

February 25, 2015

By Electronic Delivery

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

Re: Filing of an Executed Amended and Restated Large Generator Interconnection Agreement Among the New York Independent System Operator, Inc., New York State Electric & Gas Corporation, and Sheldon Energy, LLC, Docket No. ER15-____-000

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act,¹ Section 35.12 of the Commission's regulations,² and Section 11.3 of its Large Facility Interconnection Procedures, the New York Independent System Operator, Inc. ("NYISO") and New York State Electric & Gas Corporation ("NYSEG") ("Joint Filing Parties") hereby tender for filing an executed Amended and Restated Large Generator Interconnection Agreement ("Amended Agreement") as Service Agreement No. 1396 among the NYISO, NYSEG as the Connecting Transmission Owner, and Sheldon Energy, LLC ("Sheldon") as the Developer.³ The Joint Filing Parties respectfully request waiver of the Commission's 60-day notice period to make this Agreement effective as of February 18, 2015, the execution date of the Amended Agreement.

I. Background

The Amended Agreement supersedes a Large Generator Interconnection Agreement among the parties that was filed in Docket No. ER09-309-000 as Service Agreement No. 1396 ("Original Agreement"). The Original Agreement was accepted by the Commission on December 18, 2008.⁴ The Original Agreement stated that Sheldon's Large Generating Facility (the "Facility") would be a 112.5 MW wind facility with 75 turbines, each of which would be General Electric 1.5 MW SLE turbines.

¹ 16 U.S.C. § 824d (2014).

² 18 C.F.R. § 35.12 (2014).

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

⁴ *New York Independent System Operator, Inc.*, Letter Order, Docket No. ER09-309-000 (issued Dec. 18, 2008).

The Facility's capability, as reflected in the Original Agreement, was based on data provided to the NYISO and NYSEG in the final NYISO interconnection study – the Class Year 2007 Interconnection Facilities Study. Since the filing of the Original Agreement, the Facility has become fully operational at 112.5 MW.

On March 5, 2014, Sheldon notified the NYISO that it was considering the installation of a software upgrade on its wind turbines that would increase the output of each turbine by 0.12 MW for a per turbine capability of 1.62 MW. Sheldon subsequently advised that it intended to install such upgrade on only 47 of its 75 wind turbines, resulting in an overall increase of 5.64 MW. The NYISO evaluated the contemplated modification and determined that it would not be a material modification that would trigger a new Interconnection Request because the increase was within the permissible threshold included in the recently revised Section 30.3.1 of Attachment X of the OATT. Section 30.3.1 of Attachment X permits an increase in capacity to a Large Facility if such increase is not associated with any material equipment changes and is not more than ten (10) MW or five (5) percent greater than the Large Facility's existing Energy Resource Interconnection Service ("ERIS"). For purposes of Section 30.3.1 of Attachment X, the existing ERIS for Sheldon's Facility is 112.5 MW. It is therefore permitted to increase its capability as requested, without triggering a new Interconnection Request.⁵

The NYISO communicated its determination that the requested increase is not a material increase to its Operating Committee ("OC") and the OC's Transmission Planning Advisory Subcommittee. Sheldon thereafter proceeded to install the software upgrade.

II. Discussion of Changes

The Joint Filing Parties submit this Amended Agreement to update the description of the Facility that was provided in Appendix C of the Original Agreement to reflect the Facility's increased capability as a result of the software upgrade on 47 of the Facility's wind turbines. In addition, the Joint Filing Parties submit additional revisions that were agreed to by the Parties as part of the Amended Agreement. Specifically, the Amended Agreement reflects the following modifications:

- insertion of language in Section 4.1.1 and Appendix C to clarify that the Facility's Capacity Resource Interconnection Service is limited to 112.5 MW unless it is subsequently increased pursuant to an applicable provision of the NYISO OATT;
- insertion of language in Appendix C to clarify that the Facility's existing (baseline) ERIS for purposes of determining non-material increases in capacity under Section 30.3.1 of Attachment X of the OATT remains 112.5 MW;

⁵ Any future increases in capability will be subject to Section 30.3.1 of Attachment X and will be based upon the same baseline ERIS (or "existing ERIS") of 112.5 MW.

- deletion of language from Appendix A that was applicable during the pendency of the Class Year 2007 Study, which has been completed since the Original Agreement was executed;
- updates to the milestones in Appendix B;
- modifications to the technical description of the Facility in Appendix C to reflect the Facility's increased capability;
- updates to the contact information in Appendix F;
- modifications to reflect revisions to the *pro forma* Large Generator Interconnection Agreement that have been approved by the Commission since the execution of the Original Agreement; and
- modifications to reflect that this is an "Amended and Restated" agreement.

The blacklined Amended Agreement attached to this filing shows all of these changes that were made to the currently effective Original Agreement. The Joint Filing Parties respectfully request that the Commission accept this Amended Agreement.

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

The Joint Filing Parties request an effective date of February 18, 2015 for the Amended Agreement, which is the date of execution. The Commission has allowed interconnection agreements to become effective on the date of execution, even when that date precedes the date that an interconnection agreement is filed.⁶ Accordingly, the Joint Filing Parties request that the Commission grant a waiver of its prior notice requirements to the extent necessary to accommodate this requested effective date.

⁶ See, e.g., *New York Independent System Operator, Inc. and New York State Electric & Gas Corporation*, 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).

IV. Communications and Correspondence

Communications regarding this filing should be directed to:

For the NYISO

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V. Documents Submitted

The NYISO submits the following documents:

- this filing letter;
- a clean version of the Amended Agreement (Attachment I);
- a blacklined version showing the Amended Agreement's changes from the Original Agreement (Attachment II); and
- the signature pages for the Amended Agreement (Attachment III).

VI. Service

The NYISO will send an electronic link to this filing to 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 this filing will be posted on the NYISO's website at www.nyiso.com.

VII. Conclusion

Wherefore, the Joint Filing Parties respectfully requests that the Commission accept the Amended Agreement effective as of February 18, 2015.

Respectfully submitted,

/s/ Sara B. Keegan

Sara B. Keegan

Counsel for the

New York Independent System Operator, Inc.

/s/ Jeffrey A. Rosenbloom

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