

March 27, 2015

By Electronic Delivery

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

**Re: *New York Independent System Operator, Inc.*, Docket No. ER15-____-000;
Proposed Tariff Revisions to OATT Section 18 (Attachment L) and
Section 17 (Attachment K)**

Dear Secretary Bose:

In accordance with Section 205 of the Federal Power Act¹ and Part 35 of the Commission's regulations, the New York Independent System Operator, Inc. ("NYISO") respectfully submits proposed amendments to its Open Access Transmission Tariff ("OATT") to revise: (i) Section 17.9.4 of the OATT to amend the periodicity for filings to incorporate Accepted Revisions into Table 1A from a biannual process to an annual process; and (ii) certain information relating to Existing Transmission Agreements ("ETAs") set forth in Table 1A in Section 18.1.1 of the OATT ("Table 1A").²

The NYISO Management Committee approved the proposed revisions, without opposition, on January 28, 2015. The NYISO requests an effective date for the proposed revisions of May 26, 2015 (*i.e.*, sixty days from the date of this filing letter).

I. Documents Submitted

1. This filing letter;
2. A clean version of the proposed revisions to the NYISO's OATT ("Attachment I"); and
3. A blacklined version of the proposed revisions to the NYISO's OATT ("Attachment II").

¹ 16 U.S.C. § 824d.

² Capitalized terms not otherwise defined herein shall have the meaning specified in Section 1 of the NYISO OATT and Section 2 of the NYISO Market Administration and Control Area Services Tariff.

II. Background

Table 1A lists ETAs pursuant to which certain Transmission Customers received transmission service before inception of the NYISO. Table 1A also provides certain information regarding each ETA including: (i) the MW value of the transmission rights; (ii) the Primary Holder of the transmission rights; (iii) the provider of the transmission service; (iv) the Point of Injection; (v) Point of Withdrawal; (vi) termination/expiration date; and (vii) the MW value of Grandfathered Transmission Congestion Contracts (“TCCs”) or Grandfathered Rights associated with each ETA.

Revisions to the underlying ETAs by the parties thereto may require changes to the information in Table 1A. Such revisions may also have consequences for NYISO settlements and TCC auctions. Section 17.9 of the OATT establishes a process for the NYISO to document such revisions and reflect any changes resulting therefrom in NYISO settlements and TCC auctions (*i.e.*, the “Accepted Revisions process”).³

Section 17.9.4 of the OATT directs the NYISO to incorporate Accepted Revisions into Table 1A through a Section 205 filing utilizing the NYISO’s traditional stakeholder shared governance process. These Section 205 filings are required every six months if, since the last filing, revisions to underlying ETAs have been processed as Accepted Revisions.

III. Proposed Tariff Revisions and Justification

Based on information presented by the signatories to certain ETAs, the NYISO posted two Accepted Revisions on August 5, 2014 and August 21, 2014, respectively. With this filing, the NYISO is proposing to incorporate the changes recognized by the Accepted Revisions into Table 1A. The NYISO also proposes to revise the timing of future filings to incorporate Accepted Revisions into Table 1A to utilize an annual process rather than a biannual process.

A. Incorporation of Accepted Revisions into Table 1A

The proposed revisions to Table 1A reflect two Accepted Revisions that have been received, processed and posted to the NYISO’s website since the revisions included in the NYISO’s last update to Table 1A in 2014.⁴ Descriptions of the proposed revisions to Table 1A are organized in numerical order by reference to the contract number for each affected ETA. The contract number for each ETA is located in the first column on the left-hand side of Table 1A.

³ See Docket No. ER11-4274-000, *New York Independent System Operator, Inc.*, Proposed Tariff Revisions Related to Grandfathered Rights and Grandfathered TCCs (August 10, 2011); and Docket No. ER11-4274-000, *supra*, Letter Order (September 16, 2011). The Accepted Revisions process also allows signatories to ETAs to ensure that the information contained in Table 1A is consistent with the existing terms of their respective ETAs.

⁴ Docket No. ER15-23-000, *New York Independent System Operator, Inc.*, Proposed Tariff Amendments to Revise OATT Section 18, Attachment L (October 3, 2014); and Docket No. ER15-23-000, *supra*, Letter Order (November 5, 2014).

1. Contract No. 98: Revision to Expiration/Termination Date

The New York Power Authority (“NYPA”) and Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid”) requested that the expiration/termination date for Contract No. 98 be revised to July 31, 2014 instead of upon retirement of NYPA’s St. Lawrence-Franklin D. Roosevelt hydroelectric generation facility. The NYISO implemented the requested revision as an Accepted Revision effective August 5, 2014. Contract No. 98 is supported by National Grid Rate Schedule No. 136. Rate Schedule No. 136 is a grandfathered transmission agreement that provided for the delivery of low-cost hydro power from NYPA to the Niagara Frontier Transportation Authority (“NFTA”) utilizing National Grid’s transmission system. In support of the revision, NYPA and National Grid provided a June 20, 2014 order issued by the Commission accepting termination of Rate Schedule No. 136 effective July 31, 2014.⁵ No party disputed the requested revision. The proposed revision to Table 1A to reflect the Accepted Revision is depicted below.

Table 1 A - Long Term Transmission Wheeling Agreements																			
Cont. #	FERC Rate Sch. Designation #	Transmission		Agreement				Cont. Est. Date	Cont. Exp./ Termination Date	Treatment (Refer to Attachment K)	Sum Cap. Per. MW (ISO)	Win Cap. Per. MW (ISO)	Interface Allocation - Summer Period						
		Requestor and Primary Holder	Provider	Name	MW (Agmt)	POI	POW						DE	WC	VE	MoS	TE	US	UC
98	136	NFTA (NYPA)	NMPC	NFTA	1	St. Lawrence	NYPA - West	7/30/83	Ret. of St. Lawrence 7/31/2014	Third Party TWA	1	1	-1	-1	-1	1			

2. Contract No. 102: Revision to Expiration/Termination Date

National Grid requested that the expiration/termination date for Contract No. 102 be revised by replacing “upon 30 days’ notice by either party” with November 14, 2014. Exelon Generating Company, LLC concurred with National Grid’s requested revision. The NYISO implemented the requested revision as an Accepted Revision effective August 21, 2014. Contract No. 102 is supported by National Grid Rate Schedule No. 178. Rate Schedule No. 178 is a grandfathered transmission agreement that provided for the delivery of power produced by the Independence Station generation facility located in Scriba, New York to the Pleasant Valley substation utilizing National Grid’s transmission system. In support of the revision, National Grid provided a Notice of Cancellation filed with the Commission on June 18, 2014, as well as a July 7, 2014 supplement thereto, requesting cancellation of Rate Schedule No. 178 effective November 14, 2014.⁶ As explained in National Grid’s Notice of Cancellation, Rate Schedule No. 178 expired by

⁵ Docket No. ER14-1979-000, *Niagara Mohawk Power Corporation*, Letter Order (June 20, 2014).

⁶ Docket No. ER14-2216-000, *Niagara Mohawk Power Corporation d/b/a National Grid*, Notice of Cancellation of Niagara Mohawk Rate Schedule No. 178 (June 18, 2014); and Docket No. ER14-2216-000, *supra*, Supplement to Notice of Cancellation of Niagara Mohawk Rate Schedule No. 178 (July 7, 2014)

its own terms on November 14, 2014.⁷ On August 12, 2014, the Commission issued an order accepting cancellation of Rate Schedule No. 178 effective November 14, 2014.⁸ No party disputed the requested revision. The proposed revision to Table 1A to reflect the Accepted Revision is depicted below.

Table 1 A - Long Term Transmission Wheeling Agreements																					
Cost. #	FERC Rate Sch. Designation #	Transmission		Agreement			Cost. Est. Date	Cost. Exp./ Termination Date	Treatment (Refer to Attachment K)	Sum Cap. Per. MW (ISO)	Win Cap. Per. MW (ISO)	Interface Allocations - Summer Period									
		Requestor and Primary Holder	Provider	Name	MW (Agmt)	POI						POW	DE	WC	VE	MoS	TE	US	UC	MS	DS
102	178	Enslon Generation	NMPC	Side Delivery	853	Side Independence	Pleasant Vly	11/5/91	Upon 30 days notice by either party 11/14/2014	Third Party TWA	853	853			853		853	853			

B. Revisions to the Timing of Filings to Incorporate Future Accepted Revisions

The NYISO also proposes to revise the timeframe for submitting Section 205 filings to incorporate previously posted Accepted Revisions into Table 1A. Section 17.9.4 of the OATT currently requires the NYISO to make such filings biannually, unless no Accepted Revisions have been posted to the NYISO's website since the previous incorporation filing was made.

The stakeholder process to obtain approval for the required Section 205 filings, from the first presentation at a stakeholder committee meeting to NYISO Board of Directors approval, takes approximately four months. Commission approval takes approximately another two months thereafter. Therefore, the current biannual filing requirement can result in the NYISO needing to make such filings one on top of the other. This can require the NYISO to commence the stakeholder review and approval process for a filing to incorporate certain Accepted Revisions into Table 1A before the process to incorporate prior Accepted Revisions has been completed.

All Accepted Revisions posted to the NYISO's website are effective for purposes of NYISO settlements and TCC auctions regardless of whether such revisions have been formally incorporated into Table 1A. To provide information transparency between the time Accepted Revisions are processed and Table 1A is revised to incorporate the changes associated with the Accepted Revisions, the NYISO has developed enhanced reporting of the information made available on its website regarding Accepted Revisions. The enhanced report allows interested parties to readily identify and track, in a single document, all of the Accepted Revisions that have been posted but have not yet been incorporated into Table 1A. The NYISO has also committed to provide timely presentations to Market Participants of Accepted Revisions following posting thereof to the NYISO website.

Given the information transparency provided by the Accepted Revisions process and recently-implemented enhancements thereto, Market Participants agreed that the required

⁷ Docket No. ER14-2216-000, *supra*, Notice of Cancellation of Niagara Mohawk Rate Schedule No. 178 at 2 (June 18, 2014).

⁸ Docket No. ER14-2216-000, *supra*, Letter Order (August 12, 2014).

Section 205 filings to incorporate Accepted Revisions into Table 1A need not occur as frequently as currently required. Accordingly, the NYISO proposes to make such filings once per year on a going forward basis by revising Section 17.9.4 of the OATT to replace the biannual filing requirement with an annual filing requirement.⁹ The revised filing periodicity appropriately balances utilization of stakeholder and NYISO resources with ensuring continued transparency and marketplace awareness of Accepted Revisions.

IV. Effective Date

The NYISO respectfully requests an effective date for the proposed revisions of sixty days from the date of this filing (*i.e.*, May 26, 2015).

V. Requisite Stakeholder Approval

The proposed amendments were approved by the NYISO Management Committee on January 28, 2015 by a show of hands vote without opposition. The NYISO's Board of Directors approved the proposed revisions on February 10, 2015.

VI. Communications and Correspondence

All communications and service in this proceeding should be directed to:

Robert E. Fernandez, General Counsel
Raymond Stalter, Director, Regulatory Affairs
*Garrett E. Bissell, Senior Attorney
10 Krey Boulevard
Rensselaer, NY 12144
Tel: (518) 356-6107
Fax: (518) 356-7678
rfernandez@nyiso.com
rstalter@nyiso.com
gbissell@nyiso.com

*Person designated for receipt of service.

VII. 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, the complete filing will be posted on the NYISO's website at www.nyiso.com.

⁹ Consistent with the current requirements of Section 17.9.4 of the OATT, if no Accepted Revisions have been posted to the NYISO's website, no filing would be required by the NYISO.

VIII. Conclusion

Wherefore, for the foregoing reasons, the New York Independent System Operator, Inc. respectfully requests that the Commission accept for filing the proposed revisions to the OATT that are attached hereto with an effective date of May 26, 2015 (*i.e.*, sixty days of the date of this filing).

Respectfully submitted,

/s/ Garrett E. Bissell

Garrett E. Bissell

Senior Attorney

New York Independent System Operator, Inc.

10 Krey Blvd.

Rensselaer, New York 12144

(518) 356-6107

gbissell@nyiso.com

cc: Michael A. Bardee
Gregory Berson
Anna Cochrane
Morris Margolis
David Morenoff
Daniel Nowak
Kathleen Schnorf
Jamie Simler
Kevin Siqveland