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MONTANA ALBERTA TIE LINE

(MATL)

Transmission Service Business Practices

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1. Business Practices

These Transmission Service Business Practices ("Business Practices") are in place to implement MATL's regulatory approved Tariff, which provides a form of transmission service generally characteristic of Point-to-Point service. Capitalized terms shall have the meaning ascribed to them in the MATL Open Access Transmission Tariff ("OATT" or "Tariff"), or if not defined therein, a capitalized term shall then have the meaning specified in the section of these Business Practices where such term is initially used. Furthermore, terms described and referenced as reliability standards shall have the meaning ascribed to them by the North American Electric Reliability Corporation (NERC).

1.1 Introduction of MATL as the Transmission Service Provider

MATL, the Transmission Service Provider ("Transmission Provider'), is a merchant transmission-only company based in Calgary, Alberta, Canada doing business in Canada as Montana Alberta Tie Ltd. and in the United States as MATL LLP, collectively referred to as "MATL". The MATL Transmission System is a 214 mile (345 kilometers) 230 kV international transmission line connecting the incumbent transmission systems of the Alberta Grid through AltaLink near Lethbridge, Alberta Canada with NorthWestern Energy near Great Falls, Montana. There are unique attributes to MATL's OATT. For example, MATL is not a load-serving entity (LSE) and has no load to designate as network load, and furthermore, there is no load directly connected to the MATL Transmission System. Therefore, MATL's Tariff does not have provisions for Network Integration Transmission Service.

In similar manner, MATL is neither a generation owner ("GO') nor a generation operator ("GOP") and has no affiliation with any generation resources. Therefore, MATL does not offer any generation-based ancillary services under its Tariff. This also necessitates that generation redispatch is not offered by the Transmission Provider, MATL, as a curtailment alternative.

1.2 Introduction of "Support Staff"

MATL has selected **TranServ International, Inc.** to perform as the MATL OATT Administrative Support Staff ("Support Staff") to administer various OATT and Open Access Same-Information System ("OASIS") functions as identified in these Business Practices. This includes such functions as evaluation of transmission service requests, performing the role of Auction Administrator for long-term transmission service including clearing and awarding of long-term transmission service Offers and Bids, processing of associated electronic-tags (e-tags) on

behalf of the Transmission Provider and administering the MATL OASIS page. TranServ's role is administrative with MATL retaining all business decision-making authority. Nevertheless, TranServ acts on behalf of MATL to administer the above Transmission Provider transmission service functions under the MATL OATT and these Business Practices. These Business Practices describe the procedures and protocols employed by the Support Staff to provide Transmission Service on the MATL Transmission System on a non-discriminatory basis.

Questions regarding Transmission Service on the MATL Transmission System, including OASIS access, can be submitted to the Support Staff at:

By Phone to: Support at 763-205-7099, or
By E-mail to: Support@transervinternational.net

In addition, the MATL OASIS has a "Contact Information" folder with subfolders for both MATL Contact Information and TranServ Contact Information.

1.3 Change Procedure for Business Practices

The change procedure for these Business Practices will occur as follows: In a non-emergency situation, proposed changes to these practices will be posted on MATL's OASIS under a subfolder titled "Pending Business Practices" for a review period specified in the posting of not less than 14 days. Comments, if any, must be submitted to the Support Staff in writing during this period. Following the notice period, the Support Staff will post the final changes, taking into consideration the comments, and they will become effective upon posting. If conditions arise that necessitate an emergency change to these Business Practices, the prescribed change procedure may be omitted or abbreviated, as necessary, to remedy the emergency condition. A notice of any Business Practices updates will be posted on the Notices Section of the MATL OASIS homepage.

1.4 Order of Precedence

MATL's webOASIS has incorporated capabilities that align with MATL's Tariff and these Business Practices. Therefore, the Transmission Customer is encouraged to follow these Business Practices for service taken under the MATL Tariff. Where there is a conflict between these Business Practices and MATL's Tariff, the Tariff will have precedence.

2. Transmission Customer Registration and OASIS Access

MATL's Tariff requires that all transmission service requests be made on MATL's OASIS, except when the OASIS is inoperable as per Section 2.6 below. These Business Practices outline the procedures that must be completed for an eligible customer to be enabled to transact on MATL's OASIS as a Transmission Customer under MATL's Tariff.

2.1 Prerequisites for Transmission Service on the MATL Transmission System

The following is a summary of the basic arrangements that an Eligible Customer must have in place in order to engage in transmission service transactions on the MATL Transmission System:

- Obtain NAESB registration per Section 2.2 below;
- Obtain a digital certificate for access to the MATL OASIS per Section 2.3 below;
- Complete and return the Customer Registration Form per Section 2.4 below;
- Sign and return a Declaration Form signifying that the Eligible Customer has obtained regulatory permits to enable export of Canadian energy to USA or export of USA energy to Canada, or import of electric energy into Canada per Section 2.5 below;
- Provide the applicable Completed Application, short-term umbrella service agreement and resale agreement per Section 3 below; and
- Meet the creditworthiness criteria of MATL Tariff Attachment L.

2.2 NAESB Registration

The North American Energy Standards Board ("NAESB") maintains the Electric Industry Registry ("EIR"), ("NAESB Registry"), for the ongoing development and implementation of OASIS, such as OATI's webOASIS used by MATL and for electronic tagging systems such as OATI's webTag. The NAESB Registry is also the recording source for registration by Transmission Providers and Transmission Customers. It is a required step for obtaining access to OASIS and e-tagging.

To register with NAESB, an Eligible Customer can follow the registration procedures at the NAESB Registry website http://www.naesbwry.oati.com/NAESBWRY/sys-index.wml . An Eligible Customer will require a DUN number from Dun and Bradstreet, which can be obtained

by calling (800) 333-0505 or via Dun and Bradstreet's website http://eupdate.dnb.com/requestoptions.asp.

After completing the NAESB registration, the Eligible Customer's information will be recorded in the NAESB Registry, which will then be propagated into the OASIS and e-tag systems.

2.3 OATI Digital Certificates

To submit a request for Transmission Service on the MATL Transmission System, Transmission Customers must obtain access to the MATL OASIS node at: http://www.oatioasis.com/MATL/. A potential customer must have user authentication, through a digital certificate, to access the MATL OASIS site. Until such time that NAESB adopts certificate standards for access to OASIS and all prerequisites for implementation of the NAESB WEQ-012 PKI program are in effect, access to the MATL OASIS will require the use of an OATI-issued digital certificate. Requests for access may be submitted by completing the registration procedures at http://www.westtrans.net/registration.html. Register your company with OATI by completing the OATI webOASIS *Company Registration Form* and e-mail the form to support@oati.net.

In addition to the company registration, a user login access registration is required to gain access to the OATI webOASIS. For individual user login access, the customer's security officer must register each authorized user with OATI by completing the OATI webOASIS *User Registration Form* and e-mailing the form to support@oati.net. This will authorize the user to transact on MATL's OASIS and the e-tagging system.

2.4 Registration as a MATL Transmission Customer

An Eligible Transmission Customer that desires to transact Transmission Service on the MATL Transmission System must first register with MATL as a MATL Transmission Customer. A New Customer Registration Form is available on the MATL OASIS under the folder titled "Customer Registration and Application Forms". The Customer Registration Form, MATL-806, should be downloaded and submitted to the Support Staff contact listed on the form by e-mail. Support Staff will evaluate a new customer registration in accordance with the Tariff and will notify the Transmission Customer of status and acceptance of the registration application. Upon being approved as a MATL Transmission Customer, the Transmission Customer's code will be loaded

into the Transmission Customer field of the MATL OASIS allowing the Transmission Customer to transact business on the MATL OASIS.

Questions regarding Transmission Service on the MATL Transmission System, including OASIS access, can be submitted to the Support Staff at:

By Phone to: Support at 763-205-7099, or
By E-mail to: Support@transervinternational.net

2.5 Exporting Energy across the Canada-USA International Border

The MATL transmission line is an international electric transmission facility that transcends the international border between Canada and the USA. A MATL Transmission Customer is responsible for securing the appropriate governmental permits prior to exporting energy across the international border between Canada and the USA.

2.5.1 Exporting Energy from Canada

Firms exporting or planning to export energy generated in Canada to the United States or Mexico require a Canadian National Energy Board ('NEB") permit. MATL Transmission Customers exporting or planning to export Canadian generated energy to the United States or Mexico shall sign and date MATL Form -807 "**Declaration by Transmission Customer (i.e., "Shipper for Export from Canada")**" posted on the MATL OASIS under the folder titled "Customer Registration and Application Forms" and return the declaration form via e-mail to Support Staff prior to obtaining the MATL Transmission Customer status on MATL's OASIS. Further information on NEB permits can be obtained by contacting the NEB at (403) 292-4800 or via its website at http://www.neb.gc.ca.

2.5.2 Exporting Energy from the USA

Firms exporting or planning to export energy generated in the USA to Canada are required to obtain an order from the USA Department of Energy ("DOE") authorizing electricity exports to Canada. Applicants should reference Presidential Permit No. PP-305 for the international transmission facilities owned by Montana Alberta Tie Ltd. with their application for export authorization, which can be submitted to:

Department of Energy
Office of Electricity Delivery and Energy Reliability
OE-20, Room 8G-024
1000 Independence Ave. S.W.

Washington, D.C.

The DOE also requires transmitting utilities owning cross-border facilities, such as MATL, to verify that companies seeking to schedule an electricity export have the requisite authority from the DOE to export such power. Therefore, MATL Transmission Customers exporting or planning to export electric energy generated in the USA to Canada shall sign and date MATL- Form 808 "Declaration by Electric Energy Exporter" posted on the MATL OASIS under the folder titled "Customer Registration and Application Forms". MATL Transmission Customers should return the declaration form via e-mail to Support Staff prior to obtaining the MATL Transmission Customer status on MATL's OASIS for enabling a transmission service request to be submitted for energy outbound from the USA for export to Canada.

2.5.3 Import of Electric Energy into Canada from USA

Firms importing or planning to import electric energy into Canada from the USA must comply with the obligations under Canada's Customs Act. MATL Transmission Customers importing or planning to import electric energy into Canada from the USA must sign and date MATL Form 809 for "**Declaration by Importer**" posted on the MATL OASIS under the section titled "Customer Registration and Application Forms" and return the declaration form via e-mail to Support Staff prior to obtaining the MATL Transmission Customer status on MATL's OASIS for enabling a transmission service request to be submitted for energy imported into Canada.

2.6 Inoperable OASIS

There may be times when the MATL OASIS is unavailable. During such times, Support Staff will receive TSRs by electronic communications. In the event that the MATL OASIS is inoperable, a registered MATL Transmission Customer that desires to make a pre-confirmed hourly non-firm Point-To-Point Transmission Service Request on the MATL Transmission System may complete and electronically submit the hourly non-firm Transmission Service Application Form as pre-confirmed, which is available in advance on the MATL OASIS. The form should be downloaded and retained in a Transmission Customer's local file so it can be available to be completed and submitted by e-mail to the Support Staff contact listed on the form. Support Staff will respond to requests received by electronic communications as soon as possible. In the event that the MATL OASIS becomes inoperable and the Transmission

Customer has not retained the form, a MATL Transmission Customer may contact Support Staff by phone and request that a copy of the form be e-mailed to the customer.

In the event that the MATL OASIS is inoperable for more than 48 hours (the earliest time for submitting daily non-firm requests), a registered MATL Transmission Customer that desires to make a Point-To-Point Transmission Service Request on the MATL Transmission System for a service duration of daily or greater, may e-mail a pre-confirmed request to Support Staff. The e-mail receipt time will be the queue time that Support Staff will post after the OASIS resumes operation.

3. Transmission Service Agreements

A MATL Transmission Customer must submit to Support Staff all required details for a Completed Application for a transmission service agreement prior to submitting a transmission service request on the MATL OASIS. Transmission service requests that do not have a Completed Application for a transmission service agreement will be marked INVALID. The following sections provide guidance for submitting Completed Applications for transmission service agreements.

3.1 Long-Term Service Agreements

Long-Term Transmission Service is for a service period of one year or longer. Long-Term Transmission Service under the MATL Tariff is only available through the auction process described in Schedule 7 of MATL's OATT. Prior to the Auction Clearing window for Long-Term Firm Point-To-Point Transmission Service on the OASIS, the Transmission Customer must have submitted all the information required on the OASIS for a Completed Application pursuant to Section 17.2 of the Tariff for firm service.

In accordance with MATL's Tariff, Schedule 7 "Long-Term Firm and Short-Term Firm Point-To-Point Transmission Service", the charges for long-term Transmission Service Rights, i.e., transmission capacity reservations, will be the pre-confirmed bid price accepted for an award of Transmission Service Rights by the Transmission Customer's bid-to-purchase in conformance with the Schedule 7 auction process. The award price will be set out in Attachment 2 to the Transmission Customer's executed Long-Term TSR Purchase and Service Agreement. A copy of the Long-Term TSR Purchase and Service Agreement will be returned to a Transmission

Customer that has been awarded a long-term service for their signature. The signed service agreement must be returned to Support Staff within fifteen (15) days after it is tendered by the Transmission Provider to the Transmission Customer.

3.2 Short-Term Service Agreements

Short-Term Transmission Service is for service periods of less than one year. Prior to submitting an OASIS transmission service request, the Transmission Customer must have signed and on file with the Support Staff **Attachment 1** to the "Short-Term TSR Purchase and Service Agreement - Attachment B-1 of the Tariff". This arrangement essentially creates a short-term umbrella service agreement that uses the Transmission Customer's awarded TSRs on the MATL OASIS for service and billing details.

In accordance with MATL's Tariff, Schedule 7 "Long-Term Firm and Short-Term Firm and Non-Firm Point-To-Point Transmission Service", the charges for short-term firm services will be determined by auction hosted on MATL's OASIS for the applicable short-term transmission service product. The Transmission Provider offers short-term firm products for monthly, daily and hourly durations. The Transmission Provider offers short-term non-firm products for hourly durations sold at fixed prices outside the auction process.

3.3 Resale Service Agreements

The Resale process is provided to facilitate a robust secondary transmission services market. In addition to the above referenced applications for long-term and/or short-term "Purchase and Service Agreements", each Transmission Customer (potential Assignee) arranging a purchase from resale must have on file with the Transmission Provider's Support Staff a signed "Service Agreement for the Resale, Reassignment or Transfer of Point-To-Point Transmission Service" (Resale Service Agreement) in accordance with the form agreement of MATL's Tariff Attachment A-1. The on-file Resale Service Agreement is a Tariff requirement and is necessary to complete the commercial aspects of a resale of Transmission Service Rights.

3.4 Deficient Applications for Transmission Service

In accordance with Section 17.4 of the OATT, the Transmission Provider will review Applications in a timely manner and will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. Each Eligible Customer must provide its billing address, a billing contact person along with that person's contact information

and an alternative contact with its Application details or the Application will be deemed to be incomplete. If the Application fails, the Transmission Provider will notify the applicant within fifteen (15) days of receipt of the Application of the reasons for such failure. The Applicant may submit a new or revised Application.

3.5 Deposits

If the Eligible Customer is applying for Long-Term Firm Point-To-Point Transmission Service, then pursuant to Section 17.3 of the OATT, the Eligible Customer must also provide a deposit equal to one month's charge for the highest Reserved Capacity during the term of service. In addition to the required deposit, upon receipt, or during the evaluation of a request for service, MATL may conduct an initial credit evaluation and future follow-up credit evaluations of the Transmission Customer's ability to meet MATL's creditworthiness criteria described under Tariff Attachment L.

3.6 Ancillary Services

Ancillary Services are those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practices. MATL is a merchant transmission-only company that does not possess any generation resources and is neither a provider of Ancillary Services nor a Balancing Authority. In order to maintain reliability within and among the Balancing Authorities affected by the transmission service, a Transmission Customer must coordinate with the respective Balancing Authorities for the MATL Transmission System for the provisions and delivery of generation-based Ancillary Service requirements. The MATL Transmission System transcends two (2) Balancing Authorities. The Alberta Electric System Operator ("AESO" or ISO) is the host Balancing Authority for the Alberta portion of the MATL Transmission System and NorthWestern Energy ("NWMT") is the host Balancing Authority for the Montana portion of the MATL System. Any delivery of Ancillary Services over the MATL Transmission System shall use reserved transmission capacity that the Transmission Customer has purchased or been assigned.

Intermittent resources connected to the MATL Transmission System and non-intermittent resources connected to the MATL Transmission System which serve load in Canada will be subject to MATL's OATT Rate Schedule 11. Under Schedule 11, the applicable connected

resource must self-supply regulation and frequency response services and must also self-supply generator imbalance service.

4. Basics of Information Requirements for a Transmission Service Request

While Transmission Service is obtained through the process discussed above, the posting of Transmission Service requests requires the Transmission Customer to enter on the MATL OASIS the same information that is customarily required for a conventional Point-To-Point Transmission Service request.

4.1 Assignment Reference Number (AREF)

The Assignment Reference Number is the number assigned by OASIS for identifying and tracking the Transmission Customer's Transmission Service request and for the Transmission Customer's use in preparing an e-tag for scheduling.

4.2 POR and POD Identifiers

A request for Transmission Service is defined by a Point of Receipt ("POR') and Point of Delivery ("POD") that identify the transmission path for the service requested by the Transmission Customer. The Alberta portion of the MATL Transmission System resides in the AESO Balancing Authority and the Montana portion of the MATL Transmission System resides in NWMT's Balancing Authority. The AESO is the Path Operator for the entire MATL system.

4.2.1 North Terminal vs. Border POR/POD

For Transmission Service requests under the MATL Tariff, the north terminal is the MATL 120S Substation 240 kV bus near Lethbridge, Alberta. However, the POR/POD to be used for the MATL Line north end must be represented at the Canada-USA Border identified as a POR/POD with point name of AB.MT.MATL. This enables the Alberta portion of the MATL Line to be internalized within the AESO market, which is in conformance with AESO procedures and Alberta governance. The Alberta portion of the MATL Line will be subject to MATL's Procedure MATL-814 "MATL Line Losses in Alberta (See Section 10.2 below in these Business Practices). The Available Transfer

Capability (ATC) for the MATL Line is described in MATL-811 "MATL Path 83 Transfer Capability with Seasonal Affects" posted on MATL's OASIS under the folder labeled "ATC Information". A diagram of the MATL Line PORs/PODs is illustrated in MATL-811.

4.2.2 South Terminal POR/POD

For Transmission Service requests under the MATL Tariff, the south terminal is the Great Falls, Montana Substation and is identified as a POR/POD with point name of MATL.NWMT.

4.2.3 Mid-System POR/POD for adjacent Balancing Authorities

The Rim Rock wind generating facility is interconnected at MATL's Hay Lake Substation on the Montana portion of the MATL Line. The Rim Rock generating facility resides in the Wind Watch ("WWA") Balancing Authority, which has its metering boundary in MATL's Hay Lake Substation. The MATL OASIS and these Business Practices recognize the WWA Balancing Authority metered interchange at Hay Lake Substation as being identified by the POR/POD point name of WWA. This POR/POD set establishes adjacent Balancing Authority connectivity between MATL's host Balancing Authority, MWMT, and the WWA Balancing Authority. This POR/POD set is used for tagging and scheduling only and is not available for transmission service requests.

4.2.4 List of MATL's Current PORs and PODs

The valid list of PORs and PODs on the MATL Transmission System is as follows:

Provider:	Point Name:	POR:	POD:	Allowed Uses
MATL	AB.MT.MATL	Yes	Yes	Transmission service requests, tagging and scheduling
MATL	WWA	Yes	Yes	For tagging and scheduling only
MATL	MATL.WWA	No	Yes	For scheduling loss deliveries only
MATL	MATL.NWMT	Yes	Yes	Transmission service requests, tagging and scheduling

4.2.5 PORs and PODs for Transmission Service Requests

All commercial transmission service requests under the MATL OATT must be submitted with the point names of MATL.NWMT and AB.MT.MATL. Any transmission service request that is submitted without this POR/POD pair will be denied.

4.3 Source and Sink Identifiers

The Transmission Provider does not introduce any new source or sink identifiers at this time, except for the two sinks identified below that are provided for the sole use of line loss replacement energy in Montana. The Transmission Customer should generally find the Balancing Authority identifiers to be adequate for source and sink identifiers. If a Transmission Customer has a need to identify a discrete NAESB registered source or sink with its Transmission Service request, the Transmission Provider will import the registered identifier into the MATL OASIS fields. MATL sinks for line loss energy repayment to the NWMT balancing authority associated with energy schedules on the Montana portion of the MATL Line are:

4.3.1 Sink at MATL POD

The sink with the point name of **MATL.MTLL1** located at the MATL POD of **MATL.WWA** with application described in MATL Procedure No. 802, MATL Line Losses in Montana, posted on the MATL OASIS.

4.3.2 Sink at NorthWestern POD

The sink with the point name **MATL.MTLL2** located at the NorthWestern POD of **NWMT.SYSTEM** with application described in MATL Procedure No. 802, MATL Line Losses in Montana, posted on the MATL OASIS.

4.4 Service Increments

Each Transmission Service request has a start time and stop time to specify the duration of the service. The service increment describes the time increment of the Transmission Service. The service increments are short-term fixed increments of hourly, daily, weekly and monthly; or long-term yearly sliding and extended service of full month increments.

4.5 Service Class

Service class describes the class of service which can be requested as either “FIRM” or “NON-FIRM”. These service classes are discussed in more detail in Section 5 below.

4.6 Service Type

The type of service can only be specified as “POINT-TO-POINT”. An entry identifying the type of service as “NETWORK” will be classified as “INVALID”.

4.7 Request Status

Transmission Service requests will be classified by status. These classifiers include, but are not limited to: “RECEIVED”, “INVALID”, “STUDY”, “ACCEPTED”, “REFUSED” “ANNULLED”, “CONFIRMED” and “RETRACTED”. Once a short-term request is received, it proceeds to automated evaluation where the result is ACCEPTED or REFUSED.

Long-Term bids-to-purchase come under evaluation by the auction administrator and the bid request is marked with the RECEIVED status. The bids must be submitted as pre-confirmed. If the auction administrator clears the long-term bids, the bid then achieves CONFIRMED status.

4.8 Reserved Capacity

All capacity reserved for Transmission Service over the MATL Transmission System shall be specified in whole megawatt ("MW") increments for an entire clock hour.

4.9 Interim Short-Term Prices

MATL introduced an auction process for short-term transmission service in mid-2014. Short term, non-firm, hourly service will continue to be available at **posted prices** outside the auction process. . MATL's rate for the requested transmission product will be displayed on the Transmission Customer's screen. When making a new request for transmission service the Transmission Customer can press the "Get Price" button on the OASIS TSR Entry Form to get the effective posted price. MATL's short-term interim prices will be updated periodically and the Transmission Customer is encouraged to monitor the posted prices that will apply to the requested transmission services. . MATL will post on its OASIS public home page a Notice stating that updated short-term prices have been posted and are effective upon the time of the time stamp for the rate change Notice. All TSRs queued prior to or simultaneously with the time of the Notice time stamp will not be subject to the new rate changes. All TSRs queued after the time of the Notice time stamp will be subject to the new posted rates.

5. Point-to-Point Service Classes

5.1 Firm and Non-Firm Transmission Service

Firm, Point-to-Point Transmission Service is sold in fixed increments of: hourly, daily, and monthly. Non-Firm, Point-to-Point Transmission Service is sold in fixed increments on an hourly basis outside the auction process. Long-Term, Firm, Point-To-Point Transmission Service is also available on a yearly basis where firm transmission service is requested for one year or longer on full month increments. Short-Term Transmission Service is transmission service requested in increments of less than one year. Short-Term, Firm, Transmission Service in all increments is first sold in an auction process. Then, Firm and Non-Firm, Hourly Service is available for sale, upon request and availability, after the close of each daily auction. Short-term sliding transmission service is not available.

- Fixed Hourly - The service starts at the beginning of a clock hour and stops at the end of a clock hour. Firm and non-firm hourly service may be requested for multiple hours within their respective time periods allotted in the timing table below. Hourly non-firm requested within the hour of use is to be pre-confirmed.

Requests for hourly transmission service, firm or non-firm:

1. Must be made for a full hour, even if the intent is to schedule the service for a partial hour;
2. Must be scheduled and e-tagged and are subject to applicable scheduling timing requirements and approvals; and
3. Are not to be used by the Transmission Customer to request service for transmission usage in previous hours (i.e., after the fact).

- Requests for fixed, daily firm service must start at 00:00 on the first day of the service period and end at 00:00 on the day following the service period.
- Requests for fixed, monthly firm service must start at 00:00 on the first day of the month of the service period and end at 00:00 on the first day of the month following the service period. Prompt Month Service is for upcoming calendar month(s) for one (1) month only.

5.2 Long-Term Firm Transmission Service

Requests for yearly firm service must start at 00:00 on the first day of the first month of the service period and end at 00:00 on the first day of the month following the last month of the service period, which must be one year or longer. This extended yearly service is limited to full calendar months. Yearly firm service must be reserved for a minimum of one (1) year and must have a term of five (5) or more years to qualify for rollover rights. The amount of ATC available for Long-Term Firm Point-to-Point Transmission Service and the minimum bid price requirement(s) for that service will be posted on the Transmission Provider's OASIS.

A customer with rollover rights must notify MATL in writing at least one full year prior to the end of the term of service, of customer's intent to exercise the rollover rights provision. If MATL does not receive the timely notification from the customer, the rollover rights will expire.

5.3 Non-Firm Transmission Service

The Transmission Provider reserves the right to interrupt non-firm Transmission Service to provide service for firm requests or for any requests that provide longer duration, except that confirmed Hourly Non-Firm will not be interrupted for longer duration within 60 minutes of the beginning of the delivery hour. The Transmission Provider will not bill the Transmission Customer for such interruption of non-firm service. All non-firm service curtailed for system reliability reasons will be credited for the Transmission Customers' charges on the following conditions: In the event the Transmission Provider exercises its rights to effect a curtailment, in whole or part, of Non-Firm Point-To-Point Transmission Service, the charge payable by the Transmission Customer shall be computed as if the term of service actually rendered were the term of service reserved; provided that an adjustment of the charge shall be made only when the curtailment is initiated by the Transmission Provider, not when the Transmission Customer fails to deliver energy to the Transmission Provider. The minimum billing unit will include any delivery hour in which partial service occurred. For purposes of this section, a system reliability reason is defined as any one of the following: system operating limit, an inter-tie transfer limit, or any other reduction in the Transmission Provider's Path Limits as described in Section 10, "Scheduling and E-Tagging." See chart below:

Treatment of Hourly Non-Firm Service under various scenarios		
Situation	***Classification***	***Treatment of Hourly Non-Firm Service***
Firm Transmission scheduled near real time	Transmission Provider interrupts non-firm service	Credit issued
Longer duration non-firm service scheduled near real time	Transmission Provider interrupts non-firm service	Credit issued
Real time system event inter-hour resulting in a reduction in TTC or ATC	Transmission Provider interrupts non-firm service	Partial credit based on actual service usage
Real time system event inter-hour resulting in a reduction in TTC or ATC	System Reliability Reason	Credit Issued
Reduction in TTC by BA prior to service delivery	System Reliability Reason	Credit Issued
Reduction in ATC by BA prior to service delivery	System Reliability Reason	Credit Issued
Customer fails to deliver energy	Other	No credit

5.4 Timing Requirements for Reservation Requests

The following table is provided to assist Transmission Customers with identifying duration time frames for requesting short-term transmission products, such as those stated in MATL's OATT Section 13.8 and 14.6. The time windows provided below are updated to reflect service available after the transition to a short-term auction process, which will require sequencing of coordinated time periods. Certain transmission service types will no longer be offered after the transition to the auction process. The response time requirements by Support Staff and by the Transmission Customer must follow the NAESB "Request Timing Requirements" in Table 4-2 of the NAESB WEQ Business Practice Standards and nothing in the table below is intended to differ with NAESB response time limits.

Transmission Service Type	Term	TSR Timing (All times are PPT_3)		
		No Later Than	**No Earlier Than**	**Window for Sale**
Yearly Firm	Yearly	July 1 in calendar year prior	N/A	N/A
Monthly Firm	1 Mo – 12 Mo	See Auction Timing Requirements		
~~Weekly Firm~~	~~1 Wk – 4 Wks~~	~~2 Days Prior~~	~~30 Days Prior~~	N/A
Daily Firm	1 Day	See Auction Timing Requirements		
Hourly Firm (At Auction)	Hourly Blocks	See Auction Timing Requirements		
Hourly Firm (After Auction)	Hourly	180 minutes before the hour	Upon Daily Auction Awards	End of Pre-Scheduling Window
~~Monthly Non-Firm~~	~~1 Mo – 12 MO~~	~~Hour 1000 Day Prior~~	~~60 Days Prior~~	N/A
~~Weekly Non-Firm~~	~~1 Wk – 4 Wks~~	~~1 Day Prior~~	~~14 Days Prior~~	N/A
~~Daily Non-Firm~~	~~1 Day – 7 Days~~	~~Hour 1400 Day Prior~~	~~2 Days Prior~~	N/A
Hourly Non-Firm	Hourly	Hour of Use	Upon Daily Auction Awards	End of Next Day

1. The TSR "No Earlier Than" and "No Later Than" timing for Firm PTP redirected on a Firm basis is determined by the service selected in the redirect request, e.g., Hourly, Daily, Weekly or Yearly Firm.
2. The TSR "No Earlier Than" and "No Later Than" timing for Firm PTP redirected on a Non-firm basis, i.e., Hourly Secondary Service, will be the same as that stated for Hourly Non-Firm.
3. All times described herein are in Pacific Prevailing Time (PPT).
4. After auction implementation, non-firm service will only be offered on an hourly basis.
5. Services in strike-through are no longer available after the transition to auction sales.
6. Monthly Firm is sold as an incremental "Monthly" product and "Prompt Quarter" or "Balance of Calendar Year" block products in the Auction Module, as described below.
7. Daily Firm is sold as an incremental "Daily" product in the Auction Module.

6. Evaluation Process of OASIS Information Fields

6.1 Varying Profiles on Service Request

OASIS allows customers to submit a varying profile on certain Transmission Service Requests for multiple periods of the same service increment. For example, a Transmission Customer may submit a yearly request with a profile for the first 3 months with a capacity of 1 MW for the

first two months and 100 MW for the third month. A Transmission Service Request for a block service, i.e. balance of year or prompt quarter, must be fixed over the entire block. A Transmission Service Request with a varying profile is not allowed for block service. A Transmission Service Request with a varying profile for incremental sales of Monthly or Daily service may be profiled by the appropriate unit (i.e. by month or day) as offered. Transmission capacity withheld for rollover rights associated with a multi-year, yearly firm request approved with a varying profile will be the capacity granted for the last year of the request.

6.2 Service Request Validation

The Support Staff will validate Transmission Service requests by confirming that the:

1. POR and POD is valid,
2. Source and Sink is valid when provided (blank entries are acceptable for the TSR validation, but will be required for the e-tag validation),
3. Service Type is Point-to-Point,
4. Service duration does not violate timing submittal requirements,
5. Start & Stop times are valid for the specified service increment and type,
6. Price offer is at or above the applicable floor price for long-term service or at or above the OASIS posted price for short-term service,
7. Customer is eligible to receive the requested service,
8. Company name is a registered Transmission Customer, and
9. Capacity is profiled correctly.

MATL uses the Open Access Technology International, Inc. (OATI) webOASIS for Transmission Service request administration and the Western Electricity Coordinating Council ("WECC") evaluation procedure, which is a rated system path approach to determine Available Transfer Capability ("ATC"), supplemented with the hourly AESO intertie transfer limit procedure. It is necessary for system reliability that sources and sinks represent the intended use of system capacity, reflecting the two ends of the entire flow path.

6.3 Service Request Evaluation

All requests for Transmission Service are evaluated by the Support Staff in coordination with the AESO posted procedures. ATC values are determined in accordance with MATL's ATCID for MATL's Bulk Electric System (BES) transmission facilities under the MATL Tariff. AESO and/or NWMT may post operating limits for MATL to follow for ATC postings. MATL's ATCID is available under the ATC Information Link of the MATL OASIS site.

6.3.1 Evaluation Process for Short-Term Service

Transmission Service Requests received are evaluated separately by class of service. If the request is for non-firm service, it is evaluated against the non-firm ATC for the requested service. If the request is for firm service, it is evaluated against the firm ATC on the path for the requested service.

6.3.2 Off-Line Evaluations

Support Staff will generally accept the OATI webTrans request evaluation results of Available Transmission Capability on the MATL transmission facilities required to render Transmission Service. When the OATI webTrans request evaluation process does not include all MATL transmission facilities required to render Transmission Service, or does not include the entire period of the Transmission Service request, then MATL reserves the right to augment the OATI webTrans request evaluation process results and Support Staff shall set the request for Transmission Service to STUDY and notify MATL Planning of the study requirement.

6.3.3 Partial Service

If a request for Transmission Service cannot be accepted in its entirety, Support Staff will offer the portion of the Transmission Service that it can provide for the term or service increment of the service requested, except that partial service will not be counter-offered for hourly service due to timing constraints. If a portion of the request can be provided, such as a lesser MW of capacity, Support Staff will counteroffer to the Transmission Customer the portion or portions of service that can be accepted. For example, if a customer submits a request of 20 MW for three days, but only the last two days are available, then the counteroffer would be a modified profile of 0 MW for Day 1 and 20 MW for Days 2 and 3. Counteroffers provided by Support Staff will use the same Assignment Reference Number ("AREF") established for the Transmission Customer's TSR, with no change to the queue position.

6.3.4 Service Request Retraction

The Tariff and these Business Practices specify when a Transmission Customer must submit pre-confirmed bids/offers or alternatively must respond to an accepted request for short-term transmission service. If a Transmission Customer withdraws or fails to confirm a request by the specified time limit, Support Staff will retract acceptance of the request.

6.3.5 Service Request Annulment

Once a service request is confirmed, the Support Staff reserves the right to annul or reverse an incorrect action due to circumstances where an error made by Support Staff violates the Tariff or an established Business Practice. By request of the Transmission Customer to Support Staff, a Transmission Customer's pre-confirmed short-term request may be annulled where the Transmission Customer has encountered an inadvertent error, provided that scheduling has not begun on the reservation and that the request to annul the reservation occurs within 3 days of the queue date. The Transmission Customer must provide an e-mail statement describing the nature of the error that precipitated the need for the request to annul the reservation. The Support Staff will also annul a confirmed or accepted reservation if the Transmission Customer fails to provide a signed service agreement as discussed in Section 3 above. The Support Staff will also annul a confirmed or accepted reservation if instructed to do so by the AESO or WECC.

6.3.6 Rejection of Service Request

If a request for Transmission Service has been denied (fully or partially), the Support Staff will post the reason for the denial of service, and will retain this information for a period of five years.

7. Auction Process

7.1 Short-term Auction Scheduling

The Auction Process will be located on the MATL OASIS. Short-term Auctions will take place in weekly and daily intervals offering the products described below.

Weekly auctions will offer three products: Balance of the Year, Prompt Quarter, and Monthly service. Unless otherwise noticed on the MATL OASIS, Weekly auctions will have an opening time of midnight (00:00 PPT) on the next calendar each Thursday. Unless otherwise noticed on the MATL OASIS, Weekly auctions will have a closing time of 06:00 PPT on the Wednesday

following the auction opening time. For auctions occurring on the standard schedule, weekly auctions shall clear one (1) hour after the auction closing time, unless otherwise noticed.

Daily auctions will also offer three products: Daily, Light Load Hourly, and Heavy Load Hourly service. Unless otherwise noticed on the MATL OASIS, Daily auctions will have an opening time of noon PPT of each day. Unless otherwise noticed on the MATL OASIS, Daily auctions will have a closing time of 06:00 PPT on the day following the auction opening time. For auctions occurring on the standard schedule, daily auction shall clear one (1) hour after the auction closing time, unless otherwise noticed.

7.1.1 Balance of the Year Service

In auctions conducted on a weekly basis, Balance of the Year Service will be awarded for service starting on the first of each month and ending on January 1 of each year.

For Balance of the Year Service, the commencement of service time will be 00:00 on the first of each month that is a minimum of fourteen days from the opening time of the auction (seven days prior to the close of the auction and its clearing time). For Balance of the Year Service, service time will end on 00:00 on January 1 of each year subsequent to the year associated with the auction service start time. Balance of the Year Service will vary in length between four (4) consecutive months and no more than twelve (12) consecutive months in duration depending on the date of the auction. Balance of the Year Service must be for a fixed MW amount and price over all months of service offered at auction. For more detail on the auction timing, see Appendix 1.

7.1.2 Prompt Quarter Service

In weekly auctions, Prompt Quarter Service will be awarded for service starting on the first of each month in the next consecutive quarter and ending on the last day of the month in the month three months after commencement.

For Prompt Quarter Service, the commencement of service time will be 00:00 on the first of each month that is a minimum of forty-five (45) days from the opening time of the auction. For Prompt Quarter Service, service time will end on 00:00 on each quarter subsequent to the quarter associated with the auction service start time. Prompt Quarter Service must be for a fixed MW amount and price over all months of service offered at auction. For more detail on the auction timing, see Appendix 1.

7.1.3 Monthly Service

In weekly auctions, Monthly Service will be awarded for service starting on the first of each month and ending the last day of the month offered for service. Monthly Service submitted bids may be for varying MW amounts and price for each calendar month of service offered at auction.

For Prompt Month Service, the commencement of service time will be 00:00 on the first of the next calendar month that is a minimum of fourteen days from the opening time of the auction. For each increment of Prompt Month Service, service time will end on 00:00 on the first of the next calendar month. Prompt Month Service is offered for months prior to the Prompt Quarter. The service time of Prompt Month Service will end on 00:00 on the first of the next calendar quarter subsequent to the associated with the Auction Service Start Time. For more detail on the auction timing, see Appendix 1.

7.1.4 Daily Service

As mentioned above, auctions will occur on a weekly and daily basis. In the daily auctions, Daily Service will be awarded for service beginning on the first calendar day beyond the current WECC pre-scheduling calendar for two days of service and any additional days to be sold because of a WECC Pre-Schedule holiday following the date of sale. For Daily Service, the commencement of service time will be 00:00 on the first day following the end of the WECC Pre-Schedule calendar in effect on the day of auction opening time. For Daily Service, service time will end on 00:00, (2) days beyond the auction service start time. Daily Service is one (1) day in length with customers able to bid on any of the days offered in the auction (two or more days may be offered in any given auction). If a customer bid spans multiple days, each individual day will be cleared independently and may or may not be awarded based on the remaining ATC and price bid. For Daily Service, submitted bids may be for varying MW amounts and price for each calendar day of service offered at auction. For more detail on the auction timing and a representative week and week with a recognized holiday, see Appendix 2.

7.1.5 Light Load Hourly Service

In auctions conducted on a daily basis, Light Load Hourly Service will be awarded for service beginning on the first calendar day beyond the current WECC pre-scheduling calendar for the

next 'n' days of service. For Light Load Hourly Service, the commencement of service time will be 00:00 on the first day following the end of the WECC Pre-Schedule calendar in effect on the day of auction opening time. On award, the TSR granted to successful bidders will reflect the service granted for the Light Load hours from 00:00 to 06:00 and 22:00 to 24:00 (midnight of the subsequent day) PPT of the day awarded. For Light Load Hourly Service, service time will end on 00:00, one day beyond the auction service start time. Bids submitted into the Light Load Hourly Service are for a given calendar day, and must be submitted for each individual day being auctioned. If a customer bid spans multiple days, each individual day will be cleared independently and may or may not be awarded based on the remaining ATC and price bid. For Light Load Hourly Service, submitted bids may be for varying MW amounts and price for each calendar day of service offered at auction. For more detail on the auction timing and a representative week and week with a recognized holiday, see Appendix 2.

7.1.6 Heavy Load Hourly Service

In auctions conducted on a daily basis, Heavy Load Hourly Service will be awarded for service beginning on the first calendar day beyond the current WECC pre-scheduling calendar for the next 'n' days of service. For Heavy Load Hourly Service, the commencement of service time will be 06:00 on the first day following the end of the WECC Pre-Schedule calendar in effect on the day of auction opening time. On award, the TSR granted to successful bidders will reflect the service granted for the Heavy Load hours from 06:00 to 22:00 PPT of the day awarded. For Heavy Load Hourly Service, service time will end on 22:00 one day beyond the auction service start time. Bids submitted into the Heavy Load Hourly Service are for a given calendar day, and must be submitted for each individual day being auctioned. If a customer bid spans multiple days, each individual day will be cleared independently and may or may not be awarded based on the remaining ATC and price bid. For Heavy Load Hourly Service, submitted bids may be for varying MW amounts and price for each calendar day of service offered at auction. For more detail on the auction timing and a representative week and week with a recognized holiday, see Appendix 2.

7.1.7 Capacity Sales of Available Hourly Firm and Non-Firm Service

After the conclusion of Daily Auctions and posting of the Daily Auction results, the Transmission Provider will determine the remaining ATC not awarded in Open Seasons or Auctions, Long-Term or Short-term, subject to availability. Transmission Provider will post this amount of ATC

available for Hourly Firm and Non-Firm Point-to-Point Transmission capacity sales and the rates for such service. Hourly service may be purchased for the current hour up to the last hour that falls within the applicable WECC pre-scheduling calendar effective for the current day. Transmission Provider will grant service on a first-come, first-served basis. Simultaneous requests will be resolved as described by the Schedule 7, Section 3.1.5.1. Posted rates for Hourly Firm and Non-Firm Point-to-Point Transmission Service may change from time to time based on the Transmission Provider's sole discretion.

Transmission Customers may also request the use of alternate POR or POD at this time, subject to Section 22. This ATC will be sold at posted prices for both Hourly Firm and Non-Firm Service. Transmission Provider will award TSRs for Hourly Firm and Non-Firm service on OASIS as requests for such service are received.

7.2 Auction Bid/Award Attributes

Bids submitted on the OASIS will be considered pre-confirmed and financially binding if awarded at the clearing of the auction. Customers submitting Bids are required to supply the following information, including but not limited to: (i) the maximum and minimum quantity (in MW) that the bidder will accept, (ii) the price offered (in U.S. Dollars), and (iii) the receipt and delivery points.

Using the MATL OASIS, customers will submit bids that include the following key attributes:

- Provider Code – always MATL.
- Customer Code – registered identity of the transmission customer.
- Auction Identifier – unique identifier associated with the auction being bid into.
- Status – reflects the status of the bid in the auction.
- Type –BID or REDIRECT.
- Service – identification of specific transmission service being bid.
- Path – valid path (POR/POD pair) for service being bid.
- Bid Profile – one or more sets of following bid information:
    - Start/Stop Time – specific term being bid.
    - Price – bid price for the specific term being bid.
    - Capacity – MW capacity being bid.

  - Minimum Award – minimum capacity that must be awarded to clear the bid in the auction.
- RelatedRef – for redirected service, the TSR identifier of an existing customer's prior arrangement for service being redirected.
- AssignmentRef – unique identifier for TSR created on auction award.

The Auction Bid and Award Data Model will provide the following:

- Award Profile – one or more sets of the following award information
  - Start/Stop Time – specific term awarded.
  - Price – clearing price for the specific term awarded.
  - Capacity – MW capacity awarded.
- Submission Time – timestamp for when the bid was first submitted.
- Update Time – timestamp of when the bid was last updated.
- Award Time – timestamp of when the bid award was computed.
- Modified By – identification of who/what last updated the bid/award information

These attributes will be visible to the submitting customer while OASIS will mask certain attributes from the public's view. In accordance with FERC compliance requirements and using webTrans, bid and award information will be unmasked to the public after six months after the auction is cleared.

7.3 Auction Clearing Engine

The Auction Clearing Engine will clear all Short-Term Transmission Auctions immediately following the posted auction closing time by ranking bids from highest to lowest by submitted bid price. The final auction awards and the corresponding counterpart TSRs for scheduling will be posted to OASIS after the auction's stated clearing time.

Using the current computed Firm ATC on each specified path offered in the auction and the Minimum Reserve price established by MATL for that path over the term of service being auctioned, the Auction Clearing Engine will create an offer for the service using the 'paths' offered in the auction which may either be explicit POR/POD pairs, or represent all transmission paths to a given POD. If the auction being cleared is configured as a BLOCK auction, the minimum ATC over the full service start/stop time will be auctioned as a single block increment.

If the auction being cleared is configured as an INCREMENTAL auction, the ATC will be cleared in individual service increments appropriate for the service being auctioned beginning at the auction service start time through the auction service stop time. Customer bids spanning multiple service increments will be cleared as 'n' individual service increment bids.

For the given time interval to be cleared, the Auction Clearing Engine will retrieve all customer submitted bids with the status of RECEIVED for that time interval and for the auction being cleared. All bids for the given time interval will then be ranked by bid price from highest to lowest. Bids that fail to meet the auction's defined Minimum Reserve price as specified for the path bid will be discarded.

The Auction Clearing Engine will then scan the set of valid bids to determine the set of commercial paths that will be subject to auction clearing. For each of those paths, the set of defined ATC path segments that make up each commercial path and the corresponding segment ATCs must be tracked through the clearing process. As each bid or group of bids is cleared on a given path, the awarded MW capacity must be subtracted from each ATC path segment associated with that bid path and the remaining ATC, i.e., the offered capacity, on all other bid paths adjusted to reflect the minimum ATC on the set of ATC path segments comprising the path bid.

The Auction Clearing Engine will then begin awarding service to each bid in order.

In situations where an award of service to a given bid is in a MW amount that is less than the minimum acceptable capacity as set by the customer in their bid, the capacity will not be awarded. A notation in the bid/award information indicating that the "award did not meet minimum acceptable capacity" along with the status of NOT CLEARED.

When multiple bids are present for the exact same price and path, the Auction Clearing function will use a mixed integer linear programming optimization to maximize the amount of capacity awarded to the fewest bidding customers respecting the minimum acceptable capacity specified by each customer. The Auction Clearing Engine will use a publically available Open-source software optimization algorithm to clear each auction.

Clearing of the auction will proceed through each valid bid submitted that is above the minimum reserve price in the order as described above. Capacity awards will be granted as appropriate until the ATC on the path(s) bid is exhausted. The Auction Clearing Engine will adjust the

remaining ATC on each path segment and associated commercial paths as each auction award is made.

The Auction Clearing Engine will establish the uniform clearing price to be applied to all CLEARED bids on each unique path at auction as the price bid for the last 1 MW of capacity awarded on that path.

7.3.1 Clearing of Redirects on a Firm Basis

See section 8.2, Redirect on a Firm Basis.

7.4 Auction Award Posting

The results of the auction clearing process will be posted on OASIS at the stated Auction Clearing time configured for each auction. In addition to the auction award results associated with each submitted bid, every CLEARED bid will have an associated TSR created in webTrans and posted on OASIS to be used in scheduling the service awarded.

All elements of the submitted bid and posted award will be selectively masked or available for public view through a masking template. The Auction Engine will have all elements of the bid and award data masked from public view, but will be fully accessible to the submitting customer.

Twice annually, February 28 and August 30, MATL will make FERC filings that will be posted to OASIS and that will unmask bid and award data information for public view in accordance with MATL Schedule 7, Section 3.1.4.6, Release of Bid Data.

7.5 Transmission Billing

Every bid awarded at auction will have a counterpart TSR created with the necessary information required for settlements.

7.6 User Interface

All auction related displays will be accessed through the OASIS main menu “Auction” tab.

8. Redirecting Service

8.1 Redirect on a Non-Firm Basis

A Transmission Customer may redirect firm Point-to-Point Transmission Service to a non-firm secondary POR and/or POD without additional charges on an as-available basis. If a Transmission Customer elects to redirect service on a non-firm basis, the Transmission Customer retains the right to schedule firm service over the original path, but the total firm and non-firm service cannot exceed the original reservation capacity. Redirect requests must contain the OASIS reference number of the original request in the related reference field. Requests to redirect an existing firm service request on a non-firm basis will be approved subject to the following conditions:

1. The redirect request is submitted with an OASIS Request Type of "**RelatedRef**," and the original firm request is listed in the related reference field.
2. Transfer capability is available to accept the new service path.

Secondary service can be displaced by any firm or non-firm service awarded through the OASIS Process**.**

8.2 Redirect on a Firm Basis

Requests to redirect Point-to-Point Transmission Service on a firm basis are treated as new requests. The customer's rights on the original path are revoked upon confirmation of the redirect service request. Requests for redirect service will be identified by a value in the code, RelatedRef. This code specifies the TSR whose capacity acquired in a previous auction is to be redirected. Then, using special logic to handle the clearing of Redirects on a Firm Basis, the Auction Clearing Engine will identify requests and will screen all redirect bids to verify that the capacity available to redirect on the RelatedRef TSR is sufficient over time to support the MW capacity bid.

The start and stop times of the new reservation must be contained within the start and stop times of the original reservation. Partial redirects of the previous reservation quantity or period are allowed. Sufficient ATC must exist to accommodate the new request. For purposes of evaluation, the impacts of the redirected service will be replaced by the impacts of the new request during the overlapping period.

Once the new request is confirmed, the capacity of the original reservation becomes available to the market, subject to any limitations created by flow impacts of the changed POR and/or POD. The portion of a firm reservation not replaced by redirected service will remain in effect.

Valid redirect bids will be ranked and cleared by price with all other bids. Once a redirect is cleared in the current auction, the capacity available for redirect on the RelatedRef TSR must be reduced and tracked such that it is accounted for in any subsequent auction being conducted for the same time of service but of shorter duration, e.g., the impact of redirects cleared in the Daily service auction must be incorporated into the clearing actions for the subsequent Light and Heavy Load Hour auctions.

The redirected capacity must also be credited to each ATC path segment impacted by the redirect bid's RelatedRef TSR that is not in common with the ATC path segments on the redirected path. That credited capacity will be posted in the updated path ATC and offered to the market in the next scheduled auction.

8.3 Redirect and Rollover Rights

Any original yearly service that is redirected on a shorter duration service Increment will maintain any rollover rights that it may have under Section 2.2 of the Tariff, at the POR/POD of the original service reservation. Any yearly service that is redirected in yearly increments but is not redirected through the end of the remaining term of the original request will retain its reservation priority and rollover rights on the original path. Yearly service that is redirected through the end of the remaining term of the original request will receive reservation priority and rollover rights on the new path of the redirected service. The rollover renewal of a yearly service redirect is prohibited unless the redirect being renewed extends to the end of the original yearly service term.

9. Procedures for Resale, Reassignment or Transfer of Firm and Non-Firm Point-to-Point Transmission Service under MATL's OATT Outside of the Auction Process

9.1 Availability for Resale or Reassignment

MATL's Tariff, Section 23 and these Business Practices provides the process by which a Transmission Customer may assign all or a portion of its firm or non-firm Point-To-Point Transmission Service (Reseller) to another Eligible Customer (Assignee) as defined in the MATL Tariff. This Section will be applicable, if the resale is consummated directly between a Reseller and Assignee.

9.2 Request of Reassignment on the OASIS

All requests for reassignment shall be conducted or posted on the MATL OASIS. The Transmission Customer shall use the request type of "**Resale**" to reassign firm and non-firm Point-To-Point Transmission Service to the Assignee.

- If the Assignee **does not request** any change in the Point of Receipt or Point of Delivery or source or sink, or a change in any other term or condition set forth in the original service agreement, the Assignee will receive the same service as did the Reseller.
- If the Assignee **requests** a change in the Point of Receipt or Point of Delivery or source or sink, or a change in any other term or condition set forth in the original service agreement, the request for reassignment will be treated as a new Transmission Service request and evaluated in accordance with the MATL Tariff and these Business Practices. Such request for a change in the POR or POD or source or sink shall be submitted on OASIS by the Assignee as a redirect request of their confirmed resale and subject to all conditions specified in these Business Practices.
- Prior to the commencement date of the reassignment, the Assignee shall execute a service agreement with the Transmission Provider as discussed below.

9.3 Execution of Service Agreement for Resale

Prior to the date on which the reassigned service is to commence, the Assignee shall execute a service agreement with the Transmission Provider. MATL's Tariff Attachment A provides a form of service agreement for firm Point-To-Point Transmission Service and Attachment B provides a

form of service agreement for non-firm Point-To-Point Transmission Service. The service agreement for reassignment of firm and non-firm Point-To-Point Transmission Service shall be in accordance with Attachment A-1, "Form of Service Agreement for The Resale, Reassignment, or Transfer of Point-To-Point Transmission Service" under the MATL Tariff as posted on the MATL OASIS. The Transmission Customer shall complete and submit two signed copies of the applicable service agreement for to Support Staff. Once the service agreement is deemed to have met all Tariff and Business Practice requirements, Support Staff will route the agreement to MATL for creditworthiness evaluation and signature.

MATL will return one signed copy of the service agreement to the Assignee.

MATL will provide a copy and notify its Support Staff upon the execution of the service agreement for reassignment.

Attachment A-1 of the MATL Tariff applies to reassignment on both a firm and non-firm basis. For both short-term firm and non-firm point-to-point reassignments, the execution of Attachment A-1 must include the fully completed specifications attached to the service agreement for reassignment.

For Long-Term Firm Point-To-Point Transmission Service reassignments (reassignments of one year or longer), a new service agreement is required for each reassignment. The reassignment of a Long-Term Firm Point-To-Point Transmission Service reservation that is eligible for rollover rights that has been assigned to the Assignee to the end of the term specified in the Long-Term Firm Point-To-Point Transmission Service agreement with the Reseller and the Reseller had not submitted on the OASIS a request to rollover the service prior to the reassignment, will require a Long-Term Firm Point-To-Point Transmission Service reassignment agreement to be executed with the Assignee because the Assignee has acquired the rollover rights. If the Reseller has exercised its option to rollover its existing Long-Term Firm Point-To-Point Transmission Service in accordance with the MATL Tariff prior to reassigning the capacity, the rollover rights stays with the Reseller and the Assignee only obtains service as documented on the OASIS reservation.

9.4 Billing of Reassignment

MATL will bill the Assignee for all charges in accordance with the executed service agreement. For reassignments under the Attachment A-1 umbrella service agreement, the OASIS reservation will be used to obtain information regarding the reseller, quantity, and price

associated with a particular reassignment of service. All reassignments must include the price of the reassignment expressed in $/MW-Hour reserved. MATL will credit or charge the Reseller, as appropriate, for any differences between the Section 8.0 charges on the specifications attachment to the Assignee's executed service agreement and all applicable posted MATL Tariff charges currently in effect at the time of the reassignment for the type of service taken by the Reseller.

9.5 Curtailment Management Procedure

If service for the next operating hour under previously approved e-tags exceeds the lesser of the MATL TTC or the coordinated inter-tie limit value as calculated by the AESO at T-85 and received by MATL in the file transfer process, at 20 minutes prior to the top of the hour MATL will use best efforts to curtail existing schedules to the TTC limit. If curtailments of schedules are required, MATL will follow the requirements of Section 13.6 and 14.7 of MATL's Tariff. If AESO makes additional adjustments to the T-85 inter-tie limit received by MATL or if MATL fails to curtail schedules deemed necessary to meet AESO reliability limits, the AESO will curtail additional e-tags in accordance with its market rules.

10. Scheduling and E-Tagging

All energy schedules for transactions using confirmed transmission service rights that impact net scheduled interchange must be submitted as a request for interchange via the electronic tagging service (e-tag).

10.1 Roles of Authority over E-Tag Processing on the MATL System

The applicable Balancing Authority is the Interchange Authority for arranged transactions submitted under the MATL Tariff and these Business Practices. To ensure the secure and reliable operation of the interconnected power system, all entities involved in interchange scheduling shall coordinate and communicate information concerning schedules and schedule changes accurately and timely according to applicable NERC Reliability Standards for Scheduling and Interchange until such time that WECC publishes its updated "Scheduling Procedures" document.

The MATL Transmission System transcends two (2) Balancing Authorities. The Alberta portion of the MATL Transmission System is in the Balancing Authority Area of AESO with the AESO

being the Balancing Authority for this portion of the MATL Transmission System. In addition, the AESO performs the role of Path Operator with respect to the MATL Transmission System.

The Montana portion of the MATL Transmission System is in the Balancing Authority Area of NWMT with NWMT being the host Balancing Authority for this portion of the MATL Transmission System.

MATL is the Transmission Provider, but not a Balancing Authority. The NERC Reliability Standards and the WECC policies specify much of the practices that govern the scheduling of a Request for Interchange (RFI), aka an electronic scheduling tag or "e-tag". The responsible entity for submitting an e-tag is the Purchasing-Selling Entity (PSE). The authority for "implementation" of the e-tags is assigned to the Balancing Authorities. The Transmission Customer under the MATL Tariff and these Business Practices must also follow the practices and procedures of the applicable Balancing Authority, either AESO System Controller Procedures (SCP) or NWMT Business Practices.

The Support Staff will administer the Transmission Provider's role on behalf of MATL for e-tag monitoring/approval as described in the following sections.

10.2 Transmission Provider's Path Limits

The Total Transfer Capability ("TTC") and Available transfer Capability ("ATC") of the MATL Line will be monitored and updated on an ongoing basis. The transfer capability of the transmission path is the maximum amount of actual power that can flow over the path without violating reliability criteria. Either Balancing Authority for the MATL Transmission System (NorthWestern for the Montana portion and AESO for the Alberta portion) may at any time issue a system operating limit or an inter-tie transfer limit resulting in a MATL Transmission System TTC/ATC reduction for the upcoming hour and beyond. The transfer capability of the MATL Transmission System (MATL Path 83) as adjusted for seasonal studies, including adjacent system constraints, is posted on the MATL OASIS under the folder labeled "ATC Information" in Document No. MATL-811 "MATL Path 83 Transfer Capability with Seasonal SOL Affects".

In order for the Transmission Provider ("TP") to approve an e-tag, the in-service transmission path must have adequate capability and the Transmission Customer must have contractual rights to that path.

10.3 The Transmission Provider's Scheduling Validation

Prior to expiration of the reliability assessment period defined in the timing requirements of Reliability Standard INT-006-3, MATL's webTrans software validates all schedules submitted under the MATL Tariff on behalf of the Transmission Provider ("TP") listed on the e-tag. MATL's webTrans system will automatically approve e-tags unless the schedules do not meet the requirements stated in the "Transmission Provider's e-Tag Denial Criteria" Section. Further, the MATL Transmission System will provide the reason for denial of service.

10.4 The Transmission Provider's e-Tag Denial Criteria

The MATL Transmission System falls under the WECC Interchange Tool operation which performs a host of automated e-tag validations, including certain transmission service provider checks, such as:

1. The POR-POD pair are valid for the Transmission Provider;
2. The Balancing Authority is valid for each Transmission Provider and POR-POD pair;
3. There is one and only one Balancing Authority listed in the scheduling entity field per POR-POD segment; and
4. Will validate that the Balancing Authorities shown as adjacent in the e-tag are adjacent to each other.

The MATL tools will validate all e-tags against the referenced TSR.

The MATL software systems will automatically deny an e-tag if:

1. The OASIS Assignment Reference number (AREF) is not confirmed and approved (MATL will deny an e-tag where no corresponding CONFIRMED TSR exists on the MATL OASIS.),
2. The appropriate scheduling Balancing Authorities are not listed in the correct order in the Balancing Authority column on the e-tag,
3. The arrangements associated with the e-tag do not have adjacent transmission service provider connectivity,
4. The Transmission Product Code(s) on the e-tag does not match the TSR(s),
5. The e-tag's Start/Stop times do not fall within the term of service of the Transmission Service Rights,

6. The PSE on the e-tag does not match the Transmission Customer holding the TSR or the Assignee if applicable under a resale arrangement.
7. The scheduled capacity exceeds the reserved capacity as may be reduced by any in-effect curtailments or operating limits, less any other e-tags scheduled against the reservation,
8. The POR & POD on the e-tag do not match POR/POD on the confirmed TSR,
9. The e-tag is for zero MW, unless it is a dynamic tag.

The Customer's e-tag is also subject to each applicable Interchange Authority i.e., Balancing Authority's e-tag denial criteria that will reject any e-tag that fails the WECC validation rules.

10.5 Curtailment Procedures

The sum of all tagged uses of MATL transmission shall not exceed the current applicable TTC. If exceeded, curtailments to tagged transactions will be implemented as provided below in this section.

10.5.1 MATL's Curtailment Management Procedure

If service under already approved e-tags must be curtailed for reliability reasons, non-firm service will be curtailed first (Section 13.6 of MATL's Tariff). The procedure for curtailing non-firm transmission service will follow the provisions of MATL's Tariff Section 14.7. Non-firm services flowing in the direction of the needed relief will, to the extent necessary, be curtailed by cutting schedules on a pro-rata basis based on the requested service queue time by starting first with any non-firm secondary service then followed as necessary by the shortest term service extending through progressively longer term services (e.g., hourly non-firm transactions will be curtailed before daily non-firm and daily non-firm transactions will be curtailed before weekly non-firm and weekly non-firm transactions will be curtailed before monthly non-firm). MATL will commence curtailments no sooner than twenty minutes before the hour (T-20) and coordinated with the AESO such that the AESO is not forced to curtail instead of MATL.

If it becomes necessary to curtail beyond non-firm service, further curtailments will be proportionally allocated ("i.e., pro-RATA") among Transmission Customers taking firm service. MATL curtails based on a percent of scheduled transmission rights. This methodology will be used for any curtailments slated to be implemented beyond the next operating hour.

For multiple e-tags from the same Transmission Customer or PSE, MATL will curtail e-tags using a cutting priority from the PSE to determine curtailment priority. A PSE can assign a "Cut_Priority" to each e-Tag. This is a numeric value that indicates to MATL the curtailment order of e-Tags. Where, "1" is the highest priority and will be curtailed last; and "2" is the second highest priority, etc. Following is the procedure a PSE can follow in order to provide the Cut Priority for e-tags:

1. Click on the Misc Info field on MATL's physical path segment;
2. Enter "Cut_Priority" in the Token column;
3. Enter a numeric value to indicate curtailment priority in the Value column; and
4. Tags submitted with no explicit MATL Cut_Priority will be assigned a priority ranking of "11".

As for curtailments necessary to be implemented within the hour or the next hour, non-firm service will be curtailed first and best efforts will be made to perform pro-rata curtailments of firm service based on transmission rights thereafter. MATL's Tariff does provide, however, for some flexibility under emergency conditions. Section 13.6 of the Tariff (second-to-last sentence) reads:

"However, the Transmission Provider reserves the right to curtail, in whole or in part, any firm Point-To-Point Transmission Service provided under the Tariff when, in the Transmission Provider's sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System."

In other words, if emergency conditions dictate that there is insufficient time to curtail pro-rata based on transmission rights, the Tariff provides the Transmission Provider with the ability to relieve the constraint without hindering reliable operations by taking additional time to implement pro-rata curtailments.

In particular, the AESO will generate a posting for MATL's inter-tie transmission capacity for hour X at approximately 85 minutes before hour X (T-85). Such AESO inter-tie limits may reduce MATL's TTC. The MATL OASIS will post the revised TTC/ATC and will evaluate new TSRs against the revised postings.

10.5.2 Reloading of Released Curtailment

In accordance with NERC Reliability Standard INT-004-2/R1, at such time as the reliability event allows for the reloading of a transaction that was cut as a result of a curtailment initiated by MATL's Curtailment Management software, the Curtailment Management software automatically releases the limit on the Interchange Transaction tag to allow reloading the transaction. The release of the limit is communicated by issuing a new tag adjustment to the Interchange Authority which is then distributed to all applicable entities, e.g., Purchasing-Selling Entities, Transmission Providers, and Balancing Authorities.

10.6 Dynamic Schedules

The Transmission Provider does not at this time elect to introduce any additional procedures for dynamic scheduling and will defer to and honor the posted dynamic scheduling procedures of the AESO for the Alberta portion of the MATL Transmission System and of the NorthWestern Balancing Authority for the Montana portion of the MATL Transmission System including the applicable regional authority policies of WECC. The energy schedules associated with dynamic scheduling are deemed to be the responsibilities of the affected Balancing Authorities. Where MATL approval is required as the applicable Transmission Provider (TP) on an e-tag used for dynamic scheduling, the same validation criteria as listed above in Section 9.4 for conventional e-tags will guide the Transmission Provider's e-tag validation procedure.

10.7 Reserve Sharing

Reserve sharing for many Balancing Authorities in the Pacific Northwest is provided by Northwest Power Pool (NWPP). The Transmission Provider has worked cooperatively with counterparties and customers to align its business practices with NWPP reserve sharing structures. Following a reserve sharing event, the Transmission Provider will approve e-tags after-the-fact~~.~~ that were submitted to Transmission Provider pursuant to a scheduling protocol. The Transmission Provider will approve e-tags after-the-fact even if MATL is out of service during the reserve sharing event. ~~The Transmission Customer must secure Transmission Service prior to the event.~~

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11. Energy Losses

Real power losses are associated with all Transmission Service. MATL is not obligated to provide real power losses. MATL reserves the right to adjust loss factors at any time up to the limit provided in the OATT. The MATL Transmission System transcends two (2) Balancing Authorities, which results in two distinct energy loss zones. The Transmission Customer is responsible for replacing transmission line losses to the applicable host Balancing Authority for Transmission Service provided by MATL. The Alberta portion of the MATL Transmission System is in the Balancing Authority area of the Alberta Electric System Operator (AESO). The Montana portion of the MATL System is in the Balancing Authority area of NorthWestern Energy. The Canada-USA border is the boundary between the AESO Balancing Authority and the NorthWestern Energy Balancing Authority. The Alberta Energy Loss Zone for the Alberta portion of the MATL Line is fully within the AESO Balancing Authority Area. The Montana Energy Loss Zone for the Montana portion of the MATL Line is fully within the NorthWestern Energy Balancing Authority Area.

11.1 Montana Energy Loss Zone of the MATL Line

The Transmission Customer's schedules must compensate NWMT, MATL's host Balancing Authority in Montana, for the loss factors stated in MATL Procedure No. MATL-802 "MATL Line Losses in Montana" as posted on the MATL OASIS under the Business Practices folder and in accordance with the MATL Tariff at the time service is rendered.

11.2 Alberta Energy Loss Zone of the MATL Line

Energy losses over the Alberta portion of the MATL system within the AESO Balancing Authority Area will be charged to the Transmission Customer by the AESO for monetary settlement in accordance with the AESO's Rules. Energy losses over the Alberta portion of the MATL Line are further described in MATL Procedure No. MATL-814 "MATL Line Losses in Alberta" as posted on the MATL OASIS under the folder labeled Business Practices.

12. Billings for Transmission Service

The Transmission Provider will strictly apply the provisions of the Tariff for billing procedures, including any delinquent payments and administering any billing disputes. Each Transmission Customer must provide its billing address, a billing contact person along with that person's contact information and an alternative contact with its Application details or the Application will

be deemed to be incomplete. In accordance with MATL's Tariff, the Transmission Customer must pay the applicable charges under Schedule 7 and Schedule 10 incorporated in the Tariff. If applicable under Section 11.1 below, the Transmission Customer will also be obligated to pay charges for Unreserved Use. When applicable under Section 11.2 below, the Transmission Customer will also be obligated to pay to the Transmission Provider charges for Montana's Wholesale Energy Transaction (WET) Tax.

12.1 Billings for Unreserved Use

In the event that a Transmission Customer has not secured reserved transmission capacity or exceeds its firm or non-firm reserved transmission capacity, the Transmission Customer will be subject to provisions of MATL's Tariff, Schedule 7, Section 3.3, Unauthorized Use of Transmission Service ("Unreserved Use"). The Transmission Provider will utilize the following practice for billing an Unreserved Use:

12.1.1 Monitored Points and Data

To determine if an Interconnection Transmission Customer has not secured Reserved Capacity or has exceeded its Reserved Capacity, the Transmission Provider will:

(i.) Monitor the integrated hourly energy injection for each generator interconnection POR and POD on the MATL Line;

(ii.) Aggregate approved e-tag schedules of the Interconnection Transmission Customer for each segment of the MATL Line;

(iii.) Determine if the generator injection plus any e-tag schedules of the Interconnection Transmission Customer that are unrelated to the generator injection, exceed the Interconnection Customer's Reserved Capacity.

For general Transmission Customers that schedule over the MATL Line, e-tag schedules will be used to determine if a Transmission Customer that is not interconnected on the MATL Line has exceeded its Reserved Capacity or has not secured Reserved Capacity. The e-tag schedule value will be deemed to be the used value of the transmission line capacity and therefore the Transmission Provider will not review metering data to assess Unreserved Use for a Transmission Customer that is not interconnected to the MATL Line.

12.1.2 Billing Units to be in MW

For an Unreserved Use incurring a billing charge as provided under the Tariff, the billing for Unreserved Use will be calculated using the nearest rounded MW. In the event such metering data with MW resolution is not available, the Transmission Provider will utilize the process defined above in Section 11.1.1 to determine the Unreserved Use amount.

12.1.3 Transmission Usage Measured on an Hourly Basis

Transmission capacity for Unreserved Use will be expressed in terms of a sixty (60) minute interval on a clock hour basis (i.e., an hourly integrated demand expressed in either kW or MW units as applicable to Section 11.1.2 above). Unreserved Use is not applicable on an instantaneous basis as represented by analog metering, but is determined by e-tag schedules or where applicable by the integrated value over the period of a clock hour.

12.2 Penalty Revenue Assessment and Distribution

For the purpose of this section, all credits distributed will be applied to invoices for short-term transmission service under the terms of Attachment B of the MATL OATT ("Short-Term Transmission Service Customers") pursuant to the terms below. The Transmission Provider will credit a Transmission Customer taking service under Part II of this Tariff for its share of penalty revenues as follows:

12.2.1 Late Study Penalties

Penalties paid by the Transmission Provider pursuant to Section 19.9 of this Tariff are referred to as "Late Study Penalties," and therefore subject to distribution to all Transmission Customers that are not affiliated with the Transmission Provider. On the month following the end of each calendar quarter, each Transmission Customer that is not affiliated with the Transmission Provider shall receive on its monthly invoice a credit for its share of the Late Study Penalties that were assessed during the applicable calendar quarter. The Transmission Customer's share of the Late Study Penalties (if any) will be determined as follows:

For each quarter, the Transmission Provider will determine: (1) the sum of all Late Study Penalties assessed during the quarter, measured in dollars (LSRq), and (2) the sum of all

transmission revenue from Transmission Customers that are not affiliated with the Transmission Provider during that quarter, measured in dollars (LSTRq). Where:

LSRq = Late Study Penalty Revenue in the quarter

LSTRq = Transmission Revenue from Transmission Customers not affiliated with the Transmission Provider in the quarter

For each quarter, each Transmission Customer that was not affiliated with the Transmission Provider will receive a credit equal to the product of (i) LSRq multiplied by (ii) a fraction, derived from dividing the amount of transmission revenue from that Transmission Customer (TC1) during that quarter (measured in dollars), where TC1 is equal to one Transmission Customer, and a denominator equal to LSTRq.

The non-affiliated Transmission Customer is entitled to apply the credits it receives pursuant to this Section for Late Study Penalties towards Short-Term Transmission Service it takes from the Transmission Provider.

12.2.2 **Unreserved Use Penalties**

Charges assessed by the Transmission Provider pursuant to Section 3.3 of Schedule 7 of this Tariff that are in excess of the Transmission Provider's transmission service rates on file at the time of the unreserved use are referred to as "Unreserved Use Penalties," and therefore subject to distribution to all "non-offending" (or non-penalized) Transmission Customers. On the month following the end of each calendar quarter, each non-offending Transmission Customer shall receive on its monthly invoice a credit for its share of the Unreserved Use Penalties that were assessed in connection with service rendered by the Transmission Provider during the applicable calendar quarter. For each non-offending transmission customer, once a share of Unreserved Use Penalty disbursement is determined, the balance of that disbursement will be listed on each subsequent monthly invoice until such balance is credit based on short-term service charges or one year passes. The Transmission Customer's share of the Unreserved Use Penalties (if any) will be determined as follows:

12.2.2.1 For each month in the applicable quarter, the Transmission Provider will determine the sum of all Unreserved Use Penalties assessed to Transmission Customers during each month of the quarter (UURm), measured in dollars. For each quarter, the Transmission Provider will determine the sum of all Unreserved Use Penalties assessed to Transmission Customers during that quarter (UURq), measured in dollars. For each month and for the applicable quarter, the Transmission Provider will determine the sum of all Transmission Customers revenue from non-offending Transmission Customers during that quarter, measured in dollars (TRq). Where:

UURm = Unreserved Use Penalty Revenue each month of the quarter

UURq = Unreserved Use Penalty Revenue in the quarter
UURq = UURm (N1) + UURm (N2) + UURm (N3)

TRq = Transmission Customer Revenue from all non-offending Transmission Customers in the quarter

12.2.2.2 For each quarter, each Transmission Customer that was not assessed Unreserved Use Penalties during the three months in that quarter will receive a credit equal to the product of (i) UURq multiplied by (ii) a fraction, derived from dividing the amount of transmission revenue from that Transmission Customer (TC1) during that quarter (measured in dollars), where TC1 is equal to one non-offending Transmission Customer, and a denominator equal to TRq.

12.2.2.3 The Transmission Customer is entitled to apply the credits it receives pursuant to this Section for Unreserved Use Penalties towards Short-Term service it takes from the Transmission Provider.

12.2.3 **Unused Penalty Credits**

Pursuant to sections 12.2.1 and 12.2.2.3, if after one year from the time the credit was initially provided to the Transmission Customer a credit balance still remains, then the Transmission

Customer is entitled to request disbursement of the remaining credit. To request disbursement of the credit, the Transmission Customer must submit an invoice to the Transmission Provider. Invoices must be sent by email to:

- Michael Manarovici – Supervisor, MATL Operations (michael.manarovici@enbridge.com), and;
- Enbridge's Accounts Payable department (Accounts.Payable.USA@enbridge.com).

The invoice must be billed to:

MATL LLP
1100 Louisiana St, Suite 3300
Houston, TX 77002
USA

The Transmission Provider will not accept its own monthly invoice as an official request.

12.3 Montana Wholesale Energy Transaction (WET) Tax

Where required by law or regulatory authority, the Transmission Provider may be stipulated as the collection agent by the state of Montana for a Wholesale Energy Transaction (WET) Tax on energy that the Transmission Customer produces in Montana and exports from Montana. The Transmission Customer's monthly bill will include an itemized statement for the monies due when the Transmission Provider is required to collect the WET tax. If the Transmission Customer is exempt from the Montana WET Tax, the Transmission Customer is to provide the Transmission Provider with proof of such exemption including a signed Declaration Form MATL-813 "Declaration of Exemption from Montana WET Tax" which is posted on MATL's OASIS under the folder labeled "Customer Registration and Application Forms". It is the Transmission Customer's responsibility to determine whether an exemption applies. The Transmission Customer may elect to seek independent tax counsel to determine whether Transmission Customer's intended movements on MATL will meet the exemption criteria.

13. Transmission Planning

The Transmission Provider follows OATT Attachment K procedures regarding Transmission Planning processes. A supplementary document of key links may be posted separately in the Transmission Planning Folder on MATL's OASIS and updated from time to time.

Appendix 1 – Weekly Auctions for Short-Term Sales Auction Calendar

Note: Date references in Appendices 1 and 2 are representational only.

Weekly Auctions for Short-term Sales Calendar - July 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29	30	1	2	3 00:00 Opening BoY: Aug – Dec PQ: Oct – Dec M: Aug - Sep	4 Last opportunity to request long-term service commencing in 2015	5
6	7	8	9 06:00 Closing BoY: Aug – Dec PQ: Oct – Dec M: Aug - Sep	10 00:00 Opening BoY: Aug – Dec PQ: Oct – Dec M: Aug - Sep	11	12
13	14	15	16 06:00 Closing BoY: Aug – Dec PQ: Oct – Dec M: Aug - Sep	17 00:00 Opening BoY: Aug – Dec PQ: Oct – Dec M: Aug - Sep	18	19
20	21	22	23 06:00 Closing BoY: Aug – Dec PQ: Oct – Dec M: Aug - Sep	24 00:00 Opening BoY: Sep– Dec PQ: Oct – Dec M: Sep	25	26
27	28	29	30 06:00 Closing BoY: Sep – Dec PQ: Oct – Dec M: Sep	31 00:00 Opening BoY: Sep– Dec PQ: Oct – Dec M: Sep		

Weekly Auctions for Short-term Sales Calendar – August 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
27	28	29	30	31 00:00 Opening BoY: Aug – Dec PQ: Oct – Dec M: Aug – Sep	1	2
3 End of Long Term Public Notice Period for 2015	4	5	6 06:00 Closing BoY: Sep– Dec PQ: Oct – Dec M: Sep	7 00:00 Opening BoY: Sep – Dec PQ: Oct – Dec M: Sep	8	9
10	11	12	13 06:00 Closing BoY: Sep – Dec PQ: Oct – Dec M: Sep	14 00:00 Opening BoY: Sep – Dec PQ: Oct – Dec M: Sep	15	16
17	18	19	20 06:00 Closing BoY: Sep – Dec PQ: Oct – Dec M: Sep	21 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec Last day for award of long-term service commencing in 2015	22	23
24	25	26	27 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	28 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	29	30
31						

Weekly Auctions for Short-term Sales Calendar – September 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1	2	3 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	4 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	5	6
7	8	9	10 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	11 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	12	13
14	15	16	17 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Oct - Dec	18 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	19	20
21	22	23	24 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	25 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	26	27
28	29	30	1			

Weekly Auctions for Short-term Sales Calendar – October 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	1	2 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	3	4
5	6	7	8 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	9 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	10	11
12	13	14	15 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	16 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	17	18
19	20	21	22 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	23 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	24	25
26	27	28	29 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	30 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	31	

Weekly Auctions for Short-term Sales Calendar – October 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	1	2 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	3	4
5	6	7	8 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	9 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	10	11
12	13	14	15 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	16 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	17	18
19	20	21	22 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Nov - Dec	23 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	24	25
26	27	28	29 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	30 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	31	

Weekly Auctions for Short-term Sales Calendar – November 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30	31	1
2	3	4	5 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	6 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	7	8
9	10	11	12 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	13 00:00 Opening BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	14	15
16	17	18	19 06:00 Closing BoY: Jan – Dec '15 PQ: Jan – Mar '15 M: Dec	20 00:00 Opening BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	21	22
23	24	25	26 06:00 Closing BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	27 00:00 Opening BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	28	29

Weekly Auctions for Short-term Sales Calendar – December 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30	1	2	3	4 00:00 Opening BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	5	6
7	8	9	10 06:00 Closing BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	11 00:00 Opening BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	12	13
14	15	16	17 06:00 Closing BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	18 00:00 Opening BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	19	20
21	22	23	24 06:00 Closing BoY: Jan – Dec '15 PQ: Apr – Jun '15 M: Jan – Mar '15	25 00:00 Opening BoY: Feb – Dec '15 PQ: Apr – Jun '15 M: Feb – Mar '15	26	27
28	29	30	31 06:00 Closing BoY: Feb – Dec '15 PQ: Apr – Jun '15 M: Feb – Mar '15			

Appendix 2 – Daily Short-Term Auction Calendar

Daily Auctions for Short-term Auction Calendar - September 2014

Sun	Mon	Tue	Wed	Thu	Fri	Sat
24 06:00 Closing: D: Tu-W LLH: Tu-W HLH: Tu-W 12:00 Opening D: Tu-W LLH: Tu-W HLH: Tu-W	25 06:00 Closing: D: Tu-W LLH: Tu-W HLH: Tu-W 12:00 Opening D: W-Thu LLH: W-Thu HLH: W-Thu	26 06:00 Closing: D: W-Thu LLH: W-Thu HLH: W-Thu 12:00 Opening D: Th-F LLH: Th-F HLH: Th-F	27 06:00 Closing: D: Th-F LLH: Th-F HLH: Th-F 12:00 Opening D: Sa-Su LLH: Sa-Su HLH: Sa-Su	28 06:00 Closing: D: Sa-Su LLH: Sa-Su HLH: Sa-Su 12:00 Opening D: M-Tu LLH: M-Tu HLH: M-Tu	29 06:00 Closing: D: M-Tu LLH: M-Tu HLH: M-Tu 12:00 Opening D: W-Th LLH: W-Th HLH: W-Th	30 06:00 Closing: D: W-Th LLH: W-Th HLH: W-Th 12:00 Opening D: Tu-W LLH: Tu-W HLH: Tu-W
31 06:00 Closing: D: Tu-W LLH: Tu-W HLH: Tu-W 12:00 Opening D: Tu-W LLH: Tu-W HLH: Tu-W	1 06:00 Closing: D: Tu-W LLH: Tu-W HLH: Tu-W 12:00 Opening D: W-Thu LLH: W-Thu HLH: W-Thu	2 06:00 Closing: D: W-Thu LLH: W-Thu HLH: W-Thu 12:00 Opening D: Th-F LLH: Th-F HLH: Th-F	3 06:00 Closing: D: Th-F LLH: Th-F HLH: Th-F 12:00 Opening D: Sa-Su LLH: Sa-Su HLH: Sa-Su	4 06:00 Closing: D: Sa-Su LLH: Sa-Su HLH: Sa-Su 12:00 Opening D: M-Tu LLH: M-Tu HLH: M-Tu	5 06:00 Closing: D: M-Tu LLH: M-Tu HLH: M-Tu 12:00 Opening D: W-Th LLH: W-Th HLH: W-Th	6 06:00 Closing: D: W-Th LLH: W-Th HLH: W-Th 12:00 Opening D: Tu-W LLH: Tu-W HLH: Tu-W
7 06:00 Closing: D: Tu-W LLH: Tu-W HLH: Tu-W 12:00 Opening D: Tu-W LLH: Tu-W HLH: Tu-W	8 06:00 Closing: D: Tu-W LLH: Tu-W HLH: Tu-W 12:00 Opening D: W-Thu LLH: W-Thu HLH: W-Thu	9 06:00 Closing: D: W-Thu LLH: W-Thu HLH: W-Thu 12:00 Opening D: Th-F LLH: Th-F HLH: Th-F	10 06:00 Closing: D: Th-F LLH: Th-F HLH: Th-F 12:00 Opening D: Sa-Su LLH: Sa-Su HLH: Sa-Su	11 06:00 Closing: D: Sa-Su LLH: Sa-Su HLH: Sa-Su 12:00 Opening D: M-Tu LLH: M-Tu HLH: M-Tu	12 06:00 Closing: D: M-Tu LLH: M-Tu HLH: M-Tu 12:00 Opening D: W-Th LLH: W-Th HLH: W-Th	13 06:00 Closing: D: W-Th LLH: W-Th HLH: W-Th 12:00 Opening D: Tu-W LLH: Tu-W HLH: Tu-W