

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

New York Independent System Operator, Inc.)))	Docket No. ER21-1018-000
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**MOTION TO INTERVENE OUT OF TIME AND FOR LEAVE TO ANSWER
AND ANSWER OF INDEPENDENT POWER PRODUCERS OF NEW YORK, INC.**

On February 2, 2021, the New York Independent System Operator, Inc. (“NYISO”) filed proposed revisions to its Market Administration and Control Area Services Tariff to: (1) implement revisions to the current Operating Reserve Demand Curves applicable to various locational reserve requirements established by the NYISO (the “Proposed Operating Reserve Demand Curves Revisions”); and (2) establish a process and associated requirements for the procurement of additional reserves, as necessary, in the future (the “Supplemental Reserves Proposal”).¹ Pursuant to Rules 212, 213 and 214 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure,² Independent Power Producers of New York, Inc. (“IPPNY”) hereby moves to intervene out of time and answer and submit the following answer to the New York State Department of State Utility Intervention Unit’s (“UIU”) protest of the supplemental reserve component of the Reserve Enhancements Filing that was filed on February 23, 2021 in this docket.³ As demonstrated below, in the Reserve Enhancements Filing and the NYISO’s answer to the Protest that was filed on March 10, 2021 in

¹ Docket No. ER21-1018-000, *New York Independent System Operator, Inc.*, Proposed Tariff Amendments to Revise the Operating Reserves Demand Curves and to Establish the Process to Procure Supplemental Reserves (Feb. 2, 2021) (“Reserve Enhancements Filing”).

² 18 C.F.R. §§ 385.212, 385.213, 385.214 (2020).

³ Docket No. ER21-1018-000, *supra*, Protest of the Utility Intervention Unit (Feb. 23, 2021) (“Protest”).

this docket,⁴ the Commission should reject the Protest, determine the Proposed Operating Reserve Demand Curves Revisions *and* the Supplemental Reserves Proposal are just and reasonable, and issue an order on or before April 5 accepting such proposals.

I. MOTION FOR LEAVE TO ANSWER

Although Rule 213(a)(2) generally prohibits certain types of answers, including answers to protests and answers to answers, the Commission has discretion to waive that prohibition for good cause shown. The basis for such waiver has included whether the answer leads to a more accurate and complete record, helps the Commission understand the issues, clarifies matters in dispute or errors, responds to new issues raised, or provides information that will assist the Commission in its decision-making process.⁵ IPPNY's answer responds to new issues raised, corrects certain mischaracterizations in the UIU's Protest and thus will help to ensure a complete and accurate record that will assist the Commission in reaching its decision. Accordingly, IPPNY respectfully requests that the Commission accept its answer.

II. THE SUPPLEMENTAL RESERVES PROPOSAL IS JUST AND REASONABLE.

In its Protest, the UIU argued that the Supplemental Reserve Proposal "lacks specificity about the terms and conditions of the proposed tariff" and "would deny the public meaningful opportunity to review and comment on potential impacts prior to FERC approval."⁶ As the NYISO demonstrated in its Reserve Enhancements Filing and Answer, the UIU's arguments

⁴ Docket No. ER21-1018-000, *supra*, Request for Leave to Answer and Answer of New York Independent System Operator, Inc. (Mar. 10, 2021) ("Answer").

⁵ See, e.g., *Mirant Energy Trading, et al. v. PJM Interconnection, LLC*, 122 FERC ¶ 61,007 at P 33 (2008); *BP West Coast Products LLC, et al. v. SFPP, L.P., et al.*, 121 FERC ¶ 61,239 at P 34 (2007); *PJM Interconnection, L.L.C.*, 110 FERC ¶ 61,254 at P 13 (2005); *Pinnacle West Energy Corp. v. Nevada Power Co., et al.*, 105 FERC ¶ 61,053 at P 34 (2003); *PJM Interconnection, L.L.C.*, 104 FERC ¶ 61,309 at P 18 (2003).

⁶ Protest at 2.

regarding the Supplemental Reserve Proposal are without merit. The NYISO demonstrated that a process to quickly establish reserve procurement levels in excess of minimum reliability requirements is necessary to maintain reliability as intermittent renewable resources dramatically increase in the near future.⁷ The NYISO developed its Supplemental Reserve Proposal in collaboration with stakeholders to be an open and transparent process that predefines the applicable shortage pricing values for any future supplemental reserve requirements to address reliability concerns resulting from the transition to a clean energy system.⁸ The NYISO provided its analysis of the potential range of cost impacts that could arise from its future implementation of additional supplemental reserves to stakeholders.⁹

In response to stakeholder concerns regarding the process for implementing and/or adjusting any supplemental reserve requirements, the NYISO will develop more detailed procedures for the review of proposals to implement and/or adjust supplement reserve requirements in collaboration with stakeholders.¹⁰ The NYISO stated its intention to codify these procedures in appropriate NYISO manual(s) (e.g., NYISO Ancillary Services Manual).¹¹ Importantly, inclusion of any such procedures in a manual requires stakeholder approval under the NYISO's governance process.¹² Further, the NYISO must receive the Operating Committee's approval prior to implementing or adjusting any supplemental reserve requirements.¹³ Stakeholders approved the Supplemental Reserve Proposal and the Proposed

⁷ Reserve Enhancements Filing at 9.

⁸ *Id.*

⁹ Answer at 6.

¹⁰ *Id.* at 9.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.* at 8.

Operating Reserve Demand Curves Revisions in the Management Committee without opposition.¹⁴

Thus, contrary to the UIU's Protest, stakeholders have had, and will continue to have, full oversight over the development and implementation of the procedures to implement and/or adjust any supplemental reserve requirements.

III. MOTION TO INTERVENE OUT OF TIME

IPPNY is a not-for-profit trade association representing companies involved in the development of electric generating facilities, the generation, sale, and marketing of electric power, and the development of natural gas facilities in the State of New York. IPPNY member companies produce a majority of New York's electricity, utilizing almost every generation technology available today such as wind, solar, natural gas, oil, hydro, biomass, storage and nuclear. IPPNY has a direct and substantial interest in the outcome of this proceeding because its members include generators that participate in the NYISO's markets and may be subject to the tariff amendments proposed in the NYISO's Reserve Enhancements Filing. Good cause exists to grant IPPNY's late motion to intervene. Due to an administrative oversight, IPPNY did not file a motion to intervene within the 21-day time period established in the Commission's February 2, 2021 Combined Notice of Filings. IPPNY is not adequately represented by other parties in the proceeding because only it can provide a New York generator industry-wide perspective on the issues raised in this proceeding. Granting IPPNY's motion to intervene will not prejudice or place any additional burdens on the existing parties and will not delay any

¹⁴ Reserve Enhancements Filing at 12. Importantly, no party has opposed the Proposed Operating Reserve Demand Curves Revisions and, in fact, the UIU, the only party to file a protest of the Reserve Enhancements Filing, stated that it supported this component of the Reserve Enhancements Filing. Protest at 14.

procedural schedule. Thus, IPPNY's intervention request is in the public interest and it satisfies the Commission's requirements for late interventions set forth in Rule 214(d).

IV. CONCLUSION

For the foregoing reasons, IPPNY respectfully requests that the Commission grant IPPNY's motion to intervene out of time and answer the UIU's Protest, reject the arguments proffered by the UIU and issue an order on or before April 5 accepting the Supplemental Reserve Proposal and the Proposed Operating Reserve Demand Curves Revisions.

Respectfully submitted,

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Dated: March 15, 2021

CERTIFICATE OF SERVICE

I hereby certify that on this day, I served the foregoing document by electronic mail or first-class mail upon each person designated on the official service list compiled by the Secretary to the Commission in this proceeding.

David B. Johnson
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Dated: March 15, 2021

Document Content(s)

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