

## **PART II. POINT-TO-POINT TRANSMISSION SERVICE**

### **Preamble**

The Transmission Provider will provide Firm and Non-Firm Point-To-Point Transmission Service pursuant to the applicable terms and conditions of this Tariff. Point-To-Point Transmission Service is for the receipt of capacity and energy at designated Point(s) of Receipt and the transfer of such capacity and energy to designated Point(s) of Delivery.

### **13 Nature of Firm Point-To-Point Transmission Service**

**13.1 Term:** The minimum term of Firm Point-To-Point Transmission Service shall be one day and the maximum term shall be specified in the Service Agreement.

**13.2 Reservation Priority:** Long-Term Firm Point-To-Point Transmission Service shall be available on a first-come, first-served basis i.e., in the chronological sequence in which each Transmission Customer has requested service. Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction or reservation. However, Pre-Confirmed Applications for Short-Term Point-to-Point Transmission Service will receive priority over earlier-submitted requests that are not Pre-Confirmed and that

have equal or shorter duration. Among requests or reservations with the same duration and, as relevant, pre-confirmation status (pre-confirmed, confirmed, or not confirmed), priority will be given to an Eligible Customer's request or reservation that offers the highest price, followed by the date and time of the request or reservation. If the Transmission System becomes oversubscribed, requests for service may preempt competing reservations up to the following conditional reservation deadlines; one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service. Before the conditional reservation deadline, if available transfer capability is insufficient to satisfy all requests and reservations, an Eligible Customer with a reservation for shorter term service or equal duration service and lower price has the right of first refusal to match any longer term request or equal duration service with a higher price before losing its reservation priority. A longer term competing request for Short-Term Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in section 13.8) from being notified by the Transmission Provider of a longer-term competing

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request for Short-Term Firm Point-To-Point Transmission Service. When a longer duration request preempts multiple shorter duration reservations, the shorter duration reservations shall have simultaneous opportunities to exercise the right of first refusal. Duration, price and time of response will be used to determine the order by which the multiple shorter duration reservations will be able to exercise the right of first refusal. After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff. Firm Point-To-Point Transmission Service will always have a reservation priority over Non-Firm Point-To-Point Transmission Service under the Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

**13.3 Use of Firm Transmission Service by the Transmission Provider:** The Transmission Provider will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under (i) agreements executed on or after July 9, 1996 or (ii) agreements executed prior to the aforementioned date that the Commission

1 requires to be unbundled, by the date specified by the Commission.  
2 The Transmission Provider will maintain separate accounting,  
3 pursuant to Section 8, for any use of the Point-To-Point Transmission  
4 Service to make Third-Party Sales.

5 **13.4 Service Agreements:** The Transmission Provider shall offer a  
6 standard form Firm Point-To-Point Transmission Service Agreement  
7 (Attachment A) to an Eligible Customer when it submits a Completed  
8 Application for Long-Term Firm Point-To-Point Transmission Service.  
9 The Transmission Provider shall offer a standard form Firm Point-To-  
10 Point Transmission Service Agreement (Attachment A) to an Eligible  
11 Customer when it first submits a Completed Application for Short-  
12 Term Firm Point-To-Point Transmission Service pursuant to the Tariff.  
13 Executed Service Agreements that contain the information required  
14 under the Tariff shall be filed with the Commission in compliance with  
15 applicable Commission regulations. An Eligible Customer that uses  
16 Transmission Service at a Point of Receipt or Point of Delivery that it  
17 has not reserved and that has not executed a Service Agreement will  
18 be deemed, for purposes of assessing any appropriate charges and  
19 penalties, to have executed the appropriate Service Agreement. The  
20 Service Agreement shall, when applicable, specify any conditional

1           curtailment options selected by the Transmission Customer. Where  
2           the Service Agreement contains conditional curtailment options and is  
3           subject to a biennial reassessment as described in Section 15.4, the  
4           Transmission Provider shall provide the Transmission Customer  
5           notice of any changes to the curtailment conditions no less than 90  
6           days prior to the date for imposition of new curtailment conditions.  
7           Concurrent with such notice, the Transmission Provider shall provide  
8           the Transmission Customer with the reassessment study and a  
9           narrative description of the study, including the reasons for changes to  
10          the number of hours per year or System Conditions under which  
11          conditional curtailment may occur.

12          **13.5 Transmission Customer Obligations for Facility Additions or**  
13          **Redispatch Costs:** In cases where the Transmission Provider  
14          determines that the Transmission System is not capable of providing  
15          Firm Point-To-Point Transmission Service without (1) degrading or  
16          impairing the reliability of service to Native Load Customers, Network  
17          Customers and other Transmission Customers taking Firm Point-To-  
18          Point Transmission Service, or (2) interfering with the Transmission  
19          Provider's ability to meet prior firm contractual commitments to others,  
20          the Transmission Provider will be obligated to expand or upgrade its

1           Transmission System pursuant to the terms of Section 15.4. The  
2           Transmission Customer must agree to compensate the Transmission  
3           Provider for any necessary transmission facility additions pursuant to  
4           the terms of Section 27. To the extent the Transmission Provider can  
5           relieve any system constraint by redispatching the Transmission  
6           Provider's resources, it shall do so, provided that the Eligible  
7           Customer agrees to compensate the Transmission Provider pursuant  
8           to the terms of Section 27 and agrees to either (i) compensate the  
9           Transmission Provider for any necessary transmission facility  
10          additions or (ii) accept the service subject to a biennial reassessment  
11          by the Transmission Provider of redispatch requirements as described  
12          in Section 15.4. Any redispatch, Network Upgrade or Direct  
13          Assignment Facilities costs to be charged to the Transmission  
14          Customer on an incremental basis under the Tariff will be specified in  
15          the Service Agreement prior to initiating service.

16          **13.6 Curtailment of Firm Transmission Service:** In the event that a  
17          Curtailment on the Transmission Provider's Transmission System, or  
18          a portion thereof, is required to maintain reliable operation of such  
19          system, Curtailments will be made on a non-discriminatory basis to  
20          the transaction(s) that effectively relieve the constraint. If multiple

1 transactions require Curtailment, to the extent practicable and  
2 consistent with Good Utility Practice, the Transmission Provider will  
3 curtail service to Network Customers and Transmission Customers  
4 taking Firm Point-To-Point Transmission Service on a basis  
5 comparable to the curtailment of service to the Transmission  
6 Provider's Native Load Customers. All Curtailments will be made on a  
7 non-discriminatory basis, however, Non-Firm Point-To-Point  
8 Transmission Service shall be subordinate to Firm Transmission  
9 Service. Long-Term Firm Point-to-Point Service subject to conditions  
10 described in Section 15.4 shall be curtailed with secondary service in  
11 cases where the conditions apply, but otherwise will be curtailed on a  
12 pro rata basis with other Firm Transmission Service. When the  
13 Transmission Provider determines that an electrical emergency exists  
14 on its Transmission System and implements emergency procedures to  
15 Curtail Firm Transmission Service, the Transmission Customer shall  
16 make the required reductions upon request of the Transmission  
17 Provider. However, the Transmission Provider reserves the right to  
18 Curtail, in whole or in part, any Firm Transmission Service provided  
19 under the Tariff when, in the Transmission Provider's sole discretion,  
20 an emergency or other unforeseen condition impairs or degrades the

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1 reliability of its Transmission System. The Transmission Provider will  
2 notify all affected Transmission Customers in a timely manner of any  
3 scheduled Curtailments.

4 **13.7 Classification of Firm Transmission Service:**

5 (a) The Transmission Customer taking Firm Point-To-Point  
6 Transmission Service may (1) change its Receipt and Delivery  
7 Points to obtain service on a non-firm basis consistent with the  
8 terms of Section 22.1 or (2) request a modification of the Points  
9 of Receipt or Delivery on a firm basis pursuant to the terms of  
10 Section 22.2.

11 (b) The Transmission Customer may purchase transmission  
12 service to make sales of capacity and energy from multiple  
13 generating units that are on the Transmission Provider's  
14 Transmission System. For such a purchase of transmission  
15 service, the resources will be designated as multiple Points of  
16 Receipt, unless the multiple generating units are at the same  
17 generating plant in which case the units would be treated as a  
18 single Point of Receipt.

19 (c) The Transmission Provider shall provide firm deliveries  
20 of capacity and energy from the Point(s) of Receipt to the

1 Point(s) of Delivery. Each Point of Receipt at which firm  
2 transmission capacity is reserved by the Transmission  
3 Customer shall be set forth in the Firm Point-To-Point Service  
4 Agreement for Long-Term Firm Transmission Service along  
5 with a corresponding capacity reservation associated with each  
6 Point of Receipt. Points of Receipt and corresponding capacity  
7 reservations shall be as mutually agreed upon by the Parties  
8 for Short-Term Firm Transmission. Each Point of Delivery at  
9 which firm transfer capability is reserved by the Transmission  
10 Customer shall be set forth in the Firm Point-To-Point Service  
11 Agreement for Long-Term Firm Transmission Service along  
12 with a corresponding capacity reservation associated with each  
13 Point of Delivery. Points of Delivery and corresponding  
14 capacity reservations shall be as mutually agreed upon by the  
15 Parties for Short-Term Firm Transmission. The greater of  
16 either (1) the sum of the capacity reservations at the Point(s) of  
17 Receipt, or (2) the sum of the capacity reservations at the  
18 Point(s) of Delivery shall be the Transmission Customer's  
19 Reserved Capacity. The Transmission Customer will be billed  
20 for its Reserved Capacity under the terms of Schedule 7. The

1                   Transmission Customer may not exceed its firm capacity  
2                   reserved at each Point of Receipt and each Point of Delivery  
3                   except as otherwise specified in Section 22. The Transmission  
4                   Provider shall specify the rate treatment and all related terms  
5                   and conditions applicable in the event that a Transmission  
6                   Customer (including Third-Party Sales by the Transmission  
7                   Provider) exceeds its firm reserved capacity at any Point of  
8                   Receipt or Point of Delivery or uses Transmission Service at a  
9                   Point of Receipt or Point of Delivery that it has not reserved.

10           **13.8 Scheduling of Firm Point-To-Point Transmission Service:**

11                   Schedules for the Transmission Customer's Firm Point-To-Point  
12                   Transmission Service must be submitted to the Transmission Provider  
13                   no later than 10:00 a.m. of the day prior to commencement of such  
14                   service. Schedules submitted after 10:00 a.m. will be accommodated,  
15                   if practicable. Hour-to-hour schedules of any capacity and energy that  
16                   is to be delivered must be stated in increments of 1,000 kW per hour.  
17                   Transmission Customers within the Transmission Provider's service  
18                   area with multiple requests for Transmission Service at a Point of  
19                   Receipt, each of which is under 1,000 kW per hour, may consolidate  
20                   their service requests at a common point of receipt into units of 1,000

1 kW per hour for scheduling and billing purposes. Scheduling changes will  
2 be permitted up to twenty (20) minutes, before the start of the next clock hour  
3 provided that the Delivering Party and Receiving Party also agree to the  
4 schedule modification. The Transmission Provider will  
5 furnish to the Delivering Party's system operator, hour-to-hour schedules  
6 equal to those furnished by the Receiving Party (unless reduced for losses)  
7 and shall deliver the capacity and energy provided by such schedules.  
8 Should the Transmission Customer, Delivering Party or Receiving Party  
9 revise or terminate any schedule, such party shall immediately notify the  
10 Transmission Provider, and the Transmission Provider shall have the right to  
11 adjust accordingly the schedule for capacity and energy to be received and  
12 to be delivered.

13 **14 Nature of Non-Firm Point-To-Point Transmission Service**

14  
15 **14.1 Term:** Non-Firm Point-To-Point Transmission Service will be available  
16 for periods ranging from one (1) hour to one (1) month. However, a  
17 Purchaser of Non-Firm Point-To-Point Transmission Service will be  
18 entitled to reserve a sequential term of service (such as a sequential  
19 monthly term without having to wait for the initial term to expire before  
20 requesting another monthly term) so that the total time period for

which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

**14.2 Reservation Priority:** Non-Firm Point-To-Point Transmission Service shall be available from transfer capability in excess of that needed for reliable service to Native Load Customers, Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be assigned first to requests or reservations with a longer duration of service and second to Pre-Confirmed Applications. In the event the Transmission System is constrained, competing requests of the same Pre-Confirmation status and equal duration will be prioritized based on the highest price offered by the Eligible Customer for the Transmission Service. Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term request before being preempted. A longer term competing request for Non-Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request: (a) immediately for hourly Non-Firm Point-To-Point Transmission Service after notification by the Transmission Provider; and, (b) within 24 hours (or earlier if necessary

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1 to comply with the scheduling deadlines provided in section 14.6) for  
2 Non-Firm Point-To Point Transmission Service other than hourly  
3 transactions after notification by the Transmission Provider.  
4 Transmission service for Network Customers from resources other  
5 than designated Network Resources will have a higher priority than  
6 any Non-Firm Point-To-Point Transmission Service. Non-Firm Point-  
7 To-Point Transmission Service over secondary Point(s) of Receipt and  
8 Point(s) of Delivery will have the lowest reservation priority under the  
9 Tariff.

10 **14.3 Use of Non-Firm Point-To-Point Transmission Service by the**  
11 **Transmission Provider:** The Transmission Provider will be subject to  
12 the rates, terms and conditions of Part II of the Tariff when making  
13 Third-Party Sales under (i) agreements executed on or after July 9,  
14 1996 or (ii) agreements executed prior to the aforementioned date that  
15 the Commission requires to be unbundled, by the date specified by  
16 the Commission. The Transmission Provider will maintain separate  
17 accounting, pursuant to Section 8, for any use of Non-Firm Point-To-  
18 Point Transmission Service to make Third-Party Sales.

19 **14.4 Service Agreements:** The Transmission Provider shall offer a  
20 standard form Non-Firm Point-To-Point Transmission Service

1 Agreement (Attachment B) to an Eligible Customer when it first  
2 submits a Completed Application for Non-Firm Point-To-Point  
3 Transmission Service pursuant to the Tariff. Executed Service  
4 Agreements that contain the information required under the Tariff shall  
5 be filed with the Commission in compliance with applicable  
6 Commission regulations.

7 **14.5 Classification of Non-Firm Point-To-Point Transmission Service:**

8 Non-Firm Point-To-Point Transmission Service shall be offered under  
9 terms and conditions contained in Part II of the Tariff. The  
10 Transmission Provider undertakes no obligation under the Tariff to  
11 plan its Transmission System in order to have sufficient capacity for  
12 Non-Firm Point-To-Point Transmission Service. Parties requesting  
13 Non-Firm Point-To-Point Transmission Service for the transmission of  
14 firm power do so with the full realization that such service is subject to  
15 availability and to Curtailment or Interruption under the terms of the  
16 Tariff. The Transmission Provider shall specify the rate treatment and  
17 all related terms and conditions applicable in the event that a  
18 Transmission Customer (including Third-Party Sales by the  
19 Transmission Provider) exceeds its non-firm capacity reservation.  
20 Non-Firm Point-To-Point Transmission Service shall include

1 transmission of energy on an hourly basis and transmission of  
2 scheduled short-term capacity and energy on a daily, weekly or  
3 monthly basis, but not to exceed one month's reservation for any one  
4 Application, under Schedule 8.

5 **14.6 Scheduling of Non-Firm Point-To-Point Transmission Service:**

6 Schedules for Non-Firm Point-To-Point Transmission Service must be  
7 submitted to the Transmission Provider no later than 2:00 p.m. of the  
8 day prior to commencement of such service. Schedules submitted  
9 after 2:00 p.m. will be accommodated, if practicable. Hour-to-hour  
10 schedules of energy that is to be delivered must be stated in  
11 increments of 1,000 kW per hour. Transmission Customers within the  
12 Transmission Provider's service area with multiple requests for  
13 Transmission Service at a Point of Receipt, each of which is under  
14 1,000 kW per hour, may consolidate their schedules at a common  
15 Point of Receipt into units of 1,000 kW per hour. Scheduling changes  
16 will be permitted up to twenty (20) minutes before the start of the next  
17 clock hour provided that the Delivering Party and Receiving Party also  
18 agree to the schedule modification. The Transmission Provider will  
19 furnish to the Delivering Party's system operator, hour-to-hour

1 schedules equal to those furnished by the Receiving Party (unless  
2 reduced for losses) and shall deliver the capacity and energy provided  
3 by such schedules. Should the Transmission Customer, Delivering  
4 Party or Receiving Party revise or terminate any schedule, such party  
5 shall immediately notify the Transmission Provider, and the  
6 Transmission Provider shall have the right to adjust accordingly the  
7 schedule for capacity and energy to be received and to be delivered.

8 **14.7 Curtailment or Interruption of Service:** The Transmission Provider  
9 reserves the right to Curtail, in whole or in part, Non-Firm Point-To-  
10 Point Transmission Service provided under the Tariff for reliability  
11 reasons when an emergency or other unforeseen condition threatens  
12 to impair or degrade the reliability of its Transmission System. The  
13 Transmission Provider reserves the right to Interrupt, in whole or in  
14 part, Non-Firm Point-To-Point Transmission Service provided under  
15 the Tariff for economic reasons in order to accommodate (1) a request  
16 for Firm Transmission Service, (2) a request for Non-Firm Point-To-  
17 Point Transmission Service of greater duration, (3) a request for Non-  
18 Firm Point-To-Point Transmission Service of equal duration with a  
19 higher price, (4) transmission service for Network Customers from  
20 non-designated resources, or (5) transmission service for Firm Point-

1 to-Point Transmission Service during conditional curtailment periods  
2 as described in Section 15.4. The Transmission Provider also will  
3 discontinue or reduce service to the Transmission Customer to the  
4 extent that deliveries for transmission are discontinued or reduced at  
5 the Point(s) of Receipt. Where required, Curtailments or Interruptions  
6 will be made on a non-discriminatory basis to the transaction(s) that  
7 effectively relieve the constraint, however, Non-Firm Point-To-Point  
8 Transmission Service shall be subordinate to Firm Transmission  
9 Service. If multiple transactions require Curtailment or Interruption, to  
10 the extent practicable and consistent with Good Utility Practice,  
11 Curtailments or Interruptions will be made to transactions of the  
12 shortest term (e.g., hourly non-firm transactions will be Curtailed or  
13 Interrupted before daily non-firm transactions and daily non-firm  
14 transactions will be Curtailed or Interrupted before weekly non-firm  
15 transactions). Transmission service for Network Customers from  
16 resources other than designated Network Resources will have a  
17 higher priority than any Non-Firm Point-To-Point Transmission Service  
18 under the Tariff. Non-Firm Point-To-Point Transmission Service over  
19 secondary Point(s) of Receipt and Point(s) of Delivery will have a  
20 lower priority than any Non-Firm Point-To-Point Transmission Service

1                   under the Tariff. The Transmission Provider will provide advance  
2                   notice of Curtailment or Interruption where such notice can be  
3                   provided consistent with Good Utility Practice.

1

2 **15 Service Availability**

3

4 **15.1 General Conditions:** The Transmission Provider will provide Firm  
5 and Non-Firm Point-To-Point Transmission Service over, on or across  
6 its Transmission System to any Transmission Customer that has met  
7 the requirements of Section 16.

8 **15.2 Determination of Available Transfer Capability:** A description of  
9 the Transmission Provider's specific methodology for assessing  
10 available transfer capability posted on the Transmission Provider's  
11 OASIS (Section 4) is contained in Attachment C of the Tariff. In the  
12 event sufficient transfer capability may not exist to accommodate a  
13 service request, the Transmission Provider will respond by performing  
14 a System Impact Study.

15 **15.3 Initiating Service in the Absence of an Executed Service**  
16 **Agreement:** If the Transmission Provider and the Transmission  
17 Customer requesting Firm or Non-Firm Point-To-Point Transmission  
18 Service cannot agree on all the terms and conditions of the Point-To-  
19 Point Service Agreement, the Transmission Provider shall file with the  
20 Commission, within thirty (30) days after the date the Transmission  
21 Customer provides written notification directing the Transmission

1            Provider to file, an unexecuted Point-To-Point Service Agreement  
2            containing terms and conditions deemed appropriate by the  
3            Transmission Provider for such requested Transmission Service. The  
4            Transmission Provider shall commence providing Transmission  
5            Service subject to the Transmission Customer agreeing to (i)  
6            compensate the Transmission Provider at whatever rate the  
7            Commission ultimately determines to be just and reasonable, and (ii)  
8            comply with the terms and conditions of the Tariff including posting  
9            appropriate security deposits in accordance with the terms of Section  
10           17.3.

11           **15.4 Obligation to Provide Transmission Service that Requires**  
12           **Expansion or Modification of the Transmission System,**  
13           **Redispatch or Conditional Curtailment:**

14           (a) If the Transmission Provider determines that it cannot  
15           accommodate a Completed Application for Firm Point-To-Point  
16           Transmission Service because of insufficient capability on its  
17           Transmission System, the Transmission Provider will use due  
18           diligence to expand or modify its Transmission System to  
19           provide the requested Firm Transmission Service, consistent  
20           with its planning obligations in Attachment K, provided the  
21           Transmission Customer agrees to compensate the

Transmission Provider for such costs pursuant to the terms of Section 27. The Transmission Provider will conform to Good Utility Practice and its planning obligations in Attachment K, in determining the need for new facilities and in the design and construction of such facilities. The obligation applies only to those facilities that the Transmission Provider has the right to expand or modify.

- (b) If the Transmission Provider determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, the Transmission Provider will use due diligence to provide redispatch from its own resources until (i) Network Upgrades are completed for the Transmission Customer, (ii) the Transmission Provider determines through a biennial reassessment that it can no longer reliably provide the redispatch, or (iii) the Transmission Customer terminates the service because of redispatch changes resulting from the reassessment. A Transmission Provider shall not unreasonably deny self-provided redispatch or redispatch

arranged by the Transmission Customer from a third party resource.

- (c) If the Transmission Provider determines that it cannot accommodate a Completed Application for Long-Term Firm Point-To-Point Transmission Service because of insufficient capability on its Transmission System, the Transmission Provider will offer the Firm Transmission Service with the condition that the Transmission Provider may curtail the service prior to the curtailment of other Firm Transmission Service for a specified number of hours per year or during System Condition(s). If the Transmission Customer accepts the service, the Transmission Provider will use due diligence to provide the service until (i) Network Upgrades are completed for the Transmission Customer, (ii) the Transmission Provider determines through a biennial reassessment that it can no longer reliably provide such service, or (iii) the Transmission Customer terminates the service because the reassessment increased the number of hours per year of conditional

1                                   curtailment or changed the System Conditions.

2           **15.5 Deferral of Service:** The Transmission Provider may defer providing  
3           service until it completes construction of new transmission facilities or  
4           upgrades needed to provide Firm Point-To-Point Transmission  
5           Service whenever the Transmission Provider determines that  
6           providing the requested service would, without such new facilities or  
7           upgrades, impair or degrade reliability to any existing firm services.

8           **15.6 Other Transmission Service Schedules:** Eligible Customers  
9           receiving transmission service under other agreements on file with the  
10          Commission may continue to receive transmission service under  
11          those agreements until such time as those agreements may be  
12          modified by the Commission.

13          **15.7 Real Power Losses:** Real Power Losses are associated with all  
14          transmission service. The Transmission Provider is not obligated to  
15          provide Real Power Losses. The Transmission Customer is  
16          responsible for replacing losses associated with all transmission  
17          service as calculated by the Transmission Provider. For Firm Point-to-  
18          Point Transmission Service, Non-firm Point-to-Point Transmission  
19          Service, and non-firm uses in accordance with Section 22.1, FPL's  
20          average Transmission System losses (excluding generator step-up

1                    losses) shall be used. Such average losses shall be set out in  
2                    Schedule 10.

3        **16 Transmission Customer Responsibilities**

4

5            **16.1 Conditions Required of Transmission Customers:** Point-To-Point  
6            Transmission Service shall be provided by the Transmission Provider  
7            only if the following conditions are satisfied by the Transmission  
8            Customer:

9

- 10            a.    The Transmission Customer has pending a Completed  
11            Application for service;
- 12            b.    The Transmission Customer meets the creditworthiness criteria  
13            set forth in Section 11;
- 14            c.    The Transmission Customer will have arrangements in place  
15            for any other transmission service necessary to effect the  
16            delivery from the generating source to the Transmission  
17            Provider prior to the time service under Part II of the Tariff  
18            commences;
- 19            d.    The Transmission Customer agrees to pay for any facilities  
20            constructed and chargeable to such Transmission Customer

1 under Part II of the Tariff, whether or not the Transmission  
2 Customer takes service for the full term of its reservation;

3 e. The Transmission Customer provides the information required  
4 by the Transmission Provider's planning process established in  
5 Attachment K; and

6 f. The Transmission Customer has executed a Point-To-Point  
7 Service Agreement or has agreed to receive service pursuant  
8 to Section 15.3.

9 **16.2 Transmission Customer Responsibility for Third-Party**

10 **Arrangements:** Any scheduling arrangements that may be required  
11 by other electric systems shall be the responsibility of the  
12 Transmission Customer requesting service. The Transmission  
13 Customer shall provide, unless waived by the Transmission Provider,  
14 notification to the Transmission Provider identifying such systems and  
15 authorizing them to schedule the capacity and energy to be  
16 transmitted by the Transmission Provider pursuant to Part II of the  
17 Tariff on behalf of the Receiving Party at the Point of Delivery or the  
18 Delivering Party at the Point of Receipt. However, the Transmission  
19 Provider will undertake reasonable efforts to assist the Transmission  
20 Customer in making such arrangements, including without limitation,

1 providing any information or data required by such other electric  
2 system pursuant to Good Utility Practice.

3 **17 Procedures for Arranging Firm Point-To-Point Transmission Service**

4 **17.1 Application:** A request for Firm Point-To-Point Transmission Service  
5 for periods of one year or longer must contain a written Application to:

6

7 Manager, Transmission Services Department

8 Florida Power & Light Company

9 P.O. Box 029100

10 Miami, Florida, 33102-9100

11 at least sixty (60) days in advance of the calendar month in which  
12 service is to commence. The Transmission Provider will consider  
13 requests for such firm service on shorter notice when feasible.  
14 Requests for firm service for periods of less than one year shall be  
15 subject to expedited procedures that shall be negotiated between the  
16 Parties within the time constraints provided in Section 17.5. All Firm  
17 Point-To-Point Transmission Service requests should be submitted by  
18 entering the information listed below on the Transmission Provider's  
19 OASIS. Prior to implementation of the Transmission Provider's  
20 OASIS, a Completed Application may be submitted by (i) transmitting

1 the required information to the Transmission Provider by telefax, or (ii)  
2 providing the information by telephone over the Transmission  
3 Provider's time recorded telephone line. Each of these methods will  
4 provide a time-stamped record for establishing the priority of the  
5 Application.

6 **17.2 Completed Application:** A Completed Application shall provide all of  
7 the information included in 18 CFR § 2.20 including but not limited to  
8 the following:

- 9
- 10 (i) The identity, address, telephone number and facsimile number  
11 of the entity requesting service;
  - 12 (ii) A statement that the entity requesting service is, or will be upon  
13 commencement of service, an Eligible Customer under the  
14 Tariff;
  - 15 (iii) The location of the Point(s) of Receipt and Point(s) of Delivery  
16 and the identities of the Delivering Parties and the Receiving  
17 Parties;
  - 18 (iv) The location of the generating facility(ies) supplying the  
19 capacity and energy and the location of the load ultimately  
20 served by the capacity and energy transmitted. The  
21 Transmission Provider will treat this information as confidential  
22 except to the extent that disclosure of this information is  
23 required by this Tariff, by regulatory or judicial order, for  
24 reliability purposes pursuant to Good Utility Practice or  
25 pursuant to RTG transmission information sharing agreements.  
26 The Transmission Provider shall treat this information  
27 consistent with the standards of conduct contained in Part 37 of  
28 the Commission's regulations;  
29  
30

- (v) A description of the supply characteristics of the capacity and energy to be delivered;
- (vi) An estimate of the capacity and energy expected to be delivered to the Receiving Party;
- (vii) The Service Commencement Date and the term of the requested Transmission Service;
- (viii) The transmission capacity requested for each Point of Receipt and each Point of Delivery on the Transmission Provider's Transmission System; customers may combine their requests for service in order to satisfy the minimum transmission capacity requirement;
- (ix) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service; and
- (x) Any additional information required by the Transmission Provider's planning process established in Attachment K.

The Transmission Provider shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

**17.3 Deposit:** A Completed Application for Firm Point-To-Point Transmission Service also shall include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service requests of less than one month. If the Application is rejected by the Transmission Provider because it does

1 not meet the conditions for service as set forth herein, or in the case of  
2 requests for service arising in connection with losing bidders in a  
3 Request For Proposals (RFP), said deposit shall be returned with  
4 interest less any reasonable costs incurred by the Transmission  
5 Provider in connection with the review of the losing bidder's  
6 Application. The deposit also will be returned with interest less any  
7 reasonable costs incurred by the Transmission Provider if the  
8 Transmission Provider is unable to complete new facilities needed to  
9 provide the service. If an Application is withdrawn or the Eligible  
10 Customer decides not to enter into a Service Agreement for Firm  
11 Point-To-Point Transmission Service, the deposit shall be refunded in  
12 full, with interest, less reasonable costs incurred by the Transmission  
13 Provider to the extent such costs have not already been recovered by  
14 the Transmission Provider from the Eligible Customer. The  
15 Transmission Provider will provide to the Eligible Customer a  
16 complete accounting of all costs deducted from the refunded deposit,  
17 which the Eligible Customer may contest if there is a dispute  
18 concerning the deducted costs. Deposits associated with construction  
19 of new facilities are subject to the provisions of Section 19. If a  
20 Service Agreement for Firm Point-To-Point Transmission Service is

1           executed, the deposit, with interest, will be returned to the  
2           Transmission Customer upon expiration or termination of the Service  
3           Agreement for Firm Point-To-Point Transmission Service. Applicable  
4           interest shall be computed in accordance with the Commission's  
5           regulations at 18 CFR § 35.19a(a)(2)(iii), and shall be calculated from  
6           the day the deposit check is credited to the Transmission Provider's  
7           account.

8           **17.4 Notice of Deficient Application:** If an Application fails to meet the  
9           requirements of the Tariff, the Transmission Provider shall notify the  
10          entity requesting service within fifteen (15) days of receipt of the  
11          reasons for such failure. The Transmission Provider will attempt to  
12          remedy minor deficiencies in the Application through informal  
13          communications with the Eligible Customer. If such efforts are  
14          unsuccessful, the Transmission Provider shall return the Application,  
15          along with any deposit, with interest. Upon receipt of a new or revised  
16          Application that fully complies with the requirements of Part II of the  
17          Tariff, the Eligible Customer shall be assigned a new priority  
18          consistent with the date of the new or revised Application.

19          **17.5 Response to a Completed Application:** Following receipt of a  
20          Completed Application for Firm Point-To-Point Transmission Service,

1           the Transmission Provider shall make a determination of available  
2           transfer capability as required in Section 15.2. The Transmission  
3           Provider shall notify the Eligible Customer as soon as practicable, but  
4           not later than thirty (30) days after the date of receipt of a Completed  
5           Application either (i) if it will be able to provide service without  
6           performing a System Impact Study or (ii) if such a study is needed to  
7           evaluate the impact of the Application pursuant to Section 19.1.  
8           Responses by the Transmission Provider must be made as soon as  
9           practicable to all completed applications (including applications by its  
10          own merchant function) and the timing of such responses must be  
11          made on a non-discriminatory basis.

12

13          **17.6 Execution of Service Agreement:** Whenever the Transmission  
14          Provider determines that a System Impact Study is not required and  
15          that the service can be provided, it shall notify the Eligible Customer  
16          as soon as practicable but no later than thirty (30) days after receipt of  
17          the Completed Application. Where a System Impact Study is  
18          required, the provisions of Section 19 will govern the execution of a  
19          Service Agreement. Failure of an Eligible Customer to execute and

return the Service Agreement or request the filing of an unexecuted service agreement pursuant to Section 15.3, within fifteen (15) days after it is tendered by the Transmission Provider will be deemed a withdrawal and termination of the Application and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

- 17.7. Extensions for Commencement of Service:** The Transmission Customer can obtain, subject to availability, up to five (5) one-year extensions for the commencement of service. The Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Transmission Service for each year or fraction thereof within 15 days of notifying the Transmission Provider it intends to extend the commencement of service. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Transmission Service, and such request can be satisfied only by

1 releasing all or part of the Transmission Customer's Reserved  
2 Capacity, the original Reserved Capacity will be released unless the  
3 following condition is satisfied. Within thirty (30) days, the original  
4 Transmission Customer agrees to pay the Firm Point-To-Point  
5 transmission rate for its Reserved Capacity concurrent with the new  
6 Service Commencement Date. In the event the Transmission  
7 Customer elects to release the Reserved Capacity, the reservation  
8 fees or portions thereof previously paid will be forfeited.

9 **18 Procedures for Arranging Non-Firm Point-To-Point Transmission**  
10 **Service**

11  
12 **18.1 Application:** Eligible Customers seeking Non-Firm Point-To-Point  
13 Transmission Service must submit a Completed Application to the  
14 Transmission Provider. Applications should be submitted by entering  
15 the information listed below on the Transmission Provider's OASIS.  
16 Prior to implementation of the Transmission Provider's OASIS, a  
17 Completed Application may be submitted by (i) transmitting the  
18 required information to the Transmission Provider by telefax, or (ii)  
19 providing the information by telephone over the Transmission  
20 Provider's time recorded telephone line. Each of these methods will

1 provide a time-stamped record for establishing the service priority of  
2 the Application.

3 **18.2 Completed Application:** A Completed Application shall provide all  
4 of the information included in 18 CFR § 2.20 including but not limited  
5 to the following:

- 6 (i) The identity, address, telephone number and facsimile  
7 number of the entity requesting service;  
8  
9 (ii) A statement that the entity requesting service is, or will  
10 be upon commencement of service, an Eligible  
11 Customer under the Tariff;  
12  
13 (iii) The Point(s) of Receipt and the Point(s) of Delivery;  
14  
15 (iv) The maximum amount of capacity requested at each  
16 Point of Receipt and Point of Delivery; and  
17  
18 (v) The proposed dates and hours for initiating and  
19 terminating transmission service hereunder.  
20

21  
22 In addition to the information specified above, when required to  
23 properly evaluate system conditions, the Transmission Provider also  
24 may ask the Transmission Customer to provide the following:

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

(vii) The electrical location of the ultimate load.

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

(viii) A statement indicating that, if the Eligible Customer submits a Pre-Confirmed Application, the Eligible Customer will execute a Service Agreement upon receipt of notification that the Transmission Provider can provide the requested Transmission Service.

### **18.3 Reservation of Non-Firm Point-To-Point Transmission Service:**

Requests for monthly service shall be submitted no earlier than sixty (60) days before service is to commence; requests for weekly service shall be submitted no earlier than fourteen (14) days before service is to commence, requests for daily service shall be submitted no earlier than two (2) days before service is to commence, and requests for

1           hourly service shall be submitted no earlier than noon the day before  
2           service is to commence. Requests for service received later than 2:00  
3           p.m. prior to the day service is scheduled to commence will be  
4           accommodated if practicable.

5           **18.4 Determination of Available Transfer Capability:** Following receipt of  
6           a tendered schedule the Transmission Provider will make a  
7           determination on a non-discriminatory basis of available transfer  
8           capability pursuant to Section 15.2. Such determination shall be  
9           made as soon as reasonably practicable after receipt, but not later  
10          than the following time periods for the following terms of service (i)  
11          thirty (30) minutes for hourly service, (ii) thirty (30) minutes for daily  
12          service, (iii) four (4) hours for weekly service, and (iv) two (2) days for  
13          monthly service.

14  
15          **19 Additional Study Procedures for Firm Point-To-Point Transmission Service**  
16          **Requests**

17          **19.1 Notice of Need for System Impact Study:** After receiving a request  
18          for service, the Transmission Provider shall determine on a non-  
19          discriminatory basis whether a System Impact Study is needed. A  
20          description of the Transmission Provider's methodology for completing

a System Impact Study is provided in Attachment D. If the Transmission Provider determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. Once informed, the Eligible Customer shall timely notify the Transmission Provider if it elects to have the Transmission Provider study redispatch or conditional curtailment as part of the System Impact Study. If notification is provided prior to tender of the System Impact Study Agreement, the Eligible Customer can avoid the costs associated with the study of these options. The Transmission Provider shall within thirty (30) days of receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Transmission Provider for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to the Transmission Provider within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest.

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1           **19.2 System Impact Study Agreement and Cost Reimbursement:**

2           (i)     The System Impact Study Agreement will clearly specify the  
3                   Transmission Provider's estimate of the actual cost, and time  
4                   for completion of the System Impact Study. The charge shall  
5                   not exceed the actual cost of the study. In performing the  
6                   System Impact Study, the Transmission Provider shall rely, to  
7                   the extent reasonably practicable, on existing transmission  
8                   planning studies. The Eligible Customer will not be assessed a  
9                   charge for such existing studies; however, the Eligible  
10                  Customer will be responsible for charges associated with any  
11                  modifications to existing planning studies that are reasonably  
12                  necessary to evaluate the impact of the Eligible Customer's  
13                  request for service on the Transmission System.

14          (ii)     If in response to multiple Eligible Customers requesting service  
15                  in relation to the same competitive solicitation, a single System  
16                  Impact Study is sufficient for the Transmission Provider to  
17                  accommodate the requests for service, the costs of that study  
18                  shall be pro-rated among the Eligible Customers.

19          (iii)    For System Impact Studies that the Transmission Provider  
20                  conducts on its own behalf, the Transmission Provider shall

record the cost of the System Impact Studies pursuant to Section 20.

**19.3 System Impact Study Procedures:** Upon receipt of an executed System Impact Study Agreement, the Transmission Provider will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify (1) any system constraints , identified with specificity by transmission element or flowgate, (2) redispatch options (when requested by an Eligible Customer) including an estimate of the cost of redispatch, (3) conditional curtailment options (when requested by an Eligible Customer) including the number of hours per year and the System Conditions during which conditional curtailment may occur, and (4) additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. For customers requesting the study of redispatch options, the System Impact Study shall (1) identify all resources located within the Transmission Provider's Control Area that can significantly contribute toward relieving the system constraint and (2) provide a measurement of each resource's impact on the system constraint. If the Transmission Provider possesses information indicating that any resource outside its Control Area could relieve the

1           constraint, it shall identify each such resource in the System Impact  
2           Study. In the event that the Transmission Provider is unable to  
3           complete the required System Impact Study within such time period, it  
4           shall so notify the Eligible Customer and provide an estimated  
5           completion date along with an explanation of the reasons why  
6           additional time is required to complete the required studies. A copy of  
7           the completed System Impact Study and related work papers shall be  
8           made available to the Eligible Customer as soon as the System  
9           Impact Study is complete. The Transmission Provider will use the  
10          same due diligence in completing the System Impact Study for an  
11          Eligible Customer as it uses when completing studies for itself. The  
12          Transmission Provider shall notify the Eligible Customer immediately  
13          upon completion of the System Impact Study if the Transmission  
14          System will be adequate to accommodate all or part of a request for  
15          service or that no costs are likely to be incurred for new transmission  
16          facilities or upgrades. In order for a request to remain a Completed  
17          Application, within fifteen (15) days of completion of the System  
18          Impact Study the Eligible Customer must execute a Service  
19          Agreement or request the filing of an unexecuted Service Agreement

1                   pursuant to Section 15.3, or the Application shall be deemed  
2                   terminated and withdrawn.

3           **19.4 Facilities Study Procedures:** If a System Impact Study indicates that  
4           additions or upgrades to the Transmission System are needed to  
5           supply the Eligible Customer's service request, the Transmission  
6           Provider, within thirty (30) days of the completion of the System  
7           Impact Study, shall tender to the Eligible Customer a Facilities Study  
8           Agreement pursuant to which the Eligible Customer shall agree to  
9           reimburse the Transmission Provider for performing the required  
10          Facilities Study. For a service request to remain a Completed  
11          Application, the Eligible Customer shall execute the Facilities Study  
12          Agreement and return it to the Transmission Provider within fifteen  
13          (15) days. If the Eligible Customer elects not to execute the Facilities  
14          Study Agreement, its application shall be deemed withdrawn and its  
15          deposit, pursuant to Section 17.3, shall be returned with interest.  
16          Upon receipt of an executed Facilities Study Agreement, the  
17          Transmission Provider will use due diligence to complete the required  
18          Facilities Study within a sixty (60) day period. If the Transmission  
19          Provider is unable to complete the Facilities Study in the allotted time  
20          period, the Transmission Provider shall notify the Transmission

1 Customer and provide an estimate of the time needed to reach a final  
2 determination along with an explanation of the reasons that additional  
3 time is required to complete the study. When completed, the Facilities  
4 Study will include a good faith estimate of (i) the cost of Direct  
5 Assignment Facilities to be charged to the Transmission Customer, (ii)  
6 the Transmission Customer's appropriate share of the cost of any  
7 required Network Upgrades as determined pursuant to the provisions  
8 of Part II of the Tariff, and (iii) the time required to complete such  
9 construction and initiate the requested service. The Transmission  
10 Customer shall provide the Transmission Provider with a letter of  
11 credit or other reasonable form of security acceptable to the  
12 Transmission Provider equivalent to the costs of new facilities or  
13 upgrades consistent with commercial practices as established by the  
14 Uniform Commercial Code. The Transmission Customer shall have  
15 thirty (30) days to execute a Service Agreement or request the filing of  
16 an unexecuted Service Agreement and provide the required letter of  
17 credit or other form of security or the request will no longer be a  
18 Completed Application and shall be deemed terminated and  
19 withdrawn.

1           **19.5 Facilities Study Modifications:** Any change in design arising from  
2           inability to site or construct facilities as proposed will require  
3           development of a revised good faith estimate. New good faith  
4           estimates also will be required in the event of new statutory or  
5           regulatory requirements that are effective before the completion of  
6           construction or other circumstances beyond the control of the  
7           Transmission Provider that significantly affect the final cost of new  
8           facilities or upgrades to be charged to the Transmission Customer  
9           pursuant to the provisions of Part II of the Tariff.

10           **19.6 Due Diligence in Completing New Facilities:** The Transmission  
11           Provider shall use due diligence to add necessary facilities or upgrade  
12           its Transmission System within a reasonable time. The Transmission  
13           Provider will not upgrade its existing or planned Transmission System  
14           in order to provide the requested Firm Point-To-Point Transmission  
15           Service if doing so would impair system reliability or otherwise impair  
16           or degrade existing firm service.

17           **19.7 Partial Interim Service:** If the Transmission Provider determines that  
18           it will not have adequate transfer capability to satisfy the full amount of  
19           a Completed Application for Firm Point-To-Point Transmission  
20           Service, the Transmission Provider nonetheless shall be obligated to

1 offer and provide the portion of the requested Firm Point-To-Point  
2 Transmission Service that can be accommodated without addition of  
3 any facilities and through redispatch. However, the Transmission  
4 Provider shall not be obligated to provide the incremental amount of  
5 requested Firm Point-To-Point Transmission Service that requires the  
6 addition of facilities or upgrades to the Transmission System until such  
7 facilities or upgrades have been placed in service.

8 **19.8 Expedited Procedures for New Facilities:** In lieu of the procedures  
9 set forth above, the Eligible Customer shall have the option to  
10 expedite the process by requesting the Transmission Provider to  
11 tender at one time, together with the results of required studies, an  
12 "Expedited Service Agreement" pursuant to which the Eligible  
13 Customer would agree to compensate the Transmission Provider for  
14 all costs incurred pursuant to the terms of the Tariff. In order to  
15 exercise this option, the Eligible Customer shall request in writing an  
16 expedited Service Agreement covering all of the above-specified items  
17 within thirty (30) days of receiving the results of the System Impact  
18 Study identifying needed facility additions or upgrades or costs  
19 incurred in providing the requested service. While the Transmission

1            Provider agrees to provide the Eligible Customer with its best estimate  
2            of the new facility costs and other charges that may be incurred, such  
3            estimate shall not be binding and the Eligible Customer must agree in  
4            writing to compensate the Transmission Provider for all costs incurred  
5            pursuant to the provisions of the Tariff. The Eligible Customer shall  
6            execute and return such an Expedited Service Agreement within  
7            fifteen (15) days of its receipt or the Eligible Customer's request for  
8            service will cease to be a Completed Application and will be deemed  
9            terminated and withdrawn.

10           **19.9 Penalties for Failure to Meet Study Deadlines:** Sections 19.3 and  
11           19.4 require a Transmission Provider to use due diligence to meet 60-  
12           day study completion deadlines for System Impact Studies and  
13           Facilities Studies.

14           (i)    The Transmission Provider is required to file a notice with the  
15           Commission in the event that more than twenty (20) percent of  
16           non-Affiliates' System Impact Studies and Facilities Studies  
17           completed by the Transmission Provider in any two consecutive  
18           calendar quarters are not completed within the 60-day study  
19           completion deadlines. Such notice must be filed within thirty

1 (30) days of the end of the calendar quarter triggering the  
2 notice requirement.

3 (ii) For the purposes of calculating the percent of non-Affiliates'  
4 System Impact Studies and Facilities Studies processed  
5 outside of the 60-day study completion deadlines, the  
6 Transmission Provider shall consider all System Impact Studies  
7 and Facilities Studies that it completes for non-Affiliates during  
8 the calendar quarter. The percentage should be calculated by  
9 dividing the number of those studies which are completed on  
10 time by the total number of completed studies. The  
11 Transmission Provider may provide an explanation in its  
12 notification filing to the Commission if it believes there are  
13 extenuating circumstances that prevented it from meeting the  
14 60-day study completion deadlines.

15 (iii) The Transmission Provider is subject to an operational penalty  
16 if it completes ten (10) percent or more of non-Affiliates' System  
17 Impact Studies and Facilities Studies outside of the 60-day  
18 study completion deadlines for each of the two calendar  
19 quarters immediately following the quarter that triggered its

1 notification filing to the Commission. The operational penalty  
2 will be assessed for each calendar quarter for which an  
3 operational penalty applies, starting with the calendar quarter  
4 immediately following the quarter that triggered the  
5 Transmission Provider's notification filing to the Commission.  
6 The operational penalty will continue to be assessed each  
7 quarter until the Transmission Provider completes at least  
8 ninety (90) percent of all non-Affiliates' System Impact Studies  
9 and Facilities Studies within the 60-day deadline.

10 (iv) For penalties assessed in accordance with subsection (iii)  
11 above, the penalty amount for each System Impact Study or  
12 Facilities Study shall be equal to \$500 for each day the  
13 Transmission Provider takes to complete that study beyond the  
14 60-day deadline.

15 **19.10 Clustering of Transmission Service Requests:** In the event the  
16 Transmission Provider receives more than one Transmission Service  
17 Request ("TSR") for Long Term Firm Point-to-Point Transmission  
18 Service and/or Network Integration Transmission Service, which the  
19 Transmission Provider determines: (i) will require a System Impact

1 Study; (ii) will have overlapping time periods of service; (iii) may be  
2 limited by the same facilities; and (iv) there exist no other valid  
3 requests that meet (i), (ii), and (iii) and are queued between the  
4 TSRs being considered for clustering that do not desire to be  
5 studied in a cluster, then the Transmission Provider will, at the  
6 request of an Eligible Customer, offer to cluster two or more  
7 qualifying requests, which meet the aforementioned requirements,  
8 in the performance of a System Impact Study. The Transmission  
9 Provider will cluster such TSRs only prior to execution of a System  
10 Impact Study Agreement for such System Impact Study for the first  
11 such TSR. Eligible Customers agreeing to be clustered in the  
12 System Impact Study must also agree: (i) to remain in the cluster  
13 throughout the performance of a Facilities Study (unless the Eligible  
14 Customer withdraws its TSR), if needed; and (ii) that the cost of  
15 Network Upgrades that are determined to be required to  
16 accommodate the cluster of TSRs shall be allocated

1           in proportion to each Eligible Customer's share of the total MW capacity  
2           requested by the cluster for purposes of determining, in accordance with  
3           Commission Policy, the charges that each must pay. The cost of specific  
4           Direct Assignment Facilities, if any, for each respective member of the  
5           cluster shall be the responsibility of that member of the cluster who  
6           derives the sole use/benefit of such facilities, and such member and its  
7           Direct Assignment Facilities will be identified in the System Impact Study  
8           report. Eligible Customers may withdraw from a cluster only by  
9           withdrawing their respective TSR. In the event a TSR included in a  
10          cluster study agreement is withdrawn: (i) the current study agreement(s)  
11          involving the cluster members are deemed to be terminated; (ii) the  
12          remaining members in the cluster will be offered the opportunity for re-  
13          study as a cluster; and (iii) the study process will be re-started with a  
14          System Impact Study. The TSRs study costs will be shared equally by  
15          each member of the cluster. Provided, additionally, to the extent the  
16          Transmission Provider receives one or more TSR for Long Term Firm  
17          Point-to-Point Transmission Service prior to execution of a System Impact  
18          Study Agreement for the System Impact Study of clustered TSRs, that the  
19          Transmission Provider determines will flow counter to TSRs requiring a  
20          System Impact Study and will mitigate some (or all) of the problems  
21          identified, the impact of such requests will be analyzed within the

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1            System Impact Study of the clustered TSRs, but the Eligible  
2            Customers, whose TSRs may provide counter flow, will not be  
3            responsible for any costs of studies or associated new facilities.

4    **20 Procedures if the Transmission Provider is Unable to Complete New**  
5    **Transmission Facilities for Firm Point-To-Point Transmission Service**

6

7            **20.1 Delays in Construction of New Facilities:** If any event occurs that  
8            will materially affect the time for completion of new facilities, or the  
9            ability to complete them, the Transmission Provider shall promptly  
10           notify the Transmission Customer. In such circumstances, the  
11           Transmission Provider shall within thirty (30) days of notifying the  
12           Transmission Customer of such delays, convene a technical  
13           meeting with the Transmission Customer to evaluate the  
14           alternatives available to the Transmission Customer. The  
15           Transmission Provider also shall make available to the  
16           Transmission Customer studies and work papers related to the  
17           delay, including all information that is in the possession of the  
18           Transmission Provider that is reasonably needed by the  
19           Transmission Customer to evaluate any alternatives.

1           **20.2 Alternatives to the Original Facility Additions:** When the review  
2           process of Section 20.1 determines that one or more alternatives exist  
3           to the originally planned construction project, the Transmission  
4           Provider shall present such alternatives for consideration by the  
5           Transmission Customer. If, upon review of any alternatives, the  
6           Transmission Customer desires to maintain its Completed Application  
7           subject to construction of the alternative facilities, it may request the  
8           Transmission Provider to submit a revised Service Agreement for Firm  
9           Point-To-Point Transmission Service. If the alternative approach  
10          solely involves Non-Firm Point-To-Point Transmission Service, the  
11          Transmission Provider shall promptly tender a Service Agreement for  
12          Non-Firm Point-To-Point Transmission Service providing for the  
13          service. In the event the Transmission Provider concludes that no  
14          reasonable alternative exists and the Transmission Customer  
15          disagrees, the Transmission Customer may seek relief under the  
16          dispute resolution procedures pursuant to Section 12 or it may refer  
17          the dispute to the Commission for resolution.

18       **20.3 Refund Obligation for Unfinished Facility Additions:** If the  
19       Transmission Provider and the Transmission Customer mutually  
20       agree that no other reasonable alternatives exist and the requested  
21       service cannot be provided out of existing capability under the

1 conditions of Part II of the Tariff, the obligation to provide the  
2 requested Firm Point-To-Point Transmission Service shall terminate  
3 and any deposit made by the Transmission Customer shall be  
4 returned with interest pursuant to Commission regulations  
5 35.19a(a)(2)(iii). However, the Transmission Customer shall be  
6 responsible for all prudently incurred costs by the Transmission  
7 Provider through the time construction was suspended.

8 **21 Provisions Relating to Transmission Construction and Services on the**  
9 **Systems of Other Utilities**

10

11 **21.1 Responsibility for Third-Party System Additions:** The  
12 Transmission Provider shall not be responsible for making  
13 arrangements for any necessary engineering, permitting, and  
14 construction of transmission or distribution facilities on the system(s)  
15 of any other entity or for obtaining any regulatory approval for such  
16 facilities. The Transmission Provider will undertake reasonable efforts  
17 to assist the Transmission Customer in obtaining such arrangements,  
18 including without limitation, providing any information or data required  
19 by such other electric system pursuant to Good Utility Practice.

20 **21.2 Coordination of Third-Party System Additions:** In circumstances  
21 where the need for transmission facilities or upgrades is identified

1           pursuant to the provisions of Part II of the Tariff, and if such upgrades  
2           further require the addition of transmission facilities on other systems,  
3           the Transmission Provider shall have the right to coordinate  
4           construction on its own system with the construction required by  
5           others. The Transmission Provider, after consultation with the  
6           Transmission Customer and representatives of such other systems,  
7           may defer construction of its new transmission facilities, if the new  
8           transmission facilities on another system cannot be completed in a  
9           timely manner. The Transmission Provider shall notify the  
10          Transmission Customer in writing of the basis for any decision to defer  
11          construction and the specific problems which must be resolved before  
12          it will initiate or resume construction of new facilities. Within sixty (60)  
13          days of receiving written notification by the Transmission Provider of  
14          its intent to defer construction pursuant to this section, the  
15          Transmission Customer may challenge the decision in accordance  
16          with the dispute resolution procedures pursuant to Section 12 or it  
17          may refer the dispute to the Commission for resolution.

18       **22 Changes in Service Specifications**

19

20       **22.1 Modifications on a Non-Firm Basis:** The Transmission Customer  
21       taking Firm Point-To-Point Transmission Service may request the

1                   Transmission Provider to provide transmission service on a non-firm  
2                   basis over Receipt and Delivery Points other than those specified in  
3                   the Service Agreement ("Secondary Receipt and Delivery Points"), in  
4                   amounts not to exceed its firm capacity reservation, without incurring  
5                   an additional Non-Firm Point-To-Point Transmission Service charge or  
6                   executing a new Service Agreement, subject to the following  
7                   conditions.

8  
9                   (a)    Service provided over Secondary Receipt and Delivery Points  
10                  will be non-firm only, on an as-available basis and will not  
11                  displace any firm or non-firm service reserved or scheduled by  
12                  third-parties under the Tariff or by the Transmission Provider on  
13                  behalf of its Native Load Customers.

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(b) The sum of all Firm and non-firm Point-To-Point Transmission Service provided to the Transmission Customer at any time pursuant to this section shall not exceed the Reserved Capacity in the relevant Service Agreement under which such services are provided.

(c) The Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service at the Receipt and Delivery Points specified in the relevant Service Agreement in the amount of its original capacity reservation.

(d) Service over Secondary Receipt and Delivery Points on a non-firm basis shall not require the filing of an Application for Non-Firm Point-To-Point Transmission Service under the Tariff. However, all other requirements of Part II of the Tariff (except as to transmission rates) shall apply to transmission service on a non-firm basis over Secondary Receipt and Delivery Points.

**22.2 Modification on a Firm Basis:** Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does

not exceed the amount reserved in the existing Service Agreement. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement.

### **23 Sale or Assignment of Transmission Service**

**23.1 Procedures for Assignment or Transfer of Service:** Subject to Commission approval of any necessary filings, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its Service Agreement, but only to another Eligible Customer (the Assignee). The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement is hereafter referred to as the Reseller. Compensation to the Reseller shall not exceed the higher of (i) the original rate paid by the Reseller, (ii) the Transmission Provider's maximum rate on file at the time of the assignment, or (iii) the Reseller's opportunity cost capped at the Transmission Provider's cost of expansion; provided that, for service prior to October 1, 2010, compensation to Resellers shall be at rates established by agreement between the Reseller and the Assignee.

The Assignee must execute a service agreement with the Transmission Provider governing reassignments of transmission service prior to the date on which the reassigned service commences. The Transmission Provider shall charge the Reseller, as appropriate, at the rate stated in the Reseller's Service Agreement with the Transmission Provider or the associated OASIS schedule and credit the Reseller with the price reflected in the Assignee's Service Agreement with the Transmission Provider or the associated OASIS schedule; provided that, such credit shall be reversed in the event of non-payment by the Assignee. If

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1           the Assignee does not request any change in the Point(s) of Receipt  
2           or the Point(s) of Delivery, or a change in any other term or condition  
3           set forth in the original Service Agreement, the Assignee will receive  
4           the same services as did the Reseller and the priority of service for the  
5           Assignee will be the same as that of the Reseller. The Assignee will  
6           be subject to all terms and conditions of this Tariff. If the Assignee  
7           requests a change in service, the reservation priority of service will be  
8           determined by the Transmission Provider pursuant to Section 13.2.

9           **23.2 Limitations on Assignment or Transfer of Service:** If the Assignee  
10          requests a change in the Point(s) of Receipt or Point(s) of Delivery, or  
11          a change in any other specifications set forth in the original Service  
12          Agreement, the Transmission Provider will consent to such change  
13          subject to the provisions of the Tariff, provided that the change will not  
14          impair the operation and reliability of the Transmission Provider's  
15          generation, transmission, or distribution systems. The Assignee shall  
16          compensate the Transmission Provider for performing any System  
17          Impact Study needed to evaluate the capability of the Transmission  
18          System to accommodate the proposed change and any additional  
19          costs resulting from such change. The Reseller shall remain liable for  
20          the performance of all obligations under the Service Agreement,

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1                   except as specifically agreed to by the Transmission Provider and the  
2                   Reseller through an amendment to the Service Agreement.

3           **23.3 Information on Assignment or Transfer of Service:** In accordance  
4           with Section 4, all sales or assignments of capacity must be  
5           conducted through or otherwise posted on the Transmission  
6           Provider's OASIS on or before the date the reassigned service  
7           commences and are subject to Section 23.1. Resellers may also use  
8           the Transmission Provider's OASIS to post transmission capacity  
9           available for resale.

10 **24    Metering and Power Factor Correction at Receipt and Delivery Point(s)**

11

12           **24.1 Transmission Customer Obligations:** Unless otherwise agreed, the  
13           Transmission Customer shall be responsible for installing and  
14           maintaining compatible metering and communications equipment to  
15           accurately account for the capacity and energy being transmitted  
16           under Part II of the Tariff and to communicate the information to the  
17           Transmission Provider. Such equipment shall remain the property of  
18           the Transmission Customer.

19           **24.2 Transmission Provider Access to Metering Data:** The  
20           Transmission Provider shall have access to metering data, which may

1                    reasonably be required to facilitate measurements and billing under  
2                    the Service Agreement.

3                    **24.3 Power Factor:** Unless otherwise agreed, the Transmission Customer  
4                    is required to maintain a power factor within the same range as the  
5                    Transmission Provider pursuant to Good Utility Practices. The power  
6                    factor requirements are specified in the Service Agreement where  
7                    applicable.

## 8                    **25 Compensation for Transmission Service**

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10                   Rates for Firm and Non-Firm Point-To-Point Transmission Service are  
11                   provided in the Schedules appended to the Tariff: Firm Point-To-Point Transmission  
12                   Service (Schedule 7); and Non-Firm Point-To-Point Transmission Service  
13                   (Schedule 8). The Transmission Provider shall use Part II of the Tariff to make its  
14                   Third-Party Sales. The Transmission Provider shall account for such use at the  
15                   applicable Tariff rates, pursuant to Section 8.

## 16                   **26 Stranded Cost Recovery**

17

18                   The Transmission Provider may seek to recover stranded costs from the  
19                   Transmission Customer pursuant to this Tariff in accordance with the terms,  
20                   conditions and procedures set forth in FERC Order No. 888. However, the

1 Transmission Provider must separately file any specific proposed stranded cost  
2 charge under Section 205 of the Federal Power Act.

3 **27 Compensation for New Facilities and Redispatch Costs**

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5 Whenever a System Impact Study performed by the Transmission Provider  
6 in connection with the provision of Firm Point-To-Point Transmission Service  
7 identifies the need for new facilities, the Transmission Customer shall be  
8 responsible for such costs to the extent consistent with Commission policy.

9 Whenever a System Impact Study performed by the Transmission Provider  
10 identifies capacity constraints that may be relieved by redispatching the  
11 Transmission Provider's resources to eliminate such constraints, the Transmission  
12 Customer shall be responsible for the redispatch costs to the extent consistent with  
13 Commission policy.

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