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September 29, 2008

By Hand Delivery

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

Re: Filing of an Executed Standard Small Generator Interconnection Agreement Among the New York Independent System Operator, Inc., Rochester Gas and Electric Corporation, and Casella Waste Systems, Inc. and Request for Waiver of the Prior Notice Requirements, Docket No. ER08-____-000

Dear Ms. Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2006) and Section 35.12 of the Commission's Regulations, 18 C.F.R. § 35.12 (2008), the New York Independent System Operator Inc. ("NYISO") and Rochester Gas and Electric Corporation ("RG&E") ("Joint Filing Parties") hereby tender for filing an executed Standard Small Generator Interconnection Agreement ("Agreement") among the NYISO, RG&E, and Casella Waste Systems, Inc. ("Casella") as the Interconnection Customer. With the limited exceptions noted in Part I.B of this letter, the Agreement conforms to the NYISO's *pro forma* Standard Small Generator Interconnection Agreement ("SGIA") that is included in Attachment Z of the NYISO's Open Access Transmission Tariff ("OATT") and accepted by the Commission.¹ Further, the Joint Filing Parties respectfully request waiver of the Commission's prior notice requirements² to make the Agreement effective as of August 25, 2008.

¹ See *New York Independent System Operator, Inc., New York Transmission Owners*, 118 FERC ¶ 61,130 (2007) ("February 2007 Order"), *order on reh'g and compliance*, 119 FERC ¶ 61,333 (2007); *New York Independent System Operator, Inc., Letter Order*, Docket Nos. ER06-311-004 and 005 (March 3, 2008).

² See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *reh'g. denied*, 65 FERC ¶ 61,081 (1993).

I. Discussion

A. Background

The Interconnection Customer has constructed the Hyland Landfill Generation Facility ("Facility") in Angelica, New York. The Facility consists of four 2000 KVA synchronous generators for a total nameplate capacity of 6.4 MW. The Facility's Point of Interconnection is located at a three-breaker ring bus substation on RG&E's Circuit 754. Attachment 3 to the Agreement provides a one-line diagram showing the Point of Interconnection.

The interconnection request was submitted to RG&E before the NYISO's Small Generator Interconnection Procedures ("SGIP") were accepted by the Commission in the February 2007 Order. Among other things, the February 2007 Order stated that all interconnection projects should proceed under the SGIP. Accordingly, the Joint Filing Parties agreed to execute a three-party small SGIA among the NYISO, RG&E, and Casella.

B. The Agreement Closely Conforms to the Approved *Pro Forma* Language Contained in Attachment Z of the NYISO OATT

In executing the Agreement, the NYISO, RG&E, and Casella have closely followed the language in the Commission-approved *pro forma* SGIA. The Agreement, however, does contain limited variations from the *pro forma* SGIA which are necessary under the unique circumstances of Casella's project. The project began its development, and has been technically evaluated and processed, under RG&E's interconnection procedures for small generators. Following the issuance of the February 2007 Order, the parties concluded that they should proceed under the NYISO's procedures for small generators, and execute the NYISO's form of SGIA. However, since the interconnection request had been submitted to RG&E before the February 2007 Order, RG&E provided the required cost estimates. Due to RG&E's provision of the cost estimates, Sections 4.1.1 and 5.2 and Attachments 2 and 6 of the Agreement required certain modifications, as explained in Parts I.B.1 and I.B.2 of this letter. Therefore, the Joint Filing Parties respectfully request that the Commission accept the limited non-conforming variations to the *pro forma* language described below.³

1. Changes to Section 4.1.1 and Attachments 2 and 6

With respect to Section 4.1.1 and Attachments 2 and 6, the *pro forma* SGIA states that the NYISO, in consultation with the Transmission Owner, will provide a cost estimate for

³ The Commission has accepted limited modifications to the *pro forma* SGIA in similar circumstances. See, e.g., *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-985-000 (June 26, 2008); *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-437-000 (February 28, 2008); *New York Independent System Operator, Inc., New York State Electric & Gas Corp., Letter Order*, Docket Nos. ER07-1329-000 and 001 (January 3, 2008); *New York Independent System Operator, Inc., New York State Electric & Gas Corp., Letter Order*, Docket No. ER07-1074-000 (August 14, 2007).

Interconnection Facilities (and metering equipment in the case of Attachment 2). However, as explained above, RG&E, not the NYISO, provided the cost estimates required under these sections. Therefore, the Joint Filing Parties propose to revise the *pro forma* SGIA provisions to state that the Transmission Owner shall provide the cost estimates required by Section 4.1.1 and Attachments 2 and 6.

2. Changes to Section 5.2

With respect to Section 5.2, there are System Upgrade Facilities associated with the Facility, as described in Attachment 6 to the Agreement. Because the Facility has been studied under RG&E's procedures, cost estimates associated with those System Upgrade Facilities have been provided by RG&E. Therefore, those cost estimates were not determined in accordance with Attachment S of the NYISO OATT as provided for in the *pro forma* SGIA. Accordingly, the Joint Filing Parties have proposed to revise Section 5.2.1 to delete references to Attachment S of the OATT and to delete Section 5.2.2 which discusses the Attachment S cost allocation process.

II. Effective Date

The Joint Filing Parties request an August 25, 2008 effective date for the Agreement, which is the date of execution. The Joint Filing Parties respectfully request that the Commission waive the prior notice requirement in order to permit the August 25, 2008 effective date.⁴ The Commission has previously permitted interconnection agreements to become effective as of the date they are executed.⁵

⁴ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *reh'g denied*, 65 FERC ¶ 61,081 (1993).

⁵ See, e.g., *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-985-000 (June 26, 2008) (accepting interconnection agreement effective as of the date of execution); *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); *New York Independent System Operator, Inc. and Niagara Mohawk Power Corp., Letter Order*, Docket No. ER08-427-000 (February 28, 2008) (same); *New York Independent System Operator, Inc. and New York State Electrical & Gas Corp., Letter Order*, Docket Nos. ER07-1329-000, *et al.* (January 3, 2008) (same).

III. Communications and Correspondence

Communications regarding this filing should be directed to:

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⁶ The NYISO respectfully requests waiver of 18 C.F.R. § 385.203(b)(3) (2008) to permit service on counsel for the NYISO in both Washington, DC and Richmond, VA.

IV. Documents Submitted

The Joint Filing Parties submit the following documents:

- A. this filing letter;
- B. a clean version of the Agreement ("Attachment I"); and
- C. blacklined sheets showing the changes from the body of the NYISO's *pro forma* SGIA ("Attachment II").

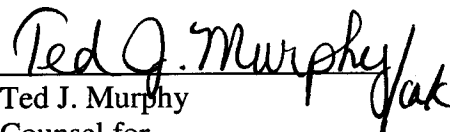
V. Service

The NYISO will send a paper copy of this filing to Casella. The NYISO will also electronically send a link to the public version of 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 electric utility regulatory agencies of New Jersey and Pennsylvania. In addition, the complete public version of this filing will be posted on the NYISO's website at www.nyiso.com. The NYISO will also make a paper copy available to any interested party that requests one. To the extent necessary, the NYISO requests waiver of the requirements of 18 C.F.R. § 35.2(d) (2008) to permit it to provide service in this manner.

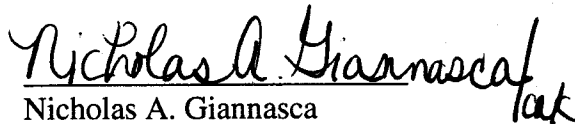
VI. Conclusion

Wherefore, the NYISO and RG&E respectfully request that the Commission accept the attached Agreement effective as of August 25, 2008.

Respectfully submitted,



Ted J. Murphy
Counsel for
New York Independent System Operator, Inc.



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Rochester Gas and Electric Corporation

cc: Shelton Cannon
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