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

	)	
New England Power Pool	)	<b>Docket No. ER05-3-000</b>
	)	

# MOTION TO INTERVENE AND COMMENTS IN SUPPORT OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. AND THE NEW YORK TRANSMISSION OWNERS

Pursuant to Rules 212 and 214 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") Rules of Practice and Procedure<sup>1</sup> and the Commission's October 7, 2004 Notice of Filing, the New York Independent System Operator, Inc. ("NYISO") and Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., LIPA, New York Power Authority, New York State Electric & Gas Corporation, Rochester Gas and Electric Corporation, and Orange and Rockland Utilities, Inc. (referred to herein as the "New York Transmission Owners") individually and collectively move to intervene in the above-captioned proceeding and file these comments in support.

On October 1, 2004, the New England Power Pool ("NEPOOL") Participants' Committee filed in this proceeding to amend the NEPOOL Tariff to eliminate the Through or Out service charges for transactions to New York. The NYISO and the New York Transmission Owners (the "Joint Filing Parties") urge FERC to approve this request, as well as to approve the tariff changes filed by the Joint Filing Parties on June 21, 2004 in Docket No. ER04-943 to eliminate the NYISO's charges on exports to New England. The NYISO will continue to

<sup>&</sup>lt;sup>1</sup> 18 C.F.R. §§ 385.212 and 214 (2003).

coordinate with ISO-New England ("ISO-NE") and stands ready to support implementation of this change on December 1, 2004, as requested in the NEPOOL filing. The approval of these filings will provide significant benefits to both New York and New England by improving the efficiency of transactions between both regions. In support hereof, the Joint Filing Parties state the following:

#### I. Copies of Correspondence

The following persons should be included on the official service list in this proceeding,<sup>2</sup> and all communications concerning these Comments should be addressed to the following:

#### For the NYISO:

Robert E. Fernandez, General Counsel and Secretary Elaine Robinson, Acting Director, Regulatory Affairs Karen Georgenson Gach, Senior Attorney New York Independent System Operator, Inc. 290 Washington Ave. Extension Albany, New York 12203 Tel: (518) 356-8875 Fax: (518) 356-8825 rfernandez@nyiso.com erobinson@nyiso.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 (202) 986-8000

kgach@nyiso.com

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

Waiver of the Commission's regulations (18 C.F.R. § 385.203) is requested to the extent necessary to permit the inclusion on the service list of all of the parties below.

#### **Central Hudson Gas & Electric Corporation**

Donald K. Dankner, Esq. John W. Watzka

Raymond B. Wuslich, Esq. Section Engineer - Transmission Planning &

Winston & Strawn Design

1400 L Street, N.W. Central Hudson Gas & Electric Corporation

Washington, DC 20005 284 South Avenue

Poughkeepsie, NY 12601

#### Consolidated Edison Company of New York, Inc.

Neil H. Butterklee, Esq. Rebecca A. Craft

Consolidated Edison Co. of New York, Inc. Director, Energy Markets Policy Group

Room 1815-s Consolidated Edison Co. of New York, Inc.

4 Irving Place Room 1138 New York, NY 10003 4 Irving Place

New York, NY 10003

#### **LIPA**

Joseph Nelson, Esq. Stan Klimberg, Esq. Celia Martellino, Esq. Roni Epstein, Esq.

Van Ness Feldman, P.C.

Long Island Power Authority
1050 Thomas Jefferson Street, N.W.

333 Earle Ovington Boulevard

7th Floor Suite 403

Washington, DC 20007 Uniondale, NY 11553

#### **New York Power Authority**

David E. Blabey, Esq. Edgar K. Byham, Esq. New York Power Authority New York Power Authority

30 South Pearl Street 123 Main Street

Albany, NY 12207 White Plains, NY 10601-3170

#### **New York State Electric & Gas Corporation**

Catherine P. McCarthy, Esq. Kevin DePugh

LeBoeuf, Lamb, Greene & MacRae, L.L.P. New York State Electric & Gas Corporation

1875 Connecticut Avenue, N.W. Corporate Drive

Washington, DC 20009-5728 Kirkwood Industrial Park

P.O. Box 5224

Binghamton, NY 13902-5224

#### Orange and Rockland Utilities, Inc.

John D. McMahon, President Neil H. Butterklee, Esq.

Orange and Rockland Utilities, Inc.

Consolidated Edison Co. of New York, Inc.

One Blue Hill Plaza Room 1815-s Pearl River, NY 10965 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 Kevin DePugh Rochester Gas and Electric Corporation Corporate Drive Kirkwood Industrial Park P.O. Box 5224 Binghamton, NY 13902-5224

#### II. Background

On March 24, 2004, the Commission issued an order (the "March 24 Order") requiring, *inter alia*, the transmission owners in New England and ISO-NE ("RTO Filing Parties") to submit a compliance filing within 90 days proposing the elimination of Through or Out service charges between New England and New York within six months of that compliance filing. On June 21, 2004, the Joint Filing Parties filed in Docket No. ER04-943 revisions to the NYISO's Open Access Transmission Tariff ("OATT") to eliminate the charges that NYISO currently imposes on exports to the New England Control Area. The proposed changes to the NYISO's OATT are designed to become effective on the same date on which the RTO Filing Parties eliminate similar charges on exports through or out of New England to New York.

In accordance with the Commission's March 24 Order, on June 22, 2004, the RTO-NE Filing Parties submitted a compliance filing in which they proposed to make a filing as soon as reasonably practicable and requested an extension of the time for filing the RTO OATT sheets. As described by NEPOOL (Cover Letter at 3), the RTO Filing Parties concluded that the elimination of New England/New York Through or Out service charges could occur faster if changes were first made to the existing NEPOOL Tariff and then adopted into the RTO tariff upon implementation of the RTO. Accordingly, the proposal filed herein was developed.

On October 1, 2004, the NEPOOL Participants Committee submitted to FERC the One Hundred Eighth Agreement Amending New England Power Pool Agreement ("108th Agreement"). The 108<sup>th</sup> Agreement amends the NEPOOL Tariff to reduce to zero the Through

or Out service charge for transactions through or out of NEPOOL that have the New York control area boundary as their point of delivery. NEPOOL requests an effective date of December 1, 2004. The filing also indicates that both ISO-NE and the New England Public Utility Commissioners, Inc. ("NECPUC") support the elimination of the Through and Out charges between New England and New York on December 1, 2004. Further, RTO Filing Parties note that they intend to adopt these proposed amendments into the RTO Tariff upon implementation of that tariff.

#### **III.** Motion To Intervene

The NYISO is the independent body responsible for providing open-access transmission service, maintaining reliability, and administering competitive wholesale electricity markets in the state of New York. The NYISO commenced operations under the NYISO OATT and NYISO Market Administration and Control Area Services Tariff ("Services Tariff") on November 18, 1999.

The New York Transmission Owners, for purposes of this filing, are comprised of seven of the eight electric systems in the State of New York that own the transmission facilities operated by the NYISO. The New York Transmission Owners own the transmission facilities operated by the NYISO and recover their costs of operating those facilities under the NYISO OATT and Services Tariff.

The filing made by NEPOOL in this proceeding would eliminate Through or Out service charges for those transactions that have the New York control area as their point of delivery. As discussed above, the Joint Filing Parties have filed with FERC a similar tariff provision for the NYISO that will eliminate its charges for transactions through or out of New York for delivery in New England on a reciprocal basis effective on the date that amendments proposed herein become effective. The Joint Filing Parties, therefore, have a direct and substantial interest in this

proceeding. This interest cannot be adequately represented by any other party, and the Joint Filing Parties should thus be permitted to intervene herein.

#### V. <u>Comments in Support</u>

The Joint Filing Parties fully support NEPOOL's filing in this proceeding and request that the Commission approve the requested tariff amendments. The NYISO, the New York Transmission Owners and the New State Public Service Commission ("NYPSC") have been discussing the elimination of export charges between the New York and New England regions with ISO-NE, the New England Transmission Owners and NECPUC for over a year. During that time, there have been a number of legitimate issues and concerns that have been addressed. In April 2004, an Agreement in Principle was reached among the NYISO, ISO-NE, the NYPSC and NECPUC to support the development of tariff revisions in both regions that would provide for the reciprocal elimination of export fees as soon as possible, but no later than, the December 22, 2004 date called for in the March 24, 2004 Order. This Agreement recognized that both regions could expect to achieve benefits from more efficient transactions that were expected to occur as a result of the elimination of export charges.

The Joint Filing Parties are pleased to note that the NEPOOL Participants Committee has also recognized the importance of eliminating the export charges between New England and New York and fully supports approval of both the NEPOOL and the NYISO filings in order to implement these changes on December 1, 2004. The commitment from the RTO-NE Filing Parties to adopt these tariff changes into the RTO Tariff will ensure that the reciprocity conditions will continue to be met following the transition from the NEPOOL Tariff to the RTO Tariff.

In summary, the Joint Filing Parties urge prompt Commission approval of both the NEPOOL October 1, 2004 filing as well as the Joint Filing Parties' filing made in Docket No. ER04-943, with an effective date of December 1, 2004 for both sets of tariff amendments. The

approval of these tariff amendments will provide significant benefits to both New York and New England by improving the efficiency of transactions between both regions.

#### V. **Conclusion**

The Joint Filing Parties respectfully request that the Commission grant Joint Filing Parties' motion to intervene in this proceeding and afford them all the rights of a party to this proceeding. The Joint Filing Parties also request that the Commission approve the amendments to the NEPOOL Tariff contained in the 108<sup>th</sup> Agreement.

#### Respectfully submitted,

NEW YORK TRANSMISSION OWNERS

NEW YORK INDEPENDENT SYSTEM OPERATOR. INC.

By: /s/ Elias G. Farrah

By: /s/ Karen Georgenson Gach Counsel

Counsel

Robert E. Fernandez Karen Georgenson Gach

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

New York Independent System Operator, Inc. 290 Washington Ave. Extension

Albany, New York 12203

(202) 986-8000

Tel: 518-356-8875 Fax: 518-356-8825

Paul L. Gioia, Esq. LeBoeuf, Lamb, Greene & MacRae, L.L.P. One Commerce Plaza **Suite 2020** 99 Washington Avenue Albany, NY 12210-2820 (518) 626-9000

### **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.

Consolidated Edison Co. of New York, Inc.

Room 1815-s 4 Irving Place

New York, NY 10003

Rebecca A. Craft

Director, Energy Markets Policy Group

Consolidated Edison Co. of New York, Inc.

Room 1138 4 Irving Place

New York, NY 10003

#### **LIPA**

Joseph Nelson, Esq. Celia Martellino, 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

P.O. Box 5224

Corporate Drive

Kevin DePugh

Binghamton, NY 13902-5224

Kirkwood Industrial Park

#### 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.

Consolidated Edison Co. of New York, Inc.

New York State Electric & Gas Corporation

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 Kevin DePugh Rochester Gas and Electric Corporation Corporate Drive Kirkwood Industrial Park P.O. Box 5224 Binghamton, NY 13902-5224

Dated: October 22, 2004

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document on the applicant in this proceeding in accordance with the Notice of Filing issued in Docket No. ER05-3-000 on October 7, 2004.

Dated at Albany, New York this 22nd day of October, 2004.

/s/ Karen Georgenson Gach
Karen Georgenson Gach

Submission Contents	
Comments_NEPOOL_ER05_3_000.doc·····	1-10

200410225032 Received FERC OSEC 10/22/2004 01:00:00 PM Docket# ER05-3-000