be executing the Interconnection Agreement on behalf of LIPA, as LIPA's agent. In particular, the parties revised the preamble and the signature block to establish Servco's role in the Interconnection Agreement, including providing that Servco will not be a party to the Interconnection Agreement and will not have any liability under the Interconnection Agreement and clarifying that LIPA will have full liability for the obligations of the Connecting Transmission Owner under this Agreement. Further, the parties revised the indemnity requirements in Article 18.1 to provide that each party would indemnify the other parties "and their agents" to account for Servco in the indemnity rules.

⁸ See, e.g., *New York Independent System Operator*, Letter Order, Docket No. ER17-2151-000 (Sept. 8, 2017) (accepting revisions to reflect LIPA's status as a non-jurisdictional municipal utility); *New York Independent System Operator*, Letter Order, Docket No. ER11-1975-000 (Dec. 15, 2010) (same) (re-filed by the NYISO to address an eTariff display issue; see *New York Independent System Operator*, Letter Order, Docket No. ER11-1975-001 (Feb. 18, 2011)).

2. Modifications Related to Billing and Security Arrangements

Article 12.1 of the Pro Forma LGIA provides for a Connecting Transmission Owner to bill the Developer on a monthly basis for amounts due for the preceding month. LIPA and Riverhead have agreed to an alternative billing arrangement for Riverhead to make advanced payments to LIPA, which will include using advanced payment as the form of security for the Connecting Transmission Owner's Attachment Facilities as permitted by Article 11.5. Accordingly, the parties have agreed to modify Article 12.1 of the Interconnection Agreement to reference the details of the alternative billing arrangement, which are set forth in Section 3 of Appendix B of the Interconnection Agreement. The Commission has previously accepted this change to NYISO's interconnection agreements.⁹

3. Modifications Required to Reflect Joint Ownership and Use of Interconnection Facilities

As described above, Riverhead and Riverhead Solar Farm have entered into a Shared Facilities Agreement and established a single point of contact – the Riverhead Generators – for purposes of operating and maintaining the Developer's Attachment Facilities, using the Connecting Transmission Owner's Attachment Facilities, interfacing with the NYISO and LIPA concerning the projects' interconnections, and making required payments under the projects' interconnection agreements. Accordingly, the parties inserted in Section 6 of Appendix A the details concerning how this Shared Facilities Agreement will interact with the requirements in the Interconnection Agreement. The parties also modified the notice provisions in Article 15 of the Interconnection Agreement to reference the use of the Riverhead Generators, as described in Section 6 of Appendix A of the Interconnection Agreement, as the point of contact for the NYISO and LIPA concerning the Facility and the Riverhead Solar Farm Facility.

In addition, the parties modified the metering requirements to account for both the Facility and the Riverhead Solar Farm Facility feeding power into the Riverhead Solar Collector Substation and interconnecting to the New York State Transmission System at LIPA's Edwards Avenue Substation. The parties have specified in Section 6 of Appendix A and Section 3 of Appendix C of the Interconnection Agreement the details concerning how the two generating facilities will be metered to distinguish their output and have revised Article 7.1 of the Interconnection Agreement to provide for these metering requirements.

II. Proposed Effective Date and Request for Waiver of the 60-Day Notice Period

The NYISO requests an effective date of January 5, 2024, for the Interconnection Agreement, which is the date of its full execution. The NYISO respectfully requests that the Commission waive its prior notice requirement to permit the requested effective date. The

⁹ See, e.g., *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER22-1887-000 (July 14, 2022) (accepting non-conforming revisions for alternative billing arrangement).

Commission has previously permitted interconnection agreements to become effective upon the date of execution.¹⁰

III. Request for CEII Treatment

LIPA has indicated that the one-line diagrams included as the figures in Appendix A of the Interconnection Agreement contain detailed, one-line schematics of LIPA's facilities that, if disclosed, could pose a threat to the security and the reliability of the New York State bulk power system. Pursuant to Sections 388.112 and 388.113 of the Commission's regulations,¹¹ at LIPA's request,¹² the NYISO requests that the one-line diagrams included as the figures in Appendix A of the Interconnection Agreement be protected from disclosure as Critical Energy Infrastructure Information ("CEII").¹³ The diagrams provide more than simply the general location of critical infrastructure. Unlike publicly available maps of power transmission lines and generation and substation facilities, the schematics shows the exact nature and specific location of facilities used to maintain the reliability of the New York State bulk power system.

The diagrams, in LIPA's assessment, reveal such critical information related to the facilities depicted therein that, if disclosed, could be useful to a person seeking to disable the power grid. Therefore, the disclosure of the CEII diagrams would pose a threat to the reliability of the New York State bulk power system and the health and safety of New York residents. Moreover, the information revealed in these schematics reveals CEII, which the Commission has determined to be exempt from mandatory disclosure under 5 U.S.C. § 552(b)(7)(F). The

¹⁰ See, e.g., *New York Independent System Operator, Inc. and New York State Electric & Gas Corporation*, Letter Order, Docket No. ER11-2953-000 (April 7, 2011) (accepting interconnection agreement effective as of date of execution); see also *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp.*, Letter Order, Docket No. ER08-985-000 (June 26, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority*, Letter Order, Docket No. ER08-861-000 (May 27, 2008) (same); *New York Independent System Operator, Inc. and New York Power Authority*, Letter Order, Docket No. ER08-699-000 (May 16, 2008) (same).

¹¹ 18 C.F.R. §§ 388.112 and 388.113 (2022).

¹² As LIPA is a non-jurisdictional municipal utility pursuant to Section 201(f) of the FPA, the NYISO is submitting this Interconnection Agreement pursuant to Section 205 as the sole filing party and is requesting CEII treatment of certain material detailed in this Section III at LIPA's request on its behalf. Any questions concerning this request for privileged and confidential treatment should be directed to LIPA at the contact information provided below.

¹³ As required by Section 388.113(d)(1)(i) of the Commission's regulations, the NYISO, at LIPA's request, has described in this filing letter how the one-line diagram in Appendix A satisfies the definition of critical energy infrastructure information as that term is defined in Section 388.113(c)(1). In addition, as required by Section 388.113(d)(1)(ii) the cover page of this filing letter and the relevant page of the Interconnection Agreement that contains critical energy infrastructure information is labelled as including CEII and marked DO NOT RELEASE, and a Public and CEII version of the Interconnection Agreement are being filed with this letter. The CEII material is redacted in the Public version. Finally, as required by Section 388.113(d)(1)(i), at LIPA's request, the NYISO requests that the Commission designate the CEII material submitted on January 22, 2024, with the full five-year CEII designation provided for in Section 388.113(e)(1) as the information provided in the one-line diagrams will continue to satisfy the definition of critical energy infrastructure information for this entire period.

diagrams have been omitted from the Public version of the Interconnection Agreement included in this filing.

At LIPA's request, the NYISO is electronically submitting a non-public version of this filing. The diagrams are included only in the non-public version of the Interconnection Agreement in the filing. The non-public diagrams are marked: "**FIGURE CONTAINS CEII – DO NOT RELEASE PURSUANT TO 18 C.F.R. §§ 388.112 and 388.113.**" The non-public diagrams should be treated as CEII reviewable by Commission Staff. In accordance with the Commission's April 14, 2017 notice on labeling of non-public information, each page of the non-public version of the filing is marked "**CUI//CEII.**"¹⁴ A placeholder has been included in place of the non-public diagrams in the public version of the Interconnection Agreement.

All communications relating to this request for privileged and confidential treatment should be addressed to:

Robert Grassi, Assistant Counsel - Regulatory
Iram Iqbal, Manager - Power Portfolios
PSEG Long Island
175 East Old Country Rd.
Hicksville, NY 11801
Tel: (516) 949-8613
robert.grassi@pseg.com
iram.iqbal@pseg.com

IV. Communications and Correspondence

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

For the NYISO¹⁵

Robert E. Fernandez, Executive Vice
President, General Counsel, & Chief
Compliance Officer
Karen Georgenson Gach, Deputy General
Counsel
*Sara B. Keegan, Assistant General Counsel
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144

*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.

¹⁴ See Notice of Document Labelling Guidance for Documents Submitted to or Filed with the Commission or Commission Staff (Apr. 14, 2017) (unreported).

¹⁵ The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2022) to permit service on counsel in both Washington, D.C. and Richmond, VA.

Tel: (518) 356-6000
Fax: (518) 356-4702
skeegan@nyiso.com

*Matthew A. Stuart
Hunton Andrews Kurth LLP
951 East Byrd Street
Richmond, VA 23219
Tel: (804) 788-8200
Fax: (804) 344-7999
mmessonier@hunton.com
mstuart@hunton.com

*Designated to receive service.

V. Documents Submitted

The NYISO respectfully submits the following documents with this filing letter:

- A clean Public version of the Interconnection Agreement (Attachment I);
- A blacklined Public version of the Interconnection Agreement showing the changes from the body of the Pro Forma LGIA (Attachment II);
- A clean CEII version of the Interconnection Agreement (Attachment III); and
- The signature pages for the Interconnection Agreement (Attachment IV).

VI. Service

A complete copy of this filing will be posted on the NYISO's website at www.nyiso.com. The NYISO will send an electronic link to this filing to the official representative of each of its customers and to each participant on its stakeholder committees. In addition, the NYISO will send an electronic copy of this filing to the New York Public Service Commission and to the New Jersey Board of Public Utilities.

VII. Conclusion

Wherefore, the NYISO respectfully request that the Commission accept the Interconnection Agreement for filing with an effective date of January 5, 2024.

Respectfully submitted,

/s/ Sara B. Keegan

Sara B. Keegan

Counsel for the

New York Independent System Operator, Inc.

Honorable Debbie-Anne A. Reese, Acting Secretary

January 22, 2024

Page 9

cc: Janel Burdick
Emily Chen
Matthew Christiansen
Jignasa Gadani
Jette Gebhart
Leanne Khammal
Jaime Knepper
Kurt Longo
David Morenoff
Douglas Roe
Eric Vandenberg