

HUNTON & WILLIAMS LLP
1900 K STREET, NW, SUITE 1200
WASHINGTON, DC 20006-1109

LEBOEUF, LAMB, GREENE & MACRAE L.L.P.
1875 CONNECTICUT AVENUE, NW, SUITE 1200
WASHINGTON, DC 20009-5728

October 5, 2004

BY HAND

The Honorable Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, D.C. 20426

Joint Compliance Filing of
New York Independent System Operator, Inc. and New York Transmission Owners
in Docket No. ER04-449-000

Dear Ms. Salas:

In its August 6, 2004 order (“August 6 Order”) in the above-captioned proceedings, the Commission accepted revisions to the New York Independent System Operator, Inc.’s (“NYISO”) Open Access Transmission Tariff (“OATT”) proposed in the NYISO’s and the New York Transmission Owners¹ (the “Joint Filing Parties”) Joint Compliance filings in response to Order Nos. 2003 and 2003-A. The Commission accepted these tariff revisions subject to the NYISO making a compliance filing to modify certain sections of the Large Facility Interconnection Procedures (“LFIP”) and Large Facility Interconnection Agreement (“LFIA”). The Joint Filing Parties hereby tender this filing as required by the August 6 Order.

I. Documents Submitted

This Compliance Filing consists of the following documents:

1. This filing letter;
2. Clean revised sheets from the OATT incorporating the NYISO’s proposed compliance revisions (Attachment I);

¹ Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., LIPA, New York Power Authority, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, a National Grid Company, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation.

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3. Blacklined revised sheets from the OATT identifying the NYISO's proposed compliance revisions (Attachment II); and
4. A form of *Federal Register* Notice (Attachment III).

II. Communications

Communications regarding this proceeding should be addressed to the following:

For the NYISO:

Robert E. Fernandez, General Counsel and Secretary
Elizabeth A. Grisaru, Esq.
Elaine Robinson, Director of Regulatory Affairs
New York Independent System Operator, Inc.
3890 Carman Road
Schenectady, NY 12303
Tel: (518) 356-6000
Fax: (518) 356-4702
rfernandez@nyiso.com
egrisaru@nyiso.com
erobinson@nyiso.com

Arnold H. Quint, Esq.
Ted J. Murphy, Esq.
Hunton & Williams LLP
1900 K Street, N.W.
Washington, D.C. 20006
Tel: (202) 955-1500
Fax: (202) 778-2201
aquint@hunton.com
tmurphy@hunton.com

For the New York Transmission Owners:

Elias G. Farrah, Esq.
Rebecca J. Michael, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, N.W.
Washington, DC 20009-5728

Paul L. Gioia, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
One Commerce Plaza
Suite 2020
99 Washington Avenue
Albany, NY 12210-2820

Central Hudson Gas & Electric Corporation

Donald K. Dankner, Esq.
Raymond B. Wuslich, Esq.
Winston & Strawn
1400 L Street, N.W.
Washington, DC 20005

John W. Watzka
Section Engineer - Transmission Planning &
Design
Central Hudson Gas & Electric Corporation
284 South Avenue
Poughkeepsie, NY 12601

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Consolidated Edison Company of New York, Inc.

Neil H. Butterklee, Esq.
Steven R. Pincus, Esq.
Consolidated Edison Co. of New York, Inc.
Room 1815-s
4 Irving Place
New York, NY 10003

Terry Agriss
Vice President, Energy Management
Consolidated Edison Co. of New York, Inc.
Room 1138
4 Irving Place
New York, NY 10003

LIPA

John J. Buchovecky, Esq.
Megan M. Grant, Esq.
Van Ness Feldman, P.C.
1050 Thomas Jefferson Street, N.W.
7th Floor
Washington, DC 20007

Stan Klimberg, Esq.
Roni Epstein, Esq.
Long Island Power Authority
333 Earle Ovington Boulevard
Suite 403
Uniondale, NY 11553

New York Power Authority

David E. Blabey, Esq.
New York Power Authority
30 South Pearl Street
Albany, NY 12207

Edgar K. Byham, Esq.
New York Power Authority
123 Main Street
White Plains, NY 10601-3170

New York State Electric & Gas Corporation

Catherine P. McCarthy, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, NW
Washington, DC 20009-5728

Carol L. Muessigbrodt
New York State Electric & Gas Corporation
Corporate Drive
Kirkwood Industrial Park
P.O. Box 5224
Binghamton, NY 13902-5224

Niagara Mohawk Power Corporation, a National Grid Company

Joel deJesus, Esq.
National Grid USA Service Company, Inc.
25 Research Drive
Westborough, MA 01582

Mary Ellen Paravalos
National Grid USA Service Company, Inc.
25 Research Drive
Westborough, MA 01582

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Orange and Rockland Utilities, Inc.

John D. McMahon, President
Orange and Rockland Utilities, Inc.
One Blue Hill Plaza
Pearl River, NY 10965

Neil H. Butterklee, Esq.
Steven R. Pincus, Esq.
Consolidated Edison Co. of New York, Inc.
Room 1815-s
4 Irving Place
New York, NY 10003

Rochester Gas and Electric Corporation

Catherine P. McCarthy, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, NW
Washington, DC 20009-5728

Marjorie L. Perlman
Rochester Gas and Electric Corporation
89 East Avenue
Rochester, NY 14649-0001

III. Service List and Request for Waiver

Copies of this filing are being served on all parties designated on the official service list maintained by the Secretary of the Commission in this proceeding. To the extent necessary, the NYISO requests a waiver of the requirements of 18 C.F.R. § 385.2010 so as to permit it to electronically serve a copy of this filing on the official representatives of each of its customers, on each participant in its stakeholder committees, on the New York State Public Service Commission and on the electric utility regulatory agencies in New Jersey and Pennsylvania. In addition, the complete filing has been posted on the NYISO's website at www.nyiso.com and the NYISO will make a paper copy available to any interested party that requests one. Good cause exists for granting this waiver due to the size of this filing and the number of interested parties that must be served.

IV. Description of Proposed Tariff Changes

The Commission ordered the NYISO in the August 6 Order to modify certain sections of Attachment X of the NYISO OATT. Accordingly, this filing makes the following changes in accordance with the Commission's August 6 Order:

1. Modifications were made to Section 11.3 of the LFIP, to provide that the NYISO will draft portions of the Large Facility Interconnection Agreement that are in dispute and that the Transmission Owners may provide any comments or alternative positions with respect to disputed provisions in the joint filing.

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2. Modifications were made to Section 13.1.8 of the LFIP and Article 22.1.11 of the LFIA to provide that requests for confidential information, obtained under the LFIP or the LFIA from a state regulatory body conducting a confidential investigation shall be treated in a similar manner to similar requests made by FERC or its Staff.
3. Modifications were made to Sections 7.2 and 7.3 of the Feasibility Study Agreement, the System Reliability Impact Study Agreement, and the Facilities Study Agreement in Attachment X of the OATT which provide for extension of the disclaimer of warranty and limitation of liability provisions to any Party to such study agreements.
4. Modifications were made to Article 5.12 of the LGIA to delete the charge for granting access by either the Transmission Owner or Developer to the other Party.
5. Modifications were made to Article 9.6.2.3 of the LGIA to provide for written notification from the NYISO or Transmission Owner to a Developer to provide the reason for any curtailment or interruption of service.
6. Insertion of the word "Impact" to correct an error in the definition of "Clustering" in the LFIP.

In addition, the NYISO has corrected an error in the initial Joint Compliance Filing, by inserting the word "up" between the words "a decrease of" and "to 60 percent" in Section 4.4.1.a of the LFIP.

The changes discussed above are included in the clean and redlined versions of the OATT, as identified in Attachments I and II of this letter.

V. Status Report on Proposed Attachment S Revisions

Finally, in the August 6 Order, the Commission also directed the NYISO to provide a status report on the progress of the proceedings in Docket EL02-125-000 relating to revisions to the NYISO interconnection cost allocation process under Attachment S of the NYISO OATT within sixty days of that Order. A settlement of those proceedings was approved by the Commission on August 20, 2004. The NYISO has since prepared and will shortly file, after consultation with the settling parties and Market Participants, as called for in the settlement, a compliance filing making certain changes in Attachment S. Separately, the NYISO and its Market Participants are engaged in the evaluation of a number of additional modifications to

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Attachment S that will be submitted to the Commission in a subsequent filing pursuant to Section 205 of the Federal Power Act.

VI. Proposed Effective Date

The NYISO proposes that its compliance revisions to Attachment X of the NYISO OATT become effective on August 6, 2004, the effective date of new NYISO Interconnection Procedures established by the August 6, 2004 Order.

VII. Federal Register Notice

A form of *Federal Register* Notice is provided as Attachment III hereto.

VIII. Conclusion

WHEREFORE, for the foregoing reasons, the Joint Filing Parties respectfully request that the Commission accept this Compliance Filing.

Respectfully submitted,

NEW YORK TRANSMISSION OWNERS

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.

By: _____
Counsel

By: _____
Counsel

Elias G. Farrah, Esq.
Rebecca J. Michael, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, N.W.
Washington, DC 20009-5728
(202) 986-8000

Arnold H. Quint, Esq.
Ted J. Murphy, Esq.
Hunton & Williams, LLP
1900 K Street, NW
Washington, DC 20006
(202) 955-1500

Paul L. Gioia, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
One Commerce Plaza
Suite 2020
99 Washington Avenue
Albany, NY 12210-2820

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Central Hudson Gas & Electric Corporation

Donald K. Dankner, Esq.
Raymond B. Wuslich, Esq.
Winston & Strawn
1400 L Street, N.W.
Washington, DC 20005

John W. Watzka
Section Engineer - Transmission Planning &
Design
Central Hudson Gas & Electric Corporation
284 South Avenue
Poughkeepsie, NY 12601

Consolidated Edison Company of New York, Inc.

Neil H. Butterklee, Esq.
Steven R. Pincus, Esq.
Consolidated Edison Co. of New York, Inc.
Room 1815-s
4 Irving Place
New York, NY 10003

Terry Agriss
Vice President, Energy Management
Consolidated Edison Co. of New York, Inc.
Room 1138
4 Irving Place
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LIPA

John J. Buchovecky, Esq.
Megan M. Grant, Esq.
Van Ness Feldman, P.C.
1050 Thomas Jefferson Street, N.W.
7th Floor
Washington, DC 20007

Stan Klimberg, Esq.
Roni Epstein, Esq.
Long Island Power Authority
333 Earle Ovington Boulevard
Suite 403
Uniondale, NY 11553

New York Power Authority

David E. Blabey, Esq.
New York Power Authority
30 South Pearl Street
Albany, NY 12207

Edgar K. Byham, Esq.
New York Power Authority
123 Main Street
White Plains, NY 10601-3170

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New York State Electric & Gas Corporation

Catherine P. McCarthy, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, NW
Washington, DC 20009-5728

Carol L. Muessigbrodt
New York State Electric & Gas Corporation
Corporate Drive
Kirkwood Industrial Park
P.O. Box 5224
Binghamton, NY 13902-5224

Niagara Mohawk Power Corporation, a National Grid Company

Joel deJesus, Esq.
National Grid USA Service Company, Inc.
25 Research Drive
Westborough, MA 01582

Mary Ellen Paravalos
National Grid USA Service Company, Inc.
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Orange and Rockland Utilities, Inc.

John D. McMahon, President
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Pearl River, NY 10965

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Steven R. Pincus, Esq.
Consolidated Edison Co. of New York, Inc.
Room 1815-s
4 Irving Place
New York, NY 10003

Rochester Gas and Electric Corporation

Catherine P. McCarthy, Esq.
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Avenue, NW
Washington, DC 20009-5728

Marjorie L. Perlman
Rochester Gas and Electric Corporation
89 East Avenue
Rochester, NY 14649-0001

cc: All Parties in Docket No. ER04-449-000
All Signatories to NYISO OATT and Services Tariff
Daniel L. Larcamp
Rossell Glasgow, Jr.
Connie N. Caldwell
Michael A. Bardee

Attachment I

Attachment II

Attachment III

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

New York Independent System Operator, Inc.) Docket No. ER04-449-000

NOTICE OF FILING

Take notice that on October 5, 2004, the New York Independent System Operator, Inc. (“NYISO”) and the New York Transmission Owners filed a joint Compliance Filing in connection with the Commission’s August 6, 2004 Order in the above-referenced docket.

The NYISO has served a copy of this filing on all parties in Docket No. ER04-449-000. The NYISO requests a waiver of the requirements of 18 C.F.R. § 385.2010 so as to permit it to electronically serve a copy of this filing on the official representatives of each of its customers, on each participant in its stakeholder committees, on the New York State Public Service Commission and on the electric utility regulatory agencies in New Jersey and Pennsylvania.

Any person desiring to be heard or to protest this filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission’s Rules of Practice and Procedure (18 CFR §§ 385.211 and 385.214). Protests will be considered by the Commission to determine the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. All such motions or protests should be filed on or before the comment date, and, to the extent applicable, must be served on the applicant and on any other person designed on the official service list. This filing is available for review at the Commission or may be viewed on the Commission’s website at <http://www.ferc.gov>, using the eLibrary (FERRIS) link. Enter the docket number excluding the last three digits in the docket number filed to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or call toll-free at (866) 208-3676, or for TTY, contact (202) 502-8659. Protests and interventions may be filed electronically via the Internet in lieu of paper. *See*, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission’s website under the “e-filing” link. The Commission strongly encourages electronic filings.

Comment Date:

Magalie R. Salas, Esq.
Secretary