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**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

<p>Keyspan-Ravenswood, Inc.</p> <p style="padding-left: 100px;">Complainant</p> <p style="text-align: center; padding-top: 10px;">v.</p> <p>New York Independent System Operator, Inc.</p> <p style="padding-left: 100px;">Respondent</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Docket No. EL02-59-000</p>
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**PRELIMINARY ANSWER OF
NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.
OBJECTING TO FAST TRACK PROCESSING**

Pursuant to Rules 206(f) and 213 of the Commission’s Rules of Practice and Procedure,¹ the New York Independent System Operator, Inc. (“NYISO”), hereby respectfully submits this preliminary answer objecting to the request for fast track processing included in the *Complaint of Keyspan-Ravenswood, Inc. Requesting Limited Changes to In-City Installed Capacity Mitigation Measures and Request for Fast-Track Processing* (“Complaint”) which was submitted in the above-captioned proceeding on February 15, 2002. The NYISO will respond to the merits of the Complaint in a substantive answer which will be filed by whatever answer date is ultimately established in this proceeding.

¹ 18 C.F.R. § 385.206(f) and (213) (2001).

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I. Communications

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II. Preliminary Answer

Keyspan-Ravenswood, Inc.'s ("Ravenswood's") request for fast track processing should be rejected because it is inconsistent with Commission precedent discouraging the use of fast track processing in cases involving complex issues and tariff changes. Granting Ravenswood's request would also unfairly put the NYISO at a significant procedural disadvantage and unjustly reward Ravenswood's misuse of the fast track processing rules.

The Commission has previously emphasized that "(f)ast (t)rack processing will be employed in only limited circumstances because of the extraordinarily compressed time schedule

² The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) to permit service on counsel for the NYISO in both New York and Washington, D.C.

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that would place a heavy burden on all parties to the proceeding.³ The Commission has also held that it is inappropriate for complainants to invoke fast track procedures in cases that involve complex issues, particularly when a complainant is demanding that revisions be made to a Commission-approved tariff. For example, in *Amoco*, the Commission stated that:

An example of a situation where the Fast Track process may be appropriate is where a complainant asserts a pipeline has violated its own tariff provisions. On the other hand, when a complainant, as here, seeks to change a provision in a pipeline's tariff in a complaint proceeding by alleging that the provision is unjust, unreasonable, unduly discriminatory or otherwise in violation of Commission regulations or policy, the complaint is likely to raise more complex issues. Because such complex issues are likely to take some time to resolve, complaints seeking changes to a pipeline's tariff should not be filed using the Fast Track process.⁴

Ravenswood's complaint raises Installed Capacity ("ICAP") market design questions that have to do with Commission-approved market power mitigation measures that were designed to meet New York City's special needs. As the Commission is well aware, capacity market design issues are very important and are, presumably, at least as complex as the pipeline tariff issues in *Amoco*. As in *Amoco*, this complexity makes fast track processing inappropriate. Similarly, the complaint does not allege that the NYISO has failed to comply with its tariffs but instead calls for permanent changes to ICAP-related tariff provisions that were previously accepted by the Commission. Such changes could be very consequential for the NYISO's ICAP markets and might have significant unforeseen effects on other NYISO-administered markets. Furthermore, Ravenswood has not alleged that there is a crisis in the ICAP market that would warrant

³ *Amoco Energy Trading Corp., et. al. v. El Paso Natural Gas Co. ("Amoco")*, 89 FERC ¶ 61,165 at 61,498 (1999); citing *Complaint Procedures, Order No. 602*, FERC Stats. & Regs. ¶ 31,071 (1999); *order on reh'g, Order No. 602-A*, FERC Stats. & Regs. ¶ 31,076 (1999).

⁴ *Amoco* at 61,498 (1999).

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emergency Commission action but has instead proposed what it considers to be “moderate” enhancements. The Commission should therefore follow its precedent and allow the NYISO an adequate time to respond to the complaint. This is the best way to ensure that the correct decision is ultimately made in this proceeding.

In addition, Ravenswood’s alleged need for fast track processing in advance of the March 28 ICAP auction is entirely a function of Ravenswood’s decision to wait until February 15 to file its complaint. The market rules that Ravenswood finds objectionable have been in place since the Commission first approved the NYISO’s transitional ICAP market design in early 2000,⁵ while the in-city ICAP price cap was first adopted in a 1998 order that pre-dated the establishment of the NYISO. There was simply no reason for Ravenswood to wait until mid-February to file a complaint about these rules, especially when it could have avoided unfairly disadvantaging the NYISO by filing just a few weeks earlier. The NYISO’s procedural disadvantage would be exacerbated by the fact that Ravenswood opted to file late on a Friday afternoon before a three-day holiday weekend. This has resulted in the NYISO not having an opportunity to review the complaint until the fourth day after it was filed. Thus, if the Commission were to grant fast-track processing and nominally allow the NYISO ten days to respond the reality would be that the NYISO would only have six days to prepare its answer. This is simply not sufficient time to adequately review and address the issues raised by the complaint or its supporting technical affidavit.

⁵ *New York Independent System Operator, Inc.*, 90 FERC ¶ 61,319 (2000).

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Accordingly, the NYISO respectfully requests that the Commission reject Ravenswood's request for fast track processing and allow the NYISO the normal twenty day period to prepare its answer. This will ensure that Ravenswood is not unjustly rewarded for waiting so long to file a fast track complaint.

Respectfully submitted,

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February 19, 2002

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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 the above-captioned proceeding, and on the New York State Public Service Commission, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 2010 (2001).

Dated at Washington, D.C. this 19th day of February, 2002.

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