

**I. COMMON SERVICE PROVISIONS****1 Definitions**

Whenever used in this Tariff, in either the singular or plural number, the following capitalized terms shall have the meanings specified in Sections 1.1 to 1.76 of this Part I.

Terms used in this Tariff but not defined in Sections 1.1 to 1.76 which are defined in the Agreement shall have the meanings specified in the Agreement. Terms used in this Tariff that are not defined in this Tariff or in the Agreement shall have the meanings customarily attributed to such terms by the electric utility industry in New England.

**1.1 Administrative Costs:** Those costs incurred in connection with the review of Applications for transmission service and the carrying out of System Impact Studies and Facilities Studies.

**1.2 Agreement:** The Restated New England Power Pool Agreement dated as of September 1, 1971, as amended and restated from time to time, of which this Tariff forms a part.

**1.3 Ancillary Services:** Those services that are necessary to support the transmission of electric capacity and energy from resources to loads while maintaining

reliable operation of the NEPOOL Transmission System in accordance with Good Utility Practice.

- 1.4 Annual Transmission Revenue Requirements:** The annual revenue requirements of a Participant's PTF or of all Participants' PTF for purposes of this Tariff shall be the amount determined in accordance with Attachment F to this Tariff.
- 1.5 Application:** A written request by an Eligible Customer for transmission service pursuant to the provisions of this Tariff.
- 1.6 Commission:** The Federal Energy Regulatory Commission and any regulatory agency succeeding to substantially all of the authority of the Federal Energy Regulatory Commission with respect to electric power.
- 1.7 Completed Application:** An Application that satisfies all of the information and other requirements of this Tariff, including any required deposit.
- 1.8 Control Area:** An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:
- (1) match, at all times, the power output of the generators within the electric power system(s) and

capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);

- (2) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
- (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice and the criteria or the applicable regional reliability council or the North American Electric Reliability Council; and
- (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

**1.9 Curtailment:** A reduction in firm or non-firm transmission service in response to a transmission capacity shortage as a result of system reliability conditions.

**1.10 Delivering Party:** The entity supplying capacity and/or energy to be transmitted at Point(s) of Receipt under this Tariff.

**1.11 Designated Agent:** Any entity that performs actions or functions required under the Tariff on behalf of NEPOOL,

an Eligible Customer, or a Transmission Customer.

**1.12 Direct Assignment Facilities:** Facilities or portions of facilities that are constructed for the sole use/benefit of a particular Transmission Customer requesting service under this Tariff. Direct Assignment Facilities shall be specified in the Service Agreement that governs service to the Transmission Customer, shall be subject to applicable Commission requirements and shall be paid for by the Transmission Customer in accordance with the Service Agreement and not under this Tariff.

**1.13 Eligible Customer:** (i) any Participant; (ii) any electric utility (including any power marketer), Federal power marketing agency, or any other entity generating electric energy for sale or for resale; provided that electric energy sold or produced by such entity is electric energy produced in the United States, Canada or Mexico; and provided further, however, that such entity shall not be eligible to receive transmission service under this Tariff if such service would be prohibited by Section 212(h)(2) of the Federal Power Act; and (iii) any retail customer, or any supplier of retail service, taking unbundled transmission service pursuant to a

state retail access program, in accordance with the applicable state requirements, or pursuant to a voluntary offer of unbundled transmission service by the Participants.

**1.14 Energy Imbalance Service:** This service is the form of Ancillary Service described in Schedule 4.

**1.15 Excepted Transaction:** A transaction specified in Section 25 for the applicable period specified in that Section.

**1.16 Facilities Study:** An engineering study conducted pursuant to the Agreement or this Tariff by the System Operator and/or one or more affected Participants to determine the required modifications to the NEPOOL Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide a requested transmission service.

**1.17 Firm Point-To-Point Transmission Service:** Point-to-Point Transmission Service which is reserved and/or scheduled between specified Points of Receipt and Delivery in accordance with the applicable procedure specified in Part II or Part V of this Tariff.

**1.18 Firm Transmission Service:** Service for Native Load

Customers, firm Regional Network Service (including Network Integration Transmission Service), service for Excepted Transactions and Firm Point-to-Point Transmission Service (including Through or Out Service).

**1.19 Good Utility Practice:** Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition.

Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region.

**1.20 Interest:** Interest calculated in the manner specified in Section 8.3

**1.21 Interruption:** A reduction in non-firm transmission service due to economic reasons pursuant to Section

28.7.

**1.22 ISO:** The independent System Operator which is expected to assume responsibility for the continued operation of the NEPOOL Control Area from the NEPOOL control center and the administration of this Tariff, subject to regulation by the Commission.

**1.23 Load Ratio Share:** Ratio of a Transmission Customer's Network Load to the Participants' total load computed in accordance with Section 46.1 under Part VI of the Tariff and calculated on a rolling twelve month average basis.

**1.24 Load Shedding:** The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part VI of the Tariff.

**1.25 Local Network:** The transmission facilities constituting a local network identified on Attachment E, and any other local network or change in the designation of a Local Network as a Local Network which the Management Committee may designate or approve from time to time. The Management Committee may not unreasonably withhold approval of a request by a Participant that it effect

such a change or designation.

**1.26 Local Network Service:** Local Network Service is the service provided, under a separate tariff or contract, by a Participant that is a Transmission Provider to another Participant, or other entity connected to the Transmission Provider's Local Network to permit the other Participant or entity to efficiently and economically utilize its resources to serve its Load.

**1.27 Local Point-To-Point Service:** Local Point-To-Point service is service provided, under a separate tariff or contract, by a Participant that is a Transmission Provider over Non-PTF or distribution facilities to permit a Participant or other entity with an Entitlement in a generating unit to deliver the output of such unit to an interconnection point on the NEPOOL Transmission System. Local Point-To-Point Service may be included as part of Local Network Service.

**1.28 Long-Term Firm Point-To-Point Transmission Service:** Firm Point-To-Point Transmission Service under Part II or V of this Tariff with a term of one year or more.

**1.29 Native Load Customers:** The wholesale and retail power customers of a Participant or other entity which is a



Transmission Provider on whose behalf the Participant or other entity, by statute, franchise, regulatory requirement, or contract, has undertaken an obligation to, construct and operate its system to meet the reliable electric needs of such customers.

**1.30 NEPOOL:** The New England Power Pool, the power pool created under and governed by the Agreement, and the entities collectively participating in the New England Power Pool.

**1.31 NEPOOL Control Area:** The Control Area (as defined in Section 1.8) for NEPOOL.

**1.32 NEPOOL Transmission System:** The PTF transmission facilities owned by the Participants and their Related Persons.

**1.33 Network Customer:** A Participant or Non-Participant receiving transmission service pursuant to the terms of the Network Integration Transmission Service under Part II and Part VI of the Tariff.

**1.34 Network Integration Transmission Service:** The transmission service provided under Part VI of the Tariff.

**1.35 Network Load:** The load that a Network Customer

designates for Network Integration Transmission Service under Parts II and VI of the Tariff. The Network Customer's Network Load shall include all load served by it within the NEPOOL Control Area and any load outside the NEPOOL Control Area served by the output of any Network Resources designated by the Network Customer.

**1.36 Network Operating Agreement:** An executed agreement that contains the terms and conditions under which, in the form of Attachment H or any other form that is mutually agreed to, the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part VI of this Tariff.

**1.37 Network Operating Committee:** A group made up of representatives from the Network Customer(s) and the System Operator established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part VI of this Tariff.

**1.38 Network Resource:** Any designated generating resource owned or purchased by a Network Customer under the

Network Integration Transmission Service Tariff.

Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.

- 1.39 Network Upgrades:** Modifications or additions to transmission-related facilities that are integrated with and support the overall NEPOOL Transmission System for the general benefit of all users of such Transmission System.
- 1.40 Non-Firm Point-to-Point Transmission Service:** Point-to-Point Transmission Service under this Tariff that is subject to Curtailment or Interruption under the circumstances specified in Section 28.7 of this Tariff.
- 1.41 Non-Participant:** Any entity that is not a Participant.
- 1.42 Non-PTF:** The transmission facilities owned by the Participants and their Related Persons that do not constitute PTF.
- 1.43 Open Access Same-Time Information System (OASIS):** The NEPOOL information system and standards of conduct responding to requirements of 18 C.F.R. §37 of the

Commission's regulations.

**1.44 Operating Reserve - 10-Minute Non-Spinning Reserve**

**Service:** This service is the form of Ancillary Service described in Schedule 6.

**1.45 Operating Reserve - 10-Minute Spinning Reserve Service:**

This service is the form of Ancillary Service described in Schedule 5.

**1.46 Operating Reserve - 30-Minute Reserve Service:** This service is the form of Ancillary Service described in Schedule 7.

**1.47 Participant:** Participant has the meaning specified in the Agreement.

**1.48 Participant RNS Rate:** The rate applicable to Regional Network Service to effect a delivery to Load in a particular Local Network, as determined in accordance with Schedule 9 to this Tariff.

**1.49 Point(s) of Delivery:** Point(s) where capacity and/or energy transmitted by the Participants will be made available to the Receiving Party under this Tariff. The Point(s) of Delivery shall be specified in the Service Agreement, if applicable.

**1.50 Point(s) of Receipt:** Point(s) of interconnection where

capacity and/or energy to be transmitted by the Participants will be made available to NEPOOL by the Delivering Party under this Tariff. The Point(s) of Receipt shall be specified in the Service Agreement, if applicable.

**1.51 Point-To-Point Transmission Service:** The transmission of capacity and/or energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under this Tariff.

**1.52 Pool PTF Rate:** The transmission rate determined in accordance with Schedule 8 to this Tariff.

**1.53 Pool RNS Rate:** The transmission rate determined in accordance with paragraph (2) of Schedule 9 to this Tariff.

**1.54 Power Purchaser:** The entity that is purchasing the capacity and/or energy to be transmitted under the Tariff.

**1.55 PTF or Pool Transmission Facilities:** The (i) transmission facilities owned by the Participants and their Related Persons which constitute PTF pursuant to the Agreement, and (ii) the static var compensator installed at Chester, Maine at the request of the

Participants.

**1.56 Pre-1997 PTF Rate:** The transmission rate of a Participant determined in accordance with Schedule 9 to this Tariff.

**1.57 Reactive Supply and Voltage Control From Generation**

**Sources Service:** This service is the form of Ancillary Service described in Schedule 2.

**1.58 Receiving Party:** The entity receiving the capacity and/or energy transmitted to Point(s) of Delivery under this Tariff.

**1.59 Regional Network Service:** The transmission service described in Section 14 of this Tariff.

**1.60 Regulation and Frequency Response Service:** This service is the form of Ancillary Service described in Schedule 3.

**1.61 Reserved Capacity:** The maximum amount of capacity and energy that is committed to the Transmission Customer for transmission over the NEPOOL Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part V of this Tariff. Reserved Capacity shall be expressed in terms of whole kilowatts on a sixty minute interval (commencing on the clock hour)

basis.

**1.62 Scheduling, System Control and Dispatch Service:** This service is the form of Ancillary Service described in Schedule 1.

**1.63 Service Agreement:** The initial agreement and any attachments, amendments or supplements thereto entered into, upon completion of any required System Impact Study and Facilities Study, by the Transmission Customer and the System Operator on behalf of the NEPOOL Participants, for service under this Tariff.

**1.64 Service Commencement Date:** The date service is to begin pursuant to the terms of an executed Service Agreement, or the date service begins in accordance with Section 29.3 or Section 41.1 under this Tariff, or in the case of Regional Network Service which is not required to be furnished under a Service Agreement pursuant to Section 17 of this Tariff, the date service actually commences.

**1.65 Short-Term Firm Point-To-Point Transmission Service:** Firm Point-To-Point Transmission Service under Part V of this Tariff with a term of less than one year.

**1.66 System Impact Study:** An assessment pursuant to Part II, V or VI of this Tariff of (i) the adequacy of the NEPOOL

Transmission System to accommodate a request for a new interconnection or new Regional Network Service, Through or Out Service, or Network Integration Transmission Service and (ii) whether any additional costs may be required to be incurred in order to provide the transmission service.

- 1.67 System Operator:** The central dispatching agency provided for in the Agreement which has responsibility for the operation of the NEPOOL Control Area from the control center and the administration of this Tariff. The System Operator shall be the ISO after it has been activated and is prepared to assume responsibility for the NEPOOL Control Area and control center.
- 1.68 Tariff:** This NEPOOL Open Access Transmission Tariff and accompanying schedules and attachments, as modified and amended from time to time.
- 1.69 Third-Party Sale:** Any sale for resale in interstate commerce by a Participant which is a Transmission Provider to a Power Purchaser, to be transmitted under this Tariff as Through or Out Service.
- 1.70 Through or Out Service:** Transmission service provided by NEPOOL with respect to a transaction which requires



the use of PTF and which goes through the NEPOOL Control Area, as, for example, from New Brunswick to New York, or from one point on the NEPOOL Control Area boundary with New York to another point on the Control Area boundary with New York, or with respect to a transaction which goes out of the NEPOOL Control Area from a point in the NEPOOL Control Area, as, for example, from Boston to New York.

**1.71 Tie Benefit:** Tie Benefit has the meaning specified in Section 21.

**1.72 Tie Benefit Service:** Transmission service provided by NEPOOL with respect to the receipt by a Participant of a Tie Benefit, for Installed Capability Responsibility or other purposes, provided by the existing transmission ties between the NEPOOL Control Area, on the one hand, and New York or New Brunswick, on the other hand. The amount in Kilowatts of Tie Benefit Service received by a Participant at any time shall be the firm load equivalent of the amount of the reduction in its Installed Capability Responsibility obligation because of its receipt of the Tie Benefit Service.

**1.73 Transition Period:** The five-year period commencing on

the date on which this Tariff becomes effective.

**1.74 Transmission Customer:** Any Eligible Customer that (i) is a Participant which is not required to sign a Service Agreement with respect to a service to be furnished to it in accordance with Section 17, or (ii) executes, on its own behalf or through its Designated Agent, a Service Agreement, or (iii) requests in writing, on its own behalf or through its Designated Agent, that NEPOOL file with the Commission, a proposed unexecuted Service Agreement in order that the Eligible Customer may receive transmission service under Parts V or VI of this Tariff or (iv) is otherwise obligated to pay charges under the Tariff. This term is used in Part I to include customers receiving transmission service under this Tariff.

**1.75 Transmission Provider:** The Participants collectively with respect to this Tariff, or an individual Participant with respect to service under its individual tariff or other arrangement.

**1.76 Year:** A period of 365 or 366 days, whichever is appropriate, commencing on, or on the anniversary of, the effective date of this Tariff. Year One is the Year

commencing on the effective date, and Years Two and higher follow it in sequence.

## **2 Purpose of This Tariff**

This Tariff, together with the transmission provisions in Part Four of the Agreement, is intended to provide a regional arrangement which will cover new uses of the NEPOOL Transmission System. The arrangement is designed and shall be operated in such a manner as to encourage and promote competition in the electric market to the benefit of ultimate users of electric energy. New uses of transmission facilities which require the use of a single Participant Local Network will continue to be provided in part under that Participant's filed tariff as Local Network Service. Any new regional use of the NEPOOL Transmission System must be obtained from NEPOOL pursuant to this Tariff and not from individual Participants. All new transmission service under this Tariff will be provided as Regional Network Service pursuant to Part II of this Tariff at rates which will be paid by Participants and Non-Participants on the basis of their loads, subject to exceptions only for (i) Tie Benefit Service and (ii) Through or Out Service which will be provided pursuant to Part III of this Tariff at the rates

specified therein, and subject also to a requirement that Transition Payments be made in accordance with Part IV of this Tariff. Ancillary Services will be supplied in accordance with Section 4 of this Tariff.

Tie Benefit Service and a five-year transitional arrangement, which is described in Part IV of this Tariff, and continuing service for Excepted Transactions, have been negotiated to phase in the financial impacts of the change from the historic regime in which uses of the NEPOOL Transmission System had to be obtained and paid for under the individual tariffs of the Participants to a regime in which the service will be obtained from the Participants through NEPOOL at a rate which will not vary with distance and which covers all possible regional uses of the NEPOOL Transmission System. This Tariff is intended to provide for comparable, non-discriminatory treatment of all similarly situated Transmission Providers and all Participants and Non-Participants that are transmission users, and it shall be construed in the manner which best achieves this objective. This Tariff, and the provisions of Part Four of the Agreement, provide for a two-tier transmission arrangement integrating regional service which is provided under this

Tariff, and Local Network Service and, for limited purposes, Local Point-to-Point Service which are provided under the Participants' individual system tariffs.

### **3 Initial Allocation and Renewal Procedures**

#### **3.1 Initial Allocation of Available Transmission Capability:**

For purposes of determining whether existing capability on the NEPOOL Transmission System is adequate to accommodate a request for new Through or Out Service under Part V of this Tariff, all Completed Applications for new service received during the initial sixty-day period of the Transition Period will be deemed to have been filed simultaneously. A lottery system conducted by an independent accounting firm shall be used to assign priorities for Completed Applications filed simultaneously. All Completed Applications for Through or Out Service received after the initial sixty-day period shall be assigned a priority pursuant to Section 27.2.

#### **3.2 Reservation Priority For Existing Firm Service**

**Customers:** Existing firm service customers receiving service with respect to Excepted Transactions and any other existing firm service customers of the

Participants (wholesale requirements customers and transmission-only customers) with a contract term of one year or more have the right to continue to take transmission service at the same or a reduced level under this Tariff at the time when the existing contract terminates during or after the Transition Period. This transmission reservation priority is independent of whether the existing customer continues to purchase capacity and energy from its existing supplier or elects to purchase capacity and energy from another supplier. If, at the end of the contract term, the NEPOOL Transmission System cannot accommodate all of the requests for transmission service, the existing firm service customer must agree to accept a contract term at least equal to a competing request by any new Eligible Customer and to pay the current just and reasonable rate, filed with the Commission, for such service. This transmission reservation priority for existing firm service customers is an ongoing right that may be exercised as to any firm contract with a term of one year or longer by filing an Application in accordance with this Tariff at least sixty days in advance of the

first day of the calendar month in which the existing contract term is to terminate.

#### **4 Ancillary Services**

Ancillary Services are needed with transmission service to maintain reliability within the NEPOOL Control Area. The Participants are required to provide through NEPOOL, and the Transmission Customer is required to purchase from NEPOOL, Scheduling, System Control and Dispatch Service, and Reactive Supply and Voltage Control from Generation Sources Service. The Participants offer to provide or arrange for, through NEPOOL, the following Ancillary Services, but only to a Transmission Customer serving load within the NEPOOL Control Area (i) Regulation and Frequency Response (Automatic Generator Control), (ii) Energy Imbalance, (iii) Operating Reserve - 10-Minute Spinning, (iv) Operating Reserve - 10-Minute Non-Spinning and (v) Operating Reserve - 30-Minute. A Participant or other Transmission Customer serving load within the NEPOOL Control Area is required to provide these Ancillary Services, whether from the System Operator, from a third party, or by self-supply. A Transmission Customer may not decline NEPOOL's offer of these Ancillary Services unless the Transmission Customer demonstrates to the System Operator

that the Transmission Customer has acquired Ancillary Services of equal quality from another source. The Transmission Customer that is not a Participant must list in its Application which Ancillary Services it will purchase through NEPOOL.

In the event of an unauthorized use of any Ancillary Service by the Transmission Customer, the Transmission Customer will be required to pay 150% of the charge which would otherwise be applicable.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules that are attached to and made a part of this Tariff. If a rate discount is offered or attributed to a Participant or to a Related Person of a Participant, the same discounted Ancillary Service rate will be offered to all Eligible Customers. Information regarding any discounted Ancillary Service rates will be posted on OASIS pursuant to 18 C.F.R. §37 of the Commission's regulations. In addition, discounts to non-affiliates will be offered in a not unduly discriminatory manner. Sections 4.1 through 4.7 below list the seven Ancillary Services.

**4.1 Scheduling, System Control and Dispatch Service:** The rates and/or methodology are described in Schedule 1.



**4.2 Reactive Supply and Voltage Control from Generation**

**Sources Service:** The rates and/or methodology are described in Schedule 2.

**4.3 Regulation and Frequency Response Service:** Where applicable, the rates and/or methodology are described in Schedule 3.

**4.4 Energy Imbalance Service:** Where applicable, the rates and/or methodology are described in Schedule 4.

**4.5 Operating Reserve - 10 Minute Spinning Reserve Service:**  
Where applicable, the rates and/or methodology for this service are described in Schedule 5.

**4.6 Operating Reserve - 10 Minute Non-Spinning Reserve Service:** Where applicable, the rates and/or methodology for this service are described in Schedule 6.

**4.7 Operating Reserve - 30 Minute Reserve Service:** Where applicable, the rates and/or methodology for this service are described in Schedule 7.

**5 Open Access Same-Time Information System (OASIS)**

Terms and conditions regarding the NEPOOL Open Access Same-Time Information System and standards of conduct are set forth in 18 C.F.R. §37 of the Commission's regulations (Open Access Same-Time Information System and Standards of Conduct

for Public Utilities). In the event available transmission capability, as posted on OASIS, is insufficient to accommodate a request for firm transmission service, additional studies may be required as provided by this Tariff pursuant to Sections 33 and 44.

## **6 Local Furnishing and Other Tax-Exempt Bonds**

### **6.1 Participants That Own Facilities Financed by Local**

**Furnishing or Other Tax-Exempt Bonds:** This provision is applicable only to Participants that have financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds") or other tax-exempt bonds, as described in Section 103(b) of the Internal Revenue Code ("other tax-exempt bonds").

Notwithstanding any other provision of this Tariff, a Participant shall not be required to provide service to any Eligible Customer pursuant to this Tariff if the provision of such transmission service would jeopardize the tax-exempt status of any local furnishing bond(s) or other tax-exempt bonds used to finance the Participant's facilities that would be used in providing such Transmission Service.

**6.2 Alternative Procedures for Requesting Transmission****Service - Local Furnishing Bonds:**

- (i) If a Participant determines that the provision of transmission service to be provided under this Tariff would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance the Participant's facilities that would be used in providing such transmission service, the Management Committee shall be advised within thirty days of receipt of a Completed Application by an Eligible Customer requesting such service, or the date on which this Tariff becomes effective, whichever is applicable.
- (ii) If an Eligible Customer thereafter renews its request for the same transmission service referred to in (i) by tendering an application under Section 211 of the Federal Power Act, or the Management Committee tenders such an application requesting that service be provided under this Tariff, the Participant, within ten days of receiving a copy of the Section 211 application, will waive its rights to receive a request for service under Section

213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act and will provide the requested transmission service in accordance with the terms and conditions of this Tariff.

**6.3 Alternative Procedures for Requesting Transmission Service - Other Tax-Exempt Bonds:**

If a Participant determines that the provision of transmission service to be provided under the Tariff would jeopardize the tax-exempt status of any other tax-exempt bonds used to finance the Participant's facilities that would be used in furnishing such transmission service, it shall notify the Management Committee within thirty days of the date on which this Tariff becomes effective, and shall elect in its notice either to comply with the procedure specified in Section 6.2(ii) or to make its facilities unavailable under the Tariff and thereby waive its right to share in the distribution of revenues received under the Tariff derived from such facilities. Any such election may be changed at any time.

**7 Reciprocity**

A Transmission Customer receiving transmission service under this Tariff, whether a Participant or a Non-Participant, agrees to provide comparable transmission service to the Participants on similar terms and conditions over facilities used for the transmission of electric energy in Canada or used for such transmission in the United States in interstate commerce and that are owned, controlled or operated by, or on behalf of the Transmission Customer or its Related Person. Transmission of power on the Transmission Customer's system to the border of the NEPOOL Control Area and transfer of ownership at that point shall not satisfy, or relieve the Transmission Customer of, the obligation to provide reciprocal service. This reciprocity requirement also applies to any Transmission Customer that owns, controls or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under this Tariff. If the Transmission Customer does not own, control or operate transmission facilities, the Transmission Customer must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its Application is not to assist an Eligible Customer to avoid the requirements of this

provision.

## **8 Billing and Payment; Accounting**

**8.1 Participant Billing Procedure:** Billings to Participants for services received under this Tariff shall be made in accordance with the billing procedures established pursuant to the Agreement.

**8.2 Non-Participant Billing Procedure:** Within a reasonable time after the first day of each month, the System Operator will submit on behalf of the Participants an invoice to each Non-Participant Transmission Customer for the charges for all services furnished under this Tariff during the preceding month. The invoice shall be paid by the Non-Participant Transmission Customer to the System Operator for NEPOOL within ten days of receipt. All payments shall be made, in accordance with the procedure specified by the System Operator, in immediately available funds payable to the System Operator or by wire transfer to a bank account designated by the System Operator.

**8.3 Interest on Unpaid Balances:** Interest on any unpaid amounts (including amounts placed in escrow) will be calculated in accordance with the methodology specified

for interest on refunds in 18 C.F.R. §35.19a(a)(2)(iii) of the Commission's regulations. Interest on delinquent amounts will be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills will be considered as having been paid on the date of receipt of payment by the System Operator or by the bank designated by the System Operator.

**8.4 Customer Default:** In the event a Transmission Customer which is a Participant fails to perform its obligations under the Tariff, Section 21.2 of the Agreement shall be applicable to the failure. In the event a Non-Participant Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to the System Operator on or before the due date as described above, and such failure of payment is not corrected within thirty calendar days after the System Operator notifies the Transmission Customer to cure such failure, or if the Transmission Customer violates any provision of its Service Agreement, a default by the Transmission Customer will be deemed to exist. Upon the occurrence of a default, NEPOOL may initiate a proceeding with the Commission to terminate service but

shall not terminate service until the Commission approves such termination. In the event of a billing dispute between NEPOOL and the Transmission Customer, service will continue to be provided under the Service Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then the System Operation may provide notice to the Transmission Customer of NEPOOL's intention to suspend service in sixty days, in accordance with applicable Commission rules and regulations, and may proceed with such suspension.

- 8.5 Study Costs and Revenues:** A Participant which is a Transmission Provider shall (i) include in a separate operating revenue account or subaccount the revenues, if any, it receives from transmission service when making Third-Party Sales under this Tariff, and (ii) include in a separate transmission operating expense account or subaccount, costs properly chargeable to expense that



are incurred to perform any System Impact Studies or Facilities Studies which the Transmission Provider conducts to determine if it must construct new transmission facilities or upgrades necessary for its own uses, including Third-Party Sales, if any, under this Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in a billing under the Tariff.

## **9 Regulatory Filings**

Nothing contained in this Tariff or any Service Agreement shall be construed as affecting in any way the right of the Participants to file with the Commission under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder for a change in any rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation.

Nothing contained in this Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Transmission Customer receiving service under this Tariff or for an Excepted Transaction to exercise its rights under the

Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

## **10 Force Majeure and Indemnification**

**10.1 Force Majeure:** An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment not due to lack of proper care or maintenance, any Curtailment, order, regulation or restriction imposed by a court or governmental military or lawfully established civilian authorities, or any other cause beyond a party's control. Neither the Participants, NEPOOL, the System Operator nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling the obligation due to an event of Force Majeure; provided that no event of Force Majeure shall excuse any payment obligation hereunder or under a Service Agreement. However, an entity whose performance under this Tariff is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Tariff, and shall promptly notify the System Operator or the

Transmission Customer, whichever is appropriate, of the commencement and end of each event of Force Majeure.

**10.2 Indemnification:** The Transmission Customer shall at all times indemnify, defend, and save harmless the System Operator, NEPOOL and each Participant from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the performance by the System Operator, NEPOOL or any Participant of their obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by the System Operator, NEPOOL or a Participant, as the case may be.

## **11 Creditworthiness**

For the purpose of determining the ability of a Transmission Customer which is a Non-Participant to meet its obligations related to service hereunder, NEPOOL may require reasonable credit review procedures. This review shall be made in accordance with standard commercial practices. In addition,

NEPOOL may require the Transmission Customer to provide and maintain in effect during the term of the Service Agreement an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under this Tariff, or an alternative form of security proposed by the Transmission Customer and acceptable to NEPOOL and consistent with commercial practices established by the Uniform Commercial Code that protects the Participants against the risk of non-payment.

## **12 Dispute Resolution Procedures**

**12.1 Internal Dispute Resolution Procedures:** Any dispute between a Transmission Customer which is a Participant and NEPOOL involving transmission service under the Tariff may be submitted to mediation and/or arbitration and resolved in accordance with the alternate dispute resolution procedures set forth in Section 21.1 of the Agreement. Any dispute between a Non-Participant Transmission Customer and NEPOOL involving transmission service under this Tariff (excluding applications for rate changes or other changes to this Tariff, or to any Service Agreement entered into under this Tariff, which shall be presented directly to the Commission for

resolution) shall be referred to a designated senior representative of the Transmission Customer and a representative of the Management Committee for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty days or such other period as the parties may fix by mutual agreement, such dispute may be submitted to mediation and/or arbitration and resolved in accordance with the alternate dispute resolution procedures set forth in Section 21.1 of the Agreement.

**12.2 Rights Under The Federal Power Act:** Nothing in this section shall restrict the rights of any party to file a complaint with the Commission, or seek any other available remedy, under relevant provisions of the Federal Power Act.

### **13 Stranded Costs**

**13.1 General:** This Tariff shall not be used to evade or enhance in whole or in part the stranded cost policies or charges established by the regulatory commission with jurisdiction. A retail end-use or wholesale customer that uses this Tariff to purchase electricity from a new

supplier shall pay a stranded cost charge for access to service under this Tariff as specifically authorized by the regulatory commission with jurisdiction and subject to any contract terms concerning the recovery of stranded costs. Upon determination by a regulatory commission that an Eligible Customer has a stranded cost obligation, and the nature and extent of such obligation, the charge may be collected under this Tariff, or a Participant's individual tariff or otherwise by NEPOOL or the Participants which own any facilities that are used to provide transmission service to the customer, provided, however, that the amount of any such stranded cost obligation, as determined by the appropriate regulatory commission, cannot be collected twice. The entity that collects the stranded cost charge shall pay the proceeds to the customer's former supplier or the former supplier's Related Person, or successor, as directed by the former supplier. The amount of the stranded cost charge shall equal the amount of stranded cost that the customer would have paid under the policies or charges established by the regulatory commission with jurisdiction had the customer

become an unbundled transmission services customer of its former supplier without using service under this Tariff.

**13.2 Commission Requirements:** A Participant which seeks to recover stranded costs from a Transmission Customer pursuant to this Tariff may do so in accordance with the terms, conditions and procedures in the Commission's Order No. 888. However, the Participant must separately file any specific proposed stranded cost charge under Section 205 of the Federal Power Act.

**13.3 Wholesale Contracts:** Nothing in this Section 13 is intended to affect or alter the rights or obligations of parties under wholesale requirements contracts.

**13.4 Right to Seek or Contest Recovery Unimpaired:** No provision in this Tariff shall impair a Participant's right to seek stranded cost relief from the appropriate regulatory body or court or the right of any Participant or other entity to contest such relief.

## **II. REGIONAL NETWORK SERVICE**

Regional Network Service will be provided by the Participants through NEPOOL during and after the Transition Period to Participants and Non-Participants pursuant to the applicable

terms and conditions of this Tariff. Local Network Service and Local Point-To-Point Service, to the extent required, will be provided during and after the Transition Period pursuant to the applicable terms and conditions of tariffs filed by an individual Participant that is a Transmission Provider and/or pursuant to an agreement between a Participant that is a Transmission Provider and a Transmission Customer. This Tariff does not prescribe the methodology to be used by the individual Participant in developing its Local Network Service rate or its Local Point-to-Point Service rate, but the Agreement prescribes certain requirements with respect thereto.

#### **14 Nature of Regional Network Service**

Except as provided below, Regional Network Service is any new use of the NEPOOL Transmission System which requires the use of PTF, other than Through or Out Service, and includes, but is not limited to, Point-To-Point Transmission Service for the transmission of Unit Contract Entitlements or System Contracts, Network Integration Transmission Service, the transmission of Ancillary Services whether provided under a bilateral contract or through NEPOOL Interchange Transactions, and the transmission of energy and capacity-



related services provided through NEPOOL Interchange Transactions; provided, however, that for the ten-year period commencing on the date on which this Tariff becomes effective, Tie Benefit Service shall be provided pursuant to Section 21 and shall not constitute Regional Network Service.

## **15 Availability of Regional Network Service**

**15.1 Provision of Regional Network Service:** Regional Network Service shall be provided by the Participants through NEPOOL, and shall be available to each Participant and to each Non-Participant that qualifies as an Eligible Customer.

### **15.2 Eligibility to Receive Regional Network Service:**

Notwithstanding the purchase of any other service provided under the Tariff, Regional Network Service shall be taken and paid for by (i) each Participant which has a load within the NEPOOL Control Area, and (ii) each Non-Participant which is an Eligible Customer and has a load within the NEPOOL Control Area unless such Non-Participant operates its own Control Area. Participants and Non-Participants which are required to take and pay for Regional Network Service must also take Local Network Service except as otherwise provided in

Section 25. Participants or Non-Participant Eligible Customers which require the use of the NEPOOL Transmission System or a Local Network for Regional Network Service but which do not have a load shall also be entitled to receive Regional Network Service for deliveries within the NEPOOL Control Area and Local Network Service.

When a constrained interface within the NEPOOL Control Area occurs, then existing Firm Transmission Services will continue to have priority over the interface.

Where Curtailments or Interruptions are required, or resources must be redispatched this shall be effected in accordance with the applicable procedures and with the priorities and consequences specified in Parts V or VI of this Tariff, whichever is applicable.

#### **16 Payment for Regional Network Service**

Each Participant or Non-Participant which has a load in the NEPOOL Control Area and is required to take and pay for Regional Network Service shall pay to NEPOOL for each month an amount equal to its Monthly Network Load (as defined in Section 46.1 of this Tariff) for the month times the applicable Participant RNS Rate. The applicable Participant

Rate shall be the rate, determined in accordance with Schedule 9, which is applicable to a delivery to load in the particular Local Network in which the load served by the Participants or Non-Participants is located. In the event the Participant or Non-Participant serves load located on more than one Local Network, the amount to be paid by it shall be separately computed for the load located on each Local Network. A Participant or Non-Participant using Regional Network Service which does not have a load in the NEPOOL Control Area shall not be obligated to make such payments.

**17 Procedure for Obtaining Regional Network Service**

When Regional Network Service is used for service by a Participant or Non-Participant under a bilateral contract, across a constrained PTF interface within the NEPOOL Control Area, the service must be reserved with the System Operator and posted on the OASIS and the amount to be transferred shall be identified. The System Operator must be notified of all other service required for transfers by a Participant or Non-Participant under bilateral contracts. No other reservation of transmission capacity for Regional Network Service is required by a Participant or Non-Participant and

no Service Agreement, in addition to the Agreement, is required to be entered into by a Participant in order to receive Regional Network Service, unless Direct Assignment Facilities or other facility additions or upgrades are required to provide a particular service requested by the Participant. Subject to the foregoing exceptions and to Section 26 of this Tariff, a Participant or Non-Participant which receives Regional Network Service shall be, subject to the applicable provisions of Parts V and VI of this Tariff. A Participant or Non-Participant which requests new Regional Network Service shall be obligated to enter into a System Impact Study Agreement in the form of Attachment I, or in any other form that is mutually agreed to, and to pay the costs of the study if its request is determined to require a System Impact Study, and shall be obligated to enter into a Facilities Study Agreement in the form of Attachment J, or in any other form that is mutually agreed to, and to pay the costs of the study if additions or upgrades to PTF will be required in order to provide the requested service.

### **III. THROUGH OR OUT SERVICE; TIE BENEFIT SERVICE**

Through or Out Service and Tie Benefit Service will be provided during and after the Transition Period pursuant to

the applicable terms and conditions of this Tariff.

## **18 Through or Out Service**

**18.1 Provision of Through or Out Service:** Through or Out Service shall be provided by the Participants through NEPOOL, and shall be available to any Participant and to any Non-Participant which is an Eligible Customer.

**18.2 Use of Through or Out Service:** A Participant or Non-Participant shall take Through or Out Service as Firm or Non-Firm Point-to-Point Transmission Service for the transmission of any Unit Contract Entitlement or System Contract transaction with respect to a transaction which requires the use of PTF if either (i) the transaction goes through the NEPOOL Control Area and the Point(s) of Receipt for NEPOOL are at one point on the NEPOOL Control Area boundary and the Point(s) of Delivery for NEPOOL are at another point on the NEPOOL Control Area boundary, as, for example, from New Brunswick to New York or from one point on the NEPOOL Control Area boundary with New York to another point on the Control Area boundary with New York, or (ii) the transaction goes out of the NEPOOL Control Area and the Point(s) of Receipt are within the NEPOOL Control Area and the

Point(s) of Delivery for NEPOOL are at a NEPOOL Control Area boundary, as, for example, from Boston to New York.

#### **19 Payment for Through or Out Service**

Each Participant or Non-Participant which takes firm or non-firm Through or Out Service shall pay to NEPOOL a charge per Kilowatt of Reserved Capacity based on an annual rate (the "T or O Rate") which shall be the higher of (i) the Pool PTF Rate, or (ii) a rate derived from the annual incremental cost of any new facilities required to provide the service. The rate for firm Through or Out Service shall be as follows:

Per year	-	the T or O Rate
Per month	-	the T or O Rate divided by 12
Per week	-	the T or O Rate divided by 52
Per day	-	the T or O Rate "per week" divided by 5;
		provided that the rate for 5 to 7
		consecutive days may not exceed the "per
		week" rate.

The rate for non-firm Through or Out Service shall be as follows:

Per year	-	the T or O Rate
Per month	-	the T or O Rate divided by 12
Per week	-	the T or O Rate divided by 52

Per day - the T or O Rate "per week" divided by 7;  
Per hour - the non-firm T or O Rate "per day"  
divided by 24.

The Pool PTF Rate shall be the Rate determined annually in accordance with paragraph 2 of Schedule 8.

## **20 Reservation of Capacity for Through or Out Service**

Compliance with the applicable requirements of Part V of this Tariff is required for the initiation of Through or Out Service.

## **21 Tie Benefit Service**

Each Participant which receives an identifiable and traceable benefit (a "Tie Benefit"), in the determination of its Installed Capability Responsibility or otherwise, from the existing transmission ties between the NEPOOL Control Area, on the one hand, and New York or New Brunswick on the other hand, shall be deemed to be a recipient of Tie Benefit Service. In the event any of these existing transmission ties is retired or ceases to be a tie to another Control Area or the Tie Benefit received from it is reduced, the amount of Tie Benefit Service which Participants are deemed to receive shall be modified to reflect the change.

## **22 Payment for Tie Benefit Service**

It has been agreed that, as part of the overall transition arrangements referred to in Part IV of this Tariff, each Participant which is deemed to be a recipient of Tie Benefit Service shall pay to NEPOOL each month for such service received by it during the ten-year period commencing on the effective date of this Tariff, an amount computed at the applicable rate specified in Schedule 10 times the number of Kilowatts of Tie Benefit Service it receives.

**IV. SERVICE DURING THE TRANSITION PERIOD; EXCEPTED TRANSACTIONS**

The five-year Transition Period, and additional arrangements to be in effect during the succeeding five-year period, will permit the phase in on a negotiated basis of the Tariff rates with financial effects which are acceptable to Participants.

**23 Transition Arrangements**

The transition arrangements include (i) the treatment provided for certain Excepted Transactions in Section 25, (ii) the rules provided in Sections 16.3 and 16.5 of the Agreement for the distribution and application of revenues received by NEPOOL on behalf of the Participants from the payment of the Tariff rates, (iii) the payments for Tie Benefits and (iv) the payment of Transition Payments.

**24 Transition Payments**



A schedule of Transition Payments to be made by certain Participants or Non-Participants, and distributed to other Participants or Non-Participants, in each year of the Transition Period is set out in Schedule 11. The amounts to be paid and received in each year have been determined by comparing certain transmission costs and revenues for each year of the Transition Period for each Participant and certain Non-Participants with the similar costs and revenues for a base period; provided that only one-half of the payments for Tie Benefit Service expected to be received by the owners of the ties to New York and New Brunswick have been included in calculating the Participant tie owner's revenues for the Transition Period. One-twelfth of the annual Transition Payments for a Participant or Non-Participant required to make Transition Payments are to be made monthly and distributed monthly to those Participants or Non-Participants eligible to receive payments.

## **25 Excepted Transactions**

Notwithstanding any other section of the Tariff, the power transfers and other uses of the NEPOOL Transmission System effected under the transmission agreements in effect on November 1, 1996 specified below ("Excepted Transactions")

will continue to be effected under such agreements for the respective periods specified below rather than under this Tariff, but not thereafter, and such transfers and other uses will continue to be effected after such period, if still occurring, under this Tariff. Participants receiving service under the agreements listed in Exhibit G-1 shall not be required to take Local Network Service for such transfers and other uses. The Excepted Transactions and the period for which each of the existing transmission agreements will be continued in effect, and then terminated are as follows:

(1) for the Transition Period, the following transfers pursuant to Section 17 of the Agreement:

- (a) the transfer to a Participant's system within the Control Area of its ownership interest in a Pool-Planned Unit which is off its system;
- (b) the transfer to a Participant's system within the Control Area of its Unit Contract Entitlement, under a contract entered into by it on or before November 1, 1996, in a Pool-Planned Unit which is off its system; and
- (c) the transfer to a Participant's system within the Control Area of its Entitlement in a

purchase (including a purchase under the HQ Phase II Firm Energy Contract) from Hydro-Quebec under a contract entered into by it on or before November 1, 1996, where the line over which the transfer is made into New England is the HQ Interconnection;

- (2) for the Transition Period, the transfer to a Participant's system within the Control Area of its Unit Contract Entitlement in the Maine Yankee Atomic Power Company unit, the Vermont Yankee Nuclear Power Corporation unit or the Pilgrim 1 unit; provided the transfer is pursuant to a transmission agreement in effect on November 1, 1996 and is to the entity which was receiving the service on November 1, 1996; and

- (3) for the period from the effective date of the Tariff until . . . .: <sup>1</sup>

- (a) existing transfers and other uses within the NEPOOL Control Area, as of November 1, 1996,

---

<sup>1</sup> The blank space shall be filled in in accordance with the 33rd Amendment. Pending the filling in of the blank the service shall continue until the termination of the transmission agreement or the end of the Transition Period, whichever occurs first.

of the NEPOOL Transmission System under the support or exchange agreements specified in Attachment G;

- (b) existing transfers and other uses within the NEPOOL Control Area, as of November 1, 1996, of the NEPOOL Transmission System under the comprehensive network service agreements specified in Attachment G; and
- (c) existing transfers and other uses within the NEPOOL Control Area, as of November 1, 1996, of the NEPOOL Transmission System under the other transmission agreements or tariff service agreements specified in Attachment G.

The Management Committee is authorized to add additional agreements to Attachment G if they have been inadvertently omitted. The transfers or other uses under any of the transmission agreements covering the transfers referred to in paragraphs (1), (2) and (3) above shall be in accordance with the terms of the transmission agreement as in effect on November 1, 1996, or a modification of the terms which is expressly provided for in the agreement as in effect on

November 1, 1996 and is accomplished without amendment of the agreement or by an amendment entered into after November 1, 1996 that does not extend the term of the agreement or increase the amount of the service.

Notwithstanding the foregoing, support agreements shall continue in effect to provide for continued support payments and may be extended so long as the agreement does not give priority of service. Further, notwithstanding the foregoing restriction on the amendment after November 1, 1996 of transmission agreements with respect to Excepted Transactions, the transmission arrangements for the Masspower and Altresco facilities may continue as Excepted Transactions in accordance with transmission agreement amendments or memoranda of understanding entered into as of December, 1996 which do not extend the term of the agreements. For the purpose of determining priorities under this Tariff, Excepted Transactions shall have the same priority as Firm Point-to-Point Transmission Service transactions for resources in existence on the effective date of this Tariff which are effected as Regional Network Service.

When transmission agreements cease to be Excepted Transactions before the end of their term, the transactions shall be effected under this Tariff and under any applicable Local Network Service tariff, to the extent appropriate, but the transactions shall continue to have a priority not less than the priority that they would have had if Regional Network Service had been used for the transactions from the effective date of this Tariff. New transactions entered into after November 1, 1996 under umbrella tariff agreements then in effect will not be Excepted Transactions.

**V. THROUGH OR OUT SERVICE AS POINT-TO-POINT TRANSMISSION SERVICE**

**Preamble**

Firm or Non-Firm Point-To-Point Transmission Service shall be reserved by all Transmission Customers, whether Participants or Non-Participants, for all new point-to-point transfers to be effected as Through or Out Service, pursuant to the applicable terms and conditions of this Part V of the Tariff. Point-To-Point Transmission Service is the service required for the receipt of capacity and energy at designated Point(s) of Receipt and the transmission of such capacity and energy to designated Point(s) of Delivery.

**26 Nature of Review**

If the Eligible Customer requesting Point-To-Point Transmission Service as Through or Out Service for a Unit Contract or System Contract transaction, or requesting Network Integration Transmission Service pursuant to Part VI of this Tariff, is a Participant, it shall initially advise the System Operator of the proposed transaction in such detail as the System Operator may reasonably require. If the System Operator determines, on the basis of an initial review of the reliability requirements to meet existing and pending obligations of the Participants and the obligations of the particular Participants whose PTF facilities will be impacted by the proposed transaction, that no System Impact Study is required, it shall tender a Service Agreement to the Eligible Customer, if required. Otherwise, the applicable procedures specified in this Part V or Part VI shall be followed. If the Eligible Customer requesting service is not a Participant, the applicable application procedures specified in this Part V or Part VI, whichever is applicable, shall be followed, but the System Operator shall make its initial review of available transmission capacity on the same basis as it would with a Participant.

**27 Nature of Firm Point-To-Point Transmission Service****27.1 Term:** The minimum term of Firm Point-To-Point

Transmission Service as Through or Out Service shall be one day and the maximum term shall be that specified in the Service Agreement.

**27.2 Reservation Priority:** Long-Term Firm Point-To-Point

Transmission Service as Through or Out Service shall be available to Participants and Non-Participants on a first-come, first-served basis, i.e., in the chronological sequence in which each Transmission Customer's application for reserved service is received by the System Operator pursuant to Section 26 or Section 31, whichever is applicable. Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction. If the NEPOOL Transmission System becomes oversubscribed, requests for longer term service may preempt requests for shorter term service up to the following deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service. Before the deadline, if available



transmission capability is insufficient to satisfy all Applications, an Eligible Customer with a reservation for shorter term service has the right of first refusal to match any longer term reservation before losing its reservation priority. After the deadline, service will commence pursuant to the terms of Part III of this Tariff. Firm Point-To-Point Transmission Service as Through or Out Service will always have a reservation priority over non-firm Point-To-Point Transmission Service under this Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Excepted Transactions. Reservation priorities for existing firm service customers, including customers receiving service with respect to Excepted Transactions, are provided in Section 3.2.

**27.3 Use of Firm Point-To-Point Transmission Service by the Participants That Own PTF:** A Participant that owns PTF will be subject to the rates, terms and conditions of this Tariff when making Third-Party Sales to be transmitted as Through or Out Service under (i) agreements executed after November 1, 1996 or (ii)

agreements executed on or before November 1, 1996 to the extent that the Commission requires them to be unbundled, by the date specified by the Commission. A Participant that owns PTF will maintain separate accounting, pursuant to Section 8, for any use of Firm Point-To-Point Transmission Service for Through or Out Service to make Third-Party Sales.

**27.4 Service Agreements:** A standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) will be offered to an Eligible Customer when it submits a Completed Application for Firm Point-To-Point Transmission Service to be transmitted as Through or Out Service. Executed Service Agreements that contain the information required under this Tariff will be filed with the Commission in compliance with applicable Commission regulations.

**27.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs:** In cases where it is determined that the Transmission System is not capable of providing new Firm Point-To-Point Transmission Service for Through or Out Service without (1) degrading or impairing the reliability of service to Native Load Customers,

customers taking service for Excepted Transactions and other Transmission Customers taking Firm Point-To-Point Transmission Service as Regional Network Service, or (2) interfering with a Participant's ability to meet prior firm contractual commitments to others, the Participants will be obligated to arrange to expand or upgrade PTF pursuant to the terms of Section 33. The Transmission Customer must agree to compensate the Participants or any other entity designated to effect construction through the System Operator for any necessary transmission facility additions or upgrades pursuant to the terms of Section 39. To the extent the System Operator can relieve any system constraint more economically by redispatching the Participants' resources, rather than through construction of additions or upgrades, it shall do so, provided that the Eligible Customer agrees to compensate the Participants pursuant to the terms of Section 39. Any redispatch, addition or upgrade or Direct Assignment Facilities costs to be charged to the Transmission Customer under this Tariff will be specified in the Service Agreement prior to initiating service.

**27.6 Curtailment of Firm Transmission Service:** In the event that a Curtailment on the NEPOOL Transmission System, or a portion thereof, is required to maintain reliable operation of the system, the Curtailment will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, Curtailments will be proportionally allocated among the Participants' Firm Transmission Service customers. All Curtailments will be made on a non-discriminatory basis; however, non-firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. When the System Operator determines that an electrical emergency exists on the NEPOOL Transmission System and implements emergency procedures to curtail Firm Transmission Service, the Transmission Customer shall make the required reductions upon the System Operator's request. However, NEPOOL reserves the right to curtail, in whole or in part, any Firm Transmission Service provided under this Tariff when, in the System Operator's sole discretion, an emergency or other

unforeseen condition impairs or degrades the reliability of the NEPOOL Transmission System. The System Operator will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments.

#### **27.7 Classification of Firm Point-To-Point Transmission**

##### **Service:**

- (a) A Transmission Customer taking Firm Point-To-Point Transmission Service for Through or Out Service may
  - (1) change its Receipt and Delivery Points to obtain service on a non-firm basis consistent with the terms of Section 36.1 or
  - (2) request a modification of the Points of Receipt or Delivery on a firm basis pursuant to the terms of Section 36.2; provided that if any Participant or other entity has constructed new facilities or upgraded facilities to accommodate the original firm service, such Participant shall continue to be compensated for its facility costs by the Transmission Customer.
- (b) A Transmission Customer may purchase transmission service to make sales from multiple generating units that are on the NEPOOL Transmission System.

For such a purchase of transmission service the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant, in which case the units will be treated as a single Point of Receipt.

- (c) Firm deliveries will be provided from the Point(s) of Receipt to the Point(s) of Delivery. Except in the case of the sale of power under a System Contract or Firm Contract, each Point of Receipt at which firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Service Agreement along with a corresponding capacity reservation associated with each Point of Receipt. For the transmission of power under a System Contract or Firm Contract across the Transmission Provider's Transmission System, the Transmission Customer need specify only the maximum capacity reservation at Points of Receipt or Points of Delivery, rather than specific MW for each Point of Receipt. In all other cases, each Point of Delivery at which firm transmission capacity is reserved by the Transmission Customer shall be set

forth in the Service Agreement along with a corresponding capacity reservation associated with each Point of Delivery. The greater of either (1) the sum of the capacity reservations at the Point(s) of Receipt, or (2) the sum of the capacity reservations at the Point(s) of Delivery shall be the Transmission Customer's Reserved Capacity. The Transmission Customer will be billed for its Reserved Capacity under the terms of Schedule 8. The Transmission Customer may not exceed its firm capacity reserved at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 36. In the event that a Transmission Customer (including Third-Party Sales by the Participants) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery, it shall pay 150% of the charge which is otherwise applicable for each Kilowatt of the excess.

**27.8 Scheduling of Firm Point-To-Point Transmission Service:**

Unless other schedules are permitted pursuant to NEPOOL rules, schedules for the Transmission Customer's Firm Point-To-Point Transmission Service for Through or Out

Service must be submitted to the System Operator no later than noon of the day prior to commencement of such service. Schedules submitted after noon will be accommodated, if practicable. Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of 1000 kW per hour. Transmission Customers with multiple requests for Firm Point-To-Point Transmission Service at a Point of Receipt, each of which request is under 1000 kW per hour, may consolidate their service requests at a common Point of Receipt into units of 1000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to thirty-five minutes before the start of the next clock hour, provided that the Delivering Party and Receiving Party also agree to the schedule modification. The System Operator will furnish to the Delivering Party's system operator hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and will deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately



notify the System Operator, and the System Operator will have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

## **28 Nature of Non-Firm Point-To-Point Transmission Service**

**28.1 Term:** Non-Firm Point-To-Point Transmission Service will be available as Through or Out Service for periods ranging from one hour to one month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service for Through or Out Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 32.3.

**28.2 Reservation Priority:** Non-Firm Point-To-Point Transmission Service for Through or Out Service shall be available from transmission capability in excess of that needed for reliable service to Native Load Customers, Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be

assigned to reservations with a longer duration of service. In the event the NEPOOL Transmission System is constrained, competing requests of equal duration will be prioritized as may be determined by the System Operator with the approval of the Management Committee.

Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term reservation before being preempted. Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service for Through or Out Service. Non-Firm Point-To-Point Transmission Service for Through or Out Service over secondary Point(s) of Receipt and Point(s) of Delivery will have the lowest reservation priority under this Tariff.

**28.3 Use of Non-Firm Point-To-Point Transmission Service by the Transmission Provider:** The Participants will be subject to the rates, terms and conditions of Part V of this Tariff when taking Through or Out Service for Third-Party Sales under (i) agreements executed on or after November 1, 1996 or (ii) agreements executed prior

to the aforementioned date that the Commission requires to be unbundled, by the date specified by the Commission. The Participant will maintain separate accounting, pursuant to Section 8, for any use of Through or Out Service to make Third-Party Sales.

**28.4 Service Agreements:** The System Operator shall offer a standard form Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Non-Firm Point-To-Point Transmission Service for Through or Out Service pursuant to the Tariff. Executed Service Agreements that contain the information required under this Tariff shall be filed with the Commission in compliance with applicable Commission regulations.

**28.5 Classification of Non-Firm Point-To-Point Transmission Service:** Non-Firm Point-To-Point Transmission Service shall be offered as Through or Out Service under terms and conditions contained in Part IV of this Tariff. The NEPOOL Participants undertake no obligation under this Tariff to plan the NEPOOL Transmission System in order to have sufficient capacity for Non-Firm Point-To-Point Transmission Service. Parties requesting Non-Firm

Point-To-Point Transmission Service for the transmission of firm power as Through or Out Service do so with the full realization that such service is subject to availability and to Curtailment or Interruption under the terms of this Tariff. The System Operator shall specify the rate treatment and all related terms and conditions applicable in the event that a Transmission Customer (including Third-Party Sales by a Participant) exceeds its non-firm capacity reservation.

- (a) Non-Firm Point-To-Point Transmission Service as Through or Out Service shall include transmission of energy on an hourly basis and transmission of scheduled short-term capacity and energy on a daily, weekly or monthly basis, but not to exceed one month's reservation for any one Application.
- (b) Except in the case of the transmission of power under a System Contract or Firm Contract, each Point of Receipt at which non-firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Application along with a corresponding capacity reservation associated with each Point of Receipt. For the transmission of

System Power across Transmission Provider's Transmission System, the Transmission Customer need specify only the maximum capacity reservation at Points of Receipt or Points of Delivery, rather than specific MW for each Point of Receipt.

#### **28.6 Scheduling of Non-Firm Point-to-Point Transmission**

**Service:** Unless other schedules are permitted pursuant to NEPOOL rules, schedules for Non-Firm Point-To-Point Transmission Service as Through or Out Service must be submitted to the Transmission Provider no later than noon of the day prior to commencement of such service. Schedules submitted after noon will be accommodated, if practicable. Hour-to-hour schedules of energy that is to be delivered must be stated in increments of 1,000 kW per hour. Transmission Customers within the NEPOOL Control Area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their schedules at a common Point of Receipt into units of 1,000 kW per hour.

Scheduling changes will be permitted up to thirty-five minutes before the start of the next clock hour provided that the Delivering Party and Receiving party also agree

to the schedule modification. The System Operator will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and capacity and energy provided by such schedules. Should the Transmission Customer, Delivery Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the System Operator, and the System Operator shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

**28.7 Curtailment or Interruption of Service:** The System Operator reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under this Tariff as Through or Out Service for reliability reasons when, an emergency or other unforeseen condition threatens to impair or degrade the reliability of the NEPOOL Transmission System. The Transmission Provider reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under this Tariff as Through or Out Service for economic reasons in order to

accommodate (1) a request for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, or (4) transmission service for Network Customers from non-designated resources. The System Operator also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service furnished as Through or Out Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g., hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be

Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service furnished as Through or Out Service under this Tariff. Non-Firm Point-To-Point Transmission Service furnished as Through or Out Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under this Tariff. The System Operator will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

## **29 Service Availability**

**29.1 General Conditions:** Firm Point-To-Point Transmission Service as Through or Out Service over, on or across the NEPOOL Transmission System is available to any Transmission Customer that has met the requirements of Section 26 or Section 31.

### **29.2 Determination of Available Transmission Capability:**

A description of NEPOOL's specific methodology for assessing available transmission capability posted on



the NEPOOL OASIS(Section 5) is contained in Attachment C of this Tariff. In the event sufficient transmission capability may not exist to accommodate a service request, a System Impact Study will be performed.

### **29.3 Initiating Service in the Absence of an Executed Service**

**Agreement:** If the System Operator and the Transmission Customer requesting Firm Point-To-Point Transmission Service cannot agree on all the terms and conditions of the applicable Service Agreement, the System Operator will file with the Commission, within thirty days after the date the Transmission Customer provides written notification directing the System Operator to file, an unexecuted Service Agreement containing terms and conditions deemed appropriate by the System Operator for such requested transmission service. The service will be commenced subject to the Transmission Customer agreeing to (i) pay whatever rate the Commission ultimately determines to be just and reasonable, and (ii) comply with the terms and conditions of this Tariff including posting appropriate security deposits in accordance with the terms of Section 31.3.

### **29.4 Obligation to Provide Transmission Service that Requires**

**Expansion or Modification of the Transmission System:**

If it is determined that the service requested in a Completed Application for Long-Term Firm Point-To-Point Transmission Service as Through or Out Service cannot be provided because of insufficient capability on the NEPOOL Transmission System, one or more Participants or other entities will be designated to use due diligence to expand or modify the NEPOOL Transmission System to provide the requested Long-Term Firm Point-to-Point Transmission Service as Through or Out Service, provided that the Transmission Customer agrees to compensate the Participants or other entities that will be responsible for the construction of any new facilities or upgrades for the costs of such new facilities or upgrades pursuant to the terms of Section 39. The System Operator and the designated Participants or other entities will conform to Good Utility Practice in determining the need for new transmission facilities or upgrades and in coordinating the design and construction of such facilities. This obligation applies only to those facilities that the designated Participants or other entities have the right to expand or modify.

**29.5 Deferral of Service:** Long-Term Firm Point-To-Point

Transmission Service as Through or Out Service may be deferred until the designated Participants or other entities complete construction of new transmission facilities or upgrades needed to provide such service whenever it is determined that providing the requested service would, without such new facilities or upgrades, impair or degrade reliability to any existing Firm Transmission Service.

**29.6 Real Power Losses:** Real power losses are associated with all transmission service. NEPOOL is not obligated to provide real power losses. The applicable real power loss factor shall be determined by the System Operator on the basis of incremental loss studies on a transaction basis.

**30 Transmission Customer Responsibilities****30.1 Conditions Required of Transmission Customers:** Firm

Point-To-Point Transmission Service as Through or Out Service will be provided only if the following conditions are satisfied by the Transmission Customer:

- a. The Transmission Customer has pending a Completed Application for service, if required pursuant to

Section 26;

- b. In the case of a Non-Participant, the Transmission Customer meets the creditworthiness criteria set forth in Section 11;
- c. The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to the Point of Receipt prior to the time service under the Tariff commences;
- d. The Transmission Customer agrees to pay for any facilities or upgrades constructed or any redispatch costs chargeable to such Transmission Customer under this Tariff, whether or not the Transmission Customer takes service for the full term of its reservation; and
- e. If required, the Transmission Customer has executed an applicable Service Agreement or has agreed to receive service pursuant to Section 29.3.

**30.2 Transmission Customer Responsibility for Third-Party**

**Arrangements:** Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting

service. (If Local Network Service will be required, the System Operator shall notify the Transmission Customer and the affected Participants.) The Transmission Customer shall provide, unless waived by the System Operator, notification to the System Operator identifying such other electric systems and authorizing them to schedule the capacity and energy to be transmitted pursuant to this Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. The System Operator will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

### **31 Procedures for Arranging Firm Point-To-Point Transmission Service**

**31.1 Application:** Subject to Section 26, a request for Firm Point-To-Point Transmission Service for periods of one month or longer must be made in an Application, delivered to the New England Power Pool, One Sullivan Road, Holyoke, MA 01040-2841 or, following the

activation of the ISO, to the ISO at the same address, or such other address as may be specified from time to time. The request should be delivered at least sixty days in advance of the calendar month in which service is requested to commence. The System Operator will consider requests for such firm service on shorter notice when practicable. Requests for firm service for periods of less than one year will be subject to expedited procedures that will be negotiated between the System Operator and the party requesting service within the time constraints provided in Section 27.8. All Firm Point-To-Point Transmission Service requests for Through or Out Service should be submitted by entering the information listed below on the NEPOOL OASIS. Prior to implementation of the NEPOOL OASIS, a Completed Application may be submitted by (i) transmitting the required information to NEPOOL by telefax, or (ii) providing the information by telephone over NEPOOL's time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the priority of the Application.

**31.2 Completed Application:** A Completed Application for Firm

Point-To-Point Transmission as Through or Out Service shall provide all of the information included at 18 C.F.R. §2.20 of the Commission's regulations, including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under this Tariff;
- (iii) The location of the Point(s) of Receipt and Point(s) of Delivery and the identities of the Delivering Parties and the Receiving Parties;
- (iv) The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. The System Operator will treat this information as confidential in accordance with the NEPOOL information policy except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice. The System Operator will treat this information consistent with the standards of conduct contained in 18 C.F.R. § 37 of the Commission's regulations;
- (v) A description of the supply characteristics of the capacity and energy to be delivered;
- (vi) An estimate of the capacity and energy expected to be delivered to the Receiving Party;
- (vii) The Service Commencement Date and the term of the requested transmission service; and

- (viii) The transmission capacity requested for each Point of Receipt and each Point of Delivery on the NEPOOL Transmission System; customers may combine their requests for service in order to satisfy the minimum transmission capacity requirement.

The System Operator will treat this information consistent with the standards of conduct contained in 18 C.F.R. Part 37 of the Commission's regulations.

**31.3 Deposit:** A Completed Application for Firm Point-To-Point Transmission Service as Through or Out Service by a Non-Participant shall also include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service requests of less than one month. If the Application is rejected by the System Operator because it does not meet the conditions for service as set forth herein, or in the case of requests for service arising in connection with losing bidders in a request for proposals (RFP), the deposit will be returned with Interest, less any reasonable Administrative Costs incurred by the System Operator or any affected Participants in connection with the review of the Application. The deposit also will be returned with Interest less any reasonable



Administrative Costs incurred by the System Operator or any affected Participants if the new facilities or upgrades needed to provide the service cannot be completed. If an Application is withdrawn or the Eligible Customer decides not to enter into a Service Agreement for the Service, the deposit will be refunded in full, with Interest, less reasonable Administrative Costs incurred by the System Operator or any affected Participants to the extent such costs have not already been recovered from the Eligible Customer. The System Operator will provide to the Eligible Customer a complete accounting of all costs deducted from the refunded deposit, which the Eligible Customer may contest if there is a dispute concerning the deducted costs. Deposits associated with construction of new facilities or upgrades are subject to the provisions of Section 33. If a Service Agreement for Firm Point-To-Point Transmission Service is executed, the deposit, with interest, will be returned to the Transmission Customer upon expiration of the Service Agreement. Applicable Interest will be calculated from the day the deposit is credited to the System Operator's account.

**31.4 Notice of Deficient Application:** If an Application fails to meet the requirements of this Tariff, the System Operator will notify the entity requesting service within fifteen days of the System Operator's receipt of the Application of the reasons for such failure. The System Operator will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, the System Operator will return the Application, along with any deposit (less the reasonable Administrative Costs incurred by the System Operator or any affected Participants in connection with the Application), with Interest. Upon receipt of a new or revised Application that fully complies with the requirements of this Tariff, the Eligible Customer will be assigned a new priority based upon the date of receipt by the System Operator of the new or revised Application.

**31.5 Response to a Completed Application:** Following receipt of a Completed Application for Firm Point-To-Point Transmission Service as Through or Out Service, or compliance with Section 26, whichever is applicable, a

determination of available transmission capability will be made pursuant to Section 29.2 or 26, whichever is applicable. The Eligible Customer will be notified as soon as practicable, but not later than thirty days after the date of receipt of a Completed Application, if required, that either (i) service will be provided without performing a System Impact Study, or (ii) such a study is needed to evaluate the impact of the Application pursuant to Section 33.1.

**31.6 Execution of Service Agreement:** Whenever the System Operator determines that a System Impact Study is not required and that the requested service can be provided, it will notify the Eligible Customer as soon as practicable but no later than thirty days after receipt of the Completed Application, and will tender a Service Agreement to the Eligible Customer. Failure of an Eligible Customer to execute and return the Service Agreement or request the filing of an unexecuted Service Agreement pursuant to Section 29.3, within fifteen days after it is tendered by the System Operator shall be deemed a withdrawal and termination of the Application and any deposit (less the reasonable Administrative

Costs incurred by the System Operator and any affected Participants in connection with the Application) submitted will be refunded with Interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination. Where a System Impact Study is required, the provisions of Section 33 will govern the execution of a Service Agreement.

**31.7 Extensions for Commencement of Service:** The Transmission Customer can obtain up to five one-year extensions for the commencement of service. The Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Point-To-Point Transmission Service as Through or Out Service for each year or fraction thereof. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Point-To-Point Transmission Service, and such request can be satisfied only by releasing all or part of the Transmission Customer's Reserved Capacity, the original Reserved Capacity will be released unless the following condition

is satisfied: within thirty days, the original Transmission Customer agrees to pay the applicable rate for Firm Point-To-Point Transmission Service as Through or Out Service for its Reserved Capacity for the period that its reservation overlaps the period covered by such Eligible Customer's Completed Application. In the event the Transmission Customer elects to release the Reserved Capacity, the reservation fees or portions thereof previously paid will be forfeited.

## **32 Procedures for Arranging Non-Firm Point-To-Point Transmission Service**

**32.1 Application:** Eligible Customers seeking Non-Firm Point-To-Point Transmission Service for Through or Out Service must submit a Completed Application to the System Operator. Applications should be submitted by entering the information listed below on the NEPOOL's OASIS. Prior to implementation of the NEPOOL OASIS, a Completed Application may be submitted by (i) transmitting the required information to the System Operator by telefax, or (ii) providing the information by telephone over the System Operator's time recorded telephone line. Each of these methods will provide a

time-stamped record for establishing the service priority of the Application.

**32.2 Completed Application:** A Completed Application shall provide all of the information included in 18 C.F.R.

§2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under this Tariff;
- (iii) The Point(s) of Receipt and the Point(s) of Delivery;
- (iv) The maximum amount of capacity requested at each Point of Receipt and Point of Delivery; and
- (v) The proposed dates and hours for initiating and terminating transmission service hereunder.

In addition to the information specified above, when required to properly evaluate system conditions, the System Operator also may ask the Transmission Customer to provide the following:

- (vi) The electrical location of the initial source of the power to be transmitted pursuant to the Transmission Customer's request for service; and

(vii) The electrical location of the ultimate load. The System Operator will treat this information in (vi) and (vii) as confidential at the request of the Transmission Customer except to the extent that disclosure of this information is required by this Tariff, by regulator or judicial order, for reliability purposes pursuant to Good Utility Practice, or pursuant to RTG transmission information sharing agreements. The System Operator shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

### **32.3 Reservation of Non-Firm Point-To-Point Transmission**

**Service:** Requests for monthly service shall be submitted no earlier than sixty days before service is to commence; requests for weekly service shall be submitted no earlier than fourteen days before service is to commence, requests for daily service shall be submitted no earlier than five days before service is to commence, and requests for hourly service shall be submitted no earlier than noon the second day before service is to commence. Requests for service received later than noon prior to the day service is scheduled to commence will

be accommodated if practicable.

#### **32.4 Determination of Available Transmission Capability:**

Following receipt of a tendered schedule the System Operator will make a determination on a non-discriminatory basis of available transmission capability pursuant to Section 29.2. Such determination shall be made as soon as reasonably practicable after receipt, but not later than the following time periods for the following terms of service (i) thirty-five minutes for hourly service, (ii) thirty-five minutes for daily service, (iii) four hours for weekly service, and (iv) two days for monthly service.

### **33 Additional Study Procedures For Firm Point-To-Point Transmission Service Requests**

**33.1 Notice of Need for System Impact Study:** After receiving a request for Firm Point-To-Point Transmission Service as Through or Out Service, the System Operator will review the effect of the proposed service on the reliability requirements to meet existing and pending obligations of the Participants and the obligations of the particular Participants whose PTF facilities will be impacted by the proposed service and determine on a



non-discriminatory basis whether a System Impact Study is needed. A description of the methodology for completing a System Impact Study is provided in Attachment D. If the System Operator determines that a System Impact Study is necessary to accommodate the requested service, as soon as practicable thereafter the System Operator will so inform the Eligible Customer and any affected Participants if the System Impact Study is to be performed by the Participants. If the likely result of the study is that a Direct Assignment Facility will be required, the study shall be performed by the affected Participants, subject to review by the System Operator. In such cases, the System Operator will within thirty days of receipt of a Completed Application, or compliance with Section 26, whichever is applicable, tender a System Impact Study agreement in the form of Exhibit I to this Tariff, or in any other form that is mutually agreed to, pursuant to which the Eligible Customer shall agree to reimburse NEPOOL and any affected Participants for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall

execute the System Impact Study agreement and return it to the System Operator within fifteen days. If the Eligible Customer elects not to execute a System Impact Study agreement, its application shall be deemed withdrawn and its deposit (less the reasonable Administrative Costs incurred by the System Operator and any affected Participants in connection with the Application), will be returned with Interest.

**33.2 System Impact Study Agreement and Cost Reimbursement:**

- (i) The System Impact Study agreement shall clearly specify the maximum charge, based on the System Operator's estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, the System Operator and any affected Participants will rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer shall not be assessed a charge for such existing studies; however, the Eligible Customer shall be responsible for charges associated with any modifications to existing

planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the NEPOOL Transmission System.

- (ii) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for the System Operator to accommodate the requests for service, the costs of that study will be equitably pro-rated among the Eligible Customers.
- (iii) For System Impact Studies that the System Operator and any affected Participants conduct on behalf of the Participants, the Participants will record the cost of the System Impact Studies pursuant to Section 8.5.

**33.3 System Impact Study Procedures:** Upon receipt of an executed System Impact Study agreement, the System Operator and any affected Participants will use due diligence to complete the required System Impact Study within a sixty day period. The System Impact Study shall identify any system constraints and redispatch

options and the need for additional Direct Assignment Facilities or facility additions or upgrades required to provide the requested service. In the event that the required System Impact Study cannot be completed within such time period, the System Operator will so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required study and an estimate of any increase in cost which will result from the delay. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer. The System Operator will use the same due diligence in completing the System Impact Study for an Eligible Customer that is a Non-Participant as it uses when completing studies for the Participants. The System Operator will notify the Eligible Customer immediately upon completion of the System Impact Study if the NEPOOL Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. Within fifteen days of completion of the System Impact Study,

the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement pursuant to Section 29.3, or the Application shall be deemed terminated and withdrawn.

**33.4 Facilities Study Procedures:** If a System Impact Study indicates that additions or upgrades to the NEPOOL Transmission System are needed to supply the Eligible Customer's service request, the System Operator, within thirty days of the completion of the System Impact Study, will tender to the Eligible Customer a Facilities Study agreement in the form of Exhibit J to this Tariff, or in any other form that is mutually agreed to, pursuant to which the Eligible Customer shall agree to reimburse the System Operator and any affected Participants or other entity designated by the System Operator for performing any required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study agreement and return it to the System Operator within fifteen days. If the Eligible Customer elects not to execute the Facilities Study agreement, its application shall be deemed withdrawn and its deposit (less the

reasonable Administrative Costs incurred by the System Operator and any affected Participants in connection with the Application) will be returned with Interest. Upon receipt of an executed Facilities Study agreement, the System Operator and any affected Participants or other designated entity will use due diligence to cause the required Facilities Study to be completed within a sixty day period. If a Facilities Study cannot be completed in the allotted time period, the System Operator will notify the Transmission Customer and provide an estimate of the time needed to reach a final determination and any resulting increase in the cost, along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study shall include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Transmission Customer, or (ii) the Transmission Customer's appropriate share of the cost of any required additions or upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Transmission Customer shall provide a letter of credit or other reasonable form of

security acceptable to the Participant(s) or other entities that will be responsible for the construction of the new facilities or upgrades equivalent to the costs of the new facilities or upgrades and consistent with relevant commercial practices, as established by the Uniform Commercial Code. The Transmission Customer shall have thirty days to execute a Service Agreement or request the filing of an unexecuted Service Agreement with the Commission and provide the required letter of credit or other form of security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

**33.5 Facilities Study Modifications:** Any change in design arising from inability to site or construct proposed facilities will require development of a revised good faith estimate. New good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of the Participants or other entities that are responsible for the construction of the new facilities or upgrades and that significantly affect the final cost

of the new facilities or upgrades to be charged to the Transmission Customer pursuant to the provisions of this Tariff.

**33.6 Due Diligence in Completing New Facilities:** The System Operator will use due diligence to designate Participants or other entities to add necessary facilities or upgrade the NEPOOL Transmission System within a reasonable time. A Participant or other entity will have no obligation to upgrade its existing or planned transmission system in order to provide the requested Firm Point-To-Point Transmission Service as Through or Out Service if doing so would impair system reliability or otherwise impair or degrade existing firm service.

**33.7 Partial Interim Service:** If the System Operator determines that there will not be adequate transmission capability to satisfy the full amount of a Completed Application, or a request for service pursuant to Section 26, whichever is applicable, for Long-Term Firm Point-To-Point Transmission Service as Through or Out Service, the portion of the requested Service that can be accommodated without addition of any facilities or



upgrades and through redispatch will be offered and provided. However, there shall be no obligation to provide the incremental amount of requested Long-Term Firm Point-To-Point Transmission Service that requires the addition of facilities or upgrades to the NEPOOL Transmission System until such facilities or upgrades have been placed in service.

**33.8 Expedited Procedures for New Facilities:** In lieu of the procedures set forth above, the Eligible Customer shall have the option to expedite the process by requesting the System Operator to tender at one time, together with the results of required studies, an "Expedited Service Agreement" pursuant to which the Eligible Customer would agree to pay for all costs incurred pursuant to the terms of this Tariff. In order to exercise this option, the Eligible Customer shall request in writing an Expedited Service Agreement covering all of the above-specified items within thirty days of receiving the results of the System Impact Study identifying the need for facility additions or upgrades and costs to be incurred in providing the requested service. While the System Operator, on behalf of the Participants or other

entities that will be responsible for constructing the new facilities or upgrades, agrees to provide the Eligible Customer with its best estimate of the new facility costs and other charges that may be incurred, such estimate shall not be binding and the Eligible Customer shall agree in writing to pay for all costs incurred pursuant to the provisions of this Tariff. The Eligible Customer shall execute and return such an Expedited Service Agreement within fifteen days of its receipt or the Eligible Customer's request for service will cease to be a Completed Application and will be deemed terminated and withdrawn.

#### **34 Procedures if New Transmission Facilities for Firm**

##### **Point-To-Point Transmission Service Cannot be Completed**

**34.1 Delays in Construction of New Facilities:** If any event occurs that will materially affect the time for completion of new facilities for Firm Point-To-Point Service as Through or Out Service, or the ability to complete such facilities, the System Operator will promptly notify the Transmission Customer. In such circumstances, the System Operator will within thirty days of notifying the Transmission Customer of such

delays, convene a technical meeting with the Transmission Customer and any affected Participants or other entities responsible for construction to evaluate the alternatives available to the Transmission Customer.

The System Operator and the affected Participants or other entities will make available to the Transmission Customer studies and work papers related to the delay, including all information that is in the possession of the System Operator or the Participants or other entities that are responsible for the construction of the new facilities or upgrades that is reasonably needed by the Transmission Customer to evaluate any alternatives.

**34.2 Alternatives to the Original Facility Additions:** When the review process of Section 34.1 determines that one or more alternatives exist to the originally planned construction project, the System Operator will present such alternatives for consideration by the Transmission Customer. If, upon review of any alternatives, the Transmission Customer desires to proceed with its Completed Application subject to construction of the alternative facilities, it may request the System

Operator to submit a revised Service Agreement. If the alternative approach solely involves Non-Firm Point-To-Point Transmission Service, the System Operator will promptly tender a Service Agreement for Non-Firm Point-To-Point Transmission Service providing for such service, if a Service Agreement is required for the service. In the event the System Operator and the affected Participants or other entities responsible for construction conclude that no reasonable alternative exists and the Transmission Customer disagrees, the Transmission Customer may seek relief under the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to the Commission for resolution.

**34.3 Refund Obligation for Unfinished Facility Additions:**

If the System Operator, the affected Participants or other entities responsible for construction and the Transmission Customer mutually agree that no other reasonable alternatives exist and the requested service cannot be provided out of existing capability under the conditions of this Tariff, the obligation to provide the requested Firm Point-To-Point Transmission Service as Through or Out Service shall terminate and any deposit

made by the Transmission Customer shall be returned, with Interest. The Transmission Customer shall be responsible for all costs prudently incurred by the System Operator and by the Participants or other entities that have been responsible for the construction of the new facilities or upgrades through the date that any required regulatory approval is denied or construction is suspended and for cost of removal, if necessary, of facilities constructed prior to suspension.

**35 Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities**

**35.1 Responsibility for Third-Party System Additions:**

Neither the System Operator nor any Participant will be responsible for making arrangements for any necessary engineering, permitting, and construction of transmission or distribution facilities on the system(s) of any other entity or for obtaining any regulatory approval for such facilities. The System Operator will undertake reasonable efforts to assist the Transmission Customer in obtaining such arrangements, including without limitation, providing any information or data

required by such other electric system pursuant to Good Utility Practice.

**35.2 Coordination of Third-Party System Additions:** In

circumstances where the need for transmission facilities or upgrades is identified pursuant to the provisions of this Tariff, and if such upgrades further require the addition of transmission facilities on third-party systems, the System Operator and the Participants or other entities that are responsible for the construction of any new facilities or upgrades on the NEPOOL Transmission System will have the right to coordinate construction on the NEPOOL Transmission System with the construction required by the third parties. The System Operator and the Participants or other entities that are responsible for the construction of any new facilities or upgrades on the NEPOOL Transmission System may, after consultation with the Transmission Customer and representatives of such other systems, defer construction of new transmission facilities or upgrades on the NEPOOL Transmission System if the new transmission facilities on another system cannot be completed in a timely manner. The System Operator will

notify the Transmission Customer in writing of the basis for any decision to defer construction and the specific problems that must be resolved before the construction of new facilities will be initiated or resumed. Within sixty days of receiving written notification by the System Operator of a decision to defer construction pursuant to this section, the Transmission Customer may challenge the decision in accordance with the dispute resolution procedures contained in Section 12 or it may refer the dispute to the Commission for resolution.

### **36 Changes in Service Specifications**

**36.1 Modifications on a Non-Firm Basis:** The Transmission Customer taking Firm Point-To-Point Transmission Service as Through or Out Service may submit a request to the System Operator for transmission service on a non-firm basis over Point(s) of Receipt and Point(s) of Delivery other than those specified in the Service Agreement ("Secondary Receipt and Delivery Points"), in amounts not to exceed the Transmission Customer's firm capacity reservation, without executing a new Service Agreement, subject to the following conditions:

(a) service provided over Secondary Receipt and

Delivery Points will be non-firm only, on an as-available basis, and will not displace any firm or non-firm service reserved or scheduled by Participants or Non-Participants under this Tariff or by the Participants on behalf of their Native Load Customers or Excepted Transactions;

- (b) the sum of all Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service provided to the Transmission Customer as Through or Out Service at any time pursuant to this section shall not exceed the Reserved Capacity specified in the relevant Service Agreement under which such services are provided;
- (c) the Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service as Through or Out Service at the Point(s) of Receipt and Point(s) of Delivery specified in the relevant Service Agreement in the amount of the Transmission Customer's original capacity reservation, and
- (d) all other requirements of this Tariff (except as to transmission rates) shall apply to transmission



service on a non-firm basis over Secondary Receipt and Delivery Points.

**36.2 Modification on a Firm Basis:** Any request by a Transmission Customer to modify Point(s) of Receipt and Point(s) of Delivery on a firm basis shall be treated as a new request for service in accordance with Section 31, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement. While such new request is pending, the Transmission Customer shall retain its priority for service at the firm Receipt Point(s) and Delivery Point(s) specified in the Transmission Customer's Service Agreement.

**37 Sale, Assignment or Transfer of Transmission Service**

**37.1 Procedures for Sale, Assignment or Transfer of Service:**

Subject to Commission action on any necessary filings, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement, but only to another Eligible Customer (the "Assignee").

The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement is

hereafter referred to as the "Reseller." Compensation to the Reseller shall not exceed the higher of (i) the original rate paid by the Reseller, (ii) the maximum applicable rate on file under this Tariff at the time of the assignment, or (iii) the Reseller's opportunity cost. If the Assignee does not request any change in the Point(s) of Receipt or the Point(s) of Delivery, or a change in any other term or condition set forth in the original Service Agreement, the Assignee shall receive the same services as did the Reseller and the priority of service for the Assignee shall be the same as that of the Reseller. A Reseller shall notify the System Operator as soon as possible after any sale, assignment or transfer of service occurs, but in any event, notification must be provided prior to any provision of service to the Assignee. The Assignee shall be subject to all terms and conditions of this Tariff. If the Assignee requests a change in service, the reservation priority of service will be determined by the System Operator pursuant to Section 27.2.

**37.2 Limitations on Assignment or Transfer of Service:** If the Assignee requests a change in the Point(s) of

Receipt or Point(s) of Delivery, or a change in any other specifications set forth in the original Service Agreement, the System Operator will consent to such change subject to the provisions of this Tariff, provided that the change will not impair the operation and reliability of the Participants' generation, transmission, or distribution systems. The Assignee shall compensate the System Operator and any affected Participants for performing any System Impact Study needed to evaluate the capability of the NEPOOL Transmission System to accommodate the proposed change and any additional costs resulting from such change. The Reseller shall remain liable for the performance of all obligations under the Service Agreement, except as specifically agreed to by the System Operator, the Reseller and the Assignee through an amendment to the Service Agreement.

**37.3 Information on Assignment or Transfer of Service:** In accordance with Section 5, Transmission Customers may use the NEPOOL OASIS to post information regarding transmission capacity available for resale.

### **38 Metering and Power Factor Correction at Receipt and Delivery**

**Points(s)**

**38.1 Transmission Customer Obligations:** Unless the System Operator otherwise agrees, the Transmission Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under this Tariff and to communicate the information to the System Operator. Such equipment shall remain the property of the Transmission Customer.

**38.2 NEPOOL Access to Metering Data:** The System Operator will have access to such metering data as may reasonably be required to facilitate measurements and billing under the Service Agreement.

**38.3 Power Factor:** Unless otherwise agreed, the Transmission Customer is required to maintain a power factor within the same range as the Participants maintain pursuant to Good Utility Practice and applicable NEPOOL requirements. The power factor requirements are specified in the Service Agreement, where applicable.

**39 Compensation for New Facilities and Redispatch Costs**

Whenever a System Impact Study performed in connection with the provision of Firm Point-To-Point Transmission Service as

Through or Out Service identifies the need for new facilities or upgrades, the Transmission Customer shall be responsible for such costs to the extent they are consistent with Commission requirements and the Agreement. Whenever a System Impact Study identifies capacity constraints that may be relieved more economically by redispatching the Participants' resources than by building new facilities or upgrading existing facilities to eliminate such constraints, the Transmission Customer shall be responsible for the redispatch costs to the extent consistent with applicable Commission requirements.

**VI. REGIONAL NETWORK SERVICE (INCLUDING NETWORK INTEGRATION TRANSMISSION SERVICE)**

The Participants will provide NEPOOL Regional Network Service, as described in Part II of this Tariff, including the service required to provide Network Integration Transmission Service, to Participants and Non-Participants pursuant to the applicable terms and conditions contained in this Tariff. Part II of this Tariff specifies the terms and conditions which are generally applicable to the receipt of Regional Network Service by both Participants and Non-Participants. This Part VI specifies additional provisions

with respect to the provision of Regional Network Service, including Network Integration Transmission Service, to Non-Participants and, subject to Section 26 of this Tariff to Participants.

#### **40 Nature of Network Integration Transmission Service**

##### **40.1 Scope of Service:** Network Integration Transmission

Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the NEPOOL Control Area and any additional load that may be designated pursuant to Section 43.3 of this Tariff. The Network Customer taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 4.

##### **40.2 Transmission Provider Responsibilities:** The NEPOOL

Participants will plan, construct, operate and maintain the NEPOOL Transmission System in accordance with Good Utility Practice in order to provide the Network Customer with Network Integration Transmission Service over the NEPOOL Transmission System. The Participants shall include the Network Customer's Network Load in

NEPOOL Transmission System planning and shall, consistent with Good Utility Practice, endeavor to construct and place into service sufficient transmission capacity to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to the Participants' delivery of their own generating and purchased resources to their Native Load Customers.

**40.3 Network Integration Transmission Service:** The

Participants will provide firm transmission service over the NEPOOL Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to the Participants' use of the NEPOOL Transmission System to reliably serve their Native Load Customers.

**40.4 Secondary Service:** The Network Customer may use the

NEPOOL Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge as part of Regional Network Service. Deliveries

from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under this Tariff.

**40.5 Real Power Losses:** Real Power Losses are associated with all transmission service. The Transmission Providers are not obligated to provide Real Power Losses. To the extent PTF losses are not specifically allocated through the market procedures provided for in Section 14 of the Agreement, total remaining PTF losses, minus point-to-point losses, shall be allocated to all load plus interruptible load on a load ratio basis.

**40.6 Restrictions on Use of Service:** The Network Customer is entitled to use Regional Network Service, including Network Integration Transmission Service for any of the uses specified in Part II of this Tariff.

## **41 Initiating Service**

**41.1 Condition Precedent for Receiving Service:** Subject to the terms and conditions of Parts II and VI of this Tariff, the Transmission Provider will provide Network Integration Transmission Service and other forms of Regional Network Service to any Non-Participant which is an Eligible Customer, provided that, subject to Section



26, (i) the Eligible Customer completes an Application for service as provided under Part VI of this Tariff, (ii) the Eligible Customer and the Transmission Provider complete the technical arrangements set forth in Sections 41.3 and 41.4, (iii) the Eligible Customer executes a Service Agreement pursuant to Attachment B for service under Part VI of this Tariff or requests in writing that the Transmission Provider file a proposed unexecuted Service Agreement with the Commission, and (iv) the Eligible Customer executes a Network Operating Agreement in the form of Exhibit H to this Tariff, or in any other form that is mutually agreed to, with the Transmission Provider.

**41.2 Application Procedures:** A Non-Participant which is an Eligible Customer requesting Regional Network Service under this Tariff must submit an Application, with a deposit approximating the charge for one month of service, to the Transmission Provider as far as possible in advance of the month in which service is to commence. Completed Applications for Regional Network Service will be assigned a priority according to the date and time the Application is received, with the earliest

Application receiving the highest priority.

Applications should be submitted by entering the information listed below on the NEPOOL OASIS to the extent feasible. Prior to implementation of the NEPOOL OASIS, a Completed Application may be submitted by (i) transmitting the required information to the System Operator by telefax, or (ii) providing the information by telephone over the System Operator's time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application. A Completed Application shall provide all of the information included in 18 CFR §2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the party requesting service;
- (ii) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under this Tariff;
- (iii) A description of the Network Load at each delivery point. This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each Transmission Provider substation at the same transmission voltage level. The description should include a ten year forecast of summer and winter load resource requirements

beginning with the first year after the service is scheduled to commence;

- (iv) The amount and location of any interruptible loads included in the Network Load. This shall include the summer and winter capacity requirements for each interruptible load (had such load not been interruptible), that portion of the load subject to Interruption, the conditions under which an Interruption can be implemented and any limitations on the amount and frequency of Interruptions. An Eligible Customer should identify the amount of interruptible customer load (if any) included in the ten year load forecast provided in response to (iii) above;
- (v) A description of Network Resources (current and ten-year projection), which shall include, for each Network Resource:
  - Unit size and amount of capacity from that unit to be designated as Network Resource
  - VAR capability (both leading and lagging) of all generators
  - Operating restrictions
    - Any periods of restricted operations throughout the year
    - Maintenance schedules
    - Minimum loading level of unit
    - Normal operating level of unit
    - Any must-run unit designations required for system reliability or contract reasons
  - Approximate variable generating cost (\$/MWH) for redispatch computations
  - Arrangements governing sale and delivery of power to third parties from generating facilities located in the Transmission Provider Control Area, where only a portion of unit output is designated as a Network Resource
  - Description of purchased power designated

as a Network Resource including source of supply, Control Area location, transmission arrangements and delivery point(s) to the Transmission Provider's Transmission System;

- (vi) Description of Eligible Customer's transmission system:
- Load flow and stability data, such as real and reactive parts of the load, lines, transformers, reactive devices and load type, including normal and emergency ratings of all transmission equipment in a load flow format compatible with that used by the Transmission Provider
  - Operating restrictions needed for reliability
  - Operating guides employed by system operators
  - Contractual restrictions or committed uses of the Eligible Customer's transmission system, other than the Eligible Customer's Network Loads and Resources
  - Location of Network Resources described in subsection (v) above
  - ten year projection of system expansions or upgrades
  - Transmission System maps that include any proposed expansions or upgrades
  - Thermal ratings of Eligible Customer's Control Area ties with other Control Areas; and
- (vii) Service Commencement Date and the term of the requested Network Integration Transmission Service. The minimum term for Network Integration Transmission Service is one year.

Unless the Parties agree to a different time frame, the System Operator must acknowledge the request within ten

days of receipt. The acknowledgment must include a date by which a response, including a Service Agreement, will be sent to the Eligible Customer. If an Application fails to meet the requirements of this section, the System Operator shall notify the Eligible Customer requesting service within fifteen days of receipt and specify the reasons for such failure. Wherever possible, the System Operator will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, the System Operator shall return the Application without prejudice to the Eligible Customer, who may thereafter file a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. The System Operator shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

**41.3 Technical Arrangements to be Completed Prior to  
Commencement of Service: Network Integration**

Transmission Service as part of Regional Network Service shall not commence until the Participants and the Network Customer, or a third party, have completed installation of all equipment specified under a Network Operating Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the NEPOOL Transmission System. The Participants shall exercise reasonable efforts, in coordination with the Network Customer, to complete such arrangements as soon as practicable taking into consideration the Service Commencement Date.

**41.4 Network Customer Facilities:** The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of each delivery point or interconnection necessary to reliably deliver capacity and energy from the NEPOOL Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing and operating and maintaining all facilities on the Network Customer's side of each such delivery

point or interconnection.

**41.5 Filing of Service Agreement:** The System Operator will file Service Agreements with the Commission in compliance with applicable Commission regulations.

## **42 Network Resources**

**42.1 Designation of Network Resources:** Network Resources shall include all generation owned or purchased by the Network Customer designated to serve Network Load under this Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

**42.2 Designation of New Network Resources:** The Network Customer may designate a new Network Resource by providing the System Operator with as much advance notice as practicable. A designation of a new Network

Resource must be made by a request for modification of service pursuant to an Application under Section 41.

**42.3 Termination of Network Resources:** The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource at any time but should provide notification to the System Operator as soon as reasonably practicable.

**42.4 Operation of Network Resources:** The Network Customer shall not operate any of its designated Network Resources which are not subject to Central Dispatch by NEPOOL, such that the output of those facilities exceeds its designated Network Load plus losses.

**42.5 Network Customer Redispatch Obligation:** As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by the System Operator pursuant to Section 45.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and the Participants.

**42.6 Transmission Arrangements for Network Resources Not Physically Interconnected With The NEPOOL Transmission**



**System:** The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with the NEPOOL Transmission System. The System Operator will undertake reasonable efforts to assist the Network Customer in obtaining such arrangements, including without limitation, providing any information or data required by such other entity pursuant to Good Utility Practice.

**42.7 Limitation on Designation of Network Resources:** The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under Part II of this Tariff.

**42.8 Use of Interface Capacity by the Network Customer:**

There is no limitation upon a Network Customer's use of the NEPOOL Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its

Network Loads. However, a Network Customer's use of the NEPOOL total interface capacity with other transmission systems may not exceed the Network Customer's Load Ratio Share.

#### **43 Designation of Network Load**

**43.1 Network Load:** The Network Customer must designate the individual Network Loads on whose behalf the Participants will provide through NEPOOL Network Integration Transmission Service. The Network Loads shall be specified in the Service Agreement.

**43.2 New Network Loads Connected With the NEPOOL Transmission System:** The Network Customer shall provide the System Operator with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to the NEPOOL Transmission System. A designation of new Network Load must be made through a modification of service pursuant to a new Application. The Participants will use due diligence to install or cause to be installed any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be

determined in accordance with the procedures provided in Section 44.4 and shall be charged to the Network Customer in accordance with Commission policies.

#### **43.3 Network Load Not Physically Interconnected with the**

**NEPOOL Transmission System:** This section applies to both initial designation pursuant to Section 43.1 and the subsequent addition of new Network Load not physically interconnected with the NEPOOL Transmission System. To the extent that the Network Customer desires to obtain transmission service for a load outside the NEPOOL Transmission System, the Network Customer shall have the option of (1) electing to include the entire load as Network Load for all purposes under Part VI of this Tariff and designating Network Resources in connection with such additional Network Load, or (2) excluding that entire load from its Network Load. To the extent that the Network Customer gives notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made through a modification of service pursuant to a new Application, and shall be available only so long as a scheduling and interconnection agreement acceptable to the System

Operator shall be required to be in effect with the Control Area in which the load is located. Charges for such portion of the service shall be based on the Through or Out Service rate applied to the amount reserved for the Network Load which is not physically interconnected with the NEPOOL Transmission System.

**43.4 New Interconnection Points:** To the extent the Network Customer desires to add a new Delivery Point or interconnection point between the NEPOOL Transmission System and a Network Load, the Network Customer shall provide the System Operator with as much advance notice as reasonably practicable.

**43.5 Changes in Service Requests:** Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (the addition of a new Network Resource or designation of a new Network Load) in any way relieve the Network Customer of its obligation to pay the costs of transmission facilities constructed by or for the Participants and charged to the Network Customer as reflected in the Service Agreement. However, the System Operator must treat any requested change in Network

Integration Transmission Service in a non-discriminatory manner.

**43.6 Annual Load and Resource Information Updates:** The

Network Customer shall provide the System Operator with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application under Part VI of this Tariff. The Network Customer also shall provide the System Operator with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting the Participants' ability to provide reliable service.

**44 Additional Study Procedures For Network Integration  
Transmission Service Requests**

**44.1 Notice of Need for System Impact Study:** After receiving a request for service, the System Operator shall review the effect of the requested service on the reliability requirements to meet existing and pending obligations of the Participant(s) and on the obligations of the particular Participant(s) whose PTF facilities will be

impacted by the proposed service and shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of the methodology for completing a System Impact Study is provided in Attachment D. If the System Operator determines that a System Impact Study is necessary to accommodate the requested service, it shall as soon as practicable inform the Eligible Customer and any affected Participant(s) if the System Impact Study is to be performed by the Participant(s). If the likely result of the study is that a Direct Assignment Facility will be required, the study shall be performed by the affected Participant(s), subject to review by the System Operator. In such cases, the System Operator shall within thirty days of receipt of a Completed Application, tender a System Impact Study agreement in the form of Attachment I to this Tariff, or in any other form that is mutually agreed to, pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall

execute a System Impact Study agreement and return it to the Transmission Provider within fifteen days. If the Eligible Customer elects not to execute a System Impact Study agreement, its Application shall be deemed withdrawn and its deposit (less the reasonable Administrative Costs incurred by the System Operator and any affected Participant(s)) shall be returned with Interest.

**44.2 System Impact Study Agreement and Cost Reimbursement:**

- (i) The System Impact Study agreement, whether in the form detailed in Attachment I or in any other form that is mutually agreed to, will clearly specify the maximum charge, based on the System Operator's actual estimate of the actual cost, and time for completion of the System Impact Study. The actual charge shall not exceed the actual cost of the study. In performing the System Impact Study, the System Operator and the affected Participants shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible

Customer will be responsible for charges associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the NEPOOL Transmission System.

- (ii) If in response to multiple Eligible Customers requesting service in relation to the same competitive solicitation, a single System Impact Study is sufficient for the System Operator and the affected Participants to accommodate the service requests, the costs of that study shall be pro-rated among the Eligible Customers.
- (iii) For System Impact Studies that the System Operator and any affected Participants conduct on behalf of the Participants, the Participants will record the cost of the System Impact Studies pursuant to Section 8.5.

**44.3 System Impact Study Procedures:** Upon receipt of an executed System Impact Study agreement, the System Operator and any affected Participants will use due diligence to complete the required System Impact Study within a 60 day period. The System Impact Study shall



identify any system constraints, redispatch options, or the need for Network Upgrades to provide the requested service. In the event that the System Operator and any affected Participants are unable to complete the required System Impact Study within such time period, the System Operator shall so notify the Eligible Customer and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies and an estimate of any increase in cost which will result from the delay. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer. The System Operator will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. The System Operator shall notify the Eligible Customer immediately upon completion of the System Impact Study if the NEPOOL Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within

fifteen days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn.

**44.4 Facilities Study Procedures:** If a System Impact Study indicates that additions or upgrades to the NEPOOL Transmission System are needed to supply the Eligible Customer's service request, the System Operator, within thirty days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study agreement in the form of Exhibit J to this Tariff, or in any other form that is mutually agreed to, pursuant to which the Eligible Customer shall agree to reimburse the System Operator and any affected Participants for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study agreement and return it to the Transmission Provider within fifteen days. If the Eligible Customer elects not to execute a Facilities Study agreement, its Application shall be deemed

withdrawn and its deposit (less the reasonable Administrative Costs incurred by the System Operator and any affected Participants) shall be returned with Interest. Upon receipt of an executed Facilities Study agreement, the System Operator and any affected Participants will use due diligence to complete the required Facilities Study within a sixty day period. If the System Operator and any affected Participants are unable to complete the Facilities Study in the allotted time period, the System Operator shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide the System Operator with a letter of credit or other reasonable

form of security acceptable to the System Operator equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

#### **45 Load Shedding and Curtailments**

**45.1 Procedures:** Prior to the Service Commencement Date, the System Operator and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the NEPOOL Transmission System. The Parties will implement such programs during any period when the System Operator determines that a system contingency exists and such procedures are necessary to alleviate such contingency. The System Operator will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

**45.2 Transmission Constraints:** During any period when the System Operator determines that a transmission constraint exists on the NEPOOL Transmission System, and such constraint may impair the reliability of the NEPOOL System, the System Operator will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of the system. To the extent the System Operator determines that the reliability of the System can be maintained by redispatching resources, the System Operator will initiate procedures pursuant to a Network Operating Agreement to redispatch all Network Resources and the Participants' own resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate between the Participants' use of the NEPOOL Transmission System on behalf of their Native Load Customers and any Network Customer's use of the Transmission System to serve its designated Network Load.

**45.3 Cost Responsibility for Relieving Transmission**

**Constraints:** To the extent not otherwise covered under

the Agreement, whenever the System Operator implements least-cost redispatch procedures in response to a transmission constraint, the Participants and Network Customers will each bear a proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

**45.4 Curtailments of Scheduled Deliveries:** If a transmission constraint on the NEPOOL Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and the System Operator determines that it is necessary to Curtail scheduled deliveries, the Parties shall Curtail such schedules in accordance with a Network Operating Agreement.

**45.5 Allocation of Curtailments:** The System Operator shall on a non-discriminatory basis, Curtail the transaction(s) that effectively relieve the constraint.

However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by the Participants and the Network Customer in proportion to their respective Load Ratio Shares. The System Operator shall not direct the Network Customer to Curtail schedules to an extent greater than the System

Operator would Curtail the Participants' schedules under similar circumstances.

**45.6 Load Shedding:** To the extent that a system contingency exists on the NEPOOL Transmission System and the System Operator determines that it is necessary for the Participants and the Network Customer to shed load, the Parties shall shed load in accordance with previously established procedures under the Network Operating Agreement, or in accordance with other mutually agreed-to provisions.

**45.7 System Reliability:** Notwithstanding any other provisions of this Tariff, the System Operator reserves the right, consistent with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on the part of the System Operator or the Participants for the purpose of making necessary adjustments to, changes in, or repairs on the Participants' lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on the NEPOOL

Transmission System or on any other system(s) directly or indirectly interconnected with the NEPOOL Transmission System, the System Operator, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or transmission facilities, or (iii) expedite restoration of service. The System Operator will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will be not unduly discriminatory relative to the Participants' use of the Transmission System on behalf of their Native Load Customers. The Network Operating Agreement shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.

#### **46 Rates and Charges**

The Network Customer shall pay the Transmission Provider for any Direct Assignment Facilities, Ancillary Services, and



applicable study costs, consistent with Commission policy, along with the charge for Regional Network Service provided in Part II of this Tariff.

#### **46.1 Determination of Network Customer's Monthly Network**

**Load:** The Network Customer's "Monthly Network Load" is its hourly load (including its designated Network Load not physically interconnected with the Transmission Provider under Section 43.3) coincident with the coincident aggregate load of the Participants and other Network Customers served in each Local Network in the hour in which the coincident load is at its maximum for the month ("Monthly Peak").

**46.2 Redispatch Charge:** To the extent not otherwise covered under the Agreement, the Network Customer shall pay a Load Ratio Share of any redispatch costs allocated between the Network Customer and the Participants pursuant to Section 45. To the extent that the Participants incur an obligation to the Network Customer for redispatch costs in accordance with Section 45, such amounts shall be credited against the Network Customer's bill for the applicable month.

### **47 Operating Arrangements**

**47.1 Operation under The Network Operating Agreement:** The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement which shall be in the form of Exhibit H to this Tariff, or in any other form that is mutually agreed to.

**47.2 Network Operating Agreement:** The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part VI of the Tariff shall be specified in the Network Operating Agreement. The Network Operating Agreement shall provide for the Parties to (i) operate and maintain equipment necessary for integrating the Network Customer within the NEPOOL Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), (ii) transfer data between the System Operator and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside the

NEPOOL Transmission System, interchange schedules, unit outputs for redispatch required under Section 45, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint dispatching, (iv) exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part VI of this Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either (i) operate as a Control Area under applicable guidelines of the North American Electric Reliability Council (NERC) and the Northeast Power Coordinating Council, (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with the System Operator and the Participants, or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another Entity, consistent with Good Utility Practice, which satisfies NERC and the NPCC requirements. The System Operator shall not unreasonably refuse to accept contractual

arrangements with another entity for Ancillary Services.

**47.3 Network Operating Committee:** A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement, where the Network Customer is not a Participant. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall meet from time to time as need requires, but no less than once each calendar year.

**SCHEDULE 1****Scheduling, System Control and Dispatch Service**

Scheduling, System Control and Dispatch Service is the service required to schedule at the pool level the movement of power through, out of, within, or into the NEPOOL Control Area. It is anticipated that local level service would be provided under the Local Network Service tariffs of the individual Transmission Providers. For transmission service under this Tariff, this Ancillary Service can be provided only by the System Operator and the Transmission Customer must purchase this service from the System Operator. Charges for Scheduling, System Control and Dispatch Service are to be based on the expenses incurred by the System Operator, the satellite dispatch centers and the Participants to provide these services. A surcharge for these services will be added to the Through or Out Service rate. Transmission Customers taking Regional Network Service and Local Network Service will have a similar surcharge added to their Local Network Service rates pursuant to their individual tariffs.

The charges for service in conjunction with Regional Network Service may be recovered as described above for an initial period not exceeding six months and shall be superseded after such period by a rate under this Schedule to be determined and filed with the

Commission which shall be cost-based.

The System Operator expenses will be based on the functions required to provide these services and include, but are not limited to:

- Processing and implementation of requests for service, including support of the NEPOOL OASIS node;
- Coordination of transmission system operation and implementation of necessary control actions by the System Operator and support for these functions;
- Billing associated with transmission services provided under this Tariff;
- Transmission system planning which supports this service;
- Administrative costs associated with the aforementioned functions.

The satellite dispatch center expenses and the Participant expenses will in each case be an allocated portion of dispatch center expense for the PTF dispatch functions performed. Initially, 50% of the costs of the satellite dispatch centers and 0% of the scheduling, system control and dispatch centers of Participants will be allocated to PTF dispatch functions. This cost basis shall apply for a period not exceeding six months and shall be superseded after such period by a rate under this Schedule to be determined and filed with the Commission which shall be cost-based.

This surcharge shall be determined for the same period on which the PTF rate is based. The rate surcharge for each year is the amount derived by dividing the total annual expenses for providing the service by the sum of the average of the coincident Monthly Peaks (as defined in Section 46.1) of all Local Networks for the same calendar year.

**RATE SURCHARGE CALCULATION  
FOR YEAR ONE**

Total Allocated Expenses	\$11,720,093
--------------------------	--------------

Sum of the coincident Monthly Peaks of all Participants	17,823,928kW
--	--------------

Rate (Expenses/sum of Pks)	\$0.658
----------------------------	---------

**SCHEDULE 2****Reactive Supply and Voltage Control from  
Generation Sources Service**

In order to maintain transmission voltages on the NEPOOL Transmission System within acceptable limits, generation facilities are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation Sources Service must be provided for each transaction on the NEPOOL Transmission System. The amount of Reactive Supply and Voltage Control from Generation Sources Service that must be supplied with respect to a Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Participants.

Reactive Supply and Voltage Control from Generation Sources Service is to be provided through the Participants and the System Operator and the Transmission Customer must purchase this service from the Participants through the System Operator. The charges for such service for an initial period not exceeding six months shall be \$0 per Kilowatt and shall be superseded after such period by a rate to be determined and filed with the Commission which



NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 154

shall be cost-based.

**SCHEDULE 3****Regulation and Frequency Response Service  
(Automatic Generator Control)**

Regulation and Frequency Response Service (Automatic Generator Control) is necessary to provide for continuous balancing of resources (generation and interchange) with Load, and for maintaining scheduled interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service (Automatic Generation Control) is accomplished by committing on-line generation whose output is raised or lowered (predominantly through the use of automatic generating control equipment) as necessary to follow the moment-by-moment changes in Load. The obligation to maintain this balance between resources and Load lies with the System Operator and this service will be available to all Participants and other entities that serve Load within the NEPOOL Control Area which enter into separate agreements with NEPOOL through Interchange Transactions pursuant to the Agreement which result from NEPOOL central dispatch. The Transmission Customer must either take this service from the System Operator or through the Interchange or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service (Automatic Generator Control or AGC) obligation.

As of December 1, 1996, charges for this Service are determined under the Prior Agreement as follows:

Payments and reimbursements under the current AGC Billing System fall into two categories. First, those Participants who have either not made the appropriate installation arrangements, or who have responsibility for units that have not met the minimum AGC availability criterion, are required to pay into a Fixed Cost fund. The dollars collected in the fund are paid to lead Participants having AGC capability in accordance with a formula which provides for distribution of the Fixed Cost Fund. The billing for fixed costs is done on a calendar year basis, by April 1 of the following year. Second, the AGC Billing system compensates the lead Participants for the loss of efficiency and increased maintenance costs that are experienced as a result of AGC operation of their units. An amount representing an estimate of the total increased hourly operating costs is collected from all Participants pro rata to their hourly load. These collected funds are distributed to the lead Participants who incurred the costs. Billing for hourly costs is done on a monthly basis.

As of the Second Effective Date, charges for this Service will be determined on the basis of Bid Prices submitted by the Participants in accordance with Section 14 of the Agreement.

The transmission service required with respect to Regulation and Frequency Response Service (Automatic Generator Control) will be paid for as part of Regional Network Service by all Participants and other entities serving Load in the NEPOOL Control Area. The charge for Regional Network Service is specified in Schedule 9.

**SCHEDULE 4****Energy Imbalance Service**

Energy Imbalance Service is the service provided when a difference occurs between the scheduled and the actual delivery of energy to a Load located within the NEPOOL Control Area during a single hour. This service will be available to all Participants and other entities that serve Load within the NEPOOL Control Area which enter into separate agreements with NEPOOL through Interchange Transactions resulting from NEPOOL central dispatch at prices which will be determined in accordance with Section 12 of the Prior Agreement until the Second Effective Date, and which will be determined in accordance with Section 14 of the Agreement thereafter. The Transmission Customer may either supply its Load from its own resources or through bilateral transactions or obtain the service through Interchange Transactions. The transmission service required with respect to Interchange Transactions will be furnished as part of Regional Network Service to all Participants and other entities serving Load in the NEPOOL Control Area. The charge for Regional Network Service is specified in Schedule 9.

**SCHEDULE 5****Operating Reserve - 10-Minute Spinning Reserve Service**

10-Minute Spinning Reserve Service is a service needed to serve load immediately in the event of a system contingency. This service will be available to all Participants and other entities that serve load within the NEPOOL Control Area which enter into separate agreements with NEPOOL through Interchange Transactions resulting from NEPOOL central dispatch. The Transmission Customer may either supply this service with its own resources or through bilateral transactions or obtain the service through Interchange Transactions on terms determined until the Second Effective Date in accordance with Section 12 of the Prior Agreement, and on terms determined thereafter in accordance with Sections 14.4, 14.5 and 14.9 of the Agreement.

Under the Prior Agreement arrangements which will remain in effect until the Second Effective Date, operating reserve is provided through central dispatch and the after-the-fact own load energy billing arrangements. Prior Agreement, §§12.5 - 12.8. Participants that are deemed to carry operating reserve in any hour are entitled to share in distributions each month from the Pool Savings Fund. Prior Agreement §§14.1(e)(viii)(B) and 14.8(d). These arrangements are equally applicable to 10-Minute

Spinning Reserve Service, 10-Minute Non-Spinning Reserve Service and 30-Minute Reserve Service. Prior Agreement, §§12.5, 14.1(e)(viii)(B) and 14.8(d).

Under Sections 14.4, 14.5 and 14.9 of the Agreement, as it will be in effect after the Second Effective Date, the price to be paid for 10-Minute Non-Spinning Reserve Service or 30-Minute Operating Reserve Service received in any hour will be the Operating Reserve Clearing Price for the hour for that category of reserve service, as determined on the basis of bid prices to provide the service. Agreement, §14.9(a) and (b). After the Third Effective Date, the price to be paid for 10-Minute Spinning Reserve Service will be determined on the same basis. Agreement, §14.9(a) and (c). During the period from the Second Effective Date until the Third Effective Date, the price for 10-Minute Spinning Reserve Service will be equal to the "Lost Opportunity Clearing Price" for the hour and the lost opportunity costs, if any, for the generating units which supply the service, as determined in accordance with Section 14.9 of the Agreement. Agreement, §14.9(c) and (d).

The Transmission Service required with respect to Interchange Transactions will be furnished as part of Regional Network Service to all Participants and other entities serving Load in the NEPOOL

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 161

Control Area. The charge for Regional Network Service is determined in accordance with Section 16 of the Tariff and Schedule 9.



**SCHEDULE 6****Operating Reserve - 10-Minute Non-Spinning Reserve Service**

10-Minute Non-Spinning Reserve Service is a service needed to serve Load in the event of a system contingency. This service will be available to all Participants and other entities that serve Load within the NEPOOL Control Area which enter into separate agreements with NEPOOL through Interchange Transactions resulting from NEPOOL central dispatch. The Transmission Customer may either supply this service with its own resources or through bilateral transactions or obtain the service through Interchange Transactions on terms determined until the Second Effective Date in accordance with Section 12 of the Prior Agreement, and on terms determined thereafter in accordance with Sections 14.4, 14.5 and 14.9 of the Agreement.

Under the Prior Agreement arrangements which will remain in effect until the Second Effective Date, operating reserve is provided through central dispatch and the after-the-fact own load energy billing arrangements. Prior Agreement, §§12.5 - 12.8. Participants that are deemed to carry operating reserve in any hour are entitled to share in distributions each month from the Pool Savings Fund. Prior Agreement §§14.1(e)(viii)(B) and 14.8(d). These arrangements are equally applicable to 10-Minute

Spinning Reserve Service, 10-Minute Non-Spinning Reserve Service and 30-Minute Reserve Service. Prior Agreement, §§12.5, 14.1(e)(viii)(B) and 14.8(d).

Under Sections 14.4, 14.5 and 14.9 of the Agreement, as it will be in effect after the Second Effective Date, the price to be paid for 10-Minute Non-Spinning Reserve Service or 30-Minute Operating Reserve Service received in any hour will be the Operating Reserve Clearing Price for the hour for that category of reserve service, as determined on the basis of bid prices to provide the service. Agreement, §14.9(a) and (b). After the Third Effective Date, the price to be paid for 10-Minute Spinning Reserve Service will be determined on the same basis. Agreement, §14.9(a) and (c). During the period from the Second Effective Date until the Third Effective Date, the price for 10-Minute Spinning Reserve Service will be equal to the "Lost Opportunity Clearing Price" for the hour and the lost opportunity costs, if any, for the generating units which supply the service, as determined in accordance with Section 14.9 of the Agreement. Agreement, §14.9(c) and (d).

The Transmission Service required with respect to Interchange Transactions will be furnished as part of Regional Network Service to all Participants and other entities serving Load in the NEPOOL

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 164

Control Area. The charge for Regional Network Service is determined in accordance with Section 16 of the Tariff and Schedule 9.

**SCHEDULE 7****Operating Reserve - 30-Minute Reserve Service**

30-Minute Reserve Service is a service needed to serve Load in the event of a system contingency. This service will be available to all Participants and other entities that serve Load within the NEPOOL Control Area which enter into separate agreements with NEPOOL through Interchange Transactions resulting from NEPOOL central dispatch. The Transmission Customer may either supply this service with its own resources or through bilateral transactions or obtain the service through Interchange Transactions on terms determined until the Second Effective Date in accordance with Section 12 of the Prior Agreement, and on terms determined thereafter in accordance with Sections 14.4, 14.5 and 14.9 of the Agreement.

Under the Prior Agreement arrangements which will remain in effect until the Second Effective Date, operating reserve is provided through central dispatch and the after-the-fact own load energy billing arrangements. Prior Agreement, §§12.5 - 12.8. Participants that are deemed to carry operating reserve in any hour are entitled to share in distributions each month from the Pool Savings Fund. Prior Agreement §§14.1(e)(viii)(B) and 14.8(d). These arrangements are equally applicable to 10-Minute

Spinning Reserve Service, 10-Minute Non-Spinning Reserve Service and 30-Minute Reserve Service. Prior Agreement, §§12.5, 14.1(e)(viii)(B) and 14.8(d).

Under Sections 14.4, 14.5 and 14.9 of the Agreement, as it will be in effect after the Second Effective Date, the price to be paid for 10-Minute Non-Spinning Reserve Service or 30-Minute Operating Reserve Service received in any hour will be the Operating Reserve Clearing Price for the hour for that category of reserve service, as determined on the basis of bid prices to provide the service. Agreement, §14.9(a) and (b). After the Third Effective Date, the price to be paid for 10-Minute Spinning Reserve Service will be determined on the same basis. Agreement, §14.9(a) and (c). During the period from the Second Effective Date until the Third Effective Date, the price for 10-Minute Spinning Reserve Service will be equal to the "Lost Opportunity Clearing Price" for the hour and the lost opportunity costs, if any, for the generating units which supply the service, as determined in accordance with Section 14.9 of the Agreement. Agreement, §14.9(c) and (d).

The Transmission Service required with respect to Interchange Transactions will be furnished as part of Regional Network Service to all Participants and other entities serving Load in the NEPOOL

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 167

Control Area. The charge for Regional Network Service is determined in accordance with Section 16 of the Tariff and Schedule 9.

**SCHEDULE 8****Through or Out Service -****The Pool PTF Rate**

(1) Except as otherwise provided in Section 19 of the Tariff, a Transmission Customer shall pay to NEPOOL for firm or non-firm Through or Out Service reserved for it in accordance with Section 19 of the Tariff on the basis of the Pool PTF rate.

(2) The Pool PTF Rate in effect at any time shall be determined annually on the basis of the information for the most recent calendar year contained in Form 1 filings (or similar information on the books of Transmission Providers that are not required to submit a Form 1 filing) and shall be changed annually effective as of June 1 in each year. The Pool PTF rate shall be equal to the sum for all Participants of Annual Transmission Revenue Requirements determined in accordance with Attachment F divided by the sum of the coincident Monthly Peaks (as defined in Section 46.1) of all Local Networks. The rate for the period from the effective date of this Tariff until June 1, 1997 is determined on the basis of the information for 1995 contained in Form 1 filings (or similar information on the books of Transmission Providers that are not required to submit a Form 1 filing) and is \$15.61.

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 169



**SCHEDULE 9****Regional Network Service**

(1) A Transmission Customer which serves Load in the NEPOOL Control Area shall pay to NEPOOL each month for Regional Network Service the amount determined in accordance with the following formula:

$$A = 1/12 (R \cdot L)$$

in which

A = the amount to be paid

R = the Participant RNS Rate per Kilowatt for the current Year for the Participant which owns the Local Network from which the Customer's load is served

L = the Customer's Monthly Network Load for the month

Each Participant RNS Rate is to be determined in accordance with the remaining provisions of this Schedule 9. The Participants intend that the rate will be determined by looking separately at the costs associated with facilities which are in service at December 31, 1996, and the costs associated with new facilities which are placed in service after December 31, 1996. Costs of new facilities are to be shared regionally on a per Kilowatt basis in determining the rates of each of the Participants with a Local Network.

Costs of existing facilities are to be determined separately for each Participant and reflected in the rate for service to Transmission Customers serving load in the Participant's Local Network. This is subject to a band width which limits the variation of the Participant per Kilowatt cost from the average per Kilowatt cost for all Participants to not less than 70%, or more than 130%, of the average cost.

(2) The Pool RNS Rate per Kilowatt is \$1 in Year One, \$4 in Year Two, \$7 in Year Three, \$10 in Year Four and \$13 in Year Five and the period from the end of Year Five to the next succeeding June 1, and is equal to the Pool PTF Rate for each Year thereafter.

(3) The Participant RNS Rate for a Participant for a Year shall be a percentage of the Pool RNS Rate for the year and shall be equal to the Pool RNS Rate after the end of the transitional period described in paragraph (4) of this Schedule. The percentage for each Participant for each Year shall equal the percentage which the sum of (i) the Participant's pre-1997 Participant RNS Rate and (ii) the post-1996 Pool PTF Rate represents of (iii) the Pool PTF Rate for the Year.

(4) The pre-1997 Participant RNS Rate for each Participant shall be determined by comparing its individual pre-1997 PTF Rate, for the most recent calendar year for which information is available from Form 1 filings or otherwise to the pre-1997 Pool PTF Rate for the same calendar year. If the Participant's individual pre-1997 PTF Rate for a Year is less than the pre-1997 Pool PTF Rate, its pre-1997 Participant RNS Rate for the Year shall be the rate determined by reducing the pre-1997 Pool PTF Rate by the percentage which the Participant's pre-1997 PTF Rate is less than the pre-1997 Pool PTF Rate; provided that in no event shall its pre-1997 Participant RNS Rate be less than 70% of the pre-1997 Pool PTF Rate, until the end of Year Five, and thereafter shall be . . . .<sup>2</sup> If the Participant's individual pre-1997 PTF Rate is greater than the pre-1997 Pool PTF Rate, its pre-1997 Participant RNS Rate shall be the rate determined by increasing the pre-1997 Pool PTF Rate by the percentage which its pre-1997 Participant PTF Rate is greater than the pre-1997 Pool PTF Rate; provided that in no event shall its pre-1997 Participant RNS Rate be greater than 130% of the pre-1997 Pool PTF Rate until the end of Year Five, and

---

<sup>2</sup> The sentence shall be completed in accordance with the 33rd Amendment.

thereafter shall be . . . .<sup>3</sup> If for any Year the revenues to be received from the payment by Participants or other Transmission Customers of their respective applicable Participant RNS Rates will average more or less than the Pool PTF Rate per Kilowatt for the Year, each Participant RNS Rate will be increased or decreased, as appropriate, so that the revenues to be received per Kilowatt per Year will equal the Pool PTF Rate per Kilowatt for the Year.

(5) The individual pre-1997 PTF Rate of a Participant which owns a Local Network for a year is the amount derived annually by dividing its Annual Transmission Revenue Requirements for the most recent calendar year for which information is available from Form 1 filings (or similar information on the books of Transmission Providers that are not required to submit a Form 1 filing) with respect to PTF placed in service before January 1, 1997, as determined in accordance with Attachment F to this Tariff, by the average of the Monthly Peaks (as adjusted for losses) for the Local Network for the twelve months of the same calendar year.

---

<sup>3</sup> The sentence shall be completed in accordance with the 33rd Amendment.

(6) The pre-1997 Pool PTF Rate shall be determined in accordance with the following formula:

$$R = \frac{ATTR}{12CP}$$

and the post-1996 Pool PTF Rate shall be determined in accordance with the following formula:

$$R' = \frac{ATTR'}{12CP}$$

in which

R = the pre-1997 Pool PTF Rate

R' = the post-1996 Pool PTF Rate

ATTR = the aggregate of the Annual Transmission Revenue Requirements of the Participants with respect to PTF placed in service before January 1, 1997, as determined in accordance with Attachment F to this Tariff.

ATTR' = the aggregate of the Annual Transmission Revenue Requirements of the Participants with respect to PTF placed in service on or after January 1, 1997, including upgrades, modifications or additions to PTF placed in service before January 1, 1997, as determined in accordance with Attachment F to this Tariff.

12CP = the average of the sum of the Monthly Peaks for all Local Networks, as adjusted each month for NEPOOL losses, of all Participants and any other entities serving load in the NEPOOL Control Area for the twelve months of the calendar year on which the rate is based.

(7) As used in this Schedule, "Monthly Peak" and "Monthly Network

Load" each has the meaning specified in Section 46.1 of this Tariff.

(8) The individual Participant RNS Rates for Year One are as follows:

Bangor Hydro-Electric Company -	\$0.70
Boston Edison Company -	\$0.92
Central Maine Power Company -	\$1.06
Commonwealth Energy System Companies -	\$0.85
Eastern Utility Associates Companies -	\$0.73
New England Electric System Companies -	\$1.30
Northeast Utilities Companies -	\$0.83
The United Illuminating Company -	\$1.30
Vermont Utilities -	\$1.30

**SCHEDULE 10****Tie Benefit Service**

(1) A Transmission Customer shall pay to NEPOOL for each month for Tie Benefit Service received by it in accordance with the following formula:

$$A = 1/12 (T \cdot K)$$

in which:

A = the amount to be paid for each Kilowatt of Tie Benefit Service received in the form of a reduction of is Installed Capability Responsibility

T = \$10 per Kilowatt of Tie Benefit Service received per year in Years One to Five, inclusive, \$4 per Kilowatt per year in Years Six and Seven, \$3 per Kilowatt per year in Years Eight and Nine and \$2 per Kilowatt per year in Year Ten.

K = the number of Kilowatts of Tie Benefit Service received for the month, as determined in accordance with the definition of Tie Benefit Service.

**SCHEDULE 11****Transition Payments**

Transition Payments shall be made to NEPOOL by the Participants and Non-Participants identified below, and distributed by NEPOOL to the other Participants and Non-Participants identified below, in Years One through Five in accordance with the following schedule in which amounts in parentheses represent amounts to be paid and amounts not in parentheses represent amounts to be received:

Participant	Year				
	1	2	3	4	5
BECO	(3,460,409)	352,888	655,961	120,420	(1,189,302)
Braintree Elec. Light	1,019,985	936,404	830,078	783,424	804,749
Hingham Muni. Light	409,977	372,927	326,273	303,222	307,056
Hull Muni. Light	103,410	92,261	80,560	73,779	73,674
Reading Muni. Light	956,463	868,976	768,941	703,872	711,416
Bangor Hydro	(88,286)	301,113	666,716	1,033,609	1,396,701
Commonwealth Energy System*	(90,465)	210,166	316,383	358,522	290,808
Ct. Maine Power	(1,441,177)	(1,596,892)	(1,764,604)	(1,688,178)	(1,480,940)
EUA	(1,119,789)	(704,204)	(440,303)	(230,007)	(109,043)
Middleborough G&E	236,784	194,329	162,719	144,236	138,196
Pascoag Fire Dist.	1,759	(108)	(2,244)	(4,587)	(7,176)
Taunton Muni. Light	1,098,773	892,525	735,725	639,180	599,572
MMWEC	(50,883)	(162,834)	(214,811)	(204,589)	(133,698)
NEES	918,127	(822,712)	(341,538)	317,099	938,226
Ashburnham Muni. Light	4,187	(8,346)	(17,475)	(22,376)	(23,109)
Boylston Muni. Light	3,337	(9,004)	(18,125)	(23,227)	(24,373)
Danvers Elec.	67,873	(105,566)	(232,365)	(301,122)	(312,689)
Georgetown Muni. Light	8,919	9,124	7,991	6,682	4,718
Groton Elec.	13,176	12,863	10,788	8,428	5,169
Holden Muni. Light	39,964	36,850	29,950	22,208	12,384
Hudson L&P	294,644	130,282	8,412	(60,467)	(77,210)
Ipswich Muni. Light	155,143	157,653	156,972	156,179	154,044
Littleton Elec. L&W	(41,792)	(124,360)	(181,621)	(207,836)	(203,312)
Mansfield	83,288	76,729	62,449	46,434	26,162
Marblehead Muni. Light	69,348	18,273	(18,507)	(37,573)	(39,161)
Middleton	15,231	(26,935)	(67,844)	(74,736)	(77,817)
N. Attleboro Elec.	59,312	59,924	62,991	45,016	33,314
Paxton Muni. Light	1,824	969	(700)	(2,554)	(4,858)



Participant	Year				
	1	2	3	4	5
Peabody Muni. Light	762,626	544,564	386,925	304,244	295,500
Princeton Muni. Light	3,419	3,882	3,868	3,805	3,538
Rowley Muni. Light	6,179	7,068	7,021	6,920	6,406
Shrewsbury Elec.	261,921	130,398	35,838	(12,937)	(16,527)
Sterling Muni. Elec.	18,854	(1,024)	(15,612)	(23,612)	(25,121)
Templeton Muni. Light	37,375	546	(26,242)	(40,551)	(42,660)
Wakefield Muni. Light	(11,264)	(13,518)	(22,064)	(31,716)	(44,651)
W. Boylston Muni.	24,885	(6,344)	(29,299)	(41,940)	(44,425)
Fitchburg G&E	375,396	164,002	(1,323)	(76,301)	(68,833)
NU	(2,179,968)	(4,378,647)	(3,297,668)	(3,942,864)	(4,282,771)
Chicopee Muni. Light	64,797	201,419	350,157	487,426	622,938
CMEEC	183,949	853,425	1,584,866	2,271,496	2,957,717
Holyoke G&E	730,188	582,945	503,020	463,539	472,877
S. Hadley Elec. Light	18,825	56,492	97,244	133,714	168,892
Westfield G&E Light	43,266	132,131	228,580	316,265	401,865
Unitil	106,265	(33,568)	(105,421)	(212,591)	(310,800)
UI	337,711	545,920	(1,104,628)	(1,265,296)	(1,356,328)
VELCO	147,944	399,774	427,807	427,726	329,239
Maine Public Serv.**	(157,290)	(157,290)	(157,290)	(157,290)	(257,290)
Great Bay***	(43,706)	(186,474)	(348,273)	(526,097)	(722,268)

\* Includes Canal Electric Company, Cambridge Electric Light Company and Commonwealth Electric Company.

\*\* Reflects return of Tie Benefit payments made as part of Transition Payments.

\*\*\* Reflects return of Regional Network Service payments made as transmission support payments.

**ATTACHMENT A****Form of Service Agreement for  
Through or Out Service or Other Point-To-Point  
Transmission Service**

- 1.0 This Service Agreement, dated as of \_\_\_\_\_, is entered into, by and between the NEPOOL Participants acting through \_\_\_\_\_ (the "System Operator") and \_\_\_\_\_ ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the System Operator to have a Completed Application for Firm Transmission Service under this Tariff.
- 3.0 If required, the Transmission Customer has provided to the System Operator an Application deposit in the amount of \$\_\_\_\_\_, in accordance with the provisions of this Tariff.
- 4.0 Service under this Service Agreement shall commence on the later of (1) \_\_\_\_\_, or (2) the date on which construction of any Direct Assignment Facilities and/or facility additions or upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this Service Agreement shall terminate on \_\_\_\_\_. [The Service Agreement may be a blanket agreement for non-firm service.]
- 5.0 The Participants agree to provide, and the Transmission Customer agrees to take and pay for, Transmission Service in accordance with the provisions of the Tariff and this Service Agreement.

- 6.0 Any notice or request made to or by either party regarding this Service Agreement shall be made to the representative of the other party as indicated below.

NEPOOL Participants:

New England Power Pool  
One Sullivan Road  
Holyoke, MA 01040-2841

Transmission Customer:

---

---

---

- 7.0 The Tariff is incorporated in this Service Agreement and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

NEPOOL Participants:  
By [System Operator]

By: \_\_\_\_\_  
Name Title Date

Transmission Customer:

By: \_\_\_\_\_  
Name Title Date

Specifications For Through or Out Service or Other  
Firm Point-To-Point Transmission Service

- 1.0 Term of Transaction: \_\_\_\_\_  
Start Date: \_\_\_\_\_  
Termination Date: \_\_\_\_\_
- 2.0 Description of capacity and energy to be transmitted by  
Participants including the electric Control Area in which the  
transaction originates.  
\_\_\_\_\_
- 3.0 Point(s) of Receipt: \_\_\_\_\_  
Delivering party: \_\_\_\_\_
- 4.0 Point(s) of delivery: \_\_\_\_\_  
Receiving party: \_\_\_\_\_
- 5.0 Maximum amount of capacity and energy to be transmitted  
(Reserved Capacity): \_\_\_\_\_
- 6.0 Designation of party(ies) or other entity(ies) subject to  
reciprocal service obligation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 7.0 Name(s) of any intervening systems providing transmission  
service: \_\_\_\_\_  
\_\_\_\_\_

8.0 Service under this Service Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of this Tariff.)

8.1 Transmission Charge:\_\_\_\_\_

8.2 System Impact Study and/or Facilities Study Charge(s):

8.3 Direct Assignment Facilities Charge:\_\_\_\_\_

**ATTACHMENT B**

**Form Of Service Agreement For Regional  
Network Service, including  
Network Integration Transmission Service**

- 1.0 This Service Agreement, dated as of \_\_\_\_\_, is entered into, by and between the NEPOOL Participants acting through \_\_\_\_\_ (the "System Operator"), and \_\_\_\_\_ ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the System Operator to be a Transmission Customer under the Tariff and has requested Regional Network Service under the Tariff.
- 3.0 Regional Network Service (including, if requested, Network Integration Transmission Service) under this Agreement shall be provided by the NEPOOL Participants upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information the System Operator deem reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The Participants agree to provide and the Transmission Customer agrees to take and pay for Regional Network Service in accordance with the provisions of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either party regarding this Service Agreement shall be made to the representative of the other party as indicated below.

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 185

NEPOOL Participants:

New England Power Pool

One Sullivan Road

Holyoke, MA 01040-2841

Transmission Customer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement  
to be executed by their respective authorized officials.

Transmission Customer:

By: \_\_\_\_\_  
Name Title Date

NEPOOL Participants:  
By: [System Operator]

By: \_\_\_\_\_  
Name Title Date



**ATTACHMENT C****Methodology To Assess Available Transmission Capability**

Available Transmission Capability (ATC) will be assessed based on industry-accepted standards; currently, ATC will be established by reducing the determined Total Transfer Capability (TTC) by the Transmission Reliability Margin (TRM) and by transmission commitments.

Total Transfer Capability (TTC) is the determined amount of electric power that can be reliably transferred over the network consistent with the following:

- Good utility practice
- NERC standards, guides, and procedures;
- NPCC criteria and guidelines;
- New England criteria, rules, procedures, and reliability standards;
- Applicable guides, standards, and criteria of the affected Transmission Owner(s), whether Participant or Non-Participant;
- Other applicable guidelines and standards which may need to be established from time to time.

As such, TTC will be determined at a level which maintains all of the following:

- All equipment within its applicable capabilities;
- Voltages and reactive reserves within acceptable levels;
- Stability maintained with adequate levels of damping;
- Frequency (Hz) within acceptable levels.

TTC will be evaluated using appropriate and suitable tools, data, and information, considering the physical impacts of electric power transfers on the interconnected transmission network. It

will reflect anticipated system conditions and equipment status to the degree practicable.

The Transmission Reliability Margin (TRM) will be established at a level which incorporates the uncertainties and continued variability of system conditions and the practical limitations of system control.

Transmission commitments include existing and pending requests for transmission service and obligations of other existing contracts under which transmission service is provided.

**ATTACHMENT D****Methodology for Completing a System Impact Study**

The system impact study will be performed to evaluate the impact of the requested service on the reliability and operating characteristics of the bulk power system, consistent with:

- Good utility practice
- NERC standards, guides, and procedures;
- NPCC criteria and guidelines;
- New England criteria, rules, procedures, and reliability standards;
- Applicable guides, standards, and criteria of the impacted Transmission Owner(s), whether Participant or Non-Participant;
- Other applicable guidelines and standards which may need to be established from time to time.

As such, the study will examine the impact on the New England regional bulk power system and its component systems and neighboring and external systems. Consistent with the aforementioned, the ability to operate the system subject to the following will be considered:

- All equipment within its applicable capabilities;
- Voltages and reactive reserves within acceptable levels;
- Stability maintained with adequate levels of damping;
- Frequency (Hz) within acceptable levels.

The study will consider the reliability requirements to meet existing and pending obligations of the Participants and the obligations of the impacted Transmission Owner(s).

The study will be performed using appropriate and suitable

analysis tools and modeling data consistent with the nature and duration of the requested service. It is expected that the Eligible Customer will provide the information as prescribed in Exhibit 1 of Attachment I, and such other information as may be reasonably required and associated with the requested service and necessary for its study. It is also recognized that it may be determined that additional or specialized analysis tools or computer software are necessary for the study. The responsibility for the provision of these items will be subject to the System Impact Study Agreement.

The study will identify if the requested service or a portion of it can be provided without adverse impact on the reliability and operating characteristics of the system. The study will also identify if it appears that modification of the system is necessary to provide the service.

**ATTACHMENT E**

**Local Networks**

The Local Networks, as of the effective date of this Tariff, are those of the following:

1. Bangor Hydro-Electric Company
2. Boston Edison Company
3. Central Maine Power Company
4. the Commonwealth Energy System companies
5. the Eastern Utility Associates companies
6. the New England Electric System companies
7. the Northeast Utilities companies
8. The United Illuminating Company
9. Vermont Electric Power Company and the entities which are grouped with it as a single Participant.

**ATTACHMENT F****Annual Transmission Revenue Requirements**

The Transmission Revenue Requirements for each Participant will reflect the Participants' costs for Pool Transmission Facilities (PTF). The Transmission Revenue Requirements will be an annual calculation based on the previous calendar year's data as shown, in the case of Transmission Providers which are subject to the Commission's jurisdiction, in the Participants' FERC Form 1 report for that year, and shall be based on actual data in lieu of allocated data if specifically identified in the Form 1 report, as set forth below:

- I. The Transmission Revenue Requirement shall equal the sum of the Transmission Provider's (A) Return and Associated Income Taxes, (B) Transmission Depreciation Expense, (C) Transmission Related Amortization of Loss on Reacquired Debt, (D) Transmission Related Amortization of Investment Tax Credits, (E) Transmission Related Municipal Tax Expense, (F) Transmission Operation and Maintenance Expense, (G) Transmission Related Administrative and General Expense, (H) Transmission Related Integrated Facilities Credit, minus (I) Transmission Support Revenue, plus (J) Transmission Support Expense, plus (K) Transmission Related Expense from Generators.

- A. Return and Associated Income Taxes shall equal the product of the Transmission Investment Base and the Cost of Capital Rate.

1. Transmission Investment Base

The Transmission Investment Base will be (a) PTF Transmission Plant, plus (b) Transmission Related General Plant, plus (c) Transmission Plant Held for Future Use, less (d) Transmission Related Depreciation Reserve, less (e) Transmission Related Accumulated Deferred Taxes, plus (f) Transmission Related Loss on Reacquired Debt, plus (g) Other Regulatory Assets, plus (h) Transmission Prepayments, plus (i) Transmission Materials and Supplies, plus (j) Transmission Related Cash

## Working Capital.

- (a) PTF Transmission Plant will equal the balance of the Transmission Provider's PTF Investment in Transmission Plant excluding the Transmission Provider's capital leases in the Hydro-Quebec DC facilities (HQ leases).
- (b) Transmission Related General Plant shall equal the Transmission Provider's balance of investment in General Plant multiplied by the ratio of Transmission related direct Wages and Salaries including those of the affiliated Companies to the Transmission Provider's total direct Wages and Salaries including those of the affiliated Companies and excluding Administrative and General Wages and Salaries (Transmission Wages and Salaries Allocation Factor), multiplied by the ratio of PTF Transmission Plant to Total Investment in Transmission Plant excluding HQ leases (PTF Transmission Plant Allocation Factor).
- (c) Transmission Plant Held for Future Use shall equal the balance of Transmission investment in FERC Account 105 multiplied by the PTF Transmission Plant Allocation Factor.
- (d) Transmission Related Depreciation Reserve shall equal the balance of Total Transmission Depreciation Reserve, plus the monthly balance of Transmission Related General Plant Depreciation Reserve. Transmission Related General Plant Depreciation Reserve shall equal the product of General Plant Depreciation Reserve and the Transmission Wages and Salaries Allocation Factor described in Section (I)(A)(1)(b) above. This sum shall be multiplied by the PTF Transmission Plant Allocation Factor, described in Section (I)(A)(1)(b) above.
- (e) Transmission Related Accumulated Deferred Taxes shall equal the Transmission Provider's balance of Total Accumulated Deferred Income

Taxes, multiplied by the ratio of Total Investment in Transmission Plant excluding HQ leases to Total Plant in service excluding General Plant and HQ Leases (Plant Allocation Factor), further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.

- (f) Transmission Related Loss on Reacquired Debt shall equal the Transmission Provider's balance of Total Loss on Reacquired Debt multiplied by the Plant Allocation Factor as described in Section (I)(A)(1)(e) above, further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.
- (g) Other Regulatory Assets shall equal the Transmission Provider's balance of any deferred rate recovery FAS 106 expenses multiplied by the Transmission Wages and Salaries Allocation Factor described in Section (I)(A)(1)(b), plus the Transmission Provider's year end balance of FAS 109 multiplied by the Plant Allocation Factor described in Section (I)(A)(1)(e) above. This sum shall be multiplied by the PTF Transmission Plant Allocation Factor, described in Section (I)(A)(1)(b) above.
- (h) Transmission Prepayments shall equal the Transmission Provider's balance of prepayments multiplied by the Wages and Salaries allocator described in Section (I)(A)(1)(b) and further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.
- (i) Transmission Materials and Supplies shall equal the Transmission Provider's balance of Transmission Plant Materials and Supplies, multiplied by the PTF Transmission Plant Allocation Factor described in Section I(A)(1)(b) above.



- (j) Transmission Related Cash Working Capital shall be a 12.5% allowance (45 days/360 days) of Transmission Operation and Maintenance Expense and Transmission Related Administrative and General Expense.

## 2. Cost of Capital Rate

The Cost of Capital Rate will equal (a) the Transmission Provider's Weighted Cost of Capital, plus (b) Federal Income Tax plus (c) State Income Tax.

- (a) The Weighted Cost of Capital will be calculated based upon the capital structure at the end of each year and will equal the sum of:

- (i) the long-term debt component, which equals the product of the actual weighted average embedded cost to maturity of the Transmission Provider's long-term debt then outstanding and the ratio that long-term debt is to the Transmission Provider's total capital.
- (ii) the preferred stock component, which equals the product of the actual weighted average embedded cost to maturity of the Transmission Provider's preferred stock then outstanding and the ratio that preferred stock is to the Transmission Provider's total capital.
- (iii) the return on equity component, which equals the product of the Transmission Provider's Return on Equity as set in the Provider's LNS open access tariff rate and the ratio that common equity is to the Transmission Provider's total capital.

- (b) Federal Income Tax shall equal

$$\frac{A \times FT}{1 - FT}$$

Where FT is the Federal Income Tax Rate and A is the sum of the preferred stock component and the return on equity component, as determined in Section (I)(A)(2)(a)(ii) and Section (I)(A)(2)(a)(iii) above.

(c) State Income Tax shall equal

$$\frac{(A + \text{Federal Income Tax}) \times ST}{1 - ST}$$

where ST is the State Income Tax Rate, A is the sum of the preferred stock component and the return on equity component determined in Section (I)(A)(2)(a)(ii) and Section (I)(A)(2)(a)(iii) above, and Federal Income Tax is the rate determined in Section (I)(A)(2)(b) above.

- B. Transmission Depreciation Expense shall equal the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above, multiplied by the sum of Depreciation Expense for Transmission Plant, plus an allocation of General Plant Depreciation Expense calculated by multiplying General Plant Depreciation Expense by the Wages and Salaries Allocation Factor, described in Section (I)(A)(1)(b) above.
- C. Transmission Related Amortization of Loss on Reacquired Debt shall equal the Transmission Provider's Amortization of Loss on Reacquired Debt multiplied by the Plant Allocation Factor as described in Section (I)(A)(1)(e) above, and further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.
- D. Transmission Related Amortization of Investment Tax Credits shall equal the Transmission Provider's Amortization of Investment Tax Credits multiplied by the Plant Allocation Factor described in Section (I)(A)(1)(e) above, and further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.

- E. Transmission Related Municipal Tax Expense shall equal the Transmission Provider's total municipal tax expense multiplied by the Plant Allocation Factor described in Section (I)(A)(1)(e) above, and further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.
- F. Transmission Operation and Maintenance Expense shall equal all expenses charged to FERC Account Numbers 560 through 573, excluding those expenses in Account Number 565, and including only 50% of those expenses in FERC Account 556, System Control and Load Dispatching, multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.
- G. Transmission Related Administrative and General Expenses shall equal the Transmission Provider's Administrative and General Expenses, plus Payroll Taxes, multiplied by the Wages and Salaries Allocation Factor described in Section (I)(A)(1)(b) above, further multiplied by the PTF Transmission Plant Allocation Factor described in Section (I)(A)(1)(b) above.
- H. Transmission Related Integrated Facilities Credit shall equal the Transmission Provider's transmission payments to affiliates for use of the integrated transmission facilities of those affiliates.
- I. Transmission Support Revenue shall equal Transmission Provider's revenue received for PTF transmission support.
- J. Transmission Support Expense shall equal Transmission Provider's expenses paid for PTF transmission support.
- K. Transmission Related Expense from Generators as may be determined by the Management Committee.

**ATTACHMENT G****List Of Excepted Transaction Agreements**

The lists which follow have been prepared by the individual Participants whose names appear at the head of each list, and have not been checked or approved by any other Participants.

**Central Maine Power Company ("CMP")**

<u>Arrangement</u>	<u>Parties to the Agreement</u> CMP and:
<u>Firm Wheeling</u>	
Expense	
PSNH Wheeling for Bolt Hill	NU
Revenue	
Unitil Wheeling of BHE QFs	Unitil
Madison Electric Works	NU/MEW
<u>Support Payments</u>	
Expense	
HQ Phase II AC Facilities	BECO
HQ Phase II AC Facilities	NEP
HQ Phase I	NEETCO
HQ Phase I	VETCO
HQ Phase II	NEH-TEL CO INC.
HQ Phase II	NEH-T CORP (NHH)
Orrington SS	MEPCO
Millstone 3	NU
Revenue	
WF Wyman #4:	
Section 386 (345 kV)	Joint Owners
Section 164-167 (115 kV)	Joint Owners
Maine Yankee (115 kV)	Joint Owners
Section 214 (115 kV tie to N.H.)	NU
Section 375 (345 kV Buxton to M.Y.)	MEPCO
<u>Bundled Requirements Sales</u>	
Houlton Wtr Co. Pwr Sales Agreement	HWC
Fox Island Electric Coop	
Kennebunk Light and Power	KPL

**Commonwealth Energy System**

**SUPPORT ARRANGEMENTS**

**Canal 1 Transmission Agreement**

**Description:** Agreement to provide for transmission of electricity from Canal 1 to the transmission system of the unit power purchasers.

**Parties to the Agreement:** Boston Edison, Montaup, NEP, Cambridge, Commonwealth

**Effective Date:** 7/1/68

**Canal 2 Transmission Support Agreement**

**Description:** Agreement to support transmission facilities required for Canal 2 and Pilgrim 2.

**Parties to the Agreement:** Commonwealth, Boston Edison, Montaup

**Effective Date:** 5/1/75

**324 Line (Canal to Pilgrim Stabilizer Line) & 355 Line (Pilgrim to Walpole)**

**Description:** Agreement to support transmission facilities from Canal and Pilgrim.

**Parties to the Agreement:** Commonwealth, Boston Edison, Montaup, NEP

**Effective Date:** 3/29/68

**Seabrook Transmission Support Agreement**

**Description:** Agreement to support three 345 KV transmission lines from Seabrook

**Parties to the Agreement:** Joint Owners

**Effective Date:** 5/1/73

**Wyman 4 Transmission Agreement (Support)**

**Description:** Agreement to support 345 kV and 115kV transmission facilities from the unit.

**Parties to the Agreement:** Central Maine Power, Joint Owners (Commonwealth).

**Effective Date:** 11/74

**Bell Rock Switching Station Support Agreement**

**Description:** Agreement to support 115 KV switching station.

**Parties to the Agreement:** Commonwealth, Montaup

**Effective Date:** 1/15/73

Joint Ownership Agreement (336 Line)

**Description:** Agreement to purchase 20% interest in section of the 336 line.

**Parties to the Agreement:** Commonwealth, Boston Edison

**Effective Date:** 1/2/68

Participation Agreement (Maine-New Brunswick interconnection)

**Description:** Agreement to support the construction and maintenance of a 345 KV of the portion of an interconnection between a substation in Wiscasset, ME and a substation in New Brunswick.

**Parties to the Agreement:** Maine Electric Power and Participants

**Effective Date:** 5/69

Station 402 Agreement

**Description:** Agreement to support a 115 KV step down station.

**Parties to the Agreement:** Cambridge, Boston Edison

**Effective Date:** 10/1/65

Station 509 Agreement

**Description:** Agreement to support 345/115 KV station.

**Parties to the Agreement:** Cambridge, Boston Edison

**Effective Date:** 1/1/75

Hydro Quebec Support AgreementsPhase II Maine Electric Power SVC Facilities Support Agreement

**Description:** Agreement to support reinforcements to the MEP AC transmission system. N.H. Hydro proposes to amend the N.H. Transmission Facilities Support Agreement to include costs incurred under this Agreement.

**Parties to the Agreement:** Agreement is between Maine Electric Power and N.H. Hydro

**Effective Date:** 10/1/88

New England Power AC Facilities Support Agreement

**Description:** Agreement covers improvements and reinforcements to NEP's AC transmission system necessitated by the HQ phase II interconnection agreement.

**Parties to the Agreement:** NEP and Supporters

**Effective Date:** 6/1/85

Boston Edison AC Facilities Support Agreement

**Description:** Agreement covers improvements and reinforcements to

BECo's AC transmission system necessitated by the HQ phase II interconnection agreement.

**Parties to the Agreement:** Boston Edison and Supporters

**Effective Date:** 6/1/85

#### **LONG TERM WHEELING**

##### Agreement for Transfer of Electricity (Canal 1)

**Description:** Agreement for transfer of energy and capacity from Canal unit 1 to Cambridge Electric across the BECo system.

**Parties to the Agreement:** Cambridge, Boston Edison

**Effective Date:** 7/1/68

##### Boott Hydro Wheeling

**Description:** Agreement to wheel power from Boot Hydro (20 MW) to Commonwealth under NEP Tariff No. 3.

**Parties to the Agreement:** Commonwealth, NEP

**Effective Date:** 11/21/85

##### Collins Hydro Wheeling

**Description:** Agreement to wheel power (1.2 MW) from Collins Hydro to Commonwealth under NEP Tariff No. 3.

**Parties to the Agreement:** Commonwealth, NEP

**Effective Date:** 12/31/84

##### Ware Hydro Wheeling

**Description:** Agreement to wheel power from Ware Hydro to Commonwealth under NEP Tariff No. 3.

**Parties to the Agreement:** Commonwealth, NEP

**Effective Date:** 2/1/84

##### Chicopee Hydro Wheeling

**Description:** Agreement to wheel power (2 MW) from Chicopee Hydro to Commonwealth

**Parties to the Agreement:** Commonwealth, Northeast Utilities

**Effective Date:** 5/1/95

##### Altresco Wheeling

**Description:** Wheeling charge for 30 MW entitlement

**Parties to the Agreement:** Cambridge, Altresco

**Effective Date:** 9/1/93

##### Altresco Wheeling

**Description:** Wheeling charge for 30 MW entitlement

**Parties to the Agreement:** Commonwealth, Altresco  
**Effective Date:** 9/1/93

Masspower 1 Wheeling

**Description:** Wheeling charge for 30 MW entitlement  
**Parties to the Agreement:** Commonwealth, Massachusetts  
**Effective Date:** 7/31/93

Masspower 2 Wheeling

**Description:** Wheeling charge for 30 MW entitlement  
**Parties to the Agreement:** Commonwealth, Masspower  
**Effective Date:** 10/1/91

Northeast Energy Associates Wheeling

**Description:** Wheeling of 53 MW entitlement  
**Parties to the Agreement:** Commonwealth, Northeast Energy Associates  
**Effective Date:** 10/1/91

**Fitchburg Gas and Electric Light Co.**

NU (Linweave)

- |                          |   |
|--------------------------|---|
| a. Western Mass Electric | <u>Description</u> - Transmission service from Holyoke Water Power to NEP system<br><u>End Term</u> - 10/31/2012<br><u>Capacity</u> - 3MW |
| b. Holyoke Water Power   | <u>Description</u> - Distribution Agreement<br><u>End Term</u> - 10/31/2012<br><u>Capacity</u> - 3MW                                      |

**Unitil Power Corp.**

Central Maine Power Co.

Description  
- Perc and BHE system energy delivered to the BHE/CMP border by BHE at no additional charge  
End Term/Capacity - 25MW ending 07/01/1997, 24.27MW ending 10/31/2001, 20.3MW ending 08/15/2002, and 4MW ending



NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 202

02/28/2003

NEP (Maine Yankee)

Description

- UPC reimburses NEP for Maine Yankee transmission to the NEP/PSNH border.

End Term - October 31, 2005

Capacity - 2MW

NEP (Ocean States  
Power 1 & 2)

Description

- Service under FERC Electric Tariff no. 3 Delivery made from NEP system to the PSNH border

End Term - October 31, 2010

Capacity - 22.5 MW

NEP (Salem Harbor 3)

Description - Article VIII of the contract

- Service under FERC Electric Tariff no. 3. Delivery made from NEP system to the PSNH border

End Term - October 31, 2010

Capacity - 9.8 MW

UI Bridgeport Harbor 3

Description - Reimburse UI for delivery subject to terms/conditions of Corridor & Non-Firm outflow agreements UI-NU in 9/11/92 letter

End Term - 10/31/2005

Capacity - 15MW

**NEW ENGLAND POWER COMPANY AND ITS AFFILIATES**

A. Wheeling Agreements

The following NEP Long Term Point-to-Point transmission services will be grandfathered at a fixed rate of \$17.00/kW-yr. Distribution and transformation rates, when applicable, will be subject to NEP's applicable point-to-point tariffs.

**TRANS.**

**UTILITY**

**AGREEMENT**

**PURCHASE**

**AMOUNT**

**KW**

**DATE OF**

**SERVICE**

Boston Edison	L'Energia	65,048	7/9/96
Braintree	NEP System	2,000	7/9/96
Commonwealth Electric	Boott Hydro	20,000	7/9/96
	Collins Dam	1,500	7/9/96
	Ware Hydro	1,200	7/9/96
Hingham	NEP Manchester St	1,446	7/9/96
	NEP Bear Swamp	502	7/9/96
Hull	Refuse Fuels	341	7/9/96
Montaup	McNeil Burlington (thru)	8,000	7/9/96
Taunton	NEP System	10,000	7/9/96
Unitil	Ocean State I & II	22,500*	7/9/96
	Salem Harbor	9,800*	7/9/96

\* Amounts change with seasonal unit ratings.

B. Transmission of Maine Yankee and Pool-Planned unit sales by NEP to Unitil will continue under its term, unless otherwise terminated by parties.

C. Support Agreements for PTF Facilities

1. Transmission Support Agreements to facilitate interconnection of Pool Planned Units. (Multi party agreements)

→ Millstone 3 dated 8/9/74.

→ Wyman 4 dated 11/1/74.

→ Seabrook

a) PSNH ac reinforcements dated 5/1/73.

b NEP's Tewksbury/Amesbury line, multi parties dated 5/1/73.

2. Canal Transmission Agreement/Medway line, NEP/BECO/EUA/CE,

Letter Agreement dated 3/29/68 with amendment dated 1/5/73.

3. Second Canal Circuit dated 11/4/74.
4. PTF support agreements with Boston Edison Company.
  - 342 stabilizer line dated 3/29/68 with amendment dated 1/5/73.
  - Canal/Medway dated 12/1/65, amended 2/18/66 with supplemental agreement dated 4/9/79.
  - West Medway ACB dated 1/31/69.
  - 201/502 interconnection, Letter Agreement dated 5/11/79.
  - Golden Hills/Mystic  
This is a two-way agreement dated 5/25/88 with amendment dated 2/1/95.
  - Enron Interconnection Upgrades dated 6/27/95.  
NEP pays BE for upgrades required at Medway due to interconnection of the Milford Plant.
  - NEP/BECO Sandy Pond/Tewksbury/Woburn line support, Letter Agreement dated 7/18/73.
  - NEP/BECO M-139 line support dated 11/12/85, amended 3/1/95.
  - NEP/BECO N-140 line support dated 11/12/85, amended 3/1/95.
5. All PTF related Hydro Quebec agreements. (See attached Exhibit 1 for a list of all Hydro Quebec related agreements.)

Ongoing support of AC reinforcement of NEP transmission.

## 6. Agreements with EUA companies.

- W. Farnum relays dated 2/17/95, BVE/NE.
- April 30, 1979 Letter Agreement between EUA and NEPSCO which outlined the basis for the next two agreements and other anticipated transmission additions to accommodate Charlestown generation.
- 345 kV Northern RI transmission dated 7/15/73, amended 4/1/88, BVE/NE.
- 2nd transformer at West Farnum dated 8/1/81, BVE/NE.

## 7. Support Agreements with Vermont companies.

- NEP/VELCO F-206 line dated 4/5/74.
- NEP/CVPS 186 line dated 8/1/67.

## 8. Agreements with NU companies.

- NEP/PSNH Q-195 Terminal support dated 12/22/58.
- NEP/PSNH Y-151 agreement dated 6/26/45 and subsequently amended.
- Tallman/Kaslow agreement and subsequent amendment. This agreement intends to cover mutual use of interconnections between NEP and PSNH, dated 6/29/79 and amended 2/21/90.
- North/South Integration Agreement dated 2/24/90, and last amended in October 1996.

D. Other Agreements Not Subject To The NEPOOL Agreement

The above is a list of grandfathered facilities support and wheeling agreements over the PTF system to which NEP or its affiliated companies are a party. This list does not include any agreement not related to rights across PTF such as study agreements, requirement contracts and tariffs,

purchase and sales power contracts, water rights, right-of-way, pole or duct lease agreements, distribution wheeling or support agreements, stranded cost recovery agreements, metering agreements and services across non-PTF transmission system. These agreements are not subject to the NEPOOL Agreement and continue per their own terms and conditions. Furthermore, any agreements or arrangements between NEP and its affiliated companies are not subject to the NEPOOL Agreement and will continue per their terms as may be amended from time to time.

**Northeast Utilities Service Company ("NUSCO")**

Company	Service	FERC	Effective Date
CMEEC	Comprehensive Transmission Service Agreement	ER91-209-000	11/29/90
		ER93-297-000	
Chicopee Muni.	Comprehensive Transmission Service Agreement	ER85-689-000	11/1/95
		ER93-219-000	
So. Hadley Elec.	Comprehensive Transmission Service Agreement	EC-90-10-000	1/1/95
		ER85-689-000	
		ER85-720-000	
Westfield G&E	Comprehensive Transmission Service Agreement	EC90-10-000	1/1/95
Unitil (Rate 158)	Comprehensive Transmission Service Agreement	EL92-42-000	11/11/92
Madison Electric	Point-to-Point Transmission Service Agreement	ER94-1160-000	9/1/94
NEP	Point-to-Point Transmission Service Agreement	ER93-403-000	4/1/93
SBNG			
Holyoke G&E	Point-to-Point Transmission Service Agreement	ER95-1354-000	7/1/95
NYPA Power			
CMP (Rate 104)	Point-to-Point Transmission Service Agreement		12/15/81
Bolt Hill Sub.			
Commonwealth Elec.	Point-to-Point Transmission Service Agreement	ER86-85-000	5/1/85
Swift River - Chicopee Units 1 & 2		ER86-79-001	
Groton Elec.	Point-to-Point Transmission Service Agreement	ER92-66-000	11/1/89
Glendale Hydro			

Company	Service	FERC	Effective Date
UI	Point-to-Point Transmission Service Agreement	ER92-65-000	5/1/90
Corridor			
Groton Elec.	Point-to-Point Transmission Service Agreement	ER92-458-000	4/1/92
Littleville Power - Texon Hydro		ER92-66-000	
		ER93-219-000	
Fitchburg G&E	Point-to-Point Transmission Service Agreement	ER94-559-000	1/1/95
Harris Hydro		ER95-357-000	
Masspower	Point-to-Point Transmission Service Agreement	ER94-902-000	7/31/93
		ER93-219-000	
LILCO	Point-to-Point Transmission Service Agreement	ER94-1201-000	5/1/94
Altresco Pittsfield Limited	Point-to-Point Transmission Service Agreement	ER95-306-000	1/1/95
MMWEC	Point-to-Point Transmission Service Agreement	ER96-201-000	11/1/95
NYPA Power			
Pascoag Fire Dist.	Point-to-Point Transmission Service Agreement	ER96-201-000	11/1/95
NYPA Power			
C.E. Pontook LP	Point-to-Point Transmission Service Agreement		7/26/85
Suncook Energy Corp.	Point-to-Point Transmission Service Agreement	ER96-1277-000	4/8/96
Unitil Power Corporation	Point-to-Point Transmission Service Agreement	ER93-219-000	12/19/88
Baystate State Gas		ER89-219-000	
NUSCO	Point-to-Point Transmission Service Agreement	ER96-2338-000	10/1/96
Suffolk County, NY			
NUSCO	Point-to-Point Transmission Service Agreement	ER83-358-000	12/1/81
MMWEC, Stonybrook		ER93-219-000	
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1088-000	6/1/94
Unitil: Norwalk 1 & 2			
NUSCO	Point-to-Point Transmission Service Agreement	ER93-417-001	11/1/94
Fitchburg G&E: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1591-000	11/1/94

Company	Service	FERC	Effective Date
Reading Muni.: Slice of System			
NUSCO	Point-to-Point Transmission Service Agreement	ER93-901-000	11/1/93
Middleton Muni.: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER93-884-000	11/1/93
Georgetown Muni.: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER93-915-00	11/1/93
Princeton Muni.: Holyoke Hydro			
NUSCO	Point-to-Point Transmission Service Agreement	ER93-913-000	11/1/93
VPPSA: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1211-000	5/1/94
Citizens Utilities: System Sale		EC90-10-007	
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1592-000	11/1/94
Holyoke G&E: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1207-000	11/1/94
Danvers Elec.: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1207-000	11/1/94
Littleton Electric L&W: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER94-1207-000	11/1/94
Mansfield Muni.: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER95-584-000	5/1/95
Sterling Muni.: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER95-1137-000	6/1/95
Princeton Muni.: System Sale			
NUSCO	Point-to-Point Transmission Service Agreement	ER95-1461-000	8/1/95
Vermont Marble - System Sale			

Company	Service	FERC	Effective Date
NUSCO	Point-to-Point Transmission Service Agreement	ER96-160-000	11/1/95
Rowley Muni.: System Sale			
Littleton - Light	Point-to-Point Transmission Service Agreement		10/30/91
Marlboro Hydro Corp./Minnewawa			
NEP	Point-to-Point Transmission Service Agreement		12/6/91
Waste Management of N.H./Turnkey			
NEP	Point-to-Point Transmission Service Agreement	ER93-914-000	11/1/93
Slice of System		ER95-41-000	
CMEEC	Point-to-Point Transmission Service Agreement	ER93-663-000	6/15/93
Liquid Carbonic Indus./Medical Corp.			
Wallingford Elec.	Point-to-Point Transmission Service Agreement	ER92-730-000	7/27/92
CT Steel			
CMP	Point-to-Point Transmission Service Agreement	ER94-48-000	11/1/95
		ER95-1635-000	
		ER95-1557-000	
CMP	Point-to-Point Transmission Service Agreement	ER94-48-000	11/1/95
		ER95-1635-000	
BECO	Point-to-Point Transmission Service Agreement	ER94-48-000	11/1/95
		ER95-1851-000	
		ER96-3144-000	
NUSCO	Point-to-Point Transmission Service Agreement	ER94-48-000	11/1/94
Unitil Power Corporation: Slice		ER94-1581-000	
Connecticut Yankee	Transmission Station Service (115 KV) Support Agreement		
Millstone #3 Sharing Agreement	Transmission Support Agreement		8/9/74
345 KV Millstone - Manchester 310 line			
UI	Transmission Support Agreement	ER93-891-000	11/1/93
Derby Junction			



Company	Service	FERC	Effective Date
(5/1/61)			
Old Town-Hawthorne (11/1/73)			
Pease Road (1/1/69)			
Glen Lake (7/20/56)			
Devon and Trumball Junction (7/1/61)			
UI	Transmission Support Agreement	E-9154	12/1/72
Black Pond			
Holyoke G&E	Transmission Support Agreement	ER82-626-000	1/1/73
Fairmont 115 KV Substation		ER82-627-000	
MMWEC	Transmission Support Agreement		8/1/79
345 KV Ludlow- Stonybrook			
Seabrook Station	Transmission Support Agreement		5/1/73
345 KV Seabrook - Timber Swamp - Newington 369 line			
345 KV Seabrook - Scobie 363 line			
345 KV Seabrook - Ward Hill - Tewksbury 394 line			
VEP	Transmission Support Agreement		12/1/72
Littleton 230/115 KV Sub.			
NEP	Transmission Support Agreement		12/22/58
Moore Sub. - Q195 115KV Terminal			
1. Transmission Allocation Agreement Among Vermont Electric Power Company Inc., New England Power Company, The Connecticut Light and Power Company and Western Massachusetts Electric Company dated January 1989 (ER89-522-000, Effective November 1, 1988)			
2. Transmission Agreement For Use of North-South Interface Of New England Transmission System Between Northeast Utilities and New England Power Company dated February 24, 1990.			
3. Letter agreement between Northeast Utilities and Vermont Electric Power Company, dated July 2 1990.			
4. Letter agreement between Northeast Utilities and Citizens Utilities Company, dated August 2, 1990.			

Company	Service	FERC	Effective Date
1970.	5. Letter agreement between Northeast Utilities/PSNH and New England Power Company, dated June 1		
1979.	6. Letter agreement between Northeast Utilities/PSNH and New England Power Company, dated June 2		
November 18, 1986.	7. Letter agreement between Northeast Utilities/PSNH and Central Maine Power Company, dated		
February 12, 1982	8. Transmission service pursuant to the Agreement between NUSCO/PSNH and Citizens Utilities, dat		
Vermont delivery points.	9. Transmission Agreement Between New Hampshire Electric Cooperative, Inc. and Public Service		
Company of New Hampshire, dated March 31, 1981.	10. All licenses and certificates granted by the New Hampshire Public Utilities Commission or oth		
state, municipal or federal regulatory bodies are grandfathered.	11. All transmission arrangements supporting and providing transmission service across non-PTF		
facilities are not subject to this Tariff and will continue under their existing terms and conditions.			

**Eastern Utilities Associate System ("EUA")**

Contract Name	Parties	Expiration Dates	FERC Number/ Docket Number
Canal-Medway Line (Wood Pole Line #331)	Comelec, BECO and Montaup	End of Life of Canal #1	MECO/FPC No. 5
Trans of Canal #2/Pilgrim #2 Units	Comelec, BECO and Montaup	2008	E-9358
Letter Agree-Auburn St. Tap Bridges	BECO and Montaup	Thru Life of Tap Bridges	E-9404
Use of Pilgrim Towers	BECO and Montaup	19 Years From Install or When New 345 kv Circuit is Needed	ER79-485-000
Card Street Use Agreement	BECO, Comelec and BVE	August 30, 2001	E-9022
Transmission to Middleboro/Pilgrim #1	BECO and Montaup	When MGLD Contract Expires with Pilgrim	E-9276 Amended ER77-179-000
East Bridgewater Gas Circuit Breaker	Eastern Edison and Middleboro Gas and Electric		ER91-59-000
1601 Breaker at Bridgewater Substation	Middleboro and Montaup		N/A
Contract Demand/Radial Line Use	Middleboro and Montaup	60 Months Written Notice	ER83-485-000 ER83-486-000
Transmission Support/ Millstone	Montaup and Others	Term of the Sharing	ER93-222-000

Contract Name	Parties	Expiration Dates	FERC Number/ Docket Number
#3		Agreement	
Transmission Support/ Seabrook #1	Montaup and Others	Term of the Joint Owners Agreement	ER76-694-000
Rental Charges for Trans. Facilities in Northern R.I.	Blackstone and Montaup	Perpetuity Implied	ER83-642-000 ER88-400-000
Sharing Charges for Trans. Facilities in Northern R.I.	Blackstone/Narragansett	July 14, 2003	ER83-642-000 ER88-400-000
Sharing Charges for 2nd/ Xformer W. Farnum Sub.	Blackstone/Narragansett	July 28, 2013	ER83-642-000
Transmission Support Agreement NEP/V-148 Line	Blackstone/Narragansett Mont./New England Power	3 Year's Written Notice	BVE FERC No. 21
Tiverton Tap	NEP and Montaup	UNTIL Costs are Recovered by Montaup	ER81-722-000
Support of Riverside Sub and 822 Line	Blackstone and Narragansett	2 Year's Written Notice	BVE ER88-400-000
Amended and Restated Interconnection Agreement By and Among Blackstone Valley Electric and Ocean State Power	Blackstone and OSP Units 1 & 2	Term of the Power Contract	ER89-69-000
Contract for Firm Contract Service (Wheeling) Mass Power to Comelec and BECO	Mass Power/Montaup	BECO 12/31/2013 Comelec 7/30/2008 Comelec 7/30/2008	ER93-624-000
Contract for Firm Contract Service (Wheeling) Altresco to Comelec and BECO	Altresco/Montaup	12/31/2011	ER93-623-000
Service Agreement (Wheeling) Cleary 9cc to North Attleboro	North Attleboro/Montaup	LOU Contract Termination	ER85-396-000
Service Agreement (Wheeling) Cleary 9cc to Hudson	Hudson/Montaup	LOU Contract Termination	ER87-362-000
Amendment to Contract Between Montaup and MMWEC (NYPA)	Montaup/MMWEC	June 30, 2001 Extended Monthly Through October 31, 2003	ER87-531-000
Montaup Transmission Service Agreement	PFD/NYPA	June 30, 2001	ER87-615-000
Interconnection NEA to Blackstone's Transmission System	Blackstone/NEA	Concurrent to Power Agreement	ER92-207-000
Interconnection Agreement Between TMLP and Montaup	TMLP/Montaup	Two Year's Written Notice or Until Cleary #9 is Reduced to Zero	E-9117 ER91-305-000
Service Agreement Between Braintree and Montaup Wheeling Cleary 9cc	TMLP/Braintree	LOU or MEC Terminates Due to Inadequate Cap. on Company's PTF	ER85-390-000 ER87-126-000

Contract Name	Parties	Expiration Dates	FERC Number/ Docket Number
Service Agreement Between Hingham and Montaup Wheeling Cleary 9cc	Hingham/Braintree	LOU or MEC Terminates Due to Inadequate Cap. on Company's PTF	ER93-137-000 ER87-126-000

**The United Illuminating Company ("UI")**

Arrangement	Parties to the Agreement UI and:
<b>Wholesale Power Agreements</b>	
BECO Exchange (November 1, 1996, until terminated by parties)	BECO
BH Sale from NHHS (November 1, 1996 through October 31, 1997)	BH
Citizens Sale from NHHS (November 1, 1996 through October 31, 1999)	Citizens
UNITIL Purchased Power Agreement, from NHHS (November 1, 1996 through October 31, 2006)	UNITIL
Corridor Service Agreement (BHS#3) (May 1, 1993 through October 31, 2005)	NU
NU Exchange Agreement (May 1, 1993 until terminated by parties)	NU
PASNY System Purchase Agreement (March 1, 1990 through June 30, 2001)	CMEEC
<b>Support Arrangements</b>	
Interim Substation Support Agreement, dated 8/24/1993 (FERC Docket ER93-891-000)	NU
Seabrook Transmission Support Agreement	Joint Owners
Hydro-Quebec Phase I	NEETCO
Hydro-Quebec Phase I	VETCO
Hydro-Quebec Phase II	NEH-TEL CO INC.
Hydro-Quebec Phase II	NEH-T CORP (NHH)
Hydro-Quebec Phase II AC Facilities	BECO
Hydro-Quebec Phase II AC Facilities	NEP
Millstone Support Agreement	NU
Black Pond Coke Works Transmission Lines	NU

**Bangor Hydro-Electric Company**

<b>Support</b>	<b>Party</b>
HQ Phase II AC	BECO
HQ Phase II AC	NEP
HQ Phase I	NEETCO
HQ Phase I	VETCO
HQ Phase II	NEH-T Corp (NHH)
HQ Phase II	NEH-TEL Co Inc
Orrington SS	MEPCO
Wyman #4 (345KV) Sec 386	Joint Owners
Wyman #4 (115KV) 164-167	Joint Owners
<b>Nuke</b>	

**Boston Edison Company Wheeling Contracts**

<b>Customer</b>	<b>Type</b>	<b>Expiration Date</b>	<b>MWs</b>
Altresco	Contract	12/31/2011	29
Braintree	PASNY	10/31/2007	3
Braintree	Tariff - NEES CD	10/31/2004	10
Braintree	Tariff - Cleary 9	Life of unit	2
Braintree	LV-PTF-Canal	Life of unit	25
Braintree	LV-PTF-NH Yankee	Life of Unit	7
Braintree	LV-PTF-Hydro-Quebec	9/1/2000	2
Hingham	PASNY	10/31/2007	2
Hingham	Tariff-Cleary 9	Life of unit`	3
Hingham	Tariff-Manchester	Life of unit	2
Hingham	LV-PTF-Potter	Life of unit	2
Hingham	LV-PTF-Stonybrook	Life of Unit	23
Hingham	LV-PTF-NH Yankee	Life of unit	5
Hingham	LV-PTF-Hydro-Quebec	9/1/2000	1

Customer	Type	Expiration Date	MWs
Hingham	LV-PTF-Millstone 3	Life of unit	8
Hull	PASNY	10/31/2003	1
Hull	Tariff-Lawrence	Life of unit	1
Hull	LV-PTF-Millstone 3	Life of unit	2
Hull	LV-PTF-CMP	Life of unit	1
Hull	LV-PTF-NH Yankee	Life of unit	1
Hull	LV-PTF-Hydro-Quebec	9/1/2000	1
Hull	LV-PTF-Stonybrook	Life of unit	7
Reading	PASNY	10/31/2003	6
Reading	Tariff-NEP CD	10/31/99	15
Reading	Tariff-Norwalk Harbor	10/31/2005	9
Reading	Tariff-Millstone 3	10/31/2005	3
Reading	LV-PTF-Millstone 3	Life of unit	11
Reading	LV-PTF-Stonybrook	Life of unit	91
Reading	LV-PTF-NH Yankee	Life of unit	9
Reading	LV-PTF-Hydro-Quebec	9/1/2003	3
Cambridge	Canal Transfer	Life of unit	42
Cambridge	Yank Excess	Life of unit	3
Cambridge	LV-PTF-Canal	Life of unit	58
EUA	EHV-PTF-Potter 2	Life of unit	40
EUA	LV-PTF-Potter 2	Life of unit	40
UI	EHV-PTF-Mystic 7	Life of unit	100
North Attleboro	EHV-PTF-Potter 2	Life of unit	5
North Attleboro	LV-PTF-Potter 2	Life of unit	5
Belmont	PASNY	10/31/2003	2
Concord	PASNY	10/31/2003	2
NEP	Tariff	10/01/1997	225
Norwood	Tariff	1 yr notice	70
Wellesley	PASNY	1031/2003	2

**Boston Edison Company Support Contracts**

<b>BECo Revenue:</b>			
Cambridge	Station 402	3/31/1997	2004 or later
Cambridge	Station 509		
Com Elec	Card Street Line	8/30/2001	
Reading	Radial Lines	Life of unit	
EUA	Whitman Tap	Life of unit	
NEP	Lines 255-2337,8	3 yr notice	
NEP	Mystic/Golden Hills	1999	
NEP	W.Medway Breaker	2003	
NEP	Line 201-502	2009	
NEP	Canal 1 Lines	Life of unit	
HQ Participants	BECo HQ II AC Facilities	2020	
CEC, EUA, NEP	Stabilizer Line	2008	
CEC, EUA	Canal 2 Lines	2008	
<b>BECo Expense:</b>			
CMP	Wyman 115/345kV	2005	
Com Elec	Line 355	2008	
EUA	Line 344	2008	
Chester	SVC	2020	
NEP	Sandy Pond-Tewksbury	2005	
NEP	M-139 Line	2015	
NEP	N-140 Line	2015	
NEP	HQ 11 AC Facilities	2020	
NEP	Station 90	2017	

**Vermont Electric Company**

VELCO 1991 Transmission Agreement FEU 246.

**Central Vermont Public Service Corporation**

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 217

- Vermont Yankee (Bundled T&G)  
Unitil, et al

Resale Service (R-12) FPC Tariff First Rev. Vol. I Rochester  
Electric L & P

T&D FERC Tariff, Original Vol. 3

Vermont Electric Coop./Lyndonville Elec. Dept./Village of Ludlow,  
Elec. Dept./Village of Johnson Water & Light Dept./Village of Hyde  
Park Water & Light Dept./Rochester EL&P/Woodsvilles Fire Dist.  
Water & LD/Reserve System Capacity Service (RS-2) FERC No. 135

Connecticut Valley Elect. Co.

Network Service FERC Tariff 6 new Hampshire Electric Cooperative  
CVEC Service FERC No. 12 Woodsville Fire District Water & Light  
Dept.

Interconnection Agreement CVPS/Green Mountain Power

FERC ER94-35-00/Northern Loop Interconnection Agreement and the  
VELCO Agreements with VLCO Participants known as the VELCO  
Transmission Agreement and VELCO Participants Agreement.



**EXHIBIT 1****HVDC Phase II Documents List**

- Order Amending Authorization to Export Electric Energy to Canada, NEPOOL
- Amendment to Presidential Permit PP-76 Authorizing VETCo to Construct....Electric Transmission Facilities at the International Border Between the United States and Canada.
- PJM-New England Hydro Transmission Service Agreement
- Phase II Boston Edison AC Facilities Support Agreement
- Phase II New England Power AC Facilities Support Agreement
- Preliminary Quebec Interconnection Support Agreement - Phase II (Superseded)
- Phase II Maine Electric Power SVC Facilities Support Agreement
- Phase II Massachusetts Transmission Facilities Support Agreement
- Phase II New Hampshire Transmission Facilities Support Agreement
- Preliminary Vermont Support Agreement RE: Quebec Interconnection - Phase II (Superseded)
- Equity Funding Agreement for New England Hydro-Transmission Corporation
- Equity Funding Agreement for New England Hydro-Transmission Electric Company, Inc.
- Agreement Authorizing Execution of Phase II Firm Energy Contract
- Metallic Return Service Agreement Between New England Electric Transmission Corporation and New England Hydro-Transmission Corporation
- Amendment to Agreement With Respect to Use of Quebec Interconnection
- Agreement Between VELCO and New England Hydro-Transmission Corporation
- LEASE Between New England Power and New England Hydro-Transmission Electric Company, Inc.
- LEASE Between New England Power and New England Hydro-Transmission Corporation
- Phase II Vermont DMNRC Support Agreement
- Agreement Amending New England Power Pool Agreement

**HVDC Phase I Documents List**

- Order Authorizing the Exportation of Electric Energy to Canada
- Presidential Permit PP-76 Authorizing VETCo to Construct....Electric Transmission Facilities at the International Border Between the United States and Canada.
- Preliminary Quebec Interconnection Support Agreement, as Amended
- Phase I New Hampshire Transmission Facilities Support Agreement
- Agreement for Transmission Maintenance Service (VELCO-NEET)
- Phase I Vermont Transmission Line Support Agreement (and Amendments)
- Agreement Amending New England Power Pool Agreement
- Interconnection Agreement, Hydro-Quebec-NEPOOL Participants
- Energy Banking Agreement
- Energy Contract
- LEASE Between new England Power and New England Electric Transmission Corporation
- Upper Development - Lower Development Transmission Line Support Agreement, New England Electric Transmission Corporation and New England Power Company.
- Agreement for Reinforcement and Improvement of New England Power Company's Transmission System
- Equity Funding Agreement for New England Electric Transmission Corporation
- Agreement With Respect to Use of Quebec Interconnection (and amendments)
- Phase I Terminal Facilities Support Agreement

**ATTACHMENT G-1****Agreements re Local Network Service**

Notwithstanding any termination of the status as Excepted Transaction of the transmission arrangements for the following agreements, the arrangements shall continue to be excepted for their respective terms, from the requirement to pay a Local Networks Service charge:

1. WMECO/NEP service to French King/Shelburne, Transmission Service Agreement dated 3/15/94 and subsequently amended.
2. WMECO/NEP service to SBNGB, Transmission Service Agreement dated 2/23/93 and subsequently amended.
3. Cambridge/BECO support agreements dated 10/1/65 and 1/1/75.
4. Six UI substations, UI/NU Agreement dated 8/24/93.
5. CMP/MEW/NU Agreement dated as of May 16, 1994.
6. CMEEC/NU Agreement dated 11/29/90.
7. Chicopee/NU Agreement dated 11/1/95.
8. South Hadley/NU Agreement dated 11/1/95.
9. Westfield/NU Agreement dated 1/1/95.
10. Unitil/NU Agreement dated 11/1/92.

**ATTACHMENT H****Form of  
Network Operating Agreement****1.0 Preamble**

This Network Operating Agreement is entered into by and between the NEPOOL Participants (the "Transmission Provider") acting through \_\_\_\_\_ (the "System Operator") and \_\_\_\_\_ (the "Transmission Customer") as an implementing agreement for the NEPOOL Open Access Transmission Tariff and is subject to and in accordance with the NEPOOL Open Access Tariff. All definitions and other terms and conditions of the NEPOOL Open Access Transmission Tariff are incorporated herein by reference. The Transmission Provider may designate a satellite dispatch center and/or one or more Participants to act for it under this Agreement.

**2.0 General Terms and Conditions**

The Transmission Provider agrees to provide transmission service to the Transmission Customer's equipment or facilities, etc., subject to the Transmission Customer operating its facilities in accordance with applicable NEPOOL and NPCC criteria, rules, standards, procedures, or guidelines as they may be adopted and/or amended from time to time. In addition to the provisions defined in those documents, service to the Transmission Customer's equipment or facilities, etc. is provided subject to the following specified terms and conditions.

**2.1 Electrical Supply:** The electrical supply to the Point(s) of Delivery shall be in the form of three-phase sixty-hertz alternating current at a voltage class determined by mutual agreement of the parties.

**2.2 Coordination of Operations:** The Transmission Provider shall consult the Transmission Customer and/or its Designated Agent regarding timing of scheduled maintenance of the Transmission System and the Transmission Provider shall schedule any shutdown or withdrawal of facilities to coincide with the

Transmission Customer's equipment or facilities, etc. scheduled outages of the Transmission Customer's resources, to the extent practicable. In the event the Transmission Provider is unable to schedule the shutdown of its facilities to coincide with Transmission Customer's schedule, the Transmission Provider shall notify the Transmission Customer and/or its Designated Agent, in advance if feasible, of reasons for the shutdown, the time scheduled for it to take place, and its expected duration. The Transmission Provider shall use due diligence to resume delivery of electric power as quickly as possible.

**2.3 Reporting Obligations:** The Transmission Customer shall be responsible for all information required by NPCC or NEPOOL. The Transmission Customer shall respond promptly and completely to the Transmission Provider's reasonable requests for information, including but not limited to, data necessary for operations, maintenance, regulatory requirements and analysis. In particular, that information may include:

For Network Loads:

- 10-year coincident, seasonal (summer, winter) Annual Peak Load forecast, aggregated by geographic distribution area
- Load Power Factor performance by geographic distribution area
- Underfrequency load shedding capability aggregated by geographic distribution area
- Block load shedding capability aggregated by geographic distribution area
- Disturbance/interruption reports
- Protection system setting conformance
- Protection system testing and maintenance conformance
- Planned changes to protection systems
- Metering testing and maintenance conformance
- Planned changes in transformation capability
- Conformance to harmonic and voltage fluctuation limits
- Dead station tripping conformance

- Voltage reduction capability conformance

For Network Resources and interconnected generators:

- 10-year forecast of generation capacity retirements and additions, if applicable
- Generator reactive capability verification
- Generator underfrequency relaying conformance
- Protection system testing and maintenance conformance
- Planned changes to protection system
- Planned changes to generation parameters
- Metering testing and maintenance conformance

Failure by the Transmission Customer to do so may constitute default. Delinquency in responding by the Transmission Customer will result in a fine as described in 5.0 below.

The Transmission Customer shall supply accurate and reliable information to the system operators regarding metered values for MW, MVAR, volt, amp, frequency, breaker status indication, and all other information deemed necessary by the Transmission Provider for reliable operation. Information shall be gathered for electronic communication using one or more of the following: supervisory control and data acquisition (SCADA), remote terminal unit (RTU) equipment, and remote access pulse recorders (RAPR). All equipment used for metering, SCADA, RTU, RAPR, and communications must be approved by the Transmission Provider.

**2.4 Operational Obligations:** The Transmission Customer shall request permission from the system operators prior to opening and/or closing circuit breakers per applicable switching and operating procedures. The Transmission Customer shall carry out all switching orders from the Transmission Provider, the System Operator or the Transmission Provider's designee in a timely manner.

The Transmission Customer shall balance the load at the Point(s) of Delivery such that the difference in the individual phase currents are acceptable to the Transmission Provider.

The Transmission Customer's equipment shall conform with harmonic distortion and voltage fluctuation standards of the Transmission Provider.

The Transmission Customer's equipment must comply with all environmental requirements to the extent they impact the operation of the Transmission Provider's system.

The Transmission Customer shall operate all of its equipment and facilities connected to the Transmission Provider's system in a safe and efficient manner and in accordance with manufacturers' recommendations, Good Utility Practice, applicable regulations, and requirements of the Transmission Provider, the System Operator, and NPCC.

**2.5 Notice of Transmission Service Interruptions:** If at any time, in the reasonable exercise of the system operator's judgement, operation of the Transmission Customer's equipment adversely affects the quality of service or interferes with the safe and reliable operation of the system, the Transmission Provider may discontinue transmission service until the condition has been corrected. Unless the system operators perceive that an emergency exists or the risk of one is imminent, the system operators shall give the Transmission Customer and/or its Designated Agent reasonable notice of its intention to discontinue transmission service and, where practical, allow suitable time for the Transmission Customer to remove the interfering condition. The Transmission Provider's judgement with regard to the discontinuance of service under this paragraph shall be made in accordance with Good Utility Practice. In the case of such discontinuance, the Transmission Provider shall immediately confer with the Transmission Customer regarding the conditions causing such discontinuance and its recommendation concerning timely correction thereof. Failure by a Customer to shed load would be subject to an additional charge of 10¢/kWh for every kWh the Customer failed to shed.

**2.6 Access and Control:** Properly accredited representatives

of the Transmission Provider shall at all reasonable times have access to the Transmission Customer's facilities to make reasonable inspections and obtain information required in connection with this Tariff.

Such representatives shall make themselves known to the Transmission Customer's personnel, state the object of their visit, and conduct themselves in a manner that will not interfere with the construction or operation of the Transmission Customer's facilities. The Transmission Provider or its designee will have control such that it may open or close the circuit breaker or disconnect and place safety grounds at the Point(s) of Delivery, or at the station, if the Point(s) of Delivery is remote from the station.

**2.7 Point(s) of Delivery:** Network Integration Transmission Service will be delivered by the Transmission Provider at the Point(s) of Delivery as specified in the customer's Service Agreement, and as amended from time to time. Each Point of Delivery shall have a unique identifier, meter location, meter number, metered voltage, terms on meter compensation and, the actual, or if not currently in service, the projected in-service year.

**2.8 Maintenance of Equipment:** The Transmission Customer shall maintain all of its equipment and facilities connected to the Transmission Provider's system in a safe and efficient manner and in accordance with manufacturers' recommendations, Good Utility Practice, applicable regulations, and requirements of NEPOOL, and NPCC.

The Transmission Provider may request that the Transmission Customer test, calibrate, verify or validate the data link, metering, data acquisition, transmission, protective, or other equipment or software consistent with the Transmission Customer's routine obligation to maintain its equipment and facilities or for the purposes of trouble shooting problems on the network facilities. The Transmission Customer will be responsible for the cost to test, calibrate, verify or validate the equipment or software.



The Transmission Provider shall have the right to inspect the tests, calibrations, verifications and validations of the data link, metering, data acquisition, transmission, protective, or other equipment or other software connected to the Transmission Provider's system.

The Transmission Customer, at the Transmission Provider's request, shall supply the Transmission Provider with a copy of the installation, test, and calibration records of the data link, metering, data acquisition, transmission, protective or other equipment or software connected to the Transmission Provider's system. The Transmission Provider shall have the right, at the Transmission Customer's expense, to monitor the factory acceptance test, the field acceptance test, and the installation of any metering, data acquisition, transmission, protective or other equipment or software connected to the Transmission Provider's system.

**2.9 Emergency System Operations:** The Transmission Customer's equipment and facilities, etc. shall be subject to all applicable emergency operation standards required of and by the Transmission Provider to operate in an interconnected transmission network.

The Transmission Provider reserves the right to have the system operators take whatever actions or inactions they deem necessary during emergency operating conditions to:

- (i) preserve the integrity of the Transmission System,
- (ii) limit or prevent damage, (iii) expedite restoration of service, or (iv) preserve public safety.

**2.10 Cost Responsibility:** The Transmission Customer shall be responsible for all costs incurred by the Transmission Provider relative to the Transmission Customer's facilities. Some costs may be allocated to several Transmission Customers. If the method for allocating costs is not clearly defined, then the method for allocation will be at the Transmission Provider's discretion.

### **3.0 Service For a Network Resource**

The following Terms and Conditions are specific to Service for a generator Network Resource.

**3.1 Voltage or Reactive Control Requirements:** Unless directed otherwise, the Transmission Customer will operate its existing interconnected generation facility(ies) with an automatic voltage regulator(s). The voltage regulator will control voltage at the Point(s) of Receipt consistent with the range of voltage scheduled by the Transmission Provider, the Transmission Provider's agent, NEPEX, or REMVEC.

At the discretion of the Transmission Provider, the Transmission Customer may be directed to deactivate the automatic voltage regulator and to supply reactive power per a schedule provided by the Transmission Provider.

If the Transmission Customer has not installed capacity sufficient to operate its generation facility consistent with recommendations of the Transmission Provider resulting from the System Impact and Facilities Studies or fails to operate at such capacity, the Transmission Provider may install, at the Transmission Customer's expense, reactive compensation equipment necessary to ensure the proper voltage or reactive supply at the Point(s) of Receipt.

**3.2 Station Service:** When the Transmission Customer's generation facility is producing electricity, the Customer must supply its own station service power. If and when the Transmission Customer's generation facility is not producing electricity, the Customer must obtain station service capacity and energy from another supplier or another of its resources.

**3.3 Protection Requirements:** Protection requirements are defined in NEPOOL and NPCC documents as may be adopted or amended from time to time.

**3.4 Operational Obligations** The Transmission Provider may require the generator to be equipped for Automatic Generation Control (AGC). The Transmission Customer will be responsible for all costs associated with installing and maintaining an AGC system on the generator(s).

The Transmission Provider retains the right to require

reduced generation at times when system conditions present transmission restrictions or otherwise adversely affect the Transmission Provider's other customers. The Transmission Provider will use due diligence to resolve the problems to allow the generator to return to the operating level prior to the Transmission Provider's notice to reduce generation.

All operations (including start-up, shutdown and determination of hourly generation) will be coordinated by the Transmission Provider.

**3.5 Coordination of Operations:** The Transmission Customer shall furnish the Transmission Provider with generator annual maintenance schedules, advise the Transmission Provider if its Network Resource is capable of participation in system restoration and/or if it has black start capability.

The Transmission Provider reserves the right to specify turbine and/or generator control (e.g., droop) settings as determined by the System Impact or Facilities Study or subsequent studies. The Transmission Customer agrees to comply with such specifications by the Transmission Provider at the Transmission Customer's expense.

If the generator is not dispatchable by the Transmission Provider, the Transmission Customer shall notify the Transmission Provider at least 48 hours in advance of its intent to take its resource temporarily off-line and its intent to resume generation. In circumstances such as forced outages, the Transmission Customer shall notify the Transmission Provider as promptly as possible of the Network Resource's temporary interruption of generation and/or transmission.

#### **4.0 Service for Delivery to Load**

The following Terms and Conditions are specific to Service for Delivery to Load.

**4.1 Power Factor Requirement:** The Transmission Customer agrees to maintain an overall Load Power Factor and reactive power supply within predefined sub-areas as measured at the Point(s) of Delivery within ranges

specified by the Transmission Provider or NEPOOL criteria, rules and standards which identify the power factor levels that must be maintained throughout the applicable sub-area for each anticipated level of total NEPOOL load. The Transmission Customer agrees to maintain Load Power Factor and reactive power requirements within the range specified by the Transmission Provider for the sub-area based on total NEPOOL load during that hour. NEPOOL may revise the power factor limits required from time to time. If the Transmission Customer lacks the capability to maintain the Load Power Factor within the ranges specified, the Transmission Provider may:

- a) install, at the Transmission Customer's expense, reactive compensation equipment necessary to ensure proper load power factor at the Point(s) of Delivery;
- b) charge the Transmission Customer per the Tariff Schedule OCC.

**4.2 Protection Requirements:** The Transmission Customer's relay and protection systems must comply with all applicable NEPOOL and NPCC criteria, rules, procedures, guidelines, standards or requirements as may be adopted or amended from time to time.

**4.3 Operational Obligations:** The Transmission Customer shall be responsible for operating and maintaining security of its electric system in a manner that avoids adverse impact to the Transmission Provider's or others' interconnected systems and complies with all applicable NEPOOL, and NPCC operating criteria, rules, procedures, guidelines and interconnection standards as may be amended or adopted from time to time. These actions include, but are not limited to:

- Voltage Reduction Load Shedding
- Underfrequency Load Shedding
- Block Load Shedding
- Dead Station Tripping
- Transferring Load Between Point(s) of Delivery

- Implementing Voluntary Load Reductions Including Interruptible Customers
- Starting Stand-by Generation
- Permitting Transmission Provider Controlled Service Restoration Following Supply Delivery Contingencies on Transmission Provider Facilities

**5.0 Default** If the Transmission Customer's equipment fails to perform consistent with the Terms and Conditions of this agreement, then the Transmission Customer will be deemed to be in default and service may be suspended immediately and subject to a termination through a FERC filing. If the Transmission Customer fails to provide the information required in Section 2.3 in a timely manner, the Transmission Provider shall be permitted to assess a penalty of \$100 per day until such information is provided in its entirety to the Transmission Provider.

NEPOOL

Open Access Transmission Tariff  
Original Sheet No. 231

The Parties whose authorizing signatures appear below  
warrant that they will abide by the foregoing terms and  
conditions.

\_\_\_\_\_

\_\_\_\_\_

NEPOOL Participants  
By (System Operator)

(Transmission Customers)

\_\_\_\_\_

\_\_\_\_\_

By:

By:

\_\_\_\_\_

\_\_\_\_\_

Title:

Title:

\_\_\_\_\_

\_\_\_\_\_

ate:

Date:

**ATTACHMENT I****Form of  
System Impact Study Agreement**

This Agreement dated \_\_\_\_\_, is entered into by \_\_\_\_\_ (the "Transmission Customer") and the NEPOOL Participants (the "Transmission Provider") acting through \_\_\_\_\_ (the "System Operator"), for the purpose of setting forth the terms, conditions and costs for conducting a System Impact Study relative to \_\_\_\_\_, in accordance with the NEPOOL Open Access Transmission Tariff ("Tariff"). All definitions and other terms and conditions of that Tariff are incorporated herein by reference. The Transmission Provider may designate one or more Participants or the System Operator to act for it under this Agreement.

1. The Transmission Customer agrees to provide, in a timely and complete manner, the information and technical data specified in Exhibit 1 to this Agreement and reasonably necessary for the Transmission Provider to conduct the System Impact study. The Transmission Customer understands that it must provide all such information and data prior to the Transmission Provider's commencement of the Study. Such information and technical data is specified in Exhibit 1 to this Agreement.
2. All work pertaining to the System Impact Study that is the subject of this Agreement will be approved and coordinated only through designated and authorized representatives of the Transmission Provider and the Transmission Customer. Each party shall inform the other in writing of its designated and authorized representative.
3. The Transmission Provider will advise the Transmission Customer of any additional information as it may in its sole reasonable discretion deem necessary to complete the study. Any such additional information shall be obtained only if required by Good Utility Practice and shall be subject to the Transmission Customer's consent to proceed, such consent not to be unreasonably withheld.
4. The Transmission Provider contemplates that it will require

\_\_\_\_\_ to complete the System Impact Study. Upon completion of the Study by the Transmission Provider, the Transmission Provider will provide a report to the Transmission Customer based on the information provided and developed as a result of this effort. If, upon review of the Study results, the Transmission Customer decides to pursue \_\_\_\_\_, the Transmission Provider will, at the Transmission Customer's direction, tender a Facilities Study Agreement within thirty (30) days. The System Impact and Facilities Studies, together with any additional studies contemplated in Paragraph 3, shall form the basis for the Transmission Customer's proposed use of the Transmission Provider's transmission system and shall be furthermore utilized in obtaining necessary third-party approvals of any interconnection facilities and requested transmission services. The Transmission Customer understands and acknowledges that any use of study results by the Transmission Customer or its agents, whether in preliminary or final form, prior to NEPOOL 18.4 approval, is completely at the Transmission Customer's risk and that the Transmission Provider will not guarantee or warrant the completeness, validity or utility of study results prior to NEPOOL 18.4 approval.

5. The estimated costs contained within this Agreement are the Transmission Provider's good faith estimate of its costs to perform the System Impact Study contemplated by this Agreement. The Transmission Provider's estimates do not include any estimates for wheeling charges that may be associated with the transmission of facility output to third parties or with rates for station service. The actual costs charged to the Transmission Customer by the Transmission Provider may change as set forth in this Agreement. Prepayment will be required for all study, analysis, and review work performed by the Transmission Provider or its Designated Agent, all of which will be billed by the Transmission provider to the Transmission Customer in accordance with Paragraph 6 of this Agreement.
6. The payment required is \$\_\_\_\_\_ from the Transmission Customer to the Transmission Provider for the primary system analysis, coordination, and monitoring of the System Impact Study. The Transmission Provider will, in writing, advise the Transmission Customer in advance of any cost increases for work to be performed if total amount increases by 10% or



more. Any such changes to the Transmission Provider's costs for the study work shall be subject to the Transmission Customer's consent, such consent not to be unreasonably withheld. The Transmission Customer shall, within thirty (30) days of the Transmission Provider's notice of increase, either authorize such increases and make payment in the amount set forth in such notice, or the Transmission Provider will suspend the System Impact Study and this Agreement will terminate if so permitted by the Federal Energy Regulatory Commission.

In the event this Agreement is terminated for any reason, the Transmission Provider shall refund to the Transmission Customer the portion of the above credit or any subsequent payment to the Transmission Provider by the Transmission Customer that the Transmission provider did not expend in performing its obligations under this Agreement. Any additional billings under this Agreement shall be subject to an interest charge computed in accordance with the provisions of the Transmission Provider's open access tariff.

Payments for work performed shall not be subject to refunding except in accordance with Paragraph 7 below.

7. If the actual costs for the work exceed prepaid estimated costs, the Transmission Customer shall make payment to the Transmission Provider for such actual costs within thirty(30) days of the date of the Transmission Provider's invoice for such costs. If the actual costs for the work are less than those prepaid, the Transmission Provider will credit such difference toward Transmission Provider costs unbilled, or in the event there will be no additional billed expenses, the amount of the overpayment will be returned to the Transmission Customer with interest computed as stated in Paragraph 6 of this Agreement, from the date of reconciliation.
8. Nothing in this Agreement shall be interpreted to give the Transmission Customer immediate rights to wheel over or interconnect with the Transmission Provider's transmission or distribution system. Such rights shall be provided for under separate agreement and in accordance with the Transmission Provider's open access tariff.
9. Within one (1) year following the Transmission Provider's issuance of a final bill under this Agreement, the

Transmission Customer shall have the right to audit the Transmission Provider's accounts and records at the offices where such accounts and records are maintained, during normal business hours; provided that appropriate notice shall have been given prior to any audit and provided that the audit shall be limited to those portions of such accounts and records that relate to service under this Agreement. The Transmission Provider reserves the right to assess a reasonable fee to compensate for the use of its personnel time in assisting any inspection or audit of its books, records or accounts by the Transmission Customer or its Designated Agent.

10. Each party agrees to indemnify and hold the other party and its Related Persons of each of them (collectively "Affiliates") harmless from and against any and all damages, costs (including attorney's fees), fines, penalties and liabilities, in tort, contract, or otherwise (collectively "Liabilities") resulting from claims of third parties arising, or claimed to have arisen as a result of any acts or omissions of either party under this Agreement. Each party hereby waives recourse against the other party and its Related Persons for, and releases the other party and its Related Persons from, any and all Liabilities for or arising from damage to its property due to a performance under this Agreement by such other party except in cases of negligence or intentional wrongdoing by either party.
11. If either party materially breaches any of its covenants hereunder, the other party may terminate this Agreement by filing a notice of intent to terminate with the Federal Energy Regulatory Commission and serving notice of same on the other party to this Agreement. This remedy is in addition to any other remedies available to the injured party.
12. This Agreement shall be construed and governed in accordance with the laws of the State of Connecticut and with Part II of the Federal Power Act, 16 U.S.C. §§824d et seq., and with Part 35 of Title 18 of the Code of Federal Regulations, 18 C.F.R. §§35 et seq.
13. All amendments to this Agreement shall be in written form executed by both parties.

14. The terms and conditions of this Agreement shall be binding on the successors and assigns of either party.
15. This Agreement will remain in effect for a period of up to two years from its effective date as permitted by the Federal Regulatory Commission, and is subject to extension by mutual agreement. Either party may terminate this Agreement by thirty (30) days' notice except as is otherwise provided herein. If this Agreement expires by its own terms, it shall be the Transmission Provider's responsibility to make such filing.

Transmission Customer:NEPOOL Participants  
By (System Operator)

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT 1****Information to be Provided to the Transmission Provider  
by the Transmission Customer for System Impact Study****1.0 Facilities Identification**

- 1.1 Requested capability in MW and MVA; summer and winter
- 1.2 Site location and plot plan with clear geographical references
- 1.3 Preliminary one-line diagram showing major equipment and extent of Transmission Customer ownership
- 1.4 Auxiliary power system requirements
- 1.5 Back-up facilities such as standby generation or alternate supply sources

**2.0 Major Equipment**

- 2.1 Power transformer(s): rated voltage, MVA and BIL of each winding, LTC and or NLTC taps and range,  $Z_1$  (positive sequence) and  $Z_0$  (zero sequence) impedances, and winding connections. Provide normal, long-time emergency and short-time emergency thermal ratings.
- 2.2 Generator(s): rated MVA, speed and maximum and minimum MW output, reactive capability curves, open circuit saturation curve, power factor (V) curve, response (ramp) rates, H (inertia), D (speed damping), short circuit ratio,  $X_1$  (leakage),  $X_2$  (negative sequence), and  $X_0$  (zero sequence) reactances and other data:

		Direct Axis	Quadrature Axis
Saturated synchronous reactance	$X_{dv}$	$X_{qv}$	
unsaturated synchronous reactance		$X_{di}$	$X_{qt}$
saturated transient reactance		$X'_{dv}$	$X'_{qv}$
unsaturated transient reactance	$X'_{di}$	$X'_{qi}$	

saturated subtransient reactance	$X''_{dv}$	$X''_{qv}$
unsaturated subtransient reactance	$X''_{di}$	$X''_{qi}$
transient open-circuit time constant	$T'_{do}$	$T'_{qo}$
transient short-circuit time constant	$T''_d$	$T''_q$
subtransient open-circuit time constant	$T''_{do}$	$T''_{qo}$
subtransient short-circuit time constant	$T''_d$	$T''_q$

2.3 Excitation system, power system stabilizer and governor: manufacturer's data in sufficient detail to allow modeling in transient stability simulations.

2.4 Prime mover: manufacturer's data in sufficient detail to allow modeling in transient stability simulations, if determined necessary.

2.5 Busses: rated voltage and ampacity (normal, long-time emergency and short-time emergency thermal ratings), conductor type and configuration.

2.6 Transmission lines: overhead line or underground cable rated voltage and ampacity (normal, long-time emergency and short-time emergency thermal ratings),  $Z_1$  (positive sequence) and  $Z_0$  (zero sequence) impedances, conductor type, configuration, length and termination points.

2.7 Motors greater than 150 kW 3-phase or 50 kW single-phase: type (induction or synchronous), rated hp, speed, voltage and current, efficiency and power factor at 1/2, 3/4 and full load, stator resistance and reactance, rotor resistance and reactance, magnetizing reactance.

2.8 Circuit breakers and switches: rated voltage, interrupting time and continuous, interrupting and momentary currents. Provide normal, long-time emergency and short-time emergency thermal ratings.

2.9 Protective relays and systems: ANSI function number,

quantity manufacturer's catalog number, range, descriptive bulletin, tripping diagram and three-line diagram showing AC connections to all relaying and metering.

2.10 CT's and VT's: location, quantity, rated voltage, current and ratio.

2.11 Surge protective devices: location, quantity, rated voltage and energy capability.

### 3.0 Other

3.1 Additional data reasonably necessary to perform the System Impact Study will be provided by the Transmission Customer as requested by the Transmission Provider.

3.2 The Transmission Provider reserves the right to require that the Transmission Customer accept the use in the study of specific equipment settings or characteristics necessary to meet NEPOOL and NPCC criteria and standards.

**ATTACHMENT J****Form of  
Facilities Study Agreement**

This agreement dated \_\_\_\_\_, is entered into by \_\_\_\_\_ (the Transmission Customer) and the NEPOOL Participants (the "Transmission Operator") acting through the \_\_\_\_\_ ("System Provider"), for the purpose of setting forth the terms, conditions and costs for conducting a Facilities Study Agreement relative to \_\_\_\_\_, in accordance with the NEPOOL Open Access Transmission Tariff ("Tariff"). All definitions and other terms and conditions of that Tariff are incorporated herein by reference. The Transmission Provider may designate one or more Participants or the System Operator to act for it under this Agreement. The Facilities Study will determine the detailed engineering, design and cost of the facilities necessary to satisfy the Transmission Customer's request for service over the NEPOOL Transmission System.

1. The Transmission customer agrees to provide, in a timely complete manner, the information and technical data specified in Exhibit 1 to this Agreement and reasonably necessary for the Transmission Provider to conduct the Facilities Study. Where such information and technical data was provided for the System Impact Study, it should be reviewed and updated with current information, as required.
2. All work pertaining to the Facilities Study that is the subject of this Agreement will be approved and coordinated only through designated and authorized representatives of the Transmission Provider and the Transmission Customer. Each party shall inform the other in writing of its designated and authorized representative.
3. The Transmission Provider will advise the Transmission Customer of additional information as may be reasonably deemed necessary to complete the study by the Transmission Provider. Any such additional information shall be obtained only if required by Good Utility Practice and shall be subject to the Transmission Customer's consent to proceed, such consent not to be unreasonably withheld.

4. The Transmission Provider contemplates that it will require \_\_\_\_ days to complete the Facilities Study. Upon completion of the study by the Transmission Provider, the Transmission Provider will provide a report to the Transmission Customer based on the information provided and developed as a result of this effort. If, upon review of the study results, the Transmission Customer decides to pursue its transmission service request, the Transmission Customer must sign a supplemental Service Agreement with the Transmission Provider under the Tariff. The System Impact and Facilities Studies, together with any additional studies contemplated in Paragraph 3, shall form the basis for the Transmission Customer's proposed use of the Transmission Provider's Transmission System and shall be furthermore utilized in obtaining necessary third-party approvals of any facilities and requested transmission services. The Transmission Customer understands and acknowledges that any use of the study results by the Transmission Customer or its agents whether in preliminary or final form, prior to NEPOOL 18.4 approval, is completely at the Transmission Customer's risk and that the Transmission provider will not guarantee or warrant the completeness, validity or utility of the study results prior to NEPOOL 18.4 approval.
5. The estimated costs contained within this Agreement are the Transmission provider's good faith estimate of its costs to perform the Facilities Study contemplated by this Agreement. The Transmission Provider's estimates do not include any estimates for wheeling charges that may be associated with the transmission of facility output to third parties or with rates for station service. The actual costs charged to the Transmission Customer by the Transmission Provider may change as set forth in this Agreement. Prepayment will be required for all study, analysis, and review work performed by the Transmission Provider's or its Designated Agent's personnel, all of which will be billed by the Transmission Provider to the Transmission Customer in accordance with Paragraph 6 of this Agreement.
6. The payment required is \$\_\_\_\_\_ from the Transmission Customer to the Transmission Provider for the primary system analysis, coordination, and monitoring of the Facilities Study to be performed by the Transmission Provider for the Transmission Customer's requested service. The Transmission Provider will, in writing, advise the



Transmission Customer in advance of any cost increases for work to be performed if the total amount increases by 10% or more. Any such changes to the Transmission Provider's costs for the study work to be performed shall be subject to the Transmission Customer's consent, such consent not to be unreasonably withheld. The Transmission Customer shall, within thirty (30) days of the Transmission Provider's notice of increase, either authorize such increases and make payment in the amount set forth in such notice, or the Transmission Provider will suspend the study and this Agreement will terminate if so permitted by the Federal Energy Regulatory Commission.

In the event this Agreement is terminated for any reason, the Transmission Provider shall refund to the Transmission Customer the portion of the above credit or any subsequent payment to the Transmission Provider by the Transmission Customer that the Transmission Provider did not expend in performing its obligations under this Agreement. Any additional billings under this Agreement shall be subject to an interest charge computed in accordance with the provisions of the Transmission Provider's appropriate transmission tariff. Payments for work performed shall not be subject to refunding except in accordance with Paragraph 7 below.

7. If the actual costs for the work exceed prepaid estimated costs, the Transmission Customer shall make payment to the Transmission Provider for such actual costs within thirty (30) days of the date of the Transmission Provider's invoice for such costs. If the actual costs for the work are less than that prepaid, the Transmission Provider will credit such difference toward Transmission Provider's costs unbilled, or in the event there will be no additional billed expenses, the amount of the overpayment will be returned to the Transmission Customer with interest computed in accordance with the provisions of the Tariff.
8. Nothing in this Agreement shall be interpreted to give the Transmission Customer immediate rights to interconnect to or wheel over the NEPOOL Transmission System. Such rights shall be provided for under separate agreement.
9. Within one (1) year following the Transmission Provider's issuance of a final bill under this Agreement, the

Transmission Customer shall have the right to audit the Transmission Provider's accounts and records at the offices where such accounts and records are maintained during normal business hours; provided that appropriate notice shall have been given prior to any audit and provided that the audit shall be limited to those portions of such accounts and records that relate to service under this Agreement. The Transmission provider reserves the right to assess a reasonable fee to compensate for the use of its personnel time in assisting any inspection or audit of its books, records or accounts by the Transmission Customer or its Designated Agent.

10. Each party agrees to indemnify and hold the other party and its Related Persons harmless from and against any and all damages, costs (including attorney's fees), fines, penalties and liabilities, in tort, contract, or otherwise (collectively "Liabilities") resulting from claims of third parties arising, or claimed to have arisen as a result of any acts or omissions of either party under this Agreement.  
Each party hereby waives recourse against the other party and its Related Persons for, and releases the other party and its Related Persons from, any and all Liabilities for or arising from damage to its property due to performance under this Agreement by such other party except in cases of negligence or intentional wrongdoing by either party.
11. If any party materially breaches any of its covenants hereunder, the other party may terminate this Agreement by filing a notice of intent to terminate with the Federal Energy Regulatory Commission and serving notice of same on the other party to this Agreement. This remedy is in addition to any other remedies available for the injured party.
12. This agreement shall be construed and governed in accordance with the laws of the State of Connecticut and with Part II of the Federal Power Act, 16 U.S.C. §§824d et seq., and with Part 35 of Title 18 of the Code of Federal Regulations, 18 C.F.R. §§35 et seq.
13. All amendments to this Agreement shall be in written form executed by both parties.
14. The terms and conditions of this Agreement shall be binding

on the successors and assigns of either party.

15. This Agreement will remain in effect for a period of two years from its effective date as permitted by the Federal Energy Regulatory Commission, and is subject to extension by mutual agreement.

Either party may terminate this Agreement by thirty (30) days' notice except as is otherwise provided herein. If this Agreement expires by its own terms, it shall be the Transmission Provider's responsibility to make such filing.

Transmission Customer:

NEPOOL Participants  
By (System Operator)

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT B  
TO RESTATED  
NEPOOL  
AGREEMENT**

**NEPOOL OPEN ACCESS  
TRANSMISSION TARIFF**

## TABLE OF CONTENTS

I.	<u>COMMON SERVICE PROVISIONS</u> .....	10
1	Definitions .....	10
1.1	Administrative Costs .....	10
1.2	Agreement .....	10
1.3	Ancillary Services .....	11
1.4	Annual Transmission Revenue Requirements .....	11
1.5	Application .....	11
1.6	Commission .....	11
1.7	Completed Application .....	12
1.8	Control Area .....	12
1.9	Curtailment .....	13
1.10	Delivering Party .....	13
1.11	Designated Agent .....	13
1.12	Direct Assignment Facilities .....	13
1.13	Eligible Customer .....	14
1.14	Energy Imbalance Service .....	15
1.15	Excepted Transaction .....	15
1.16	Facilities Study .....	15
1.17	Firm Point-To-Point Transmission Service .....	15
1.18	Firm Transmission Service .....	15
1.19	Good Utility Practice .....	16
1.20	Interest .....	16
1.21	Interruption .....	17
1.22	ISO .....	17
1.23	Load Ratio Share .....	17
1.24	Load Shedding .....	17
1.25	Local Network .....	17
1.26	Local Network Service .....	18
1.27	Local Point-To-Point Service .....	18
1.28	Long-Term Firm Point-To-Point Transmission Service .....	19
1.29	Native Load Customers .....	19
1.30	NEPOOL .....	19
1.31	NEPOOL Control Area .....	19
1.32	NEPOOL Transmission System .....	20
1.33	Network Customer .....	20
1.34	Network Integration Transmission Service .....	20
1.35	Network Load .....	20
1.36	Network Operating Agreement .....	20
1.37	Network Operating Committee .....	21
1.38	Network Resource .....	21
1.39	Network Upgrades .....	22
1.40	Non-Firm Point-to-Point Transmission Service: ....	22
1.41	Non-Participant .....	22

1.42	Non-PTF .....	22
1.43	Open Access Same-Time Information System (OASIS) .....	22
1.44	Operating Reserve - 10-Minute Non-Spinning Reserve Service .....	23
1.45	Operating Reserve - 10-Minute Spinning Reserve Service .....	23
1.46	Operating Reserve - 30-Minute Reserve Service ....	23
1.47	Participant .....	23
1.48	Participant RNS Rate .....	23
1.49	Point(s) of Delivery .....	23
1.50	Point(s) of Receipt .....	24
1.51	Point-To-Point Transmission Service .....	24
1.52	Pool PTF Rate .....	24
1.53	Pool RNS Rate .....	24
1.54	Power Purchaser .....	25
1.55	PTF or Pool Transmission Facilities .....	25
1.56	Pre-1997 PTF Rate .....	25
1.57	Reactive Supply and Voltage Control From Generation Sources Service .....	25
1.58	Receiving Party .....	25
1.59	Regional Network Service .....	26
1.60	Regulation and Frequency Response Service .....	26
1.61	Reserved Capacity .....	26
1.62	Scheduling, System Control and Dispatch Service .....	26
1.63	Service Agreement .....	26
1.64	Service Commencement Date .....	27
1.65	Short-Term Firm Point-To-Point Transmission Service .....	27
1.66	System Impact Study .....	27
1.67	System Operator .....	28
1.68	Tariff .....	28
1.69	Third-Party Sale .....	28
1.70	Through or Out Service .....	28
1.71	Tie Benefit .....	29
1.72	Tie Benefit Service .....	29
1.73	Transition Period .....	30
1.74	Transmission Customer .....	30
1.75	Transmission Provider .....	31
1.76	Year .....	31
2	Purpose of This Tariff .....	31
3	Initial Allocation and Renewal Procedures .....	33
3.1	Initial Allocation of Available Transmission Capability .....	33
3.2	Reservation Priority For Existing Firm Service Customers .....	34

4	Ancillary Services .....	36
4.1	Scheduling, System Control and Dispatch Service .....	38
4.2	Reactive Supply and Voltage Control from Generation Sources Service .....	38
4.3	Regulation and Frequency Response Service .....	38
4.4	Energy Imbalance Service .....	38
4.5	Operating Reserve - 10 Minute Spinning Reserve Service .....	38
4.6	Operating Reserve - 10 Minute Non-Spinning Reserve Service .....	39
4.7	Operating Reserve - 30 Minute Reserve Service ....	39
5	Open Access Same-Time Information System (OASIS) .....	39
6	Local Furnishing and Other Tax-Exempt Bonds .....	40
6.1	Participants That Own Facilities Financed by Local Furnishing or Other Tax-Exempt Bonds .....	40
6.2	Alternative Procedures for Requesting Transmission Service - Local Furnishing Bonds ....	41
6.3	Alternative Procedures for Requesting Transmission Service - Other Tax-Exempt Bonds ....	42
7	Reciprocity .....	43
8	Billing and Payment; Accounting .....	44
8.1	Participant Billing Procedure .....	44
8.2	Non-Participant Billing Procedure .....	44
8.3	Interest on Unpaid Balances .....	45
8.4	Customer Default .....	46
8.5	Study Costs and Revenues .....	47
9	Regulatory Filings .....	48
10	Force Majeure and Indemnification .....	49
10.1	Force Majeure .....	49
10.2	Indemnification .....	50
11	Creditworthiness .....	51
12	Dispute Resolution Procedures .....	52
12.1	Internal Dispute Resolution Procedures .....	52
12.2	Rights Under The Federal Power Act .....	53
13	Stranded Costs .....	53
13.1	General .....	53
13.2	Commission Requirements .....	55
13.3	Wholesale Contracts .....	55
13.4	Right to Seek or Contest Recovery Unimpaired ....	55
II.	<u>REGIONAL NETWORK SERVICE</u> .....	56
14	Nature of Regional Network Service .....	56
15	Availability of Regional Network Service .....	57
15.1	Provision of Regional Network Service .....	57
15.2	Eligibility to Receive Regional Network Service .....	58
16	Payment for Regional Network Service .....	59

17	Procedure for Obtaining Regional Network Service .....	60
III.	<u>THROUGH OR OUT SERVICE; TIE BENEFIT SERVICE</u> .....	62
18	Through or Out Service .....	62
18.1	Provision of Through or Out Service .....	62
18.2	Use of Through or Out Service .....	62
19	Payment for Through or Out Service .....	63
20	Reservation of Capacity for Through or Out Service ....	64
21	Tie Benefit Service .....	65
22	Payment for Tie Benefit Service .....	65
IV.	<u>SERVICE DURING THE TRANSITION PERIOD;</u>	
	<u>EXCEPTED TRANSACTIONS</u> .....	66
23	Transition Arrangements .....	66
24	Transition Payments .....	66
25	Excepted Transactions .....	67
V.	<u>THROUGH OR OUT SERVICE AS POINT-TO-POINT TRANSMISSION</u>	
	<u>SERVICE</u> .....	73
Preamble	.....	73
26	Nature of Review .....	74
27	Nature of Firm Point-To-Point Transmission	
	Service .....	75
27.1	Term .....	75
27.2	Reservation Priority .....	75
27.3	Use of Firm Point-To-Point Transmission	
	Service by the Participants That Own PTF .....	77
27.4	Service Agreements .....	77
27.5	Transmission Customer Obligations for Facility	
	Additions or Redispatch Costs .....	78
27.6	Curtailment of Firm Transmission Service .....	79
27.7	Classification of Firm Point-To-Point	
	Transmission Service .....	81
27.8	Scheduling of Firm Point-To-Point Transmission	
	Service .....	84
28	Nature of Non-Firm Point-To-Point Transmission	
	Service .....	85
28.1	Term .....	85
28.2	Reservation Priority .....	86
28.3	Use of Non-Firm Point-To-Point Transmission	
	Service by the Transmission Provider .....	87
28.4	Service Agreements .....	88
28.5	Classification of Non-Firm Point-To-Point	
	Transmission Service .....	88
28.6	Scheduling of Non-Firm Point-to-Point	
	Transmission Service: .....	90
28.7	Curtailment or Interruption of Service .....	92
29	Service Availability .....	94
29.1	General Conditions .....	94



29.2	Determination of Available Transmission Capability .....	94
29.3	Initiating Service in the Absence of an Executed Service Agreement .....	95
29.4	Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System .....	96
29.5	Deferral of Service .....	97
29.6	Real Power Losses .....	97
30	Transmission Customer Responsibilities .....	98
30.1	Conditions Required of Transmission Customers ....	98
30.2	Transmission Customer Responsibility for Third-Party Arrangements .....	99
31	Procedures for Arranging Firm Point-To-Point Transmission Service .....	100
31.1	Application .....	100
31.2	Completed Application .....	101
31.3	Deposit .....	103
31.4	Notice of Deficient Application .....	105
31.5	Response to a Completed Application .....	106
31.6	Execution of Service Agreement .....	107
31.7	Extensions for Commencement of Service .....	108
32	Procedures for Arranging Non-Firm Point-To-Point Transmission Service .....	109
32.1	Application .....	109
32.2	Completed Application: .....	110
32.3	Reservation of Non-Firm Point-To-Point Transmission Service: .....	111
32.4	Determination of Available Transmission Capability .....	112
33	Additional Study Procedures For Firm Point-To-Point Transmission Service Requests .....	113
33.1	Notice of Need for System Impact Study .....	113
33.2	System Impact Study Agreement and Cost Reimbursement .....	115
33.3	System Impact Study Procedures .....	116
33.4	Facilities Study Procedures .....	118
33.5	Facilities Study Modifications .....	121
33.6	Due Diligence in Completing New Facilities .....	121
33.7	Partial Interim Service .....	122
33.8	Expedited Procedures for New Facilities .....	123
34	Procedures if New Transmission Facilities for Firm Point-To-Point Transmission Service Cannot be Completed .....	124
34.1	Delays in Construction of New Facilities .....	124
34.2	Alternatives to the Original Facility Additions .....	125

34.3	Refund Obligation for Unfinished Facility Additions .....	127
35	Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities .....	128
35.1	Responsibility for Third-Party System Additions .....	128
35.2	Coordination of Third-Party System Additions ....	128
36	Changes in Service Specifications .....	130
36.1	Modifications on a Non-Firm Basis .....	130
36.2	Modification on a Firm Basis .....	132
37	Sale, Assignment or Transfer of Transmission Service .....	133
37.1	Procedures for Sale, Assignment or Transfer of Service .....	133
37.2	Limitations on Assignment or Transfer of Service .....	134
37.3	Information on Assignment or Transfer of Service .....	135
38	Metering and Power Factor Correction at Receipt and Delivery Points(s) .....	135
38.1	Transmission Customer Obligations .....	135
38.2	NEPOOL Access to Metering Data .....	136
38.3	Power Factor .....	136
39	Compensation for New Facilities and Redispatch Costs .....	136
VI.	<u>REGIONAL NETWORK SERVICE (INCLUDING NETWORK INTEGRATION TRANSMISSION SERVICE)</u> .....	137
40	Nature of Network Integration Transmission Service .....	138
40.1	Scope of Service .....	138
40.2	Transmission Provider Responsibilities .....	138
40.3	Network Integration Transmission Service .....	139
40.4	Secondary Service .....	140
40.5	Real Power Losses .....	140
40.6	Restrictions on Use of Service .....	141
41	Initiating Service .....	141
41.1	Condition Precedent for Receiving Service .....	141
41.2	Application Procedures .....	142
41.3	Technical Arrangements to be Completed Prior to Commencement of Service .....	147
41.4	Network Customer Facilities .....	148
41.5	Filing of Service Agreement .....	148
42	Network Resources .....	148
42.1	Designation of Network Resources .....	148
42.2	Designation of New Network Resources .....	149
42.3	Termination of Network Resources .....	149

42.4	Operation of Network Resources .....	150
42.5	Network Customer Redispatch Obligation .....	150
42.6	Transmission Arrangements for Network Resources Not Physically Interconnected With The NEPOOL Transmission System .....	150
42.7	Limitation on Designation of Network Resources .....	151
42.8	Use of Interface Capacity by the Network Customer .....	151
43	Designation of Network Load .....	152
43.1	Network Load .....	152
43.2	New Network Loads Connected With the NEPOOL Transmission System .....	152
43.3	Network Load Not Physically Interconnected with the NEPOOL Transmission System .....	153
43.4	New Interconnection Points .....	154
43.5	Changes in Service Requests .....	155
43.6	Annual Load and Resource Information Updates ....	155
44	Additional Study Procedures For Network Integration Transmission Service Requests .....	156
44.1	Notice of Need for System Impact Study .....	156
44.2	System Impact Study Agreement and Cost Reimbursement .....	158
44.3	System Impact Study Procedures .....	160
44.4	Facilities Study Procedures .....	161
45	Load Shedding and Curtailments .....	164
45.1	Procedures .....	164
45.2	Transmission Constraints .....	164
45.3	Cost Responsibility for Relieving Transmission Constraints .....	166
45.4	Curtailments of Scheduled Deliveries .....	166
45.5	Allocation of Curtailments .....	166
45.6	Load Shedding .....	167
45.7	System Reliability .....	167
46	Rates and Charges .....	169
46.1	Determination of Network Customer's Monthly Network Load .....	169
46.2	Redispatch Charge .....	170
47	Operating Arrangements .....	170
47.1	Operation under The Network Operating Agreement .....	170
47.2	Network Operating Agreement .....	171
47.3	Network Operating Committee .....	173
SCHEDULE 1	Scheduling, System Control and Dispatch Service .	174
SCHEDULE 2	Reactive Supply and Voltage Control from Generation Sources Service .....	177

SCHEDULE 3	Regulation and Frequency Response Service(Automatic Generator Control) .....	179
SCHEDULE 4	Energy Imbalance Service .....	182
SCHEDULE 5	Operating Reserve - 10-Minute Spinning Reserve Service .....	183
SCHEDULE 6	Operating Reserve - 10-Minute Non-Spinning Reserve Service .....	186
SCHEDULE 7	Operating Reserve - 30-Minute Reserve Service ...	189
SCHEDULE 8	Through or Out Service -The Pool PTF Rate .....	192
SCHEDULE 9	Regional Network Service .....	194
SCHEDULE 10	Tie Benefit Service .....	201
SCHEDULE 11	Transition Payments .....	202
ATTACHMENT A	Form of Service Agreement forThrough or Out Service or Other Point-To-PointTransmission Service .....	204
ATTACHMENT B	Form Of Service Agreement For Regional Network Service, including Network Integration Transmission Service .....	209
ATTACHMENT C	Methodology To Assess Available Transmission Capability .....	211
ATTACHMENT D	Methodology for Completing a System Impact Study .....	213
ATTACHMENT E	Local Networks .....	215
ATTACHMENT F	Annual Transmission Revenue Requirements .....	216
ATTACHMENT G	List Of Excepted Transaction Agreements .....	223
ATTACHMENT G-1	Agreements <u>re</u> Local Network Service .....	250
ATTACHMENT H	Form of Network Operating Agreement .....	251
ATTACHMENT I	Form of System Impact Study Agreement .....	263
ATTACHMENT J	Form of Facilities Study Agreement .....	271