

# STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

Internet Address: <http://www.dps.state.ny.us>

## PUBLIC SERVICE COMMISSION

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**PETER McGOWAN**  
*Acting General Counsel*

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*Secretary*

May 28, 2008

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. ER08-858-000 - PJM Interconnection,  
L.L.C.

Dear Secretary Bose:

For filing, please find the Answer of the New York State Public Service Commission 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

PJM Interconnection, L.L.C.     )     Docket No. ER08-858-000

ANSWER OF THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF NEW YORK

INTRODUCTION AND DISCUSSION

On April 22, 2008, PJM Interconnection, L.L.C. (PJM) filed executed agreements for long-term point-to-point transmission service between PJM and Consolidated Edison Company of New York, Inc. (Con Edison) (April 22 Filing). The New York State Public Service Commission (NYPSC) submitted a timely Notice of Intervention on May 13, 2008.

On May 13, 2008, Public Service Electric and Gas Company (PSE&G) filed a Motion to Intervene, Protest and Motion to Reject PJM's April 22 Filing. Pursuant to Rule 213 of the Federal Energy Regulatory Commission's (FERC) Rules of Practice and Procedure, the NYPSC hereby responds to PSE&G's Motion to Reject.

The NYPSC opposes PSE&G's Motion to Reject the transmission service agreements between Con Edison and PJM. These agreements, which provide for the wheeling of 1000 MW, provide critical reliability and consumer benefits throughout

the entire year for New York City (NYC), which is a constrained load pocket that is dependent upon imports from other control areas, including PJM. Rejection of the wheeling agreements, as PSE&G requests, could jeopardize reliability, because replacement of imports lost if the contracts expire would be difficult, and could require construction of new resources not achievable except upon long lead time. Moreover, the existence of the wheeling agreements in the future has been relied upon in all interconnection and planning studies performed by the NYISO in forecasting available resources over the next ten years. We therefore urge the Commission to deny PSE&G's Motion to Reject.

CONCLUSION

The Commission should deny PSE&G's Motion to Reject,  
and approve the transmission service agreements filed by PJM.

Respectfully submitted,



Peter McGowan  
Acting 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: May 28, 2008  
Albany, New York

CERTIFICATE OF SERVICE

I, Ruth Tarrance, do hereby certify that I will serve on May 28, 2008, the foregoing Answer of the Public Service Commission of the State of New York upon each of the parties of record indicated on the official service list compiled by the Secretary in this proceeding.

  
Ruth Tarrance

Dated: May 28, 2008  
Albany, New York