

therefore, respectfully request that the Commission act expeditiously to grant the requested extension.

I. Background

Guideline Three of the LTFTR Orders requires that:

Long-term transmission rights made feasible by transmission upgrades or expansions must be available upon request to any party that pays for such upgrades or expansions in accordance with the transmission organization's prevailing cost allocation methods for upgrades or expansions.⁴

The NYISO submitted its compliance filing in response to the LTFTR Orders on February 5, 2007. That filing stated that the NYISO would submit a second compliance filing addressing Guideline Three no later than sixty days before the effective date of the NYISO's first award of long-term firm transmission rights derived from existing transmission capacity. The April 16 Order accepted this proposal and directed the NYISO to make the second compliance filing no later than September 2, 2008.

The NYISO has worked extensively with its stakeholders to develop a Guideline Three compliance proposal. The current draft version of the proposal would supplement, and in some respects, supersede, existing NYISO OATT provisions governing awards of Incremental TCCs to entities that construct or fund new transmission facilities or transmission improvements that increase the transfer capability of the New York State Transmission System ("Expansions"). The NYISO had intended to finalize and file this proposal by the September 2 deadline. However, the NYTOs have recently informed the NYISO that they have a serious concern regarding the treatment of Congestion Rent Shortfall allocations under the proposal.

⁴ Order No. 681 at P 210.

II. Joint Request for Extension of Time

The NYISO and the NYTOs have agreed to jointly submit this request for an extension of time so that the NYISO, and all other NYISO stakeholders, may consider the NYTOs' concerns. Good cause exists to grant a forty five day extension because the issue identified by the NYTOs is complex and additional time will be needed for possible stakeholder review of any potential changes to the NYISO's compliance proposal. The Joint Parties believe that devoting additional time to this question is likely to avoid a dispute before the Commission, or at the very least to narrow the scope of potentially disputed issues. In the event that the requested extension is granted, the NYISO will make its compliance filing by October 16, 2008, regardless of whether a consensus has been achieved.

Further, the requested extension is consistent with the LTFTR Orders. They required that Independent System Operators such as the NYISO "develop and file tariff sheets and rate schedules [to comply with Guideline Three] ... by the time that they award long-term rights for existing capacity."⁵ The effective date for the NYISO's first award of long-term transmission rights associated with existing transmission capacity is November 1, 2008. If the requested extension were granted, the NYISO would still make its filing by October 16, 2008, two weeks before the LTFTR Orders' deadline.

Finally, no party would be harmed if the requested extension were granted. The NYISO does not expect to receive any requests for Incremental TCC awards in the near future because no eligible Expansions are imminent. Consequently, no party would be deprived of an opportunity to request an award of Incremental TCCs under Commission-approved, Guideline Three compliant, rules if the requested extension were granted.

⁵ Order No. 681 at P 214.

Accordingly, the Joint Parties respectfully request that the Commission grant an additional forty five days, until October 16, 2008, for the NYISO to make its Guideline Three compliance filing.

IV. Request for Expedited Action

The Joint Parties respectfully request that the Commission act expeditiously on this request, and grant the extension no later than September 2, 2008, the current deadline for the NYISO's compliance filing. To the extent that the Commission determines that notice and comment procedures are applicable to this request, the NYISO respectfully requests a waiver of them.

V. Conclusion

For the reasons set forth above, the Joint Parties respectfully request that the Commission expeditiously grant an extension of time until October 16, 2008 for the NYISO to submit its Guideline Three compliance filing.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents upon each person designated on the official service list for the captioned proceeding, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated this 29th day of August, 2008, at Washington, DC.

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