

August 13, 2013

By Electronic Delivery

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Notice of Cancellation of Service Agreement No. 1677 to the New York
Independent System Operator, Inc. Open Access Transmission Tariff,
Docket No. ER13-____-000

Dear Ms. Bose:

Pursuant to Section 205(d) of the Federal Power Act¹ and Sections 35.9 and 35.15 of the Commission's Regulations,² the New York Independent System Operator, Inc. ("NYISO") hereby tenders for filing and acceptance a Notice of Cancellation of an Amended and Restated Small Generator Interconnection Agreement ("Amended SGIA") among the NYISO, New York State Electric & Gas Corporation ("NYSEG") as the Connecting Transmission Owner, and AES ES Westover, LLC ("Westover") as the Interconnection Customer.³ The SGIA is designated as Service Agreement No. 1677 under the NYISO's OATT. NYSEG and Westover have indicated to the NYISO that neither party opposes this filing.

I. Background

The Amended SGIA for which the NYISO submits this Notice of Cancellation superseded a Small Generator Interconnection Agreement among the parties that was filed in Docket No. ER11-2631-000, as Service Agreement No. 1677 ("Original Agreement"). The Original Agreement was accepted by the Commission on February 3, 2011.⁴ The Original Agreement stated that Westover was constructing a 20 MW battery-based energy storage system ("Facility") that would be located in the footprint of the retired Unit 7 at the existing coal-fired Westover Generating Station owned by AEE2, L.L.C. ("AEE2") in Union, New York. The Original Agreement provided that the Facility would consist of ten 2 MW battery/inverter units

¹ 16 U.S.C. § 824d (2006).

² 18 C.F.R. §§ 35.9, 35.15 (2008).

³ Capitalized terms not otherwise defined in this letter have the meaning set forth in Attachments S, X and Z of the NYISO's Open Access Transmission Tariff ("OATT").

⁴ *New York Independent System Operator, Inc. and New York State Electric & Gas Corporation*, Order, Docket No. ER11-2631-000 (Letter Order issued February 3, 2011).

interconnecting at NYSEG's Goudey Substation. The Original Agreement anticipated that the Facility would initially consist of two 4 MW modules in what was characterized in the Original Agreement as "Phase I" for a total of 8 MW, to be in operation in December 2010. The Original Agreement then provided for a Phase II, described as the addition of three 4 MW modules for an additional 12 MW, to be in operation in April 2011.

After execution of the Original Agreement, the ownership of certain Interconnection Facilities was transferred to NYSEG as part of the Chapter 11 Bankruptcy proceeding pending in the U.S. Bankruptcy Court, District of Delaware, Case No. 11-14138-KJC. Pursuant to a Stipulation Among Debtors, Purchaser and Westover dated October 9, 2012, Westover was obligated, at its sole cost and expense, to remove certain Interconnection Facilities from the Westover Generating Station to a new building to be constructed by Westover on property that it owns. Westover was also required to perform certain work related to the relocation of these facilities. As a result of these developments, the Parties amended the Original Agreement. The Amended SGIA was executed on December 26, 2012 and was submitted to the Commission for acceptance in a joint filing made by the NYISO and NYSEG dated January 22, 2013 in Docket No. ER13-789-000. The Commission accepted the Amended SGIA in a letter order dated March 5, 2013.

II. Communications and Correspondence

Communications regarding this filing should be directed to the following persons, whose names should be entered on the official service list maintained by the Secretary for the docket established with respect to this filing:

For the NYISO

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III. Notice of Cancellation

Section 3.3.1 of the Amended SGIA provides that the Amended SGIA may be terminated by the Interconnection Customer upon giving the NYISO and the Connecting Transmission Owner twenty (20) Business Days written notice. Pursuant to this section, Westover provided a letter to the NYISO and NYSEG dated July 22, 2013, requesting termination of the Amended SGIA effective August 20, 2013.⁵ Pursuant to the Developer's letter of July 22, 2013 and Section 3.3.1 of the Amended SGIA, the NYISO hereby submits this Notice of Cancellation of Service Agreement No. 1677 of the NYISO OATT. NYSEG and Westover have indicated to the NYISO that neither party opposes this filing.

IV. Requested Effective Date

The NYISO respectfully requests that the Commission approve the Notice of Cancellation of Service Agreement No. 1677 of the NYISO OATT, effective August 20, 2013 to coincide with the requested termination date included in Westover's July 22, 2013 notice of termination.

⁵ A copy of this letter is included as Attachment A to this filing.

V. Documents Submitted

The Joint Filing Parties submit the following documents:

- this filing letter;
- Westover's July 22, 2013 letter advising NYISO and NYSEG of its intent to terminate the Amended SGIA (Attachment A); and
- Notice of Cancellation of Service Agreement No. 1677 to the NYISO OATT (Attachment B).

VI. Service

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

VII. Conclusion

Wherefore, the NYISO respectfully requests that the Commission accept this Notice of Cancellation and grant an effective date of August 20, 2013.

Respectfully submitted,

/s/ Sara B. Keegan

Sara B. Keegan
Counsel for the
New York Independent System Operator, Inc.