

133 FERC ¶ 61,087
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
John R. Norris, and Cheryl A. LaFleur.

TC Ravenswood, LLC

Docket No. ER10-1359-000

ORDER REJECTING PROPOSED RATE SCHEDULES

(Issued October 27, 2010)

1. On May 27, 2010, TC Ravenswood, LLC (Ravenswood) filed “Preferred” and “Alternate” versions of a proposed Minimum Oil Burn Service Cost of Service Recovery Rate Schedule implementing a Variable Cost of Service Recovery Rate, to apply when Ravenswood procures and burns fuel oil delivered to its electric generation facility when required to provide such service. The rate schedules are proposed to be effective on June 1, 2010. The Commission rejects both versions of the proposed rate schedule, as discussed below.

I. Background

2. Ravenswood operates a dual-fuel generator and, at times, may be required to burn fuel oil in lieu of natural gas pursuant to New York State Reliability Council Local Reliability Rule I-R3 (NYSRC Rule I-R3) at designated minimum levels.¹ Ravenswood states that by burning fuel oil (or another alternate fuel) instead of natural gas during times of high local electric demand, dual-fuel generators enhance the reliability of the electric system because they are less likely to trip off-line in response to an unexpected and sudden loss of natural gas.² When the variable costs associated with burning fuel oil are higher than the costs associated with burning natural gas, this enhanced reliability comes with additional costs for the generators providing service under such circumstances.

¹ NYSRC Rule I-R3 provides that “[t]he NYS Bulk Power System shall be operated so that the loss of a single gas facility does not result in the loss of electric load within the New York City zone.” NYSRC Reliability Rules For Planning and Operating the New York State Power System, Version 26, Rule I-R3, “Loss of Generator Gas Supply (New York City)” at 65 (Dec. 4, 2000) (Italics omitted).

² May 27, 2010 Filing Transmittal at 7.

3. Pursuant to section 4.1.7a of the New York Independent System Operator (NYISO) Market Administration and Control Area Services Tariff (Services Tariff),³ generating units that are designated pursuant to NYSRC Rule I-R3 as being required to burn an alternate fuel at designated minimum levels should be eligible to recover the variable operating costs associated with burning the required alternate fuel. Section 4.1.7a provides, *inter alia*, that, to be recoverable, “variable costs associated with burning the required alternate fuel must be incurred during an Eligibility Period [the period in which the unit burns its required fuel, including the period to move in and out of compliance] and must be incurred only because Local Reliability Rule I-R3 was invoked.”

II. Ravenswood’s Filing

4. On May 27, 2010, in the instant docket, Ravenswood submitted, pursuant to section 205 of the Federal Power Act (FPA),⁴ “Preferred”⁵ and “Alternate”⁶ tariff sheets implementing a proposed rate schedule that would provide compensation for certain variable costs that Ravenswood incurs to provide what it calls Minimum Oil Burn Service because it contends it is unable to recover all of the variable costs of providing this service under section 4.1.7a of NYISO’s Services Tariff as interpreted by NYISO.⁷ Ravenswood states that, based on NYISO’s interpretation that variable barge and off-site

³ New York Indep. Sys. Operator, Inc., FERC Electric Tariff, Original Vol. No. 2, Fourth Revised Sheet No. 87.02. When the NYISO submitted the baseline electronic version of its Services Tariff in compliance with Commission Order No. 714 [*Electronic Tariff Filing*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008)], various provisions were renumbered. Section 4.1.7a will be renumbered as section 4.1.9 once the baseline is accepted.

⁴ 16 U.S.C. § 824d (2006).

⁵ Proposed to be designated as TC Ravenswood, LLC, FERC Electric Tariff, First Revised Volume No. 1, Original Sheet Nos. 1-2. In this order, references to Ravenswood’s “proposed rate schedule” refer to its proposed “Preferred Rate Schedule.”

⁶ Proposed to be designated as TC Ravenswood, LLC, FERC Electric Tariff, First Revised Volume No. 1, Original Sheet Nos. 1-3.

⁷ May 27, 2010 Filing Transmittal at 1. Concurrently with this filing, Ravenswood filed a complaint under FPA section 206 seeking reimbursement from NYISO for what Ravenswood asserts were certain variable costs it incurred relative to burning fuel oil during the summer of 2009 as required under section 4.1.7a of the NYISO’s tariff that NYISO refused to pay Ravenswood. *TC Ravenswood, LLC v. New York Independent System Operator, Inc.*, Docket No. EL10-70-000 (filed May 27, 2010). We will issue a separate order in that complaint proceeding at a later date.

storage costs are not reimbursable under section 4.1.7a of its tariff, Ravenswood is changing the method by which it procures fuel oil for Minimum Oil Burn Service in order to reduce its unreimbursed variable costs.⁸

5. Specifically, Ravenswood states that it is proposing to establish under its own rate schedule the variable costs it incurs under contracts with unaffiliated third-parties (I-R3 Contracts)⁹ to procure No. 6 Fuel Oil and have the fuel oil delivered to Ravenswood's shoreline fuel oil pipe intake flange on a "just in time" basis.¹⁰ Ravenswood states that it will pass these variable I-R3 Contract costs through directly, without any mark-up, to purchasers of Minimum Oil Burn Service via NYISO. Ravenswood states that it will submit the costs associated with this rate to NYISO on a monthly basis such that NYISO can appropriately collect that cost from various customers and provide reimbursement to Ravenswood. Ravenswood states that it does not have access to the wholesale customer information required to bill the load that uses this service.¹¹

⁸ May 27, 2010 Filing Transmittal at 2. Ravenswood asserts that, beginning in August 2009, it submitted detailed requests for reimbursement to NYISO for what Ravenswood asserts were variable costs associated with barges, storage, and incremental operation and maintenance incurred solely to comply with NYSRC Rule I-R3 orders. Ravenswood alleges that NYISO refused to reimburse Ravenswood for these claimed variable costs under section 4.1.7a and refused to use its Expedited Dispute Resolution Procedures to try to resolve the issues raised by that refusal. *Id.* at 9.

⁹ Ravenswood included in confidential, non-public materials a Minimum Fuel Oil Supply Agreement between Ravenswood, as Buyer, and Westport Petroleum, Inc., as Seller, dated May 27, 2010, with a term of June 1, 2010, through April 30, 2011, and the Testimony of John (Jay) Prestia, certain portions of which are confidential, in support of the proposed rate schedule. Ravenswood also included a proposed Protective Order and Non-Disclosure Certificate.

¹⁰ Ravenswood states that "just in time delivery" is a means of obtaining fuel oil supply that does not rely on reserved, stored, or previously nominated fuel oil and is fuel oil procured at the time of need without prior commitment on very short notice. It further clarifies that there is no fuel oil inventory that is owned or stored in advance. May 27, 2010 Filing Transmittal at 3, note 2. Ravenswood states that it intends to require, on a reasonable best efforts basis, each supplier of No. 6 Fuel Oil to deliver the requested quantity within 3 hours of Ravenswood providing the supplier notice that Ravenswood has been ordered to burn fuel oil at its facilities. *Id.* at 10-11.

¹¹ *Id.* at 1. Ravenswood states that payment to it would be due and paid in accordance with the NYISO billing process, including, but not limited to, the dispute resolution processes, citing, e.g., section 7.4.3 of the NYISO Services Tariff. *Id.* at 13-14. However, we note that Ravenswood did not include tariff sheets containing a proposed *pro forma* Minimum Oil Burn Service agreement.

6. Ravenswood states that the I-R3 Contract will be used exclusively for Minimum Oil Burn Service and that payments to the third-party fuel oil supplier only will be required if Ravenswood requests the delivery of fuel oil because it has been ordered to burn fuel oil in furtherance of NYSRC Rule I-R3. Ravenswood adds that there will be no minimum take or payment requirement under an I-R3 Contract and, as such, the cost that it will incur will be purely variable. It states that it will only seek recovery of this variable cost when NYISO orders it to provide Minimum Oil Burn Service and fuel oil is in fact burned. Moreover, it states, fuel oil for Minimum Burn Service will no longer be commingled on the Ravenswood site with fuel oil used for other purposes; this will provide complete segregation of physical inventory, services, and costs. Ravenswood states that, while the proposed rate schedule will not completely correct the current situation in which it is providing Minimum Oil Burn Service at a non-compensatory rate,¹² all variable costs it incurs for Minimum Oil Burn Service (other than the purchase and delivery of fuel oil under I-R3 Contracts) will continue to be recovered under section 4.1.7a of NYISO's Services tariff.¹³

7. Ravenswood states that the proposed rate schedule also requires Ravenswood to enter into I-R3 Contracts after a competitive procurement process with no less than three potential unaffiliated suppliers, unless there are mitigating circumstances that prevent such a process. Under its proposal, Ravenswood would be required to make an informational filing with the Commission certifying that it adhered to the requirements of the rate schedule in procuring the I-R3 Contracts through a competitive process.¹⁴

8. Ravenswood requests an effective date of June 1, 2010, which would align the rate for its proposed Minimum Oil Burn Service with the effective date of the current third-party contract for the procurement and delivery of No. 6 Fuel Oil. Ravenswood states that because the summer season has arrived, it is important that it have its proposed rate schedule in effect as soon as possible and, therefore, requests waiver of the 60-day prior notice requirement, as well as any other Part 35 filing requirements not applicable to the proposal herein, to permit the proposed rate schedule to go into effect subject to refund June 1, 2010.

¹² Ravenswood states that the proposed rate schedule is not designed to recover Ravenswood's fixed costs of providing Minimum Oil Burn Service, but it will continue to try to develop a fixed cost compensation mechanism through the NYISO stakeholder process. *Id.* at 2.

¹³ *Id.*

¹⁴ *Id.* at 11. Ravenswood describes the proposed Alternate Rate Schedule as differing from the Preferred Rate Schedule in that, under the Alternate Rate Schedule, each time a new I-R3 Contract is filed with the Commission, it would be considered a new section 205 filing. *Id.* at 14.

III. Notice of Filings and Responsive Pleadings

9. Notice of Ravenswood's May 27, 2010 filing was published in the *Federal Register*, 75 Fed. Reg. 32,937 (2010) with comments, interventions, and protests due on or before June 17, 2010, later extended to July 2, 2010. Astoria Generating Company, L.P. (Astoria) filed a timely motion to intervene. The New York Transmission Owners¹⁵ and the City of New York (collectively, New York TOs) and NYISO filed timely motions to intervene and protests. New York Public Service Commission (New York Commission) filed a notice of intervention and protest. Independent Power Producers of New York (IPPNY) filed a motion to intervene out-of-time.

10. On July 14, 2010, Ravenswood filed an answer to the protests and NYISO filed a supplement to its protest. On July 16, 2010, the New York TOs filed an answer to NYISO's protest. On July 19, 2010, Ravenswood filed an answer to NYISO's supplement to its protest. On July 21, 2010, Ravenswood filed an answer to the New York TOs' answer and also a request that the Commission defer action in the instant docket and in Docket No. EL10-70-000, Ravenswood's complaint proceeding against NYISO.¹⁶ On July 22, 2010, Astoria filed a letter in support of Ravenswood's requested deferral. On August 16, 2010, NYISO filed a motion to hold the proceedings in abeyance for 60 days, and on August 18, 2010, Ravenswood filed in support of suspending the proceedings. In a status report filed on August 30, 2010, Ravenswood requested continued deferral. On September 28, 2010, Ravenswood filed a status report stating that the parties remained far apart and requesting that the Commission act within 30 days. On October 1, 2010, NYISO filed a response expressing its agreement to restart the proceedings. On October 5, 2010, Astoria filed an answer to NYISO's July 2, 2010 protest. On October 13, 2010, the New York Commission filed an answer to Ravenswood's answers. On October 20, 2010, Consolidated Edison Company of New York, Inc., Long Island Power Authority, New York Power Authority, Niagara Mohawk Power Corporation, Orange and Rockland Utilities, Inc. and the City of New York (collectively, Joint Protestors) filed an answer to Astoria's October 5, 2010 answer. On October 21, 2010, Ravenswood filed an answer to Joint Protestors' July 16, 2010 answer. On October 25, 2010 NYISO filed a response to Astoria's October 5, 2010 answer.

¹⁵ New York Transmission Owners consists of Central Hudson Gas & Electric Corporation, Consolidated Edison Company of New York, Inc., Long Island Power Authority, New York Power Authority, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation d/b/a National Grid, Orange and Rockland Utilities, Inc., and Rochester Gas and Electric Corporation.

¹⁶ In Docket No. EL10-70-000, Ravenswood filed a complaint against NYISO seeking recovery of costs it alleges were incurred in Summer 2009 in conjunction with Minimum Oil Burn Service.

11. In their protests, NYISO and New York TOs rely on section 4.1.2 of the NYISO Services Tariff to argue that the Commission should reject the filing because the service and compensation requested under the proposed rate schedule are already covered in section 4.1.7a of the NYISO Services Tariff and the NYISO is the sole provider of Market Services. Section 4.1.2 of the NYISO Services Tariff states that:

The ISO shall provide all Market Services in accordance with the terms of the ISO Services Tariff and the ISO Related Agreements. The ISO shall be the sole point of Application for all Market Services provided in the [New York Control Area]. Each Market Participant that sells or purchases Energy, including Demand Side Resources, sells or purchases Capacity, or provides Ancillary Services in the ISO Administered Markets utilizes Market Services and must take service as a Customer under the Tariff.

12. NYISO asserts that accepting the proposed rate schedule would entitle other dual-fuel generators to seek compensation in a similar fashion. NYISO also argues Ravenswood's proposal is actually an amendment to section 4.1.7a of the Services Tariff, which adds provisions not present in section 4.1.7a, but simultaneously relies on the Services Tariff's cost collection mechanisms to operate. Additionally, NYISO argues that, to the extent that Ravenswood's filing effectively seeks to amend section 4.1.7a of NYISO's service tariff, Ravenswood is violating Article 19 of the ISO Agreement which requires NYISO's independent Board of Directors and its stakeholder Management Committee to jointly approve proposed amendments to the NYISO tariffs.

13. Further, NYISO states that the so-called "Minimum Oil Burn Service" is not a distinct service, but rather describes the production of wholesale energy using fuel oil instead of natural gas, which energy is then sold into the NYISO-administered markets. As such, NYISO argues that this service should only be provided under the NYISO Services Tariff, which it argues is consistent with Commission precedent.¹⁷ NYISO adds that the fact that the proposed rate schedule incorporates the NYISO Services Tariff's billing and settlement provisions underscores an obvious overlap between the proposed rate schedule and the NYISO Services Tariff.¹⁸

14. NYISO states that it is aware of only one previous attempt by a generator to file a separate rate schedule to govern a service that properly fell within the scope of the NYISO tariffs. NYISO states that, in 2002, Astoria Generating Company, L.P. (Astoria)

¹⁷ NYISO July 2, 2010 Protest at 8 (citing, e.g., *California Independent System Operator, Corp.*, 129 FERC ¶ 61,241, at P 102 (2009) (affirming that even non-Commission-jurisdictional utilities that choose to participate in an ISO-administered market do so pursuant to the terms of the ISO's tariff.) (*CAISO*)).

¹⁸ *Id.*

unilaterally proposed a stand-alone “Quick Start Service Tariff.” NYISO states that Astoria’s proposed tariff would have compensated Astoria for a new ancillary service that it was contractually obliged to provide to Con Edison, but which did not yet exist in the NYISO markets. According to NYISO, the Commission rejected Astoria’s proposed tariff and directed that Astoria instead work through the NYISO stakeholder process to resolve its issues.¹⁹ NYISO states that, as a result of that order and the stakeholder proceedings, it ultimately added a new Rate Schedule 6 to the Services Tariff to govern sales of “Quick Start Reserves” within the framework of the NYISO tariff structure. NYISO states that, in the context of this proceeding, NYISO tariff provisions corresponding to Rate Schedule 6 already exist in the form of section 4.1.7a.

15. With a few exceptions, NYISO argues, the Commission has rejected attempts by generators to unilaterally file stand-alone rate schedules in other markets;²⁰ these exceptions are when the rate schedules provided supplemental compensation for generators in market environments where the filings were made by the Independent System Operator itself or pursuant to the terms and conditions of an existing ISO tariff.²¹ NYISO states that it is unaware of any precedent where a generator could compel a third party (that is, NYISO) to involuntarily pay the cost of a service that it does not use itself, or to collect these costs from its own customers.

16. New York TOs point out that Minimum Oil Burn Service is implemented by NYISO pursuant to a NYSRC Local Reliability Rule, and that the associated costs are billed to loads under the NYISO’s Services Tariff. New York TOs argue that no party, including NYISO, can purchase a complete Minimum Oil Burn Service using the Ravenswood rate schedule. Thus, the New York TOs conclude that the rate schedule should be rejected as incomplete and duplicative of section 4.1.7a.

¹⁹ NYISO July 2, 2010 Protest at 8 (citing *Astoria Generating Company, L.P.*, 101 FERC ¶ 61,275 (2002) (Astoria)).

²⁰ NYISO July 2, 2010 Protest at 9 (citing, *e.g.*, *USGen New England, Inc.*, 90 FERC ¶ 61,323 (2000), *reh’g denied*, 92 FERC ¶ 61,020 (2000) (rejecting a proposed SRS agreement because the ISO should be “the first instance for stakeholders to work out their differences on issues such as costs and recovery of costs...”); *Sithe New England Holdings, LLC and Sithe New Boston, LLC v. New England Power Pool and ISO New England, Inc.*, 86 FERC ¶ 61,283 (1999) (rejecting a proposed cost-based rate schedule finding that changes to such compensation mechanisms should be pursued through the stakeholder process); *but cf. Otter Tail Power Co.*, 99 FERC ¶ 61,019, at 61,091 (2002) (*Otter Tail*)).

²¹ NYISO July 2, 2010 Protest at 9 (citing *ISO New England Inc. and New England Power Pool*, 129 FERC ¶ 61,008, at P 18 (2009) (allowing certain generators to file individual cost-based rate schedules pursuant to FPA section 205, but only under the rubric of an ISO Tariff)).

17. Likewise, NYISO argues that the creation of a separate rate schedule is unnecessary, as those costs are recoverable under section 4.1.7a's provisions. NYISO states that the I-R3 Contracts, whose costs the rate schedule seeks to recover, would qualify as variable operating costs that would vary directly with Ravenswood's response to the invoking of the NYSRC I-R3. NYISO states that these costs appear to satisfy section 4.1.7a's requirement that they be incurred only because of NYSRC I-R3. Furthermore, NYISO contends that Ravenswood recognizes that the I-R3 Contracts costs would be covered under section 4.1.7a. NYISO points to Ravenswood's witness who notes that the I-R3 Contracts were deliberately structured to avoid the NYISO's objection to the recoverability of its Summer 2009 lease costs²² and "concurrent with the most recent NYISO commitment to pay for the service."²³ NYISO submits that the Summer 2009 lease costs are already under review as part of Ravenswood's Complaint (EL10-70-000), which is currently before the Commission.²⁴

18. New York TOs and New York Commission argue that Ravenswood does not indicate whether the costs it seeks to collect are "but for" minimum oil burning costs, or costs Ravenswood would still incur apart from the NYSRC I-R3. New York TOs point to the Commission's response to Keyspan-Ravenswood's protest in a prior proceeding²⁵ where the Commission argued it was unclear whether the storage, barge, and other delivery costs were "short term or long term, fixed or variable, incremental or ongoing, or avoidable or unavoidable."²⁶ In support of this argument, the New York TOs point to Ravenswood's witness's testimony that Ravenswood has other uses for its oil and oil burning and storage facilities.²⁷

19. New York TOs and New York Commission state that Ravenswood never presented a specific proposal to allow recovery of storage, barge, and handling costs associated with Minimum Burn Service to any of the appropriate NYISO stakeholder committees. New York TOs argue that compensation for these same storage, barge, and handling costs was brought up in prior proceedings, and that the Commission relegated

²² *Id.* at 10 (citing Ravenswood May 27, 2010 Filing, Exhibit No. TCR-1 at 4).

²³ *Id.* (citing Ravenswood May 27, 2010 Filing, Exhibit No. TCR-1 at 5).

²⁴ NYISO July 2, 2010 Protest at 10.

²⁵ *N.Y. Indep. Sys. Operator, Inc.*, 121 FERC ¶ 61,039 (2007) (Keyspan-Ravenswood is the predecessor to Ravenswood).

²⁶ *Id.* P 22.

²⁷ New York TOs June 17, 2010 Protest at 10 (citing Ravenswood May 27, 2010 Filing, Exhibit No. TCR-1 at 7-11).

initial resolution of the issue to NYISO's stakeholder process.²⁸ New York TOs state that if Ravenswood has a problem with NYISO's stakeholder process or its results, it can file a section 206 complaint.²⁹

20. Likewise, NYISO argues that the proposal attempts to bypass the stakeholder process by unilaterally attempting to change section 4.1.7a. NYISO cites several precedents where the Commission rejected attempts by individual entities to circumvent the ISO stakeholder process,³⁰ and argues that accepting the filing could result in an anomalous situation where NYISO stakeholders would have a unilateral right to file tariff amendments that the NYISO itself lacks.

IV. Discussion

A. Procedural Matters

21. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2010), the notice of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

22. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2010), the Commission will grant IPPNY's late-filed motions to intervene given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

23. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2010), prohibits an answer to a protest or to an answer unless otherwise ordered by the decisional authority. We are not persuaded to accept Ravenswood's

²⁸ New York TOs June 17, 2010 Protest at 3 (citing *N.Y. Indep. Sys. Operator, Inc.*, 119 FERC ¶ 61,130 (2007); *N.Y. Indep. Sys. Operator, Inc.*, 121 FERC ¶ 61,039 (2007); *KeySpan-Ravenswood, LLC v. NYISO*, 119 FERC ¶ 61,089 (2007); *KeySpan-Ravenswood, LLC v. NYISO*, 119 FERC ¶ 61,319 (2007); and *TC Ravenswood, LLC v. FERC*, 331 F. App'x. 8; 2009 U.S. App. LEXIS 10014 (D.C. Cir. May 7, 2009)).

²⁹ New York TOs June 17, 2010 Protest at 5 and 6.

³⁰ NYISO July 2, 2010 Protest at 11 (citing, *e.g.*, *ISO New England Inc.*, 130 FERC ¶ 61,145, at P 34 (2010) ("we encourage parties to participate in the stakeholder process if they seek to change the market rules..."); *ISO New England Inc.*, 125 FERC ¶ 61,154 (2008) (directing that unresolved issues be addressed through the stakeholder process); *New York Independent System Operator, Inc., New York Transmission Owners*, 126 FERC ¶ 61,046, at P 53-54 (2009) (directing that a proposal be "presented to and discussed among ... stakeholders and filed as a section 205 proposal, not unilaterally presented to the Commission"))).

July 14, 2010, July 19, 2010, July 21, 2010, and October 21, 2010 answers, New York TO's July 16, 2010 answer, NYISO's July 14, 2010 supplement to its protest, NYISO's October 25, 2010 response, Astoria's October 5, 2010 answer, the New York Commission's October 13, 2010 answer, or the Joint Protestors' October 20, 2010 answer and will, therefore, reject them.

B. Commission Determination

24. We reject Ravenswood's proposed rate schedule (both the Preferred and Alternate versions). The service Ravenswood proposes to provide is the generation of electricity which is a jurisdictional Market Service that already falls under the exclusive purview of the NYISO tariff. Section 4.1.2 of the NYISO Services Tariff states:

The ISO shall provide all Market Services in accordance with the terms of the ISO Services Tariff and the ISO Related Agreements. The ISO shall be the sole point of Application for all Market Services provided in the [New York Control Area]. Each Market Participant that sells or purchases Energy, including Demand Side Resources, sells or purchases Capacity, or provides Ancillary Services in the ISO Administered Markets utilizes Market Services and must take service as a Customer under the Tariff.

25. Because NYISO is the sole provider of Market Services, and because the production of wholesale energy by burning fuel oil to comply with NYSRC Rule I-R3 is a Market Service as defined in the Services Tariff, the NYISO Services Tariff bars Ravenswood from proposing its own duplicative rate schedule to provide the same generation service already governed exclusively by the NYISO Services Tariff. The same reasoning leads us to conclude that the NYISO Services Tariff exclusively governs the pricing for this service. More specifically, section 4.1.7a of NYISO's Services Tariff governs the rates that Ravenswood may charge when required to burn alternate fuels pursuant to NYSRC Rule I-R3 to generate wholesale electric energy and, therefore, Ravenswood cannot propose its own tariff or rate schedule to recover the costs of providing this service.

26. Therefore, for the foregoing reasons, we reject the proposed rate schedule (both Preferred and Alternate versions). Further, our ruling here is without prejudice to any action to be taken in Ravenswood's Complaint proceeding in Docket No. EL10-70-000.

The Commission orders:

The proposed Preferred and Alternate rate schedules are hereby rejected, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.