

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

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Secretary

December 23, 2011

SENT VIA ELECTRONIC FILING
Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Room 1-A209
Washington, D.C. 20426

Re: Docket No. ER11-1844-000 - Midwest Independent
Transmission System Operator, Inc.

Dear Secretary Bose:

For filing, please find the Answer of the New York State Public Service Commission in support of the Motion, filed on December 13, 2011, by the New York Independent System Operator, Inc. in the above-entitled proceeding. Should you have any questions, please feel free to contact me at (518) 473-8178.

Very truly yours,

David G. Drexler
Assistant Counsel

Attachment

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Midwest Independent Transmission) Docket No. ER11-1844-000
System Operator, Inc.)

ANSWER OF THE NEW YORK STATE PUBLIC SERVICE COMMISSION
IN SUPPORT OF THE MOTION FILED BY THE NEW YORK
INDEPENDENT SYSTEM OPERATOR, INC

On December 13, 2011, the New York Independent System Operator, Inc. (NYISO) filed a "Motion to Dismiss or for Summary Disposition or, in the Alternative, Request for Expedited Action on Rehearing Requests" (Motion). The New York State Public Service Commission (NYPSC) hereby provides its Answer to the NYISO's Motion pursuant to Rule 213 of the Federal Energy Regulatory Commission's (FERC or Commission) Rules of Practice and Procedure (18 C.F.R. §385.213(d)), and urges the Commission to grant the relief requested by the NYISO.

The October 20, 2010 petition on behalf of the Midwest Independent Transmission System Operator, Inc. (MISO) and International Transmission Company (ITC) seeks to allocate costs incurred in the MISO region to other regions, including New York, that are not receiving service either as a customer or under contract with that region. This approach is inconsistent with the Commission's policy, as enumerated in Order 1000, which clearly stated that facility costs cannot, in such instances, be

allocated to another region unless that entity voluntarily agrees to accept such an allocation. As the NYPSC argued in its Request for Rehearing, dated January 31, 2011, there are significant legal and policy issues with regard to the involuntary allocation of costs to entities outside of the MISO that were not included as part of a planning process. The Commission, however, has not yet acted upon the NYPSC's or other parties' Requests for Rehearing.

The parties have expended significant time and resources in a good faith attempt to resolve the issues presented, and despite their best efforts those settlement efforts have reached an impasse. It would be entirely inappropriate to require parties to expend further resources going to hearings without the Commission addressing the threshold legal and policy issues. Therefore, the Commission should either dismiss the MISO and ITC's October 20, 2010 petition, or address the pending Requests for Rehearing before conducting further proceedings.

CONCLUSION

In accordance with the foregoing discussion, the Commission should grant the relief requested by the NYISO in its December 13, 2011 Motion.

Respectfully submitted,



Peter McGowan
General Counsel
Public Service Commission
of the State of New York

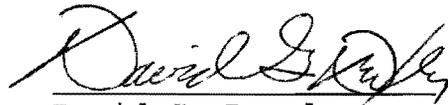
By: David G. Drexler
Assistant Counsel
3 Empire State Plaza
Albany, NY 12223-1305
(518) 473-8178

Dated: December 23, 2011
Albany, New York

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 this proceeding.

Dated: Albany, New York
December 23, 2011



David G. Drexler
Assistant Counsel
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