# UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

New York Independent System Operator, Inc.,	)	Docket No. ER04-449-007
New York Transmission Owners	)	Docket No. ER04-449-008
	)	Docket No. ER04-449-016
	)	

# JOINT REQUEST FOR A 60-DAY EXTENSION OF TIME AND REQUEST FOR EXPEDITED ACTION OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. AND THE NEW YORK TRANSMISSION OWNERS

In accordance with Rule 2008 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2008 (2007), the New York Independent System Operator, Inc. ("NYISO") and the New York Transmission Owners ("NYTOs")<sup>1</sup> (together, the "Joint Filing Parties") respectfully request a 60-day extension of time to submit revised tariff sheets in compliance with the Commission's March 21, 2008 order in the above-captioned dockets.<sup>2</sup> The additional time is needed in order for the Joint Filing Parties to complete their work with stakeholders on the numerous, detailed tariff sheets required to comply with the *Guidance Order*, and to implement a second interconnection service option and a deliverability interconnection standard under the NYISO tariffs, commencing with the interconnection of Class Year 2007 projects as approved in the *Guidance Order*.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> For purposes of this joint request, the NYTOs are Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, d/b/a National Grid,-Orange and Rockland Utilities, Inc. and Rochester Gas and Electric Corporation, LIPA, and the New York Power Authority.

<sup>&</sup>lt;sup>2</sup> New York Independent System Operator, Inc., New York Transmission Owners, et al., 122 FERC 61,267 (2008) ("Guidance Order").

<sup>&</sup>lt;sup>3</sup> This group of projects is discussed in Section II.C of this Joint Request for Extension.

#### I. BACKGROUND

In accordance with the Commission's orders<sup>4</sup> on the Joint Filing Parties' joint compliance filing in response to Order No. 2003,<sup>5</sup> the Joint Filing Parties submitted a conceptual filing on October 5, 2007 ("October 5 Filing") that outlined the basic components of a consensus among most NYISO stakeholders on implementing a second level of interconnection service with a deliverability component ("Deliverability Plan").<sup>6</sup>

Under the conceptual framework outlined in the October 5 Filing, a Generator being studied in the NYISO's interconnection process may elect from two levels of interconnection service --- the Energy Resource Interconnection Service ("ERIS") and the Capacity Resource Generation Service ("CRIS"). ERIS is a basic interconnection service and limits a Generator to participation in only the NYISO's Energy and applicable Ancillary Services markets. In order to qualify for ERIS, a Generator must satisfy the NYISO's current interconnection requirements under the NYISO Minimum Interconnection Standard. CRIS, on the other hand, provides both basic interconnection service and enables a Generator to participate in the NYISO's Installed Capacity ("ICAP") market to the extent of its deliverable capacity. In order to qualify for CRIS, a Generator must: (1) be found to be deliverable; or (2) fund or commit to fund the upgrades necessary to make it deliverable.

 $<sup>^4</sup>$  New York Independent System Operator, Inc., New York Transmission Owners, 108 FERC  $\P$  61,159 (2004), order on reh'g, 111 FERC 61,347 (2005).

<sup>&</sup>lt;sup>5</sup> Standardization of Generator Interconnection Agreements and Procedures, Order No. 2003, FERC Stats. & Regs. ¶ 31,146 (2003), order on reh'g, Order No. 2003-A, FERC Stats. & Regs. ¶ 31,160 (2004), order on reh'g, Order No. 2003-B, FERC Stats. & Regs. ¶ 31,171 (2004), order on reh'g, Order No. 2003-C, FERC Stats. & Regs. ¶ 31,190 (2005), affirmed sub nom. Nat'l Ass'n of Regulatory Util. Comm'rs v. FERC, 475 F.3d 1277 (D.C. Cir. 2007).

<sup>&</sup>lt;sup>6</sup> The Joint Filing Parties have attached a copy of the October 5 Filing's Plan Document.

The *Guidance Order* accepted the deliverability framework proposed by the Joint Filing Parties "in principle." According to the Commission, "[t]he instant Deliverability Plan represents a consensus at least to the extent that it creates a framework for creating a second level of interconnection service that will be codified by the Filing Parties in a future filing that contains revisions to the NYISO OATT." The Commission also stated in the *Guidance Order* that the Joint Filing Parties must provide additional details in tariff sheets to be filed to clarify a number of provisions in the October 5 Filing. The Commission thus directed the parties to make a filing with the proposed tariff revisions within 60 days of the date of the *Guidance Order*, *i.e.*, by May 20, 2008. <sup>10</sup>

#### II. JOINT REQUEST FOR AN EXTENSION OF TIME

#### A. Good Cause Exists for Granting the Requested Extension

The Joint Filing Parties respectfully request an additional 60 days, *i.e.*, until July 21, 2008, to complete the proposed tariff revisions and file them with the Commission. The Joint Filing Parties submit that there is good cause for the Commission to grant them an additional 60 days to make the directed filing, for the reasons described in this Part II.

### B. Numerous Implementation Details Remain to be Resolved

Since the issuance of the *Guidance Order*, the Joint Filing Parties have worked diligently with the NYISO's stakeholders to develop the tariff language necessary to implement the Deliverability Plan, including devoting a series of working group meetings to address the complex issues associated with implementing the Deliverability Plan.

<sup>&</sup>lt;sup>7</sup> *Guidance Order* at P 24.

<sup>&</sup>lt;sup>8</sup> *Id*.

<sup>&</sup>lt;sup>9</sup> *Id.* at PP 28, 49.

<sup>&</sup>lt;sup>10</sup> Id. at P 29 and Ordering Paragraph (B).

While substantial progress has been made, the Joint Filing Parties have concluded that the remaining implementation details and tariff sheets cannot be finalized within the 60 days allowed by the *Guidance Order*.

As recognized by the Commission, the Deliverability Plan provides the "conceptual framework" for establishing a second level of interconnection service that included a deliverability component. Implementation of the Deliverability Plan requires significant tariff amendments that affect several hundred tariff sheets. These include numerous changes to the NYISO's OATT and Market Administration and Control Area Services Tariff ("Services Tariff"). Specifically, implementation requires changes to OATT Attachment S (governing cost allocation for interconnection projects), OATT Attachment X (the NYISO's Large Facility Interconnection Procedures and *pro forma* Large Generator Interconnection Agreement), OATT Attachment Y (the NYISO's Comprehensive Reliability Planning Process), and OATT Attachment Z (Small Generator Interconnection Procedures and *pro forma* Small Generator Interconnection Agreement). The ICAP rules contained in Article 5 of the NYISO's Services Tariff will also have to be modified.

The Joint Filing Parties and stakeholders have worked diligently to resolve the remaining implementation issues. Significant progress has been made. However, many of the implementation issues are particularly complex and will take additional time and effort to resolve. Furthermore, the *Guidance Order* itself requires that certain specific issues be addressed in detail in the revised tariff sheets.

Under these circumstances, given the many complex issues associated with the Deliverability Plan discussed above, it will not be possible to complete the stakeholder

process and submit tariff language by May 20. Accordingly, the Joint Filing Parties request an additional 60 days, until July 21, 2008, to submit the compliance filing.

If the Commission grants the requested extension, the Joint Filing Parties will take full advantage of the additional time by continuing to work diligently with stakeholders to resolve the remaining outstanding issues.

#### C. Interconnection of Class Year 2007 Projects

The *Guidance Order* accepts the proposal to apply the deliverability standard to projects in Class Year 2007.<sup>11</sup> No party sought rehearing of the *Guidance Order*. The Class Year 2007 study, which is being performed to identify the upgrades needed to comply with the current NYISO Minimum Interconnection Standard, is almost complete. That study is scheduled for presentation to the NYISO's stakeholders on May 23, 2008, and for review and approval by the NYISO's Operating Committee on June 19, 2008.

The Joint Filing Parties seek to avoid any delay to the anticipated schedule of the Class Year 2007 study, which consists of eleven wind projects. Therefore, the Joint Filing Parties propose to allow Class Year 2007 to complete the cost allocation under the current tariff provisions in OATT Attachment S, subject to a later deliverability analysis. As soon as the Commission approves the tariff revisions to be filed by the Joint Filing Parties in this proceeding, the NYISO intends to complete a deliverability analysis for Class Year 2007 by the end of 2008. To implement this, the tariff sheets proposed will include a one-time transition process for applying the deliverability analysis applicable to

<sup>&</sup>lt;sup>11</sup> Guidance Order at PP 63-64. Under the OATT, the NYISO conducts an interconnection facilities study on a combined basis for a group of projects called a "Class Year," and allocates the total interconnection costs for the projects in the same Class Year to individual projects in that Class Year according to cost allocation rules set forth in Attachment S to the OATT.

projects in Class Year 2007. The Interconnection Agreements for Class Year 2007 will explicitly condition participation in the ICAP market on satisfaction of the new deliverability interconnection standard and, to the extent a project is found to be not deliverable, on funding, or committing to fund, any required deliverability upgrades.

Meanwhile, the non-deliverability portions of Class Year 2008 can continue in parallel with the deliverability analysis of Class Year 2007. The deliverability analysis of Class Year 2008 would be completed after the deliverability analysis of Class Year 2007 has been completed and, of course, be subject to the same conditions.

#### III. REQUEST FOR EXPEDITED ACTION

In light of the May 20 compliance deadline, the Joint Filing Parties respectfully request that the Commission act expeditiously on this request and issue an order or notice granting the extension by no later than May 19, 2008 so that the Joint Filing Parties can plan their continuing work with stakeholders and schedule additional meetings in an orderly fashion.

 $^{\rm 12}$  The Class Year 2008 study applying the current NYISO Minimum Interconnection Standard, began on March 1, 2008.

#### IV. CONCLUSION

In conclusion, the New York Independent System Operator, Inc. and the New York Transmission Owners respectfully request that the Commission grant their joint request for a 60-day extension of time, *i.e.*, until July 21, 2008, to comply with the Guidance Order, and to issue an order granting the extension by no later than May 19, 2008 consistent with the discussion herein.

#### Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that I have electronically served the foregoing document upon all parties on the official service list compiled by the Secretary in this proceeding, in accordance with 18 C.F.R. § 385.2010 (2007).

Dated at Washington, DC, this 15<sup>th</sup> day of May, 2008.

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