

ORIGINAL

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SECRETARY OF THE
COMMISSION

June 15, 2010

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The Honorable Kimberly D. Bose, Secretary
 The Honorable Nathaniel J. Davis, Deputy Secretary
 Federal Energy Regulatory Commission
 888 First Street, NE
 Washington, D.C. 20426

FEDERAL ENERGY
REGULATORY COMMISSION

RE: Participating Transmission Owners Administrative Committee,
Tariff Revisions to Attachment E of the ISO New England Open Access
Transmission Tariff;
Docket No. ER10-1-000
 1445

Dear Secretary Bose and Deputy Secretary Davis:

Pursuant to Section 205 of the Federal Power Act ("Section 205"),¹ and Section 35 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission")² Rules of Practice and Procedure, 18 C.F.R. §35 et. seq., (2010), the Participating Transmission Owners Administrative Committee ("PTO AC"),³ hereby submits an original and six copies of this transmittal letter and revised tariff sheets to revise

¹ 16 U.S.C. § 824d (2006).

² Capitalized terms used but not defined in this filing are intended to have the meaning given to such terms in the ISO New England Inc. Transmission, Markets and Services Tariff, FERC Electric Tariff No. 3 (the "Tariff"), the Second Restated New England Power Pool Agreement, or the Participants Agreement.

³ Pursuant to Section 3.04 (b) of the Transmission Operating Agreement ("TOA"), the PTO AC makes this filing on behalf of the Participating Transmission Owner ("PTOs") in New England to sponsor tariff changes jointly sponsored by the PTOs under Attachment E of the ISO OATT (*i.e.*, Section II of the Tariff). The PTOs note that the rights under Section 205 of the Federal Power Act to modify terms, conditions, and rates in the ISO Tariff are held and exercised by the PTOs in accordance with the TOA, prior Commission Orders, and/or applicable case law. The PTOs include: Bangor Hydro-Electric Company; Town of Braintree Electric Light Department; NSTAR Electric Company; Central Maine Power Company; Central Vermont Public Service Corporation; Connecticut Municipal Electric Energy Cooperative; The City of Holyoke Gas and Electric Department; New Hampshire Transmission, LLC; Green Mountain Power Corporation; Massachusetts Municipal Wholesale Electric Company; New England Power Company d/b/a National Grid; New Hampshire Electric Cooperative, Inc.; Northeast Utilities Service Company on behalf of its affiliates: The Connecticut Light and Power Company, Western Massachusetts Electric Company, and Public Service Company of New Hampshire; Taunton Municipal Lighting Plant; Town of Norwood Municipal Light Department; Town of Reading Municipal Light Department; The United Illuminating Company; Unitil Energy Systems, Inc. and Fitchburg Gas and Electric Light Company; Vermont Electric Cooperative, Inc.; Vermont Electric Power Company, Inc.; Vermont Transco, LLC; and Vermont Public Power Supply Authority.

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Attachment E of the ISO OATT. The proposed revisions reflect the present entities having ownership of Local Networks subject to the Tariff.

I. REQUESTED EFFECTIVE DATE

The PTO AC requests that the Commission accept the revisions herein as filed, without suspension or hearing, with an effective date of August 1, 2010. The PTO AC respectfully requests a waiver of the Commissions regulations for a 60 day notice requirement⁴ with regard to the instant filing. The PTO AC requests an August 1, effective date for this filing because it is expected that ISO-NE will make a baseline E-Tariff⁵ filing with the Commission for the entire ISO New England Transmission, Markets and Services Tariff, including all of the ISO-NE OATT, on August 13, 2010. Granting the requested waiver will permit ISO-NE's baseline filing to contain Attachment E of the ISO OATT as amended herein.

II. DESCRIPTION OF THE FILING PARTIES; COMMUNICATIONS

The PTOs are Transmission Providers providing Local Service over Non-PTF transmission facilities on an open-access basis under Schedule 21 of the ISO OATT. Pursuant to the terms of the Transmission Operating Agreement ("TOA") among the PTOs and ISO New England Inc. ("ISO"), the PTOs own, physically operate and maintain Transmission Facilities in New England and the ISO has Operating Authority (as defined in Schedule 3.02 of the TOA) over all of the Transmission Facilities of the PTOs, including those used to provide service under Schedule 21. Section 3.04 of the TOA also grants the PTOs authority under Section 205 of the Federal Power Act to submit filings to the Commission in matters affecting the rates, terms and conditions of Local Service under Schedule 21 and rates and charges, including cost allocation, for regional transmission service under the ISO OATT. The PTO AC is a committee established pursuant to Section 11.04 of the Commission-accepted TOA.⁶

All correspondence and communications in this proceeding should be addressed to the undersigned as follows:

For the PTO AC:

Marc Guerrette
PTO AC Chair
Central Maine Power Company

Michael J. Hall *
PTO AC Legal Work Group Chair
Northeast Utilities Service Company

⁴ 18 C.F.R. §35.13 (b) (2).

⁵ See FERC Docket No. RM01-5, *Electronic Tariff Filings*, 124 FERC ¶ 61,270 (2008).

⁶ See e.g., *ISO New England, Inc.*, 106 FERC ¶ 61,280 (2004), *ISO New England Inc.*, 109 FERC ¶ 61,147 (2004).

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83 Edison Drive
Augusta, ME 04336
(207) 623-3521 ext. 2921
Email: marc.guerrette@cmpco.com

107 Selden Street
Berlin, CT
(860) 665-5546
Facsimile: (860) 665-5504
Email: hallmjx@nu.com

* Persons designated for service.

III. STANDARD OF REVIEW

These changes are being submitted pursuant to Section 205, which “gives a utility the right to file rates and terms for services rendered with its assets.”⁷ Under Section 205, the Commission “plays ‘an essentially passive and reactive role’”⁸ whereby it “can reject [a filing] only if it finds that the changes proposed by the public utility are not ‘just and reasonable.’”⁹ The Commission limits this inquiry “into whether the rates proposed by a utility are reasonable—and [this inquiry does not] extend to determining whether a proposed rate schedule is more or less reasonable than alternative rate designs.”¹⁰ The changes proposed herein “need not be the only reasonable methodology, or even the most accurate.”¹¹ As a result, even if an intervenor or the Commission develops an alternative proposal, the Commission must accept this Section 205 filing if it is just and reasonable.¹²

IV. PROPOSED TARIFF REVISIONS

The revisions to Attachment E of the ISO OATT submitted herewith reflect corporate reorganizations by NSTAR Electric Company (“NSTAR”), and Florida Power & Light Company – New England Division (“FPL-NED”). Both of these individual PTOs have conducted, or are in the process of conducting, corporate restructurings that transfer the assets constituting the Local Networks of their respective companies to the entities reflected in the revised Attachment E submitted herewith, as more fully described below.

A. NSTAR

⁷ *Atlantic City Elec. Co. v. FERC*, 295 F.3d 1, 9 (D.C. Cir. 2002).

⁸ *Id.* at 10 (quoting *City of Winnfield v. FERC*, 744 F.2d 871, 876 (D.C. Cir. 1984)).

⁹ *Id.* at 9.

¹⁰ *City of Bethany v. FERC*, 727 F.2d 1131, 1136 (D.C. Cir. 1984).

¹¹ *Oxy USA, Inc. v. FERC*, 64 F.3d 679, 692 (D.C. Cir. 1995).

¹² *Cf. Southern California Edison Co., et al*, 73 FERC ¶ 61,219 at 61,608 n.73 (1995) (“Having found the Plan to be just and reasonable, there is no need to consider in any detail the alternative plans proposed by the Joint Protesters.” (citing *Bethany*)).

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Effective January 1, 2007 and pursuant to Commission approval,¹³ Cambridge Electric Light Company, Commonwealth Electric Company, and Canal Electric Company (together, the “Commonwealth Energy System companies”) merged with and into Boston Edison Company, which concurrently changed its name to NSTAR Electric Company. Subsequent to the merger, NSTAR made several filings with the Commission to update its various tariffs and rate schedules to reflect the new corporate name. With this filing, the PTO AC intends to update Attachment E of the ISO OATT to reflect that the Local Networks of the former Boston Edison Company and Commonwealth Energy System companies are now represented as the Local Network of NSTAR.

B. New Hampshire Transmission, LLC

Florida Power & Light Company (“FPL”) has recently transferred its 88.22889 percent undivided interest in the Seabrook Substation, a 345kV transmission substation located on the grounds of the Seabrook Nuclear Generating Station in Seabrook, New Hampshire, to New Hampshire Transmission, LLC (“NHT”).¹⁴ Through its New England Division (FPL-NED), FPL operated, and NHT now operates, the Seabrook Substation on behalf of all of the co-owners of the Seabrook Substation.¹⁵ The regional facilities associated with the Seabrook Substation are under the operational control of ISO-NE and are subject to the ISO-NE open access transmission tariff (“OATT”). NHT also has filed with the Commission a notice of succession to the Local Network Service Schedule, Schedule 21-FPL-NED of the ISO-NE Tariff, which has been amended to reflect the transfer of the subject assets to NHT, and is now known as Schedule 21-NHT.

Attachment E of the ISO-OATT is hereby submitted to reflect the transfer of assets from FPL to NHT. The transfer received all final regulatory approvals, and took effect on June 1, 2010.

V. STAKEHOLDER PROCESS

The proposed revision to Attachment E was presented and reviewed by the New England Power Pool Transmission Committee on January 8, 2010. Because the ISO does not have the Section 205 rights over Attachment E, the Transmission Committee did not act on the proposed revisions. There were no concerns raised at that meeting with respect to the proposed revision to Attachment E of the ISO OATT.

¹³ See *Boston Edison Co.*, 117 FERC ¶ 61,083 (2006); *order on reh'g, clarification and compliance*, 117 FERC ¶ 61,240 (2006).

¹⁴ On April 1, 2010 FPL submitted to the Commission an application under Section 203 of the Federal Power Act requesting approval for the transfer. By letter Order dated May 15, 2010, the Commission accepted the April 1, 2010 Section 203 filing to transfer the subject assets to New Hampshire Transmission, LLC in FERC Docket No. EC10-58-000.

¹⁵ In addition to FPL, the joint owners of the Seabrook Substation include Massachusetts Municipal Wholesale Electric Company (11.59340%), Taunton Municipal Lighting Plant (0.10034%), and the Hudson Light and Power Department (0.07737%) (the “Co-owners”).

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At its March 23, 2010 meeting, the PTO AC, acting jointly in the accordance with the TOA, voted 99.06% in favor¹⁶ to approve the proposed revision to Attachment E to the ISO OATT.

VI. ADDITIONAL SUPPORTING INFORMATION

Section 35.13 of the Commission's regulations generally requires public utilities to file certain cost and other information related to an examination of traditional cost-of-service rates. However, the revisions proposed herewith do not modify a traditional "rate". Therefore, to the extent necessary, the PTO AC requests waiver of Section 35.13 of the Commission's regulations.¹⁷ Notwithstanding its request for waiver, the Filing Parties submit the following additional information in substantial compliance with relevant provisions of Section 35.13 of the Commission's regulations:

35.13(b)(1) – Materials included herewith are as follows:

- ♦ This transmittal letter;
- ♦ Attachment 1: blacklined revised tariff sheets reflecting the Tariff revisions;
- ♦ Attachment 2: clean revised tariff sheets reflecting the Tariff revisions;
- ♦ Attachment 3: list of governors and utility regulatory and other agencies in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont to which a copy of this filing has been sent.

35.13(b)(2) – As set forth above, the Filing Parties respectfully request a waiver of the 60 day notice requirement, and that the revisions become effective on August 1, 2010.

35.13(b)(3) – A copy of this transmittal letter and the accompanying materials has also been sent to the governors and electric utility regulatory agencies for the six New England states that comprise the New England Control Area, and to NECPUC. The names and addresses of these governors and regulatory agencies are shown in Attachment 3. In accordance with Commission rules and practice, there is no need for the entities identified on Attachment 3 to be included on the Commission's official service list in the captioned proceeding unless such entities become intervenors in this proceeding.

¹⁶ Abstentions by Connecticut Municipal Electric Energy Cooperative; Massachusetts Municipal Wholesale Electric Company, New Hampshire Electric Cooperative, Inc., and Vermont Public Power Supply Authority represent the remaining 0.94% of this vote.

¹⁷ 18 C.F.R. § 35.13 (2008).

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35.13(b)(4) – A description of the materials submitted pursuant to this filing is contained in this transmittal letter.

35.13(b)(5) – The reasons for this filing are discussed in this transmittal letter.

35.13(b)(6) – The Filing Parties' approval of these changes is evidenced by this filing. These changes reflect the results of the voting process required by the TOA and reflect the unanimous support of the PTOs.

35.13(b)(7) – The Filing Parties have no knowledge of any relevant expenses or costs of service that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices.

35.13(b)(8) – A form of notice and electronic media are no longer required for filings in light of the Commission's Combined Notice of Filings notice methodology.

35.13(c)(1) – The Tariff changes herein do not modify a traditional "rate," and the statement required under this Commission regulation is not applicable to the instant filing.

35.13(c)(2) – The PTOs do not provide services under other rate schedules that are similar to the wholesale, resale and transmission services provided under the Tariff.


35.13(c)(3) - No specifically assignable facilities have been or will be installed or modified in connection with the revisions filed herein.

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VII. CONCLUSION

These Tariff revisions will cause the Tariff to accurately reflect the present ownership of Local Networks and therefore, these revisions are just and reasonable. The PTO AC requests that the Commission accept this filing effective on August 1, 2010, without modification or condition.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael J. Hall", written over a horizontal line.

Michael J. Hall
PTO AC Legal Work Group Chair
Northeast Utilities Service Company
107 Selden Street
Berlin, CT
Tel: (860) 665-5546
Fax: (860) 665-5504
Email: hallmjb@nu.com

On behalf of the PTO AC

Attachment 1

ISO New England Inc.
 FERC Electric Tariff No. 3
 6013
 Open Access Transmission Tariff
 Section II – Attachment E – Local Networks

~~Second~~First Revised Sheet No. 6013
 Superseding ~~First Revised Sheet No.~~Original

ATTACHMENT E

LOCAL NETWORKS

The Local Networks are those listed below:

1. The Local Network of Bangor Hydro-Electric Company
2. The Local Network of ~~Boston Edison~~NSTAR Electric Company
3. The Local Network of Central Maine Power Company
4. ~~The Local Network of the Commonwealth Energy System companies~~[Reserved]
5. The Local Network of the National Grid USA companies included in the New England Control Area
6. The Local Network of the Northeast Utilities companies
7. The Local Network of The United Illuminating Company
8. The Local Network of Vermont Transco LLC and Vermont Electric Power Company, including the entities that are grouped with it as a single Transmission Owner.
9. The Local Network of ~~Florida Power & Light Company – New England Division~~New Hampshire Transmission, LLC

Issued by: Kathleen A. Carrigan Marc A. Guerrette,
 on or after June 20, 2006 August 1, 2010
 Senior Vice President and General Counsel Chair, Participating Transmission Owners
 Administrative Committee

Issued on: April 21, 2006 June 15, 2010
 DMEAST #9884705 v3H

Effective: With notice,

Attachment 2

ATTACHMENT E

LOCAL NETWORKS

The Local Networks are those listed below:

1. The Local Network of Bangor Hydro-Electric Company
2. The Local Network of NSTAR Electric Company
3. The Local Network of Central Maine Power Company
4. [Reserved]
5. The Local Network of the National Grid USA companies included in the New England Control Area
6. The Local Network of the Northeast Utilities companies
7. The Local Network of The United Illuminating Company
8. The Local Network of Vermont Transco LLC and Vermont Electric Power Company, including the entities that are grouped with it as a single Transmission Owner.
9. The Local Network of New Hampshire Transmission, LLC

Attachment 3

The Honorable John E. Baldacci
One State House Station
Rm. 236
Augusta, ME 04333-0001
Karin.tilberg@maine.gov
Kelly.arata@maine.gov

John Shea
Power Planning Committee
New England Governors' Conference
Inc.
76 Summer Street, 2nd floor
Boston, MA 02110-1226
Charon2@msn.com

Heather Hunt
Executive Director
NESCOE
242 Whippoorwill Lane
Stratford, CT 06614
HeatherHunt@nescoe.com
HReiter@stinson.com

Rhode Island Public Utilities
Commission
89 Jefferson Blvd.
Warwick, RI 02888
Sscialabba@ripuc.state.ri.us
nucci@puc.state.ri.us
Proberti@puc.state.ri.us

The Honorable M. Jodi Rell
State Capitol
210 Capitol Ave.
Hartford, CT 06106
Governor.Rell@ct.gov

New Hampshire Public Utilities
Commission
21 South Fruit Street
Ste. 10
Concord, NH 03301-2429
RegionalEnergy@puc.nh.gov

Massachusetts Dept. of Public Utilities
One South Station

Boston, MA 02110
John.j.keene@state.ma.us

Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701
HReiter@stinson.com
Hans.mertens@state.vt.us

Harvey L. Reiter, Esq.
Counsel for New England Conference
Of Public Utilities Commissioners,
Inc.
c/o Stinson Morrison Hecker LLP
1150 18th Street, N.W., Ste. 800
Washington, DC 20036-3816
HReiter@stinson.com

William M. Nugent, Executive
Director
New England Conference of Public
Utilities Commissioners
50 Forest Falls Drive, Suite 6
Yarmouth, ME 04096-6937
director@necpuc.org

Maine Public Utilities Commission
State House, Station 18
242 State Street
Augusta, ME 04333-0018
Maine.puc@maine.gov

Connecticut Dept. of Public Utilities
10 Franklin Square
New Britain, CT 060512605
brenda.henderson@po.state.ct.us
and robert.luysterborghs@po.state.ct.us

The Honorable John H. Lynch
Office of the Governor
26 Capital Street
Concord NH 03301
governorlynch@nh.gov