

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

New York Independent System Operator, Inc.)	Docket Nos. ER04-449-018
New York Transmission Owners)	ER04-449-019

**JOINT MOTION FOR EXTENSION OF TIME AND
REQUEST FOR EXPEDITED ACTION OF THE
NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. AND
THE NEW YORK TRANSMISSION OWNERS**

Pursuant to Rules 212 and 2008 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.212 and 385.2008 (2009), the New York Independent System Operator, Inc. (“NYISO”) and the New York Transmission Owners (“NYTOs”)¹ (collectively “Joint Filing Parties”) respectfully submit this motion for an extension of time, from July 15, 2009 until November 15, 2009, to submit a compliance filing on the funding mechanism for the deferred construction of System Deliverability Upgrades,² to collect funds from Load Serving Entities (“LSEs”) and distribute them to appropriate Transmission Owners, as proposed in the Joint Filing Parties’ Consensus Deliverability Plan and subsequent tariff filing, and required by the Commission’s March 21, 2008³ and January 15, 2009⁴ orders in these proceedings. The Joint

¹ The NYTOs are Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., New York State Electric & Gas Corporation, Orange and Rockland Utilities, Inc. and Rochester Gas and Electric Corporation, Niagara Mohawk Power Corporation d/b/a/ National Grid, the Long Island Power Authority, and the New York Power Authority.

² Capitalized terms not otherwise defined have the meaning set forth in Article 1 and Attachment S of the NYISO’s Open Access Transmission Tariff (“OATT”).

³ *New York Independent System Operator, Inc.*, 122 FERC ¶ 61,267 (2008) (“March 2008 Order”).

⁴ *New York Independent System Operator, Inc.*, 126 FERC ¶ 61,046 (2009) (“January 15 Order”).

Filing Parties have worked diligently and have had substantive discussions on the issue, but have not yet been able to complete the detailed development of an LSE funding mechanism for these upgrades. The Joint Filing Parties believe that an additional four months will provide them the time necessary to formulate an appropriate funding mechanism that has consensus stakeholder support. The requested extension will not prejudice any party.

I. BACKGROUND

The January 15 Order addressed an August 5, 2008 filing submitted to implement the Joint Filing Parties' Consensus Deliverability Plan, which the Commission conditionally approved in its March 2008 Order. Subparagraph 10.f.2 of the Consensus Deliverability Plan, incorporated into Section VII.K.3.b of Attachment S to the NYISO OATT, deals with the deferred construction of System Deliverability Upgrades to transmission system Highways. The tariff provision states in part that "[t]he actual cost of the Highway upgrade project above that paid for by Developers will be funded by Load Serving Entities, based on their proportionate share of the ICAP requirement in the statewide capacity market, reflecting locational requirements."⁵ All such Highway upgrades will be constructed by one or more Transmission Owners, identified according to the physical location of the Highway upgrades.

The Consensus Deliverability Plan contained no mechanism to collect the required funds from the appropriate Load Serving Entities and distribute those collected funds to the appropriate Transmission Owners. In their August 5, 2008 filing, the Joint Filing Parties reported that they had not had time to develop the detailed mechanism needed to collect and distribute the funds, and consequently requested that the Commission allow them six more months to formulate a funding mechanism and file it with the Commission. In the January 15 Order, the Commission

⁵ Attachment S to the NYISO OATT, Section VII.K.3.b, First Revised Sheet No. 679.14.

granted the Joint Filing Parties' request, requiring a tariff sheet compliance filing on the funding mechanism by July 15, 2009.⁶

II. MOTION FOR EXTENSION OF TIME

The Joint Filing Parties respectfully request an extension of time, from July 15, 2009 until November 15, 2009, to submit tariff sheets implementing a detailed LSE funding mechanism for Highway upgrades in compliance with the January 15 Order. The Joint Filing Parties have been discussing this issue and working collaboratively to create an appropriate methodology, but formulating the detailed funding mechanism is a substantial undertaking. There have been substantive discussions between the NYISO and NYTOs, but the Joint Filing Parties, to date, have not had time to completely develop and review with stakeholders the detailed mechanism needed to collect the required funds from the appropriate LSEs and distribute those funds to the appropriate Transmission Owner(s).⁷

This funding mechanism will not be needed for some time.⁸ Therefore, the Joint Filing Parties submit that the extra time requested will not prejudice or adversely impact any party. For these reasons, the Joint Filing Parties submit that good cause exists to grant an extension of time and respectfully request that the Commission grant them an additional 120 days, from July 15, 2009 until November 15, 2009, to fully deliberate with each other and consult with stakeholders,

⁶ See January 15 Order at P 94, 98.

⁷ The mechanism must also provide a means by which Incremental Transmission Congestion Contracts are distributed to LSEs, and a means by which subsequent project Developers reimburse the LSEs for use of Headroom on the LSE-funded Highway facilities. See Attachment S to the NYISO OATT, Section VII.K.5 and Section VII.K.6, First Revised Sheet No. 679.16.

⁸ The first Interconnection Facilities Study that might identify any System Deliverability Upgrades covered by the mechanism is currently in progress and will likely not be final until near the end of this year.

and draft and file the tariff sheets required to adequately specify a detailed funding mechanism for the costs of these Highway upgrades.

III. REQUEST FOR EXPEDITED ACTION

The Joint Filing Parties respectfully request that the Commission act expeditiously on this request, and grant the extension no later than July 15, 2009, the current deadline for the compliance filing, so that the Joint Filing Parties can efficiently plan their continuing work. 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.

IV. CONCLUSION

For the reasons set forth herein, the New York Independent System Operator, Inc. and New York Transmission Owners, respectfully request that the Commission grant an extension, from July 15, 2009 until November 15, 2009, to submit the compliance filing as described herein.

Respectfully submitted,

/s/ Paul L. Gioia

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in these proceedings in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Washington, D.C., this 8th day of July, 2009.

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