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 FEDERAL ENERGY
 REGULATORY COMMISSION

VIA OVERNIGHT DELIVERY

The Hon. Kimberly D. Bose
 Secretary
 Federal Energy Regulatory Commission
 888 First Street, NE
 Washington, DC 20426

Re: Standards for Business Practices and Communication Protocols for Public Utilities; Docket No. ER11-~~X~~-000
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Dear Secretary Bose:

Pursuant to Rule 207 of the Commission's Rules of Practice and Procedure and in compliance with Order No. 676-E issued in Docket No. RM05-5-013¹, the PTO Administrative Committee ("PTO AC"), on behalf of the Participating Transmission Owners ("PTOs"), the Schedule 20A Service Providers ("SSPs"), Cross-Sound Cable Company, LLC ("CSC"), New England Power Company, Northeast Utilities Service Company, Unitil Energy Systems, Inc., and Fitchburg Gas and Electric Light Company (collectively, the "Filing Parties"),² hereby jointly submit this filing to request waiver of certain business practice standards in Version 002.1 of the Wholesale Electric Quadrant ("WEQ Standards") adopted by the North American Energy Standards Board ("NAESB") incorporated by reference into the regulations of the Commission pursuant to Order No. 676-E.³

As more fully explained below, the Filing Parties are transmission providers providing open access transmission service under the umbrella of the ISO New England, Inc. ("ISO-NE") Transmission, Markets and Services Tariff ("ISO Tariff"), specifically, Section II of the ISO Tariff (the "ISO OATT"). As recognized in a recent Commission order accepting the PTOs and SSPs request for limited waiver from certain NAESB Wholesale Electric Quadrant Standards

¹ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-E, 129 FERC ¶ 61,162 (2009).

² The Filing Parties note that they possess certain rights under Section 205 of the Federal Power Act to modify certain terms, conditions and rates in the ISO Tariff in accordance with transmission operating agreements, prior Commission Orders, and/or applicable case law.

³ Capitalized terms used but not defined in this filing are intended to have the meanings given to such terms in Version 002.1 of the WEQ Standards adopted by NAESB, the Transmission Operating Agreement, or the ISO Tariff including the ISO OATT, and Market Rule 1, which is Section III of the ISO Tariff. The ISO Tariff is available at www.iso-ne.com/regulatory/tariff/index.html.

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("WEQ(s)") adopted by the Commission in Order No. 676-C⁴, certain WEQ Standards adopted by the Commission were found to be inapplicable to the PTOs and SSPs due to the nature of the transmission services they provide under the ISO OATT which differs from the Commission's *pro forma* OATT, as well as the fact that the PTOs and SSPs operate within the footprint of ISO-NE which performs certain activities on behalf of the Filing Parties within the ISO-NE control area. Additionally, CSC was granted waiver of certain WEQ Standards under Order No. 676-C by similar orders in FERC Docket No. ER09-613-000, *et al.*⁵ Accordingly, the Filing Parties are, by this filing, submitting a request for waiver of certain WEQ Standards as described herein.

I. OVERVIEW OF FILING

This Order 676-E Waiver Request Filing transmittal letter is organized as follows:

- Section II provides a description of the Filing Parties and communications information;
- Section III provides a brief background of this Order No. 676-E Waiver Request Filing;
- Section IV describes OASIS-related WEQ Standards that are administered by the ISO-NE, the New England RTO;
- Section V provides a Request for Limited Waiver of Certain WEQ Standards by the Filing Parties;
- Section VI provides a Request for Limited Waiver of Certain WEQ Standards under the Local Service Schedules of certain individual PTOs, SSPs, and CSC; and
- Section VII contains the conclusion.

II. DESCRIPTION OF FILING PARTIES; COMMUNICATIONS

The PTOs, the SSPs and CSC are providers of certain transmission services under the auspices of the Regional Transmission Organization ("RTO") for New England, ISO-NE. ISO-NE operates the New England Transmission System (*i.e.*, those transmission facilities located in the ISO-NE Control Area) and administers the New England Markets pursuant to the ISO Tariff and the operating agreements with the New England transmission owners. In its capacity as the RTO for New England, ISO-NE has the responsibility to protect the short-term reliability of the

⁴ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-C, 124 FERC ¶ 61,070 (2008).

⁵ The Commission accepted CSC's waiver request, Cross-Sound Cable Company, LLC, 126 FERC ¶ 61,297 (2009) and by unpublished letter order on December 28, 2009 in Docket No. ER09-613-001.

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control area and to operate the system according to the reliability standards established by the Northeast Power Coordinating Council ("NPCC") and the North American Electric Reliability Corporation ("NERC").

A. The PTOs

The PTOs⁶ are Transmission Service Providers that offer both Local Network Service ("LNS") and Local Point-to-Point Service to Transmission Customers over Non-PTF Transmission Facilities ("Local Service") on an open-access basis under Schedule 21 of the ISO OATT. Pursuant to the terms of the Transmission Operating Agreement ("TOA") among the PTOs and ISO-NE, the PTOs own, physically operate and maintain Transmission Facilities in New England and ISO-NE has Operating Authority (as defined in Schedule 3.02 of the TOA) over the Transmission Facilities of the PTOs, including those used to provide service under Schedule 21. Section 3.04 of the TOA also grants the PTOs authority under Section 205 of the Federal Power Act to submit filings to the Commission in matters affecting the rates, terms and conditions of Local Service under Schedule 21 and rates and charges, including cost allocation, for regional transmission service under the ISO OATT.

Schedule 21 of the ISO OATT is comprised of two distinct parts. First, under the common provisions of Schedule 21 ("Schedule 21-Common"), the PTOs have collectively accumulated the common terms and conditions of Local Service applicable to transmission service over the local facilities of all of the PTOs. Second, each PTO has its own individual Schedule 21 schedule ("Local Service Schedule"), containing the rates, terms and conditions applicable to service over the Local Facilities owned by that particular PTO. The Schedule 21 Local Service Schedules primarily contain the rates that would apply for transmission service over the Local Facilities owned by the particular PTO, and may also include terms and conditions of service in addition to those contained in Schedule 21-Common.

Pursuant to Section 3.04 of the TOA, each PTO has the authority to submit filings under Section 205 of the FPA to establish and to revise the rates, terms and conditions of Transmission Service under its individual Local Service Schedule affecting the facilities owned by that particular PTO. In addition, the PTOs, acting jointly through the PTO AC, and in accordance

⁶ The PTOs include: Bangor Hydro-Electric Company; Town of Braintree Electric Light Department; NSTAR Electric Company; Central Maine Power Company; Maine Electric Power Company; Central Vermont Public Service Corporation; Connecticut Municipal Electric Energy Cooperative; The City of Holyoke Gas and Electric Department; New Hampshire Transmission, LLC; Green Mountain Power Corporation; Massachusetts Municipal Wholesale Electric Company; New England Power Company d/b/a National Grid; New Hampshire Electric Cooperative, Inc.; Northeast Utilities Service Company on behalf of its affiliates: The Connecticut Light and Power Company, Western Massachusetts Electric Company, and Public Service Company of New Hampshire; Taunton Municipal Lighting Plant; Town of Norwood Municipal Light Department; Town of Reading Municipal Light Department; The United Illuminating Company; Unitil Energy Systems, Inc. and Fitchburg Gas and Electric Light Company; Vermont Electric Cooperative, Inc.; Vermont Electric Power Company, Inc.; Vermont Transco, LLC; and Vermont Public Power Supply Authority.

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with the TOA and Disbursement Agreement among the PTOs, have the authority to submit filings under Section 205 of the FPA to establish and revise the common provisions of Local Service under Schedule 21.⁷ In this filing, the PTO AC is sponsoring the common provisions of Schedule 21 on behalf of the PTOs. While ISO-NE, as the RTO for New England, has operational control over the Non-PTF Transmission Facilities, the PTOs, both individually and collectively, determine the rates, terms and conditions of transmission service over such facilities.

For purposes of this compliance filing, the PTOs, through the PTO AC, have worked together in coordination with each other⁸, ISO-NE and the other transmission owners in New England to make this filing. In addition, the proposed waivers the WEQ Standards were presented, reviewed and discussed during a NEPOOL stakeholder meeting on September 29, 2010. While, pursuant to Section 3.04 (a) of the TOA, NEPOOL advisory approval was not required before making this filing with the Commission, it is important to note that, to date, NEPOOL stakeholders have not raised any indication that they disagree with the waivers proposed herein for Local Service under Schedule 21.

B. The SSPs

The SSPs are those Transmission Service Providers who hold the rights to the transmission capacity over the Phase I/II High Voltage Direct Current Interconnection ("Phase I/II HVDC-TF") between Québec, Canada and New England and who make those rights available on an open-access basis to Transmission Customers under Schedule 20A of the ISO OATT.⁹ The SSPs are a subset of the Interconnection Rights Holders ("IRH"), the entities that pay for the Phase I/II HVDC-TF and in return receive the rights to the transmission capacity under certain financial support agreements. ISO-NE has operating authority over the Phase I/II

⁷ TOA Sections 2.05, 3.03, and 3.04; Rate Design and Funds Disbursement Agreement ("Disbursement Agreement") Sections 1.01, 1.02, and 2.01.

⁸ At a meeting of the PTO AC held on September 21, 2010, the PTOs voted 99.13% in favor of filing the instant petition. The remaining 0.87% of the vote accounts for abstentions by Connecticut Municipal Electric Energy Cooperative, Massachusetts Municipal Wholesale Electric Cooperative, New Hampshire Electric Cooperative, and Vermont Public Power Supply Authority.

⁹ The SSPs include: Bangor Hydro-Electric Company ("BHE") (BHE offers the use rights of PPL EnergyPlus, LLC under Schedule 20A); NSTAR Electric Company; Central Maine Power Company ("CMP"); Central Vermont Public Service Corp. ("CVPS") (CVPS offers the Use Rights of Fitchburg Gas and Electric Light Company and UNITIL Power Corp., under Schedule 20A); Green Mountain Power Corp.; New England Power Company; Northeast Utilities Service Company on behalf of its affiliates: The Connecticut Light and Power Company, Western Massachusetts Electric Company, and Public Service Company of New Hampshire; The United Illuminating Company; and Vermont Electric Cooperative. Pursuant to Section 3.05 of the Phase I/II HVDC TF Transmission Service Administration Agreement ("TSAA") and subject to certain limitations, the SSPs have the sole authority under Section 205 of the Federal Power Act to submit changes to Schedule 20A of the ISO OATT. The TSAA was accepted by the Commission in *ISO New England Inc., et al.*, 111 FERC ¶ 61,244 (2005).

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HVDC-TF in accordance with the HVDC Transmission Operating Agreement (“HVDC TOA”) and the TSAA.¹⁰

Since their construction, the Phase I/II HVDC-TF have been operated on a coordinated basis among the Asset Owners, the local satellite control center and, initially, the staff of the New England Power Pool, subsequently, ISO-NE. Operations have been coordinated with HQTÉ, the owner and operator of the Canadian portion of the Phase I/II facilities, pursuant to an existing interconnection agreement between ISO-NE and Hydro-Québec. The HVDC TOA clarified and formalized the existing operating arrangements between the Asset Owners and ISO-NE.

The Asset Owners have transferred all rights for transmission service over the Phase I/II HVDC-TF to the IRH through at least 2020. In recognition of this fact, the Commission granted the Asset Owners a waiver from the requirement to file an OATT for the Phase I/II HVDC-TF.¹¹ In that waiver order, however, the Commission did indicate that public utilities with “control” over Phase I/II transmission service should include terms and conditions governing access to the Phase I/II HVDC-TF in their individual OATTs. Those public utilities are the SSPs. The SSPs are, therefore, the IRH that are transmission providers and offer the Use Rights under an open access transmission tariff. Consistent with the Commission’s directive, a number of public utility IRH included rates, terms and conditions for Phase I/II transmission service in their individual local OATTs.

The SSPs administer transmission service over the Phase I/II HVDC-TF pursuant to the TSAA and Schedule 20A of the ISO-NE OATT. Schedule 20A is comprised of two parts. Part I contains the common terms and conditions for transmission service over the Phase I/II HVDC-TF. Part II contains the individual rate schedules of each of the SSPs for Phase I/II HVDC-TF Service.

C. Cross-Sound Cable Company, LLC

CSC is a wholly owned indirect subsidiary of Prime Infrastructure Holdings Limited. CSC is the sole owner of the Cross Sound Cable, a nominal 330 MW bi-directional HVDC transmission system that runs under the Long Island Sound between New Haven, Connecticut and Shoreham, New York. The Cross Sound Cable is a jurisdictional facility under Section 201(e) of the FPA.¹² All of the Cross Sound Cable’s firm transmission capacity is subscribed on a long-term basis to the Long Island Power Authority (“LIPA”) pursuant to a Commission-approved allocation process. The CSC is under the operational control of ISO-NE pursuant to Section 9.3 of Attachment K to the ISO-NE OATT. CSC, as a Merchant Transmission Facilities

¹⁰ The HVDC TOA was filed on March 31, 2005 in Docket No. ER05-754-000. The Commission accepted the filing on May 25, 2005. *ISO New England Inc., et al.*, 111 FERC ¶ 61,244 (2005).

¹¹ *Black Creek Hydro, Inc., et al.*, 76 FERC ¶ 61,250 (1996), *order on reh'g*, 77 FERC ¶ 61,232 (1996).

¹² 16 U.S.C. § 824(c).

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("MTF") Provider, provides MTF Service over the Cross Sound Cable pursuant to Schedule 18 of the ISO OATT, the Schedule 18 Implementation Rule, and the Attachments to Schedule 18, and in coordination with the New York Independent System Operator, Inc. ("NYISO").

D. Communications

All correspondence and communications in this proceeding should be addressed to the undersigned for the PTO AC, PTOs, SSPs, and CSC as indicated in Attachment 1 hereto.

III. BACKGROUND

On April 25, 2006, the Commission issued Order No. 676¹³, which amended the Commission's regulations under the Federal Power Act to incorporate by reference certain standards promulgated by North American Energy Standards Board's (NAESB) Wholesale Electric Quadrant (WEQ).¹⁴ As an alternative to complying with the standards, Order No. 676 gave public utilities the option of applying for a waiver of some or all of the standards by filing a request explaining the reasons why the waiver should be granted. Shortly after Order No. 676's issuance, ISO-NE filed a request for a limited waiver of the standards with respect to its Regional Network Service and Through or Out Service, based primarily on the fact that *pro forma* OATT transmission services (*i.e.*, Point-to-Point Service or Network Integration Transmission Service) are not offered over New England's regional transmission facilities. On November 16, 2006, the Commission granted ISO-NE's request, finding that ISO-NE's "business model and regional transmission services differ from the business model and transmission services described in the *pro forma* OATT, on which the WEQ standards are generally based," and also finding that the request was reasonable.¹⁵

¹³ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676, FERC Stats. & Regs. ¶ 31,216 (2006), *reh'g denied*, Order No. 676-A, 116 FERC ¶ 61,255 (2006), *amended*, Order No. 676-B, FERC Stats. & Regs. ¶ 31,246 (2007), *revised*, Order No. 676-C, 73 Fed. Reg. 43,848 (July 29, 2008), FERC Stats. & Regs. ¶ 31,274 (2008), *order on clarification and reh'g*, Order No. 676-D, 124 FERC ¶ 61,317 (2008).

¹⁴ Order No. 676, FERC Stats. & Regs. ¶ 31,216 at P 1, 19.

¹⁵ *ISO New England Inc.*, 117 FERC ¶ 61,195, at P 14 (2006). Specifically, ISO-NE has obtained waivers with respect to Regional Network Service and Through or Out Service from the following WEQ-001 standards: (1) Standards 001-2.1 through 001-2.1.14 (Attribute Values Defining the Period of Service); (2) Standards 001-2.2 through 001-2.2.2 (Attribute Values Defining Service Class); (3) Standards 001-2.3 through 001-2.3.2 (Attribute Values Defining Service Types); (4) Standards 001-4 through 001-4.27 (On-Line Negotiation and Confirmation Process); (5) Standards 001-5 through 001-5.6 (Transmission Provider Requirements and Transmission Customer Requirements); (6) Standards 001-8 through 001-8.3.2 (Requirements for Dealing with Multiple, Identical Transmission Service Requests); (7) Standards 001-9 through 9.8.1 (Requirements for Dealing with Redirects on a Firm Basis); and (8) Standards 001-10 through 001-10.8.6 (Requirements for Dealing with Redirects on a Non-Firm Basis).

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On July 21, 2008, the Commission issued Order No. 676-C, which revised regulations to incorporate by reference the latest version (Version 001) of certain standards adopted by the WEQ of the NAESB. Specifically, Order No. 676-C required transmission providers to: (1) revise the Open Access Same-Time Information Systems (OASIS) business practice standards and communications protocols; (2) revise four business practice standards relating to reliability issues; (3) add new standards on Transmission Loading Relief (TLR) for the Eastern Interconnection; (4) add new standards for public key infrastructure (PKI); and (5) add a new OASIS implementation guide.¹⁶ Like Order No. 676, Order No. 676-C contained provisions for an entity to seek a waiver from its requirements.¹⁷

On September 30, 2008, ISO-NE requested a limited waiver of the new WEQ standards that address matters relating to Point-to-Point Service and new WEQ standards for invoking TLR procedures. ISO-NE explained that the circumstances that resulted in the Commission granting ISO-NE a waiver of certain business practice standards established in Order No. 676 continue to apply. Specifically, ISO-NE requested waiver of the new Standard 001-10.8.7, which constitutes a new requirement for dealing with redirects on a non-firm basis; Standards 001-11 (which includes 001-11 through 001-11.7.1) on resales for Point-to-Point Service; Standards 001-12 (which includes 001-12 through 001-12.5.2) on transfers of Point-To-Point Service; and the new WEQ-008-1, which governs TLR Procedures. On November 20, 2008, the Commission granted ISO-NE's request.¹⁸ On October 29, 2008, ISO-NE filed tariff sheets incorporating WEQ Version 001 standards by reference into the ISO-NE OATT, which were accepted by the Commission effective as of December 1, 2008.¹⁹

The Filing Parties in the instant docket requested, and have been granted, waiver of certain Commission regulations under Order No. 676-C.²⁰ On January 30, 2009, as amended on February 18, 2009 (Amended January 30th Filing), the PTO Administrative Committee, on behalf of the PTOs, and the SSPs, joined by several of their individual participants, made a compliance filing, and requested limited waiver of certain WEQ Standards, pursuant to Order No. 676-C. On April 15, 2009 an Order issued by the Commission granted in part, and denied in part, the Amended January 30th Filing.²¹ Subsequently, on May 15, 2009 the Parties to the Amended January 30th Filing made a further compliance filing pursuant to the April 15th Order. On December 28, 2009, the Commission accepted, by Letter Order, the May 15th Compliance

¹⁶ *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-C, 73 Fed. Reg. 43,848 (July 29, 2008), FERC Stats. & Regs. ¶ 31,274 (2008).

¹⁷ Order No. 676-C, FERC Stats. & Regs. ¶ 31,274 at P 19, 84.

¹⁸ *ISO New England Inc.*, 125 FERC ¶ 61,201 (2008).

¹⁹ *ISO New England Inc.*, 125 FERC ¶ 61,275 (2008).

²⁰ *Unitil Energy Systems, Inc. and Fitchburg Gas and Electric Light Company*, also previously sought and were granted a waiver of certain WEQ Standards under Order No. 676. See *Unitil Companies*, 116 FERC ¶ 61,266 (2006).

²¹ *Participating Transmission Owners Administrative Committee*, 127 FERC ¶ 61,053 (2009).

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Filing.²² Similarly, on January 30, 2009, CSC filed a request for waiver of certain WEQ Standards, and the Commission granted in part, and denied in part CSC's request on March 31, 2009.²³ On May 21, 2009, CSC made a filing in compliance with the Commission's March 31 Order, and the Commission accepted the filing by unpublished letter order on December 28, 2009.²⁴

Unlike regional transmission services in New England, point-to-point transmission services are generally offered under Schedules 20A and 21 of the ISO OATT. Thus the waivers most recently sought by ISO-NE with respect to Point-to-Point Services are not generally applicable to the SSPs, PTOs and CSC²⁵. However, pursuant to the Commission's Order No. 676-E, the Filing Parties have reviewed the WEQ Standards, and similar to their finding in Order No. 676-C, have found that many are inapplicable to the PTOs, SSPs, and CSC. The Filing Parties specific requests are enumerated below.

IV. OASIS-RELATED WEQ STANDARDS ADMINISTERED BY THE NEW ENGLAND RTO

In Order No 676-E, the Commission clarified that, to the extent that a public utility's OASIS obligations are administered by an ISO or an RTO, the public utility will not be required to modify its OATT to include the WEQ OASIS-related standards.²⁶ Version 002.1 of the WEQ Standards, incorporated by reference in Commission's Order No. 676-E²⁷, contains five WEQ Standards related to OASIS administration: WEQ-001; WEQ-002; WEQ-003; WEQ-012; and WEQ-013.

As the New England RTO, ISO-NE plays a primary role in operating and maintaining the OASIS per applicable WEQ Standards. Under the terms of operating agreements with the PTOs and SSPs, ISO-NE is responsible for operating and maintaining the OASIS for the PTOs and the SSPs. Under the TOA, ISO-NE has full authority to operate and maintain the OASIS and to direct the PTOs to change their PTO-specific Local Service pages on OASIS to conform to applicable requirements. Pursuant to Section 3.03 (v) of the TOA:

²² *PTO Administrative Committee*, FERC Docket No. ER09-626-002. Letter Order, dated December 12, 2009.

²³ *Cross-Sound Cable Company, LLC*, 126 FERC ¶ 61,297 (2009) ("March 31 Order").

²⁴ *Cross-Sound Cable Company, LLC*, FERC Docket No. ER09-613-001. Letter Order, dated December 28, 2009.

²⁵ *ISO New England Inc*, FERC Docket No. ER10-1749-000. Request Of ISO New England Inc. For Limited Waiver Of NAESB WEQ Standards. July 9, 2010. ("ISO-NE July 9, 2010 Waiver Request Filing").

²⁶ Order No. 676-E at P 16.

²⁷ In Sections IV, V, and VI of this cover letter, the WEQ Standards referred to herein are to Version 002.1 of the Standards unless otherwise noted.

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“The ISO shall operate and maintain the OASIS (or a successor system) as required by FERC, including posting of TTC/ATC for interties on the New England Transmission System; provided, however, that such system shall conform to the requirements for such systems as specified by FERC. The PTOs shall provide updates to PTO-specific Local Service pages on the OASIS site, subject to the ISO’s review of such updates. The ISO shall have the authority to direct any changes to such PTO-specific Local Service pages that it deems appropriate to conform to FERC requirements and the terms and conditions of the ISO OATT.”²⁸

The HVDC TOA²⁹ and the TSAA,³⁰ impose similar obligations on ISO-NE to operate and maintain the OASIS, including the posting of TTC on the Schedule 20A Service Provider pages. Thus, the PTOs and the SSPs are similarly situated with respect to their obligations to administer the OASIS.

Under these agreements, the PTOs and the SSPs, share responsibility over the administration of the OASIS as it relates to the offering and administration of transmission service over the Non-PTF and the Phase I/II HVDC-TF. Under both the TOA and the TSAA, the PTOs and SSPs, for instance, are responsible for administering, including, but not limited to, posting and updating, their OASIS-related information on their transmission provider pages consistent with the Commission’s rules and regulations. The SSPs and PTOs, for instance, have the obligation to input information and data specific to the offerings they make under Schedules 20A and 21 respectively. For example, under the TSAA, the SSPs have the obligation to post transmission service offerings, reservations and ATC values in accordance with the Commission’s regulations.³¹ Given these responsibilities, a thorough examination of the OASIS-related WEQ Standards by the Filing Parties has revealed that the Filing Parties have certain compliance requirements under five of these OASIS-related WEQ Standards: WEQ-001, -002, -003, -012 and -013.

According to their findings, the PTOs and SSPs will therefore incorporate by reference *these five OASIS-related WEQ Standards within their respective Schedules in the ISO OATT*. In recognition of ISO-NE’s primary role in operating and maintaining the OASIS in accordance with the TOA, HVDC TOA and the TSAA, the PTOs and SSPs will be inserting conditional language indicating that “to the extent applicable,” these five WEQ Standards are incorporated by reference into Schedules 20A and 21.³² Under this construct, the TOA, HVDC TOA and the

²⁸ TOA, Section 3.03

²⁹ See: Section 3.03 (c) of the HVDC TOA.

³⁰ See: Sections 2.04, 2.05 and 3.03 of the TSAA.

³¹ See, e.g.: TSAA, Definition of Transmission Provider Page

³² The Filing Parties shall make a future compliance filing, in accordance with FERC Order 676-E, to incorporate these standards by reference on or before December 31, 2010.

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TSAA will govern each party's respective obligations under these OASIS-related WEQ Standards.³³

In the same vein, the Cross Sound Cable is subject to the operational control, scheduling and maintenance coordination of ISO-NE, as the System Operator.³⁴ CSC also has OASIS administrative responsibilities as they relate to the offering and administration of transmission service over the CSC, and it collaborates and coordinates with ISO-NE through participation in the NEPOOL OASIS Working Group in which ISO-NE and CSC discuss OASIS issues to ensure all OASIS functions are properly accounted for. As such, CSC has identified certain requirements under OASIS-related WEQ Standards 001, 002, 003, 012 and 013 for which it has a minor role, with some exceptions for which CSC seeks waiver as described in Section VI.D below.³⁵ Also, CSC is obligated as a Transmission Service Provider to post on the OASIS³⁶ information associated with MTF Service in compliance with Order No. 889 and all other applicable Commission orders related to OASIS posting and management. Therefore, similar to the PTOs and SSPs, CSC will incorporate by reference these OASIS-related WEQ Standards. In recognition of ISO-NE's primary role in operating and maintaining the OASIS, CSC will insert conditional language indicating that "to the extent applicable" these WEQ Standards are incorporated by reference into Attachment Z to Schedule 18, with the exception of WEQ-001-4.1, 001-4.7.2.1, 001-9.1 through 001-10.8.7 for which CSC seeks waiver as discussed below.³⁷

V. REQUEST BY THE FILING PARTIES FOR LIMITED WAIVER OF CERTAIN WEQ STANDARDS VERSION 002.1

With respect to Schedule 18 as applicable to CSC, and the common provisions of Schedules 20A and 21, of the ISO OATT, the SSPs, the PTO AC, on behalf of the PTOs, and CSC hereby request a limited waiver of certain WEQ Standards (Version 002.1) incorporated by reference into the Commission's regulations and which public utilities are required to incorporate

³³ See *ISO New England Inc.*, 123 FERC ¶ 61,133 (2008). The Filing Parties were granted waiver from offering conditional firm service by the Commission's May 7, 2008 Order Accepting Compliance Filing in FERC Docket Nos. ER08-54-000 and ER08-54-001, at P. 35. The Filing Parties, with the exception of Bangor Hydro-Electric Company, do not offer conditional firm service (such service is defined as "Conditional Curtailment Option" by the NAESB Wholesale Electric Quadrant Business Practice Standards) as set forth in NAESB WEQ Standard 001-21, and are thus exempt from these conditions pursuant to the aforementioned Commission Order, and NAESB WEQ Standard 001-21.1.1; a statement to this effect shall be inserted in the Filing Parties' respective tariffs in the December 31, 2010 Compliance Filing for FERC Order No. 676-E in Docket No. RM05-5-13.

³⁴ *Id.*; ISO-NE OATT, Attachment K, Section 9.3.

³⁵ With the exception of WEQ-001-4.1, 001-4.7.2.1, 001-9.1 through 001-10.8.7 for which CSC seeks waiver as more fully described in Section VI.D.

³⁶ See ISO-NE OATT, Section II.5.

³⁷ See *supra* n. 32. Like the PTOs and SSPs, CSC does not offer conditional firm service and was a Filing Party in Docket Nos. ER08-54-000, *et al.*, in which the Commission granted waiver of conditional firm service. *ISO New England Inc.*, 123 FERC ¶ 61,133 (2008).

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by reference into their OATTs as set forth below. The WEQ Standards at issue here are inapplicable to the PTOs, SSPs, and CSC due to the nature of transmission service they provide, which differs from the services described in the Commission's *pro forma* OATT.

A. The Filing Parties Seek Waiver of WEQ Standard WEQ-004 - Coordinate Interchange Practices (Version 002.1), that are Applicable Only to ISO-NE as the Net Interchange Authority.

The Filing Parties, with the exception of CSC³⁸ and the SSPs,³⁹ hereby request waiver of WEQ-004 in its entirety. The purpose of WEQ Standard 004 is to incorporate necessary revisions to the approved NAESB Coordinate Interchange Business Practice to include added definitions and improvements to certain requirements of the Standard to ensure it is in "lock-step" with the NERC Coordinate Interchange Standard. NAESB states that WEQ-004 is applicable to Balancing Authorities, Reliability Coordinators, Interchange Authorities, Transmission Service Providers, Purchasing-Selling Entities, Generator-Provider Entities, Load-Serving Entities, and any Purchasing-Selling Entity whose transmission approval rights are cited.⁴⁰

While Standard 004 states that it applies in part to Transmission Service Providers ("TSPs") such as the PTOs and the SSPs, the only mention of TSPs is in reference to the definition of Approval Entity where TSPs are mentioned as one of several possible entities that may have approval rights over Arranged Interchange.⁴¹ However, in the New England RTO, the PTOs have no authority for matters affecting the identification, quantification or approval of net interchange transactions as contemplated by WEQ-004 and therefore do not qualify to be an Approval Entity. Rather, ISO-NE is the net interchange authority and the Approval Entity on behalf of the New England region. This standard is therefore inapplicable to the Filing Parties.

B. The Filing Parties Seek Waiver of Standards WEQ-005 and WEQ-007 (Version 002.1) that are Applicable Only to ISO-NE as the New England Balancing Authority

The Filing Parties hereby request waiver of WEQ Standards: WEQ-005 Area Control Error (ACE) Equation Special Cases Standards and WEQ-007 Inadvertent Interchange Payback Standards. As good cause for waiver, the Filing Parties state that these standards apply only to

³⁸ The request for waiver of Standard WEQ-004 excludes CSC which separately addresses this standard in Section VI.D.

³⁹ The request for waiver of Standard WEQ-004 excludes the SSPs. The SSPs on February 18, 2009 filed a request for partial waiver. Docket No. ER09-626-001. The request for partial was granted on April 15, 2009 127 FERC ¶ 61,053.

⁴⁰ WEQ Standard 004, Page 226.

⁴¹ See; WEQ Standard 004, Appendix A. Section B.

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Balancing Authorities. Under the New England RTO, ISO-NE acts as the Balancing Authority and performs all functions associated with these standards. Accordingly, these standards are inapplicable to the Filing Parties.

C. The Filing Parties Seek Waiver of the New TLR Standards under WEQ-008 (Version 002.1) Because neither ISO-NE nor the Filing Parties Initiate TLRs

The Filing Parties also seek waiver of NAESB's new standards governing Transmission Loading Relief ("TLR") under WEQ Standard 008-1 initiated to complement the NERC TLR process. The purpose of Standard 008 is to define the business practice requirements necessary to complement TLR procedures needed for curtailment and reloading of Interchange Transactions to relieve overloads on transmission facilities modeled in the Interchange Distribution Calculator ("IDC"). These requirements apply to relieve congestion on any facility modeled within the IDC or an equivalent interconnection model.

As stated in ISO-NE's July 9, 2010 Waiver Request Filing, ISO-NE does not initiate TLR requests or utilize TLR-like procedures, but rather implements specific rules in the ISO OATT, as accepted by the Commission, that govern how the ISO must curtail transmission schedules.⁴² The Commission accepted the ISO's waiver request in its November 20, 2008 Order. Because ISO-NE does not use TLR or TLR-like procedures,⁴³ the Filing Parties request that they also be exempted from this requirement.

Similarly, while ISO-NE does not call TLRs, it has stated that it must respond to TLRs initiated by another entity, which the NAESB process determines as having an impact on the New England region. Like ISO-NE, the Filing Parties are obligated to respond in accordance with those TLRs and they hereby acknowledge that they are not exempt from responding to the results of the NAESB process as required by NERC's reliability standards.

D. The Filing Parties Seek Waiver of WEQ-011 - Gas / Electric Coordination Standards (Version 002.1)

The Filing Parties seek limited waiver of Gas/Electric Coordination Standard, WEQ-011. As good cause for waiver, the Filing Parties state that they have individually responded to the Commission's Order No. 698 concerning the applicability of WEQ-011. On June 25, 2007, the Commission issued Order No. 698, amending its open access regulations governing standards for business practices and electronic communications with interstate gas pipelines and electric

⁴² ISO-NE July 9, 2010 Waiver Request Filing at pp. 14 -15.

⁴³ Section II.44 of the ISO OATT and Operating Procedure No. 9 (Scheduling and Dispatch of External Transactions ("OP-9")) set forth the ISO's scheduling and curtailment procedures.

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utilities.⁴⁴ The Commission ordered public utilities to file a statement as to whether they had established the required procedures.

WEQ Standard 011-1.2 directs power plant operators and transportation service providers directly connected to power plant operators' facilities to establish procedures to communicate material changes in circumstances that may impact hourly flow rates, and directs the power plant operator to provide projected hourly flow rates accordingly. WEQ Standard 011-1.6 requires RTOs, ISOs, independent transmission operators, independent balancing authorities and/or regional reliability coordinators to establish operational communication procedures with the appropriate transportation service provider and/or power plant operator.⁴⁵

For the most part, the Filing Parties have individually filed letters with the Commission detailing whether WEQ-011 applies to them.⁴⁶ With certain limited exceptions, the Filing Parties do not own any power plants or any natural gas pipelines in New England. Thus, the procedures required by WEQ Standard 011-1.2 are inapplicable to them. Further, the Filing Parties are transmission providers that do not fall within the types of entities described by WEQ Standard 011-1.6. Rather, ISO-NE acts as the balancing authority and reliability coordinator for the New England region and is responsible for the type of coordination and communication that is contemplated in WEQ Standard 011-1.6. Thus, the procedures required by WEQ-011 do not generally apply to the Filing Parties.

Accordingly, the Filing Parties request waiver with respect to WEQ-011 as to the common provisions of Schedules 18, 20A and 21 of the ISO OATT. To the extent that WEQ-011 does apply to any of the Filing Parties, that party shall be individually responsible for incorporating by reference the provisions of WEQ-011 into their individual local service schedule, or Schedule 18 in the case of CSC, and such filing will be made with the future compliance filing to be submitted by the Filing Parties pursuant to Order No. 676-E.

VI. REQUEST FOR LIMITED WAIVER OF CERTAIN WEQ STANDARDS UNDER INDIVIDUAL SERVICE SCHEDULES

⁴⁴ See Standards for Business Practices for Interstate Natural Gas Pipelines: Standards for Business Practices for Public Utilities. Order No. 698, 119 FERC ¶ 61,317 (2007) ("Order No. 698").

⁴⁵ See, e.g., Order No. 698 at P 42.

⁴⁶ Specifically, the following Filing Parties have responded to the Commission and indicated that WEQ-011 is inapplicable to them: Bangor Hydro-Electric Company; Central Maine Power Company; Central Vermont Public Service Corp.; Fitchburg Gas and Electric Light Company and Unitil Energy Systems, Inc.; Green Mountain Power Corp.; New England Power Company d/b/a/ National Grid; Northeast Utilities Service Company (on behalf of The Connecticut Light and Power Company and Western Massachusetts Electric Company); NStar Electric Company; and The United Illuminating Company..

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The following individual Filing Parties seek limited waiver of the WEQ Standards in addition to the blanket requests for waiver requested in Section V above.

A. New England Power Company

1. Background

On August 31, 2007, New England Power Company ("NEP") d/b/a National Grid, submitted amendments to Schedule 21-NEP in Section II of the ISO New England Tariff ("ISO Tariff") to eliminate Local Point-To-Point Transmission Service within NEP's service territory.⁴⁷ Although point-to-point transmission service ("PTP Service") had previously been offered under Schedule 21-NEP, NEP proposed to discontinue PTP Service from Schedule 21-NEP to more properly reflect services taken by NEP's customers and align Schedule 21-NEP more closely with regional transmission services offered under Section II of the ISO Tariff.⁴⁸ The Commission accepted NEP's PTP Elimination Filing by letter order dated October 26, 2007.⁴⁹ Thus, NEP provides only network transmission service under Schedule 21-NEP. Accordingly, NEP seeks waiver of all Business Practices for Open Access Same-Time Information Systems ("OASIS") Standards ("WEQ-001") that relate specifically to PTP Service, which NEP does not provide, including standards that are inapplicable given the elimination of PTP Service. NEP's waiver request is consistent with ISO-NE's July 20, 2010 Waiver Request Filing seeking waiver of many of the WEQ-001 standards.

2. Prior Waivers Granted In Connection With Order 676-C

On January 30, 2009, NEP requested waiver of all Business Practices for OASIS Standards WEQ-001 that relate specifically to PTP Service, which NEP does not provide. Specifically, NEP sought waiver from the following NAESB Version 1.0 WEQ-001 standards: 001-1.6(b)(1) through 001-1.6(b)(3) (Posting Transmission Capability); 001-2.1 through 001-2.14 (Attribute Values Defining The Period of Service); 001-2.2 through 001-2.2.2 (Attribute Values Defining Service Class); 001-2.3 through 001-2.3.2 (Attribute Values Defining Service Types); 001-4 through 001-4.27 (On-Line Negotiation and Confirmation Process); 001-5 through 001-5.6 (Procurement of Ancillary and Other Services); 001-8 through 001-8.3.2, including WEQ 001-A (Requirements For Dealing With Multiple, Identical Transmission Service Requests); 001-9 through 001-9.8.1, including WEQ 001-B (Requirements For Dealing With Redirects On A Firm Basis); 001-10 through 001-10.8.7 (Requirements For Dealing With Redirects On A Non-Firm Basis); 001-11 through 001-11.7.1 (Resales); and 001-12 through 001-12.5.2 (Transfers). In its order issued April 15, 2009, the Commission granted NEP's

⁴⁷ See Amendment to Schedule 21-NEP in Section II of the ISO-NE Tariff Eliminating Local Point-to-Point Service ("PTP Elimination Filing"), Docket No. ER07-1323-000.

⁴⁸ The Commission approved ISO-NE's proposed elimination of regional PTP Service from Section II of the ISO Tariff effective February 1, 2005. *ISO New England, Inc.*, 106 FERC ¶ 61,280 (2004).

⁴⁹ *ISO New England, Inc.*, 106 FERC ¶ 61,280 (2004) (Docket No. ER07-1323-000).

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request for waivers of the OASIS Standards WEQ 001 that relate specifically to PTP Service.⁵⁰ NEP hereby certifies that the circumstances warranting the waiver of such WEQ-001 standards have not changed.

3. Request for Waiver Associated with Waivers Previously Granted by the Commission in its April 15, 2009 Order

NEP requests waiver of any revisions and/or additions made under the following WEQ-001 standards, consistent with NEP's original waiver request and the Commission's April 15, 2009 Order granting that request:

- Standards 001-2.1 through 001-2.14 (Attribute Values Defining The Period of Service);
- Standards 001-4 through 001-4.27 (On-Line Negotiation and Confirmation Process)
- Standards 001-9 through 001-9.8.1 (Requirements For Dealing With Redirects On A Firm Basis)
- Standards 001-11 through 001-11.7.1 (Resales)

The modification and/or additions to these standards are not applicable to Schedule 21-NEP for the reasons explained by NEP in its original request, which was subsequently granted by the Commission in its April 15, 2009 Order. The relevant provisions of Schedule 21-NEP and the circumstances supporting the Commission's determination in the April 15, 2009 Order have not changed. Accordingly, it is appropriate for the Commission to continue to waive compliance requirements for NEP for these standards.

4. Request for Waiver of New Standards Governing ATC-related Requirements for Pro Forma OATT Service (Point-To-Point) Not Provided by NEP

NEP requests waiver of NAESB Version 002.1 new standards related to the calculation of firm and non-firm available transfer capability ("ATC"). Specifically, NEP requests waiver of the following WEQ-001 Standards as applicable to Schedule 21-NEP:

- Standards 001-13.1.5 (ATC Information Link);
- Standards 001-14 through 001-14.2.3.3 (Zero ATC Narrative)
- Standards 001-15 through 001-15.2.3.5 (ATC Change Narrative)
- Standards 001-16 through 001-16.1 (ATC or AFC Methodology Questions)
- Standards 001-18 through 001-18.2 (Determination of Postback)
- Standards 001-19 through 0.1-19.1.2 (Grandfathered Agreements)
- Standards 001-22 through 001-22.2 (Information to Audit Usage of CBM)

⁵⁰ *Participating Transmission Owners Administrative Committee*. 127 FERC ¶ 61,053 (2009) (the "April 15, 2009 Order").

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- 001-D Appendix D – Postback Conditions for Use in Calculation of ATC or AFC, as Appropriate

These WEQ-001 Standards are not applicable to Schedule 21-NEP as these standards relate to PTP Service-related ATC requirements and NEP does not provide PTP Service under Schedule 21-NEP. NEP provides only Network Transmission Service under Schedule 21-NEP. ATC calculation methodology has no impact on the provision of Network Service, as there are no posted paths for Network Service. Under the terms of Schedule 21-NEP, NEP is obligated to ensure that it always has sufficient transmission capacity available to provide Network Service. As such, NEP is required to "take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of the system" for Network Service customers. The ATC calculation is not a tool used to determine whether sufficient capacity is available for Network Service. Rather, NEP uses periodic system impact studies and other means to ensure that it will be able to serve existing and new network load in a reliable manner. Therefore, the Commission should grant waiver of the requirements of these WEQ-001 Standards, consistent with Commission's prior determination in its April 15, 2009 Order. The relevant provisions of Schedule 21-NEP and the circumstances supporting the Commission's determination in its April 15, 2009 Order all hold true for these WEQ-001 Standards. Accordingly, it is appropriate for the Commission to waive its compliance requirements for these standards.

5. Request for Waiver of New Standards Governing Pro Forma OATT Service (Point-To-Point) Not Provided by NEP

NEP requests waiver of NAESB Version 002-1 new standards related to Point-To-Point Service not provided by NEP. Specifically, NEP requests waiver of the following WEQ-001 Standards as applicable to Schedule 21-NEP:

- Standards 001-20 through 001-20.3 (Rollover Rights)
- Standards 001-21 through 001-21.5.5 (Granting and Managing a CCO Reservation)

These WEQ-001 Standards are not applicable to Schedule 21-NEP as these standards relate to PTP Service and NEP does provide PTP Service under Schedule 21-NEP. NEP provides only Network Transmission Service under Schedule 21-NEP. Accordingly, it is appropriate for the Commission to waive its compliance requirements with respect to these standards.

B. Northeast Utilities

The NU Companies⁵¹ are public utilities and participate in the New England electricity markets administered by ISO-NE. The NU Companies provide distribution service to industrial.

⁵¹ The NU Companies are: The Connecticut Light and Power Company ("CL&P"), Western Massachusetts Electric Company (WMECO), and Public Service Company of New Hampshire ("PSNH").

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commercial and residential end-use customers located in Connecticut, western Massachusetts, and New Hampshire. The NU Companies are also Transmission Service Providers in New England offering transmission service pursuant to Schedule 21-NU, and Schedule 20A-NU, of the ISO OATT.

With the limited exception of PSNH, the NU Companies hereby request a general waiver of applicability from WEQ Standard 011 for the following reasons. With the exception of PSNH⁵², the NU Companies do not own or operate any power plants or interstate natural gas pipelines, and the procedures required by WEQ Standards 011-1.2 and 011-1.3 do not apply to the NU Companies.⁵³ Further, none of the NU Companies are entities described by WEQ Standard 011-1.6. Rather, ISO-NE acts as the balancing authority and reliability coordinator for the New England region and is responsible for the type of coordination and communication that is contemplated in WEQ Standard 011-1.6.⁵⁴ Thus, the only portions of WEQ Standard 011 that apply to any of the NU Companies are WEQ Standards 011-1.2 and 011-1.3, and the applicability of these Standards is limited to PSNH.

For the reasons stated above, the NU Companies hereby request a waiver for both Schedule 21-NU and Schedule 20A-NU from the applicability of WEQ Standard 011, with the exception of WEQ Standards 011-1.2 and 011-1.3, as these Standards apply solely to PSNH, and with which PSNH is in compliance.

C. Unitil Energy Systems, Inc. and Fitchburg Gas and Electric Light Company

1. Prior Waivers Granted In Connection With Order No. 676

On June 1, 2006, Unitil Energy Systems, Inc. ("UES") and Fitchburg Gas and Electric Light Company ("FGE") (collectively, "the Unitil Companies") requested waiver of Sections 35.28, 37.5(b) and 38.2(a)(1)-(7) of the Commission's regulations.⁵⁵ The Commission granted

⁵² On October 31, 2007, in compliance with Order No. 698, PSNH timely made a compliance filing in FERC Docket Nos. RM96-1-027 and RM05-5-001, affirmatively stating that it had adopted the protocol required by WEQ Standard 011-1.2. In that filing, PSNH also stated that a third party provides the gas transportation supply to the natural gas generating facility owned by PSNH. The NU Companies take the opportunity here to clarify that PSNH is not a natural gas supplier, and is not an entity described by WEQ Standard 011-1.6.

⁵³ On August 8, 2008 the NU Companies filed a statement of compliance with the Commission in Docket Nos. RM96-1-027 and RM05-5-001 regarding Order No. 698, which required electric transmission owners to be in compliance with WEQ Standards 011-1.2 and 011-1.6. In this filing, the NU Companies stated that WEQ Standard 011 does not apply to them, with the exception of PSNH as set forth herein.

⁵⁴ ISO-NE made a filing with the Commission on November 1, 2007 confirming that it is in compliance with WEQ Standard 011-1.6. Thus, the procedures required by WEQ Standard 011-1.6 do not apply to the NU Companies.

⁵⁵ See Request for Waiver of Standards for Business Practices and Communication Protocols for Public Utilities, *Unitil Companies*, Docket No. ER06-1094-008 (June 1, 2006).

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the requested waivers to the Unitil Companies on September 21, 2006.⁵⁶ FERC found that the Unitil Companies meet the criteria for small public utility waivers provided in Order No. 676 and granted the requested waivers unless and until an entity evaluating its transmission needs complains that it could not get information necessary to complete its evaluation.⁵⁷ The Commission further confirmed the waivers relating to OASIS-related requirements of the regulations previously granted to the Unitil Companies, and granted a waiver of certain newly created requirements in connection with Order No. 676-C.⁵⁸ The Unitil Companies respectfully request that the Commission affirm that these waivers, which are discussed below, remain applicable to the updated versions of these standards approved in Order No. 676-C. The Unitil Companies hereby certify that the circumstances warranting the waivers of the OASIS requirements and the WEQ standards have not changed.

The Unitil Companies have previously been granted waiver of the OASIS requirements set out in Order No. 889.⁵⁹ Although the Commission has waived the OASIS requirements, the Unitil Companies voluntarily provide certain information to ISO-NE that is posted on the ISO-NE OASIS website. The Unitil Companies do not operate or control an interstate transmission grid, and therefore, the OASIS-related standards (WEQ-001; WEQ-002; WEQ-003 and WEQ-013) remain inapplicable to the Unitil Companies.

FERC also granted the Unitil Companies' request for waivers of the standards governing Firm and Non-Firm Redirects (WEQ-001-9 and 001-10), Multiple Transmission Requests (WEQ-001-8), and the reliability-related standards: WEQ-004 (Coordinate Interchange), WEQ-005 (Area Control Error Equation Special Cases), WEQ-006 (Manual Time Error Correction), and WEQ-007 (Inadvertent Interchange Payback).⁶⁰ As explained in the Unitil Companies' June 1, 2006 filing, and in the joint filing submitted by the PTOs in connection with Order No. 676-C, the Unitil Companies operate within the footprint of ISO-NE, do not operate as Balancing Authorities, or otherwise control the operation of generation or transmission facilities in a manner that would permit them to comply with these standards.

The Unitil Companies also received waivers of the new standards regarding Gas/Electric Coordination (WEQ-011) and Transmission Loading Relief (WEQ-008). Regarding WEQ-008, the Unitil Companies do not operate or control an interstate transmission grid, and thus this standard is inapplicable. Likewise, the Unitil Companies do not own or operate a gas pipeline or

⁵⁶ See *Unitil Companies*, 116 FERC ¶ 61,266 (2006) ("Unitil Companies").

⁵⁷ *Id.* P 11.

⁵⁸ See *Participating Transmission Owners Administrative Committee*, 127 FERC ¶ 61,053 (2009) and *PTO Administrative Committee*, FERC Docket No. ER09-626-002. Letter Order, dated December 12, 2009.

⁵⁹ *Northern States Power Company*, 76 FERC ¶ 61,250 (1996); see also *Concord Electric*, 101 FERC ¶ 61,324 (2002).

⁶⁰ Unitil Companies P 9.

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gas-fired generation, and therefore, WEQ-011 is also inapplicable.⁶¹ An affiliate of the Unitil Companies that owns a natural gas pipeline remains in compliance with all applicable standards.

2. Request for Waiver

In view of the foregoing, the Unitil Companies respectfully request that the Commission affirm the existing waivers referenced above and, to the extent necessary, grant waiver of all of the standards incorporated by reference in Order No. 676-E:

- Open Access Same-Time Information Systems (OASIS), Version 1.5 (WEQ-001, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Open Access Same-Time Information Systems (OASIS) Standards & Communications Protocols, Version 1.5 (WEQ-002, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Open Access Same-Time Information Systems (OASIS) Data Dictionary, Version 1.5 (WEQ-003, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Coordinate Interchange (WEQ-004, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Area Control Error (ACE) Equation Special Cases (WEQ-005, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Inadvertent Interchange Payback (WEQ-007, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Transmission Loading Relief – Eastern Interconnection (WEQ-008, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Gas/Electric Coordination (WEQ-011, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009);
- Public Key Infrastructure (PKI) (WEQ-012, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009); and
- Open Access Same-Time Information Systems (OASIS) Implementation Guide, Version 1.5 (WEQ-013, Version 002.1, March 11, 2009, with minor corrections applied May 29, 2009 and September 8, 2009).

⁶¹ See *Fitchburg Gas & Electric Light Co.*, Standards for Business Practices for Interstate Natural Gas Pipelines: Standards for Business Practices for Public Utilities, Docket Nos. RM96-1-027 and RM05-5-001 (Nov. 1, 2007).

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D. Cross-Sound Cable Company, LLC

1. Waiver Requests

CSC hereby requests a waiver of certain WEQ Standards incorporated by reference into the Commission's regulations and which public utilities are required to incorporate by reference into their OATTs. The WEQ Standards at issue here are inapplicable to CSC due to the nature of service it provides as described herein.

a. CSC Requests Waiver of WEQ Standard WEQ-001-4.1

CSC requests waiver of Standard 001-4.1. This Standard provides that "All reservations and price negotiations shall be conducted on OASIS." Good cause exists to grant CSC waiver of this Standard because transmission service over the Cross Sound Cable is provided in accordance with a Commission-approved process rather than exclusively through the OASIS.⁶² That process provided for the initial allocation of firm transmission rights over the Cross Sound Cable through an open season mechanism approved by the Commission.

Regarding releases and reassignments of transmission capacity, Section 7 of Schedule 18 Implementation Rule (ISO-NE OATT Sheet No. 866) entitled "Award of Reservations" provides:

Releases of advance reservations for CSC transfer capability and bids for such advance reservations shall be submitted to the Transmission Provider via the CSC OASIS. The award of reservations shall be accomplished through either: (1) a public auction process conducted by the Rights Holder, with the released capability awarded to the highest bidder; or (2) the posting of released capability at a specified rate on the CSC OASIS, with the award of such capability performed on a first-come, first served basis for bidders that meet the posted rate for such capability. The rate for assignment either through a public auction process or through a posting on the CSC OASIS shall be determined by the Rights Holder and shall be posted on the CSC OASIS.

Therefore, to the extent that negotiations for capacity rights over the Cross Sound Cable take place outside an OASIS posting, as approved by the Commission, CSC requests waiver of WEQ-Standard 001-4.1 as it applies to Schedule 18 MTF Service.

b. CSC Requests Waiver of WEQ Standards 001-9.1 through 001-10.8.7

⁶² *TransÉnergie U.S. Ltd.* 91 FERC ¶ 61,230 (2000).

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CSC requests waiver of these Standards which deal with a Transmission Customer's right to request modifications to Points of Receipt and/or Points of Delivery (including source or sink, where required) on a firm or non-firm basis for a Confirmed Point-to-Point Firm Transmission Service reservation.

These Standards effectively assume that redirects to/from alternate points of receipt/delivery occur over a transmission network or grid. This treatment is different from the Cross Sound Cable construct because the Cross Sound Cable is a single path. As a result, there are only two possible points associated with transmission service over the Cross Sound Cable and therefore scenarios for redirects are very limited. Section 8 of Schedule 18 of the ISO-NE OATT, as approved by the Commission, provides for the process and conditions for changing the point(s) of receipt and point(s) of delivery of transmission service over the Cross Sound Cable.⁶³ To avoid customer confusion, CSC requests waiver of these Standards as they apply to Schedule 18 MTF Service.

c. Request for Partial Waiver of WEQ-004 - Coordinate Interchange Practices that are Applicable Only to ISO-NE as the Net Interchange Authority

CSC requests partial waiver of WEQ-004. The purpose of WEQ Standard 004 is to incorporate necessary revisions to the approved NAESB Coordinate Interchange Business Practice to include added definitions and improvements to certain requirements of the Standard to ensure it is in "lock-step" with the NERC Coordinate Interchange Standard. NAESB states that WEQ-004 is applicable to Balancing Authorities, Reliability Coordinators, Interchange Authorities, Transmission Service Providers, Purchasing-Selling Entities, Generator-Provider Entities, Load-Serving Entities, and any Purchasing-Selling Entity whose transmission approval rights are cited.⁶⁴

While Standard 004 states that it applies in part to Transmission Service Providers ("TSPs") such as CSC, the only mention of TSPs is in the main section of Standard 004 and is in reference to the definition of Approval Entity where TSPs are mentioned as one of several possible entities that may have approval rights over Arranged Interchange.⁶⁵ However, under the New England RTO arrangements, CSC has no authority for matters affecting the identification, quantification or approval of net interchange transactions as contemplated by WEQ-004 and therefore does not qualify to be an Approval Entity. Rather, ISO-NE is the net interchange authority and the Approval Entity on behalf of the New England region.

The appendices contain responsibilities to TSPs. For example, the appendices include actions related to e-tags, and CSC as the TSP maintains responsibility for those e-tag actions.

⁶³ Schedule 18, Section 8.

⁶⁴ WEQ Standard 004, Page 170.

⁶⁵ See WEQ Standard 004, Appendix A, Section B.

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Therefore, CSC requests waiver of Standard 004 as it applies to Schedule 18 MTF Service, except to the extent it has responsibilities applicable to TSPs as delineated in the appendices of Standard 004.

2. Applicability of Standard 001-4.7.2.1

CSC requests waiver of Standard 001-4.7.2.1 to the extent it is applicable to Schedule 18 MTF Service. Standard 001-4.7.2.1 states:

If the TC does not specify a bid price, the TP shall consider the bid price to be equal to the current posted offer price when evaluating the request.

All Cross Sound Cable's firm transmission capacity is subscribed on a long-term basis to LIPA pursuant to a Commission-approved allocation process. In addition, the CSC Business Practices manual states that "[w]hen purchasing CSC transmission service via the CSC OASIS, customers must always enter a bid price in \$ per MWh that is greater than zero (bid price should equal offer price). Failure to submit a non-zero bid price when making a transmission service reservation will result in the confirmed reservation being charged the full ceiling rate for the on-peak period – regardless of whether the requested transmission reservation is for on-peak or off-peak hours." Thus based on its Commission-approved allocation process and its business practices as posted on the CSC OASIS, CSC requests waiver of this Standard to the extent a waiver is needed.

In addition, CSC requests waiver of this standard in the event LIPA does not use its entire allocated capacity. Per the Commission's approval of CSC's negotiated rate authority,⁶⁶ if LIPA does not use the entire transmission capacity, the capacity of the Cross Sound Cable is released into the market and the price for that capacity is dictated by the terms of Schedule 18 of the ISO-NE OATT, which provides:

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 OATT at the time of assignment, or (iii) the Reseller's opportunity cost capped at the MTF Provider's cost of expansion; provided that, for service prior to October 1, 2010, compensation to the Reseller shall be at rates established by the Reseller and posted on the MTF Transmission Provider Page.

Section 7 of the Schedule 18 Implementation Rule (procedures for capacity releases) provides the primary rights holder (LIPA) with the ability to name and post a price for releases. For these

⁶⁶ *TransEnergie U.S. Ltd.*, 91 FERC ¶ 61,230 (2000).

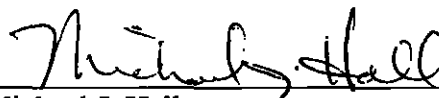
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reasons, CSC requests waiver of this standard for bidding and pricing of unused LIPA capacity on the Cross Sound Cable.

VII. CONCLUSION

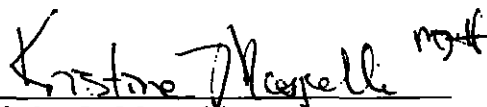
As ISO-NE stated in their amended July 20, 2010 Request for Limited Waiver of NAESB WEQ Standards, "The circumstances supporting the Commission's determination in the November 20, 2008 Order have not changed" for either ISO-NE or the Filing Parties. Therefore the Filing Parties request that the Commission accept this Order No. 676-E Waiver Request Filing as submitted and without modification or condition.

Respectfully submitted,



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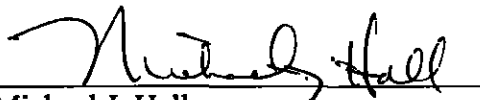
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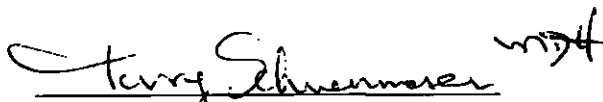
on behalf of the SSP Administrative Committee

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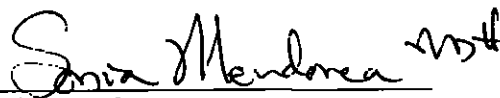
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