

**Business Practices for
Schedule 21-ES**

(Modifications Issued on June 24, 2020)

Business Practices for Schedule 21-ES

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I. Introduction

a. Purpose of Document

This Business Practices document contains the procedures used by The Connecticut Light and Power Company, Public Service Company of New Hampshire and Western Massachusetts Electric Company (“Transmission Provider” or “Company”) to provide transmission services pursuant to the Company’s Local Services Schedule 21 (Schedule 21-ES), a schedule contained within Section II of the ISO New England Open Access Transmission Tariff (“ISO-NE OATT”).¹ These practices (“Business Practices”) are intended to supplement and clarify the terms and conditions of service described in Schedule 21. 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 Transmission 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 Standard 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 FERC approved tariffs regardless of the information contained in these Business Practices. As deemed necessary, these Business Practices may be modified according to the Company’s Process for Amending Business Practices.

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 became Participating Transmission Owners (“PTO”) in this RTO. The governing document for providing transmission service in New England is the ISO New England Transmission, Markets and Services Tariff (“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 21 of the ISO-NE OATT provides the rates, terms and conditions associated with providing transmission service over the PTOs’ local transmission facilities. Point-to-Point Service over the Phase I/II HVDC Transmission Facilities is provided for under Schedule 20A of the ISO-NE OATT, as outlined in separate Business Practices for Schedule 20A.

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, ISO-NE OATT, Section II.1, and Schedule 21 for the definition of other terms capitalized in these Procedures.

III. Applicable Schedules

a. Services applicable to these Procedures

¹ This Business Practices document does not apply to procedures used by the Company’s affiliate, NSTAR Electric Company, which offers transmission services pursuant to Schedule 21-NSTAR. Business Practices applicable to Schedule 21-NSTAR may be found at <https://www.eversource.com/Content/ema-e/about/major-projects-infrastructure/transmission-rates-tariffs-interconnections/eastern-mass-open-access-transmission>

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Schedule 21 of the ISO-NE OATT contains the terms and conditions that are common for all Schedule 21 Service Providers for local transmission services. Schedule 21-ES contains the Company's specific rates, terms and conditions for Local Service provided over the transmission facilities located within the Company's service area. The Company offers Local Point-to-Point, both Firm and Non-Firm, Network Service and Ancillary Service.

b. Additional Services Provided Under the ISO-NE Tariff

The ISO-NE OATT contains the terms and conditions for regional transmission services over the Pool Transmission Facilities 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.

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

IV. Ancillary Services

Only one Ancillary Service is provided under Schedule 21. This service, Scheduling, System Control and Dispatch Service, is required to be taken by all customers taking service under the Schedule 21-ES. It is not necessary for customers to request this Ancillary Service via the OASIS. The Transmission Customer will automatically be billed for Scheduling, System Control and Dispatch Service based on its transmission service request. Please note that the Transmission 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 according to the instructions provided in the Application and forwarded to ISO-NE, along with the information requested in the Company's Creditworthiness Policy. The Application will be reviewed according to the terms of Schedule 21-ES. The customer will be notified with 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. Upon the execution of the Service Agreement, the Transmission Customer may obtain access to the Company's OASIS as a Transmission Customer.

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 21-ES should be made over the Company's OASIS site.

b. OASIS Staff Contact Info

Nancy Richardson (860) 728-4519
Paul Krawczyk (781) 441-8054

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c. OASIS Timing Requirements

The Company's OASIS Reservation Timing Requirements for Firm Local Point-to-Point Transmission Service are in accordance with the ISO-NE OATT. The maximum and minimum lead times for requesting service are provided on the Company's OASIS site.

d. Transmission Service Requests

Transmission Customers may leave the price field of the transmission service request form blank. If left blank, the Transmission Provider will interpret the requested price as that of the appropriate filed rate for that service.

e. Reassignment of Transmission Service (Resale)

Transmission Customers with Firm Local Point-to-Point transmission 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. If a customer desires a change of POR and/or POD (or any other service specification) on a firm basis, it may be necessary for a System Impact Study to be performed before such change may be accommodated. The Reseller may request the evaluation of the need for a System Impact Study prior to accepting a service request from a customer looking to acquire the assignor's transmission service rights.

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 21) with the Schedule 21 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 the Company and comply with the Company's Creditworthiness requirements;
3. All sales or assignments of transmission capacity must be conducted through or otherwise posted on the Transmission Provider's OASIS on or before the date the reassigned service commences;
4. The Schedule 21 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 21 Service Provider.

f. Deposits

Under Schedule 21 of the ISO-NE OATT, the Transmission Provider may require a deposit at the time of Application for Transmission Service. Instead of a deposit, the Company may require advanced payment for service or other form of security from a Transmission Customer based upon the review of the Customer's creditworthiness under the Company's Creditworthiness Policy.

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g. Discounts

The Company does not offer Discounts for Non-Firm service provided under Schedule 21-ES. In the event that the Company were to offer any discounts in the future, and if such transaction were to be confirmed by any customer, a simultaneous offer would be made for 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.

h. Posting Curtailments and Interruptions

Information on affected Transmission Reservations from Curtailments can be found on the ISO-NE OASIS site.

i. Posting Scheduling Information

Information on Schedules from Transmission Reservations can be found on the ISO-NE OASIS site.

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, the Company may require reasonable credit review procedures in accordance with Attachment L of Schedule 21-ES.

b. Services and Rates

The Company's transmission services and rates can be found on the Company's OASIS site.

c. Annual True Up Installment Payment Plan Option

This option is available to any Transmission Customer in good standing, consistent with this Business Practices document and Schedule 21-ES. Eligible Transmission Customers must provide notification to Eversource of their interest in the Installment Payment Plan Option by sending an email to TransmissionBilling@eversource.com no later than June 30th of 2020 and May 1st of each subsequent year. Subject to Eversource determining eligibility, the Transmission Customer's annual true up, including interest for the applicable account, will be billed by Eversource in installment payments up to a subsequent 24-month period. The total annual true up under the Installment Payment Plan Option will be subject to interest calculated in accordance with Section 35.19a of the Federal Energy Regulatory Commission's (FERC) regulations. Monthly payments initially will be levelized using FERC's most current quarterly posted interest rate, and a true up to FERC posted quarterly interest rates will be calculated for the final monthly billing. Amounts billed under the Installment Payment Plan Option will be due within 25 days of the invoice date. Failure to make payments when due will result in the remaining annual true up charge balance becoming immediately due and payable. All other Billing and Payment provisions under Schedule 21-ES will continue to apply.

VIII. Designation of Network Resources

The New England market, as administered by the ISO-NE is subject to central dispatch and as such, does not require the identification of Network Resources for the day-to-day operation of the markets. Schedule 21 of the ISO-NE Tariff provides services consistent with the facilitation

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of the regional market and does not require an identification of Network Resources separate from that of ISO-NE as described in the Designation and Termination of Network Resource document provided on the ISO-NE OASIS site.

IX. Studies

a. Studies for Local Service

The Transmission Providers perform local system and interconnection studies under Schedule 21 of the ISO-NE OATT. Studies performed either by the Company for service under this schedule or on behalf of the ISO are listed on the Company's OASIS Site.

ISO-NE performs regional system studies that can be found at the ISO-NE Web Site.

b. Generator Interconnection Studies

ISO-NE administers interconnection studies in accordance with Schedule 22 and Schedule 23 of the ISO-NE OATT. A list of these studies can be found on the ISO-NE Web Site.

X. Methodologies for Transfer Capability

a. TTC Methodology

The TTC Methodology is described in Schedule 21-ES.

For those non-PTF facilities that serve as a path for the Company's Transmission Customers, the Company has calculated the TTC as the rating of the limiting line that constitutes that path.

b. ATC Methodology

The ATC Methodology is described in Schedule 21-ES. For those non-PTF facilities that serve as a path for the Company's Transmission Customers, NU has posted the ATC as 9999. ATC on these paths varies depending on the time of day. However, it is posted with an ATC of "9999" to reflect the fact that there are no restrictions on these paths for commercial transactions.

c. TRM Methodology

The TRM Methodology is described in Schedule 21-ES.

d. Capacity Benefit Margin

The CBM Methodology is described Schedule 21-ES. Wherever applicable, the administration of Schedule 21-ES is consistent with the services provided under the ISO-NE OATT by ISO-NE. The Company provides transmission service over its non-PTF facilities that are connected only to the New England system and they do not interconnect with other systems. Therefore, the Company does not reserve Capacity Benefit Margin for these lines.