



June 5, 2012

Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426

Re: *New York Independent System Operator, Inc. and PJM Interconnection, L.L.C.*,
Docket No. ER12-718-001;
Motion for Leave to Answer, and Answer, to the New York Transmission
Owners' Comments

Dear Ms. Bose:

The New York Independent System Operator, Inc. ("NYISO") and PJM Interconnection, L.L.C. ("PJM") (collectively the "RTOs") respectfully request leave to answer, and answer, the New York Transmission Owners' ("NYTOs") comments submitted in this Docket No. ER12-718-001. The RTOs recognize that the Commission generally discourages answers to comments. However, the Commission has the discretion to accept answers, and has done so when those answers help to clarify complex issues, provide additional information, or are otherwise helpful in the development of the record in a proceeding.¹ This answer satisfies those standards as it responds only to specific requests raised by the NYTOs and provides additional information that will clarify issues for the Commission in this proceeding. The NYISO and PJM, therefore, respectfully request that the Commission accept this answer.

¹ See e.g., *New York Independent System Operator, Inc.*, 108 FERC ¶ 61,188 at P 7 (2004) (accepting the NYISO's answer to protests because it provided information that aided the Commission in better understanding the matters at issue in the proceeding); *Morgan Stanley Capital Group, Inc. v. New York Independent System Operator, Inc.*, 93 FERC ¶ 61,017 at 61,036 (2000) (accepting an answer that was "helpful in the development of the record...").

Pursuant to the Commission's March 15, 2012 order in this proceeding,² the NYISO and PJM submitted supplemental proposed revisions to the Joint Operating Agreement ("JOA") between NYISO and PJM that is set forth in Attachment CC to the NYISO's Open Access Transmission Tariff ("NYISO OATT") on May 1, 2012 ("May Filing").³ The NYTOs submitted comments in support of the May Filing and requested that the RTOs clarify when the Michigan-Ontario PARs will be considered "in-service" for purposes of the JOA.⁴

The RTOs agree that clarification of the meaning of the term "in service" is appropriate. The RTOs agree that the Michigan-Ontario PARs should be considered in-service under the JOA when the PAR tap changers are in-service at all four of the major transmission lines that interconnect Michigan and Ontario. The RTOs are prepared to submit as a compliance filing the revisions to the JOA that are needed to provide the requested clarification.

For the foregoing reasons, the NYISO and PJM respectfully request that the Commission grant its motion for leave to answer and accept this answer.

Respectfully submitted,

/s/ Alex M. Schnell

Robert E. Fernandez, General Counsel
Alex M. Schnell
James H. Sweeney, Attorney
New York Independent System Operator, Inc.

/s/ Steven Pincus

Steven Pincus, Assistant General Counsel
James Burlew, Counsel
PJM Interconnection, L.L.C.

² *New York Independent System Operator, Inc.*, 138 FERC ¶ 61,192 at P 27 (2012).

³ Order No. 714, *Electronic Tariff Filings*, ¶ 31,276 (2008), and Section 35.1 of the Commission's regulations, 18 C.F.R. § 35.1(a), allow multiple public utilities that are parties to the same tariff (*e.g.*, a joint tariff such as the JOA) to designate one of the public utilities as the designated filer of the joint tariff. The designated filer submits a single tariff filing for inclusion in its database that reflects the joint tariff, along with the requisite certificates of concurrence from the other parties to the joint tariff. NYISO is the designated filing party for the JOA. Therefore, NYISO is submitting the JOA modifications in the instant filing along with PJM's Certificate of Concurrence. The designation of the NYISO as the designated filer for the JOA is for administrative convenience and in no way shall limit PJM's filing rights under the Federal Power Act as they relate to the JOA.

⁴ *See, e.g.*, Section 7.1.2 of Schedule D to the JOA.

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 5th day of June, 2012.

/s/ John C. Cutting

John C. Cutting
New York Independent System Operator, Inc.
10 Krey Blvd.
Rensselaer, NY 12144
(518) 356-7521