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

New York Independent System Operator, Inc.

Docket No. ER24-1655-00\_

### MOTION OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. TO DEFER EFFECTIVE DATE OF PREVIOUSLY ACCEPTED TARIFF REVISIONS AND REQUEST FOR WAIVER

Pursuant to Rule 212 of the Rules of Practice and Procedure promulgated by the Federal Energy Regulatory Commission ("FERC" or "Commission"),<sup>1</sup> the New York Independent System Operator, Inc. (the "NYISO") respectfully requests that the Commission further defer the effective date for the tariff revisions to enhance the way Fast-Start Resources are scheduled in the Day-Ahead Market, which were accepted in this proceeding. While the NYISO was testing the software functionality it developed to implement the accepted improvements, the NYISO identified an unexpected interaction with other software systems and ongoing hardware upgrade efforts, and determined that further code revisions and additional testing are required before it will be able to implement the tariff revisions to enhance the way Fast-Start Resources are scheduled in the Day-Ahead Market. The NYISO respectfully requests a new, flexible effective date between February 3, 2025, and June 30, 2025, for the Fast-Start Resource scheduling tariff revisions, for the reasons explained below.

### I. BACKGROUND

On March 29, 2024, the NYISO filed proposed revisions to its Market Administration and Control Area Services Tariff ("Services Tariff") and its Open Access Transmission Tariff

<sup>&</sup>lt;sup>1</sup> 18 C.F.R. § 385.212 (2023).

("OATT") ("March 29 Filing").<sup>2</sup> The March filing included two distinct sets of tariff revisions, which were described and will be implemented independently. This filing only addresses the set of tariff revisions that enhance the way Fast-Start Resources will be scheduled in the Day-Ahead Market.<sup>3</sup>

On May 29, 2024, the Director of the Division of Electric Power Regulation – East, acting pursuant to authority delegated by the Federal Energy Regulatory Commission ("Commission") under 18 C.F.R. § 375.307, issued an order accepting the NYISO's proposed tariff revisions ("May 29 Order").<sup>4</sup> The May 29 Order accepted the NYISO's request for a June 11, 2024, effective date for these tariff revisions related to Fast-Start Resource scheduling in the Day-Ahead Market.<sup>5</sup>

On June 4, 2024, the NYISO filed a motion seeking a deferral of the June 11, 2024 effective date of previously accepted tariff revisions and any necessary waivers associated with the deferral request ("June 4 Motion"). During its ongoing comprehensive testing and validation of the Fast-Start Resource software modifications leading up to the June 4 Motion, the NYISO identified a software issue that prevented schedules for Fast-Start Resources from being finalized and posted to the NYISO's Market Information System ("MIS"). On August 5, 2024, the Commission granted the NYISO's requested deferral and waiver request, setting a new, flexible effective date between October 1, 2024 and December 31, 2024 ("August 5 Order").<sup>6</sup> Since

<sup>&</sup>lt;sup>2</sup> Capitalized terms not otherwise defined herein shall have the meaning specified in the Services Tariff.

<sup>&</sup>lt;sup>3</sup> See March 29 Filing at pages 3-4 and 5.

<sup>&</sup>lt;sup>4</sup> Docket No. ER24-1655-000, *New York Independent System Operator, Inc.*, Letter Order (May 29, 2024). <sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> New York Independent System Operator, Inc., 188 FERC ¶ 61,108 (2024).

submitting the June 4 Motion, the NYISO, with support from its external software developer, resolved the Fast-Start Resource scheduling issue that necessitated the June 4 Motion.

The software modifications that fixed the Fast-Start Resource scheduling issue introduced scheduling anomalies for other types of resources in software applications that were not originally included as part of the scope of the Fast-Start enhancement effort. These previously unanticipated scheduling anomalies could impact resources that are not intended to be affected by the Fast-Start Resource scheduling enhancement. Addressing the additional anomalies significantly increases the complexity of the necessary software modifications and associated quality assurance testing. As a result, the NYISO must develop additional software modifications, expand the scope of its quality assurance testing process, and conduct a holistic software system analysis to look for other software that might be impacted. The NYISO must develop, test and validate these further software enhancements prior to deploying the software and implementing the tariff revisions. The NYISO continues to work expeditiously to resolve this matter, but is not in a position, at this time, to specify an exact effective date for the tariff revisions accepted by the May 29 Order.

The NYISO anticipates that developing the necessary additional software modifications, further testing, and validation will require several additional months. As a result, the NYISO currently anticipates that the effective date for the relevant tariff revisions must be delayed until no later than the end of the second quarter of 2025.

#### II. MOTION AND REQUEST FOR WAIVER

For the reasons explained above, the NYISO respectfully requests a new, flexible effective date for the tariff revisions to enhance Fast-Start Resource scheduling in the Day-Ahead Market. The NYISO proposes to submit a subsequent notice filing to specify, upon at least two weeks' prior notice, the date on which the revisions will take effect and to submit up-

3

to-date tariff sections as necessary to reflect other pending tariff revisions that may become effective between now and the date when these revisions become effective. The NYISO currently anticipates that the effective date for the proposed tariff revisions will be between February 3, 2025, and June 30, 2025.<sup>7</sup> The NYISO, however, will be unable to propose a precise effective date until the software changes necessary are ready for deployment and testing thereof is completed. Consistent with Commission precedent, including the May 29 Order in this proceeding, the subsequent filing obligation will provide adequate notice to the Commission and Market Participants of the effective date for the tariff revisions.<sup>8</sup>

To the extent necessary, the NYISO requests that the Commission grant a limited waiver of the effective date for the Fast-Start Resource scheduling tariff revisions accepted in the May 29 Order. The Commission has traditionally granted tariff waiver requests when: (i) the applicant acted in good faith; (ii) the waiver request is limited in scope; (iii) a concrete problem needs to be remedied, and (iv) the request does not have undesirable consequences such as harming third parties.<sup>9</sup>

All of the criteria are satisfied in this proceeding. The requested waiver addresses an unforeseen software issue that was discovered in the NYISO's quality assurance testing process

<sup>&</sup>lt;sup>7</sup> To the extent necessary, the NYISO requests waiver of the 120-day maximum notice period under 18 C.F.R. §35.3. There would be good cause for such a waiver because of the NYISO's need to complete, test, and validate software revisions before implementing the relevant tariff revisions.

<sup>&</sup>lt;sup>8</sup> See, e.g., New York Independent System Operator, Inc., 106 FERC ¶ 61,111 at P 10 (2004); Docket No. ER11-2544-000, New York Independent System Operator, Inc., Letter Order at 1 (February 10, 2011); Docket No. ER15-485-000, New York Independent System Operator, Inc., Letter Order at 2 (January 15, 2015); New York Independent System Operator, Inc., 151 FERC ¶ 61,057 at P 20 (2015); and New York Independent System Operator, Inc., 154 FERC ¶ 61,152 at P 19 and 25 (2016).

<sup>&</sup>lt;sup>9</sup> *PJM See*, e.g., *New York Independent System Operator*, *Inc.*, 144 FERC ¶ 61,147, at P 8 (2013); *New York Independent System Operator*, *Inc.*, 139 FERC ¶ 61,108, at P 14 (2012); *PJM Interconnection*, *L.L.C.*, 137 FERC ¶ 61,184, at P 13 (2011); *ISO New England*, *Inc.*, 134 FERC ¶ 61,182, at P 8 (2011); *California Independent System Operator Corp.*, 132 FERC ¶ 61,004, at P 10 (2010); *accord ISO New England Inc.* – *EnerNOC*, *Inc.*, 122 FERC ¶ 61,297 (2008); *Central Vermont Public Service Corp.*, 121 FERC ¶ 61,225 (2007); *Waterbury Generation LLC*, 120 FERC ¶ 61,007 (2007); *Acushnet Co.*, 122 FERC ¶ 61,045 (2008).

and must be resolved before the NYISO can make the Fast-Start Scheduling tariff revisions effective. The requested waiver is limited in scope. The accepted tariff revisions impact a limited set of Fast-Start Resources that have a flexible operating range and the accepted tariff revisions will be implemented with a modest additional delay of six months or less. The requested waiver addresses a "concrete problem." The NYISO is not able to implement the Fast-Start Resource scheduling revisions recently added to its Services Tariff until it is able to confirm the change only affects Fast Start Resources that have a flexible operating range. Finally, the requested waivers will not have undesirable consequences, such as harming the legitimate interests of third parties. The waiver will treat all Fast-Start Resources consistent with the tariff requirements that are effective today, and that have been in place for several years. Those tariff provisions will support just and reasonable scheduling outcomes until the improved software can be implemented.

### III. COPIES OF CORRESPONDENCE

Correspondence concerning this filing should be served on: Robert E. Fernandez, Executive Vice President, General Counsel, and

Chief Compliance Officer Karen G. Gach, Deputy General Counsel Raymond A. Stalter, Director of Regulatory Affairs \*James H. Sweeney, Senior Attorney New York Independent System Operator, Inc. 10 Krey Boulevard Rensselaer, NY 12144 Tel: (518) 356-7659 Fax: (518) 356-7678 jsweeney@nyiso.com

\* Person designated for receipt of service

### IV. SERVICE

The NYISO will send an electronic copy of this filing to the official representative of each party to this proceeding, the New York State Public Service Commission, and the New Jersey Board of Public Utilities. The NYISO will also send an electronic link to this filing to the official representative of each of its customers, and each participant on its stakeholder committees. In addition, the NYISO will post a copy of this filing on its website at www.nyiso.com.

### V. CONCLUSION

The NYISO respectfully requests that the Commission accept its request to further defer the effective date of the accepted tariff revisions related to Fast-Start Resources scheduling in the Day-Ahead Market until a flexible date between February 3, 2025 and June 30, 2025, and to grant any necessary waivers associated with this deferral request.

Respectfully submitted,

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

<u>/s/ James H. Sweeney</u> James H. Sweeney, Senior Attorney

Dated: November 12, 2024

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

# **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 12th day of November 2024.

/s/ Stephanie Amann

Stephanie Amann New York Independent System Operator, Inc. 10 Krey Blvd. Rensselaer, NY 12144 (518) 356-8854