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Public Service Commission

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Three Empire State Plaza, Albany, NY 12223-1350
www.dps.ny.gov

July 31, 2017

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. ER17-2073-000 - PJM Interconnection,
L.L.C.

Dear Secretary Bose:

For filing, please find the Notice of Intervention and Comments of the New York State Public Service Commission in the above-entitled proceeding. The parties have also been provided with a copy of this filing, as indicated in the attached Certificate of Service. Should you have any questions, please feel free to contact me at (518) 473-8178.

Very truly yours,

David G. Drexler

David G. Drexler
Managing Attorney

Attachment
cc: Service List

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

PJM Interconnection, L.L.C.) Docket No. ER17-2073-000

**NOTICE OF INTERVENTION AND COMMENTS
OF THE NEW YORK STATE PUBLIC SERVICE COMMISSION**

INTRODUCTION

On July 10, 2017, PJM Interconnection, L.L.C. (PJM) filed an unexecuted Interconnection Service Agreement (ISA) among PJM, Hudson Transmission Partners, L.L.C. (HTP), and Public Service Electric and Gas Company (PSE&G) (Filing).¹ The unexecuted ISA would modify HTP's existing ISA, which provides for 320 MW of Firm Transmission Withdrawal Rights (Firm Rights) and 353 MW of Non-Firm Transmission Withdrawal Rights (Non-Firm Rights) at PSE&G's Bergen 230 kV switching station.² This modification would convert all 320 MWs of Firm Rights to Non-Firm Rights, resulting in an increase in Non-Firm Rights to 673 MW.

As indicated in PJM's Filing, PSE&G declined to execute the modified ISA and proposed that HTP either permanently terminate the ISA or submit to a dispute resolution

¹ HTP owns a 660 MW merchant transmission project, consisting of a 345 kV undersea cable with a back-to-back HVDC converter that interconnects the PJM and New York Independent System Operator, Inc. (NYISO) control regions.

² HTP transferred all of the Firm Rights to the New York Power Authority (NYPA), which is its anchor customer via a long-term contract expiring in 2033.

process. PJM also noted that HTP rejected PSE&G's first suggestion since HTP did not intend to terminate the ISA. Further, HTP rejected the proposed dispute resolution process because it is inconsistent with PJM's tariff, which provides for service agreement disputes to be presented directly to the Federal Energy Regulatory Commission (Commission) for resolution.³

NOTICE OF INTERVENTION

The New York State Public Service Commission (NYPSC) hereby submits its Notice of Intervention and Comments in the above-captioned proceeding pursuant to the Commission's Combined Notice of Filings #1, issued on July 11, 2017, and Rule 214(a)(2) of the Commission's Rules of Practice and Procedure.⁴

Copies of all correspondence and pleadings should be addressed to:

David G. Drexler
Managing Attorney
New York State Department
of Public Service
Three Empire State Plaza
Albany, New York 12223-1350
David.Drexler@dps.ny.gov

William Heinrich
Chief, Wholesale Market Issues
New York State Department
of Public Service
Three Empire State Plaza
Albany, New York 12223-1350
William.Heinrich@dps.ny.gov

³ See, HTP ISA, §20.1, Appendix 2 (referencing PJM Tariff, §12.1).

⁴ 18 C.F.R. §385.214(a)(2). The NYPSC is a regulatory body established under the laws of the State of New York with jurisdiction to regulate rates and charges for the sale of electric energy to consumers within the State, and is therefore a State Commission as defined in section 3(15) of the Federal Power Act (FPA)(16 U.S.C. §796(15)).

COMMENTS

The NYPSC supports the Filing and urges the Commission to grant the relief requested by PJM. Importantly, the Filing will provide for the continued operation of HTP's transmission facility linking the PJM and NYISO control regions, and allow for both regions to receive the benefits of utilizing HTP's regional intertie. These include significant reliability benefits that enhance the resiliency of the grid in the event of major disturbances. Moreover, HTP's facility provides an important contribution towards the resource adequacy requirements established as part of the Installed Reserve Margin, which is adopted by the NYPSC and implemented by the NYISO.⁵ Operation of HTP's facility would also enable the scheduling of economic transactions and promote competition between control regions.

In addition, the establishment of Non-Firm Rights is reasonable given that NYPA has already paid for the necessary system improvements required to receive Firm Rights. Moving the HTP facility to solely Non-Firm Service would ensure an appropriate continuation of NYPA's transmission rights and not require any additional upgrades or reconfigurations of the

⁵ See, Case 07-E-0088, Installed Reserve Margin for the New York Control Area, Order Adopting Installed Reserve Margin for the New York Control Area for the 2017-2018 Capability Year (issued February 22, 2017).

transmission system. Similarly, PSE&G would not need to undertake any additional operational responsibilities.⁶ Based on the forgoing considerations, as well as the numerous reliability and economic benefits, the NYPSC requests that the Commission accept PJM's Filing.

Respectfully submitted,

Paul Agresta

Paul Agresta
General Counsel
Public Service Commission
of the State of New York
By: David G. Drexler
Managing Attorney
3 Empire State Plaza
Albany, NY 12223-1305
(518) 473-8178

Dated: July 31, 2017
Albany, New York

⁶ NYPA Comments, p. 3 (filed July 26, 2017).

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
July 31, 2017

David G. Drexler
David G. Drexler
Managing Attorney
3 Empire State Plaza
Albany, NY 12223-1305
(518) 473-8178