

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

www.dps.state.ny.us

PUBLIC SERVICE COMMISSION

GARRY A. BROWN

Chairman

PATRICIA L. ACAMPORA

MAUREEN F. HARRIS

ROBERT E. CURRY JR.

JAMES L. LAROCCA

Commissioners



PETER McGOWAN

General Counsel

JACLYN A. BRILLING

Secretary

July 2, 2010

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. ER10-1359-000 - TC Ravenswood,
LLC

Dear Secretary Bose:

For filing, please find the Protest 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) 474-1585.

Very truly yours,

Alan T. Michaels
Assistant Counsel

Attachment

the NYISO Market Administration and Control Area Services Tariff (Services Tariff), dual-fuel generators complying with the MOB Rule generally may only recover the difference in cost between natural gas and the alternate fuel. This reimbursement scheme, which excludes infrastructure costs, was found to be a just and reasonable means of eliminating the economic disadvantages imposed on dual-fuel generators when the alternate fuel is more expensive than natural gas.³

The New York Independent System Operator, Inc. (NYISO) filed a Motion to Intervene and Request for Extension of Time and Expedited Action on June 10, 2010. On June 17, 2010, FERC issued an order extending the time for filing motions to intervene or protests to and including July 2, 2010.

The New York State Public Service Commission (NYPSC) filed a timely intervention on June 16, 2010. On June 17, 2010, the New York Transmission Owners and the City of New York filed a Motion to Intervene and Protest, arguing that the Commission should reject the Ravenswood Rate Schedule.

http://www.nyiso.com/public/webdocs/documents/tariffs/market_services/services_tariff.pdf.

³ *N.Y. Indep. Sys. Operator, Inc.*, 119 F.E.R.C. ¶ 61,130 (2007); *TC Ravenswood, LLC v. Federal Energy Regulatory Commission*, 331 Fed. Appx. 8, 2009 WL 1455810 (D.C. Cir. 2009).

Pursuant to Rule 211 of the Commission's Rules of Practice and Procedure (18 CFR § 385.211), the NYPSC hereby submits its Protest of the Ravenswood Rate Schedule. As discussed below, the NYPSC supports the arguments set forth in the Protest of the New York Transmission Owners and the City of New York.

DISCUSSION

The New York Transmission Owners and the City of New York together argue that the Commission should reject the Ravenswood Rate Schedule for three main reasons. First, Ravenswood has collaterally attacked prior Commission orders by impermissibly bypassing the New York Independent System Operator, Inc.'s (NYISO) stakeholder process. Second, by bringing the tariff to FERC, Ravenswood has improperly bypassed the NYISO who has authority as the sole control area operator and market administrator for the New York Control Area. Third, Ravenswood has failed to demonstrate that the costs it seeks to recover are: (a) not already compensated for under the NYISO Services Tariff; (b) variable costs; and (c) costs that would not have

been incurred "but for" invocation of Local Reliability Rule I-R3 (the Minimum Oil Burn (MOB) Rule).⁴

The NYPSC concurs with the arguments, as set forth in detail, within the Protest of the New York Transmission Owners and the City of New York. For all of the reasons contained therein and noted above, the NYPSC respectfully requests that the Commission reject Ravenswood's proposed rate schedule.

Respectfully submitted,



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

By: Alan T. Michaels
Assistant Counsel
3 Empire State Plaza
Albany, NY 12223-1305
(518) 474-1585

Dated: July 2, 2010
Albany, New York

⁴ New York Transmission Owners and City of New York, Motion to Intervene and Protest, June 17, 2010, at 1-2.

CERTIFICATE OF SERVICE

I, Alan T. Michaels, do hereby certify that I will serve on July 2, 2010, the foregoing Request for Rehearing of the New York State Public Service Commission upon each of the parties of record indicated on the official service list compiled by the Secretary in this proceeding.

Dated: July 2, 2010
Albany, New York


Alan T. Michaels