

Business Practices for

Schedule 20A-NU

Modifications Issued on November 13, 2008

This Business Practices Document for Schedule 20A-NU is being posted in conjunction with the January 17, 2008 Order No. 890 compliance filing for Schedule 20A.

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Section 2

Business Practices

I. Introduction

a. Purpose of Document

This Business Practices document contains the procedures used by the Northeast Utilities Companies ("Service Provider" or "NU") to provide Point-To-Point Transmission over the Phase I/II HVDC Facilities ("Phase I/II HVDC-TF Service") pursuant to NU's Schedule 20A, a schedule contained within Section II of the ISO-New England ("ISO-NE") Transmission, Markets and Services Tariff ("ISO-NE Tariff"). Section II of the ISO Tariff is the ISO-NE Open Access Transmission Tariff ("ISO-NE OATT"). These practices ("Business Practices") are intended to supplement and clarify the terms and conditions of service described in Schedule 20A. Unless noted here as procedures implemented in compliance with the Federal Energy Regulatory Commission ("FERC") Order No. 890, to the extent there is a conflict between these Business Practices and the ISO-NE OATT, the ISO-NE OATT controls. Reading the information in these Business Practices does not relieve the customer of the obligation to read and understand (a) the applicable Tariffs and Service Agreements, (b) ISO-NE Market Rule 1, (c) ISO-NE Manuals, (d) ISO-NE Operating Procedures or associated business process requirements. All services provided and taken under any Tariff or Service Agreement are subject to the conditions and terms of the approved tariffs regardless of the information contained in these Business Practices. NU will be filing amendments to Schedule 20A-NU in compliance with Order No. 890 on or before October 11, 2007. At that time, and at other times deemed necessary by NU, these Business Practices may be modified according to the Northeast Utilities Companies' Process for Amending Business Practices which may be found on NU's website.

b. Overview of Transmission Service in New England

Effective February 1, 2005, ISO-NE began operating as the Regional Transmission Organization ("RTO") for New England. Transmission owning companies, as signatories to the Transmission Operating Agreement with ISO-NE, became Participating Transmission Owners ("PTOs") in this RTO. Also, certain transmission companies ("Schedule 20A Service Providers") began offering Phase I/II HVDC-TF Service upon executing a Phase I/II HVDC Transmission Service Administration Agreement with ISO-NE on April 1, 2005. The governing document for providing transmission service in New England is the ISO-NE Tariff. Section II of the ISO-NE Tariff, the ISO-NE OATT, provides the rates, terms and conditions for transmission service over the regional transmission system. Schedule 20A of Section II of the ISO-NE OATT provides the rates, terms and conditions associated with providing transmission service over the Phase I/II HVDC-TF.

II. Definitions

Defined terms are capitalized in this document. Unless otherwise specified in these Business Practices, please refer to the ISO-NE Tariff, Section I, the ISO-NE OATT, Section II.1 and Schedule 20A for the definition of terms capitalized in these Business Practices.

III. Applicable Schedules

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a. Services applicable to these Business Practices

[Schedule 20A](#) of the ISO-NE OATT contains the terms and conditions that are common to all Schedule 20A Service Providers for transmission services over the Phase I/II HVDC-TF. Schedule 20A-NU contains NU's specific rates, terms and conditions for transmission service provided over these facilities. Under Schedule 20A-NU, NU offers Point-to-Point Service, both firm and non-firm. However, a Transmission Customer has reserved all NU's firm capacity until 2020, and an Eligible Customer should check OASIS for availability of such capacity on a non-firm basis.

b. Additional Services Provided Under the ISO-NE OATT

The ISO-NE OATT contains the terms and conditions for regional transmission services over the Pool Transmission Facilities ("PTF") that are provided by ISO-NE. Transmission Customers interested in obtaining any of the services offered over these facilities should refer to [Schedules 8 and 9](#) of the ISO-NE OATT.

[Schedule 21](#) of the ISO OATT contains the terms and conditions that are common for all local transmission services that are provided by the PTOs. Schedule 21-NU contains NU's specific rates, terms and conditions for transmission service provided over these facilities.

Additionally, generators interested in interconnecting to the regional transmission system should refer to [Schedule 22](#) and [Schedule 23](#) of the ISO OATT, which contains the terms and conditions that are common for all large and small generator interconnection services that are provided by ISO-NE and the PTOs.

IV. Ancillary Services

There are no Ancillary Services required by NU under Schedule 20A. Please note that the customer may be responsible for acquiring additional ancillary services under the ISO-NE Tariff, as a customer taking service under the ISO-NE OATT. See Schedules 2-7 of the ISO-NE OATT.

V. Procedures for Arranging for Transmission Service

In order to initiate service under this Schedule, an [Application](#) must be completed and forwarded according to the instructions provided in the Application, along with the information requested under the Northeast Utilities Companies' Creditworthiness Policy. The Application will be reviewed according to the terms of Schedule 20A. The Eligible Customer will be notified if there are any questions and a Service Agreement will be forwarded for execution once the Application has been deemed to be complete and the terms of the Creditworthiness Policy have been met.

VI. OASIS

a. Services Available on OASIS

Requests for Firm and Non-Firm Point-To-Point Transmission Service provided for under the terms of Schedule 20A should be made over NU's [OASIS](#) site.

b. OASIS Staff Contact Info

Gerry Arnini (860) 665-2557

Sanda O'Neil (860) 665-5399

Murale Gopinathan (860) 665-4955

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c. OASIS Timing Requirements

NU's OASIS Reservation Timing Requirements for Firm Local Point-to-Point Transmission Service are in accordance with Schedule 20A. The maximum and minimum lead times for requesting service are provided on NU's [OASIS](#) site.

d. Transmission Service Requests

Transmission Customers may leave the price field of the Transmission Service Request ("TSR") form blank. If left blank, the Schedule 20A Service Provider will interpret the requested price as that of the appropriate filed rate for that service.

The JTSIN OASIS software product allows only the posting of weekly offerings on a Monday to Monday basis. Similarly, monthly postings are only allowed on a calendar month basis. Regardless of these requirements, Transmission Customers may request weekly service for any seven (7) consecutive calendar days, and monthly service for any thirty (30) consecutive calendar days if the transaction spans two calendar months. To determine if there is sufficient transmission capacity to support such a request, query the daily offerings for the days for which service will be taken. The granting of these requests is at the sole discretion of the Schedule 20A Service Provider.

e. Submittal Window

Order 890 at paragraph 1418 requires Service Providers that offer transmission services subject to "no earlier than" provisions in their OASIS Timing Requirements to adopt a submittal window to determine service request priorities. The transmission services under Schedule 20A of the OATT are subject to such a provision

f. Reassignment of Transmission Service (Resale)

Transmission Customers with Firm Point-to-Point Service rights may post those rights for resale once for each path (interface) used by the rights. Because transmission rights are assigned by Point of Receipt (POR) and Point of Delivery (POD), it is strongly recommended that customers posting their rights for resale include the POR and POD under "Seller Comments" of the posting.

In accordance with FERC Order No. 890, the following additional requirements for reassignment of transmission service shall apply:

1. Compensation to Resellers shall be at rates established by agreement with the Assignee;
2. The Assignee must execute a Service Agreement (see Attachment A-1 to Schedule 20A) with the Schedule 20A Service Provider prior to the date on which the reassigned service commences that will govern the provision of reassigned service (Prior to the execution of the Service Agreement, the Assignee must provide a completed Application to NU and comply with the Northeast Utilities Companies' Creditworthiness Policy);
3. All sales or assignments of transmission capacity must be conducted through or otherwise posted on the Schedule 20A Service Provider's OASIS on or before the date the reassigned service commences;

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4. The Schedule 20A Service Provider shall credit or charge the Reseller, as appropriate, for any differences between the price reflected in the Assignee's Service Agreement and the Reseller's Service Agreement with the Schedule 20A Service Provider.

g. Deposits

Under Section 4.3 of Schedule 20A of the ISO-NE OATT, the Service Provider can require a deposit at the time of Application for Phase I/II HVDC-TF Service. Instead of a deposit, NU may require advanced payment for service from a Transmission Customer based upon the review of the Transmission Customer's creditworthiness under the Northeast Utilities Companies' Creditworthiness Policy.

h. Discounts

Discounts are available for Non-Firm service provided under Schedule 20A and are offered at the sole discretion of the Schedule 20A Service Provider on the OASIS. When a discounted transaction is confirmed by any customer, a simultaneous offer is made of the same discounted rate for the same period of time to all Eligible Customers on the same path serving the same point of delivery as the originally discounted service.

i. Posting Curtailments and Interruptions

Information on affected TSRs from curtailments can be found at:

<https://oasis.iso-ne.com/oasis/NU/data/curtailquery>

j. Posting Scheduling Information

Information on schedules from TSRs can be found here:

<https://oasis.iso-ne.com/oasis/NU/data/schedulequery>

VII. General Terms and Conditions

a. Creditworthiness

For the purpose of determining the ability of the Transmission Customer to meet its obligations related to requested transmission service, NU may require reasonable credit review procedures in accordance with Schedule 20A. NU's current credit review procedures, contained in the Northeast Utilities Companies' Creditworthiness Policy, may be amended from time to time in accordance with these Business Practices. These current procedures will remain in effect until a revision of NU's creditworthiness requirements is provided in Attachment L to Schedule 20A.

b. Services and Rates

NU's transmission services and rates can be found at:

<http://www.transmission-nu.com/business/ratesum.asp>

VIII. Designation of Network Resources

Most Schedule 20A Service Providers do not offer Network Service over the Phase I/II HVDC-TF. Those Schedule 20A Service Providers that do offer Network Service have no customers taking such service. In either case, the New England market, as administered in accordance with the ISO-NE Tariff is subject to central dispatch and as such, does not require the

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identification of Network Resources for the day-to-day operation of the markets. Schedule 20A, as part of Section II of the ISO-NE OATT, provides services consistent with the facilitation of the regional market and does not require an identification of Network Resources separate from that of ISO-NE as described in the following: http://oasis.iso-ne.com/documents/ferc_order_890.html .

IX. Methodologies for Transfer Capability

a. TTC Methodology

The Total Transfer Capability (TTC) Methodology is described in Section 2 of Attachment C to Schedule 20A.

b. ATC Methodology

The Available Transfer Capability (ATC) Methodology is described in Section 4 of Attachment C to Schedule 20A.

c. TRM Methodology

The Available Transfer Capability (TRM) Methodology is described in Section 3.3 of Attachment C to Schedule 20A.

d. Capacity Benefit Margin

The Capacity Benefit Margin (CBM) Methodology is described in Section 3.2 of Attachment C to Schedule 20A.