

April 22, 2025
By Electronic Delivery

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

**Re: New York Independent System Operator, Inc., Compliance Filing; Docket
No. ER25-1462-00**_____

Dear Secretary Reese:

On February 28, 2025, the New York Independent Operator, Inc. (“NYISO”) submitted proposed revisions to its Open Access Transmission Tariff (“OATT”) and Market Administration and Control Area Services Tariff (“Services Tariff”) to govern the NYISO’s collection and allocation of its costs related to the potential imposition of duties on imports of electrical energy from Canada (“February 2025 Filing”). The proposed revisions also authorized the NYISO to make necessary adjustments to customer credit requirements as needed to address ad valorem rate of import duty-related costs.¹ The Commission accepted the NYISO’s proposed tariff revisions, subject to condition, in an April 14, 2025 Order (“April 2025 Order”).² The Commission directed the NYISO to submit a compliance filing with revised tariff records incorporating the New York Transmission Owners’ (“NYTOs”) proposed revisions and removing proposed provisions establishing the “Alternative Cost Allocation Method.”³ The NYISO submits this filing in compliance with the April 2025 Order.

I. BACKGROUND

In the February 2025 Filing, the NYISO proposed tariff revisions to (i) establish a Preferred Cost Allocation Method providing for the collection and allocation of import duty costs incurred by the NYISO; (ii) adopt an Alternative Cost Allocation Method that could be used if the Preferred Cost Allocation Method were rejected; and (iii) authorize the NYISO to adjust credit requirements to account for any additional financial risks corresponding to import duties.

¹ *New York Indep. Sys. Operator, Inc.*, Proposed Tariff Revisions Under Section 206 of the Federal Power Act Regarding the Recovery and Allocation of Costs that Might Be Imposed Under the President’s February 1 Executive Order “Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border,” Alternative Request for Action Under Exigent Circumstances Section 205 Filing Authority, **Request for Shortened Notice and Comment Period, Request for Immediate Refund Effective Date and Effective Date, and Request for Expedited Commission Action**, Docket Nos. EL25-62-000 and ER25-1462-000 (filed Feb. 28, 2025).

² *New York Indep. Sys. Operator, Inc.*, Order Accepting Tariff Revisions, Subject to Condition, and Dismissing Complaint, 191 FERC ¶ 61,030 (Apr. 14, 2025) (“April 2025 Order”).

³ *Id.* at PP 43, 44.

The NYISO proposed that the tariff revisions be accepted under section 206 of the Federal Power Act (“FPA”)⁴ and made effective on February 28, 2025, or alternatively, be accepted under FPA section 205 and made effective on March 1, 2025.⁵

On March 13, 2025, the NYTOs submitted comments on the February 2025 Filing, requesting that the NYISO add language to OATT sections 6.22.2 and .3 to allow the NYISO to calculate payment amounts on import duties according to federal regulation or guidance governing the calculation of potential import duties on Canadian electricity, if any, that differed from the proposed Preferred Cost Allocation Method.⁶ The NYISO had informed the NYTOs that it consented to this modification.

Consistent with the Commission’s directive in the April 2025 Order, the NYISO submits this compliance filing and proposed tariff revisions to incorporate the NYTOs’ proposed revisions and remove the Alternative Cost Allocation Method provisions.

II. PROPOSED TARIFF REVISIONS

In this filing, the NYISO submits proposed revisions to Rate Schedule 22 to the NYISO OATT. The proposed revisions to sections 6.22.2 and .3 incorporate the sentence proposed by the NYTOs to provide that the NYISO shall calculate payment amounts on import duties according to any federal regulation or guidance governing the calculation of potential import duties on Canadian electricity if it differs from the Preferred Cost Allocation method. The proposed deletion of section 6.22.4 removes the Alternative Cost Allocation Method.⁷ The NYISO is also renumbering subsequent subsections to reflect the deletion of the current section 6.22.4.

III. EFFECTIVE DATE

In the February 2025 Filing, the NYISO proposed an effective date of February 28, 2025 if the Commission acted under section 206, or, alternatively, an effective date of March 1, 2025 if the Commission acted under section 205.⁸ In the April 2025 Order, the Commission accepted the proposed OATT and Services Tariff revisions under FPA section 205, to be effective March 1, 2025, subject to the NYISO’s submittal of the instant compliance filing.⁹ The NYISO, therefore, requests that the Commission accept its proposed compliance revisions to Rate Schedule 22 to become effective on March 1, 2025.

⁴ 16 U.S.C. § 824e (2025).

⁵ February 2025 Filing at 3.

⁶ Comments in Support of the New York Transmission Owners, Docket Nos. EL25-62-000 and ER25-1462-000, at 5-7.

⁷ Proposed revisions to Rate Schedule 22 Sections 6.22.2, 6.22.3, and 6.22.4.

⁸ February 2025 Filing at 3.

⁹ April 2025 Order at Ordering Paragraph (A).

IV. LIST OF DOCUMENTS SUBMITTED

The NYISO submits the following documents with this filing letter:

1. A blacklined version of the NYISO OATT sections containing the proposed compliance modifications (“Attachment I”); and
2. A clean version of the NYISO OATT sections containing the proposed compliance modifications (“Attachment II”).

V. COMMUNICATIONS AND CORRESPONDENCE

Robert E. Fernandez, Executive Vice President,
Chief Compliance Officer & General Counsel
Karen Georgenson Gach, Deputy General Counsel
Raymond Stalter, Director of Regulatory Affairs
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144
Tel: (518) 356-6000
Fax: (518) 356-4702
rfernandez@nyiso.com
kgach@nyiso.com
rstalter@nyiso.com

*Ted J. Murphy
Hunton Andrews Kurth LLP
2200 Pennsylvania Ave, NW
Washington, DC 20037
Tel: (202) 955-1500
Fax: (202) 778-2201
tmurphy@hunton.com

Mackinlee Rogers
Hunton Andrews Kurth LLP
Fountain Place
1445 Ross Avenue, Suite 3700
Dallas, TX 75202
Tel: (214) 979-2928
Fax: (214) 880-0011
rogersm@hunton.com

VI. 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.

Honorable Debbie-Anne A. Reese, Esq.

April 22, 2025

Page 4

VII. CONCLUSION

The NYISO respectfully requests that the Commission accept this compliance filing and requested effective date.

/s/ Ted J. Murphy

Ted J. Murphy

Hunton Andrews Kurth LLP

2200 Pennsylvania Avenue, NW

Washington, DC 20037

(202) 955-1500

tmurphy@hunton.com

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

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 22nd day of April 2025.

/s/ Alexander Morse

Alexander Morse
New York Independent System Operator, Inc.
10 Krey Blvd.
Rensselaer, NY 12144
(518) 356-6177