

Schedule 21- NEP **Point-to-Point Service**

In accordance with the Federal Energy Regulatory Commission's Order No. 890, Transmission Providers offering Point-to-Point transmission service are required to post on their OASIS websites certain information pertaining to any posted paths. New England Power Company has no customers under Schedule 21-NEP taking Point-to-Point Service. As such, the Company has no posted paths over which such service is provided. Accordingly, NEP has not posted such values on its OASIS site. The paragraph references below are citations to Order No. 890.

Post TRM Values and Data (Paragraph 276) Post and Update CBM/TRM (Paragraph 354)

Annually Re-evaluate CBM (Paragraphs 356, 358)

Provide Narratives Regarding ATC changes (Paragraph 369)

Planning Redispatch: With the implementation of the NEPOOL Markets and the New England RTO, ISO New England Inc.(ISO-NE) is the independent operator with sole authority to dispatch generating resources operating under the ISO-NE Market Rules in New England. ISO-NE does not perform planning redispatch in order to accommodate requests for firm point-to-point transmission service. Instead, ISO-NE dispatches all generation on the basis of a reliability-constrained, market-based, **security-constrained, least-cost economic** dispatch methodology. The Participating Transmission Owners (PTOs) providing transmission service under Schedule 21 of the ISO-NE Tariff, do not have the authority or ability to dispatch generating units as a means of providing transmission service. Accordingly, consistent with the Federal Energy Regulatory Commission's Order No. 890 at Paragraph 993, the PTOs are planning, as part of their compliance filing that will be made with the Commission on October 11, 2007, to eliminate existing references to redispatch in the firm point-to-point service provisions under Schedule 21.

Conditional Firm Service: Under the terms of Order No. 890, Paragraph 992, the Federal Energy Regulatory Commission has found that it would be inappropriate to require RTOs and ISOs with real-time energy markets to adopt provisions for conditional firm point-to-point service. Any transmission customer desiring to take conditional firm service should contact the Participating Transmission Owner (PTO) from whom they are seeking **such** service under Schedule 21 of the ISO-NE Tariff. Any tariff revisions intended to reflect the provision of **conditional firm** service will be reflected in revised tariffs that will be filed with the Commission on October 11, 2007.

Energy and Generation Imbalances: Energy and generation imbalance services are currently provided by the New England RTO, ISO New England, Inc., as part of the hourly market mechanisms used to settle energy to load and from generation. The New England Participating Transmission Owners (PTOs) believe that this is a sound mechanism to ensure appropriate pricing and settlement of energy and generation imbalances. In Paragraph 670 of the Federal Energy Regulatory Commission's Order 890, the Commission has acknowledged that it does not propose to redesign ISO/RTO markets. Accordingly, the PTOs do not plan to provide the energy and generation imbalance pricing mechanisms contemplated by Schedules 4 and 9 of the pro forma OATT issued as part of the Commission's Order No. 890.