

Exhibit B

PRO FORMA OPEN ACCESS
FIRST REVISED TRANSMISSION TARIFF

TABLE OF CONTENTS

I.	COMMON SERVICE PROVISIONS	8
1	Definitions	8
	1.1 Ancillary Services	8
	1.2 Annual Transmission Costs	8
	1.3 Application	8
	1.4 Commission	8
	1.5 Completed Application	8
	1.6 Control Area	8
	1.7 Curtailment	9
	1.8 Delivering Party	9
	1.9 Designated Agent	9
	1.10 Direct Assignment Facilities	9
	1.11 Eligible Customer	10
	1.12 Facilities Study	10
	1.13 Firm Point-To-Point Transmission Service	10
	1.14 Good Utility Practice	11
	1.15 Interruption	11
	1.16 Load Ratio Share	11
	1.17 Load Shedding	12
	1.18 Long-Term Firm Point-To-Point Transmission Service	12
	1.19 Native Load Customers	12
	1.20 Network Customer	12
	1.21 Network Integration Transmission Service	12
	1.22 Network Load	12
	1.23 Network Operating Agreement	13
	1.24 Network Operating Committee	13
	1.25 Network Resource	14
	1.26 Network Upgrades	14
	1.27 Non-Firm Point-To-Point Transmission Service	14
	1.28 Open Access Same-Time Information System (OASIS)	14
	1.29 Part I	15
	1.30 Part II	15
	1.31 Part III	15
	1.32 Parties	15
	1.33 Point(s) of Delivery	15
	1.34 Point(s) of Receipt	15
	1.35 Point-To-Point Transmission Service	16
	1.36 Power Purchaser	16
	1.37 Receiving Party	16
	1.38 Regional Transmission Group (RTG)	16
	1.39 Reserved Capacity	16
	1.40 Service Agreement	16
	1.41 Service Commencement Date	17

	1.42	Short-Term Firm Point-To-Point Transmission Service	17
	1.43	System Impact Study	17
	1.44	Third-Party Sale	17
	1.45	Transmission Customer	17
	1.46	Company	18
	1.47	Company's Monthly Transmission System Peak	18
	1.48	Transmission Service	18
	1.49	Transmission System	18
2		Initial Allocation and Renewal Procedures	18
	2.1	Initial Allocation of Available Transmission Capability	18
	2.2	Reservation Priority For Existing Firm Service Customers	19
3		Ancillary Services	20
	3.1	Scheduling, System Control and Dispatch Service	22
	3.2	Reactive Supply and Voltage Control from Generation Sources Service	22
	3.3	Regulation and Frequency Response Service	22
	3.4	Energy Imbalance Service	22
	3.5	Operating Reserve - Spinning Reserve Service	22
	3.6	Operating Reserve - Supplemental Reserve Service	23
4		Open Access Same-Time Information System (OASIS)	23
5		Local Furnishing Bonds	23
	5.1	Transmission Providers That Own Facilities Financed by Local Furnishing Bonds	23
	5.2	Alternative Procedures for Requesting Transmission Service	24
6		Reciprocity	25
7		Billing and Payment	26
	7.1	Billing Procedure	26
	7.2	Interest on Unpaid Balances	26
	7.3	Customer Default	27
8		Accounting for the Company's Use of the Tariff	28
	8.1	Transmission Revenues	28
	8.2	Study Costs and Revenues	28
9		Regulatory Filings	28
10		Force Majeure and Indemnification	29
	10.1	Force Majeure	29
	10.2	Indemnification	30
11		Creditworthiness	30
12		Dispute Resolution Procedures	31
	12.1	Internal Dispute Resolution Procedures	31
	12.2	External Arbitration Procedures	31
	12.3	Arbitration Decisions	32
	12.4	Costs	33
	12.5	Rights Under The Federal Power Act	33

II. POINT-TO-POINT TRANSMISSION SERVICE		
Preamble		35
13	Nature of Firm Point-To-Point Transmission Service	35
	13.1 Term	35
	13.2 Reservation Priority	35
	13.3 Use of Firm Transmission Service by the Company	36
	13.4 Service Agreements	37
	13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs	37
	13.6 Curtailment of Firm Transmission Service	38
	13.7 Classification of Firm Transmission Service	39
	13.8 Scheduling of Firm Point-To-Point Transmission Service	41
14	Nature of Non-Firm Point-To-Point Transmission Service	43
	14.1 Term	43
	14.2 Reservation Priority	43
	14.3 Use of Non-Firm Point-To-Point Transmission Service by the Company	44
	14.4 Service Agreements	44
	14.5 Classification of Non-Firm Point-To-Point Transmission Service	45
	14.6 Scheduling of Non-Firm Point-To-Point Transmission Service	46
	14.7 Curtailment or Interruption of Service	47
15	Service Availability	49
	15.1 General Conditions	49
	15.2 Determination of Available Transmission Capability	49
	15.3 Initiating Service in the Absence of an Executed Service Agreement	50
	15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System	50
	15.5 Deferral of Service	51
	15.6 Other Transmission Service Schedules	51
	15.7 Real Power Losses	52
16	Transmission Customer Responsibilities	52
	16.1 Conditions Required of Transmission Customers	52
	16.2 Transmission Customer Responsibility for Third-Party Arrangements	53
17	Procedures for Arranging Firm Point-To-Point Transmission Service	54
	17.1 Application	54
	17.2 Completed Application	55

	17.3 Deposit	56
	17.4 Notice of Deficient Application	57
	17.5 Response to a Completed Application	58
	17.6 Execution of Service Agreement	58
	17.7 Extensions for Commencement of Service	59
18	Procedures for Arranging Non-Firm Point-To-Point Transmission Service	60
	18.1 Application	60
	18.2 Completed Application	61
	18.3 Reservation of Non-Firm Point-To-Point Transmission Service	62
	18.4 Determination of Available Transmission Capability	62
19	Additional Study Procedures For Firm Point-To- Point Transmission Service Requests	63
	19.1 Notice of Need for System Impact Study	63
	19.2 System Impact Study Agreement and Cost Reimbursement	64
	19.3 System Impact Study Procedures	65
	19.4 Facilities Study Procedures	66
	19.5 Facilities Study Modifications	68
	19.6 Due Diligence in Completing New Facilities	69
	19.7 Partial Interim Service	69
	19.8 Expedited Procedures for New Facilities	70
20	Procedures if the Company is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service	71
	20.1 Delays in Construction of New Facilities	71
	20.2 Alternatives to the Original Facility Additions	71
	20.3 Refund Obligation for Unfinished Facility Additions	72
21	Provisions Relating to Transmission Construction and Services on the Systems of Other Utilities	73
	21.1 Responsibility for Third-Party System Additions	73
	21.2 Coordination of Third-Party System Additions	73
22	Changes in Service Specifications	74
	22.1 Modifications On a Non-Firm Basis	74
	22.2 Modification On a Firm Basis	76
23	Sale or Assignment of Transmission Service	76
	23.1 Procedures for Assignment or Transfer of Service	76
	23.2 Limitations on Assignment or Transfer of Service	78
	23.3 Information on Assignment or Transfer of Service	78
24	Metering and Power Factor Correction at Receipt and Delivery Points(s)	79
	24.1 Transmission Customer Obligations	79

	24.2	Company Access to Metering Data	79
	24.3	Power Factor	79
25		Compensation for Transmission Service	79
26		Stranded Cost Recovery	80
27		Compensation for New Facilities and Redispatch Costs	80
III. NETWORK INTEGRATION TRANSMISSION SERVICE			
		Preamble	81
28		Nature of Network Integration Transmission Service	81
	28.1	Scope of Service	81
	28.2	The Company Responsibilities	82
	28.3	Network Integration Transmission Service	83
	28.4	Secondary Service	83
	28.5	Real Power Losses	83
	28.6	Restrictions on Use of Service	84
29		Initiating Service	84
	29.1	Condition Precedent for Receiving Service	84
	29.2	Application Procedures	85
	29.3	Technical Arrangements to be Completed Prior to Commencement of Service	88
	29.4	Network Customer Facilities	89
	29.5	Filing of Service Agreement	89
30		Network Resources	90
	30.1	Designation of Network Resources	90
	30.2	Designation of New Network Resources	90
	30.3	Termination of Network Resources	90
	30.4	Operation of Network Resources	91
	30.5	Network Customer Redispatch Obligation	91
	30.6	Transmission Arrangements for Network Resources Not Physically Interconnected With The Company	91
	30.7	Limitation on Designation of Network Resources	92
	30.8	Use of Interface Capacity by the Network Customer	92
	30.9	Network Customer Owned Transmission Facilities	92
31		Designation of Network Load	93
	31.1	Network Load	93
	31.2	New Network Loads Connected With the Company	93
	31.3	Network Load Not Physically Interconnected with the Company	94
	31.4	New Interconnection Points	95
	31.5	Changes in Service Requests	95
	31.6	Annual Load and Resource Information Updates	95

32	Additional Study Procedures For Network	
	Integration Transmission Service Requests	96
	32.1 Notice of Need for System Impact Study	96
	32.2 System Impact Study Agreement and Cost	
	Reimbursement	97
	32.3 System Impact Study Procedures	98
	32.4 Facilities Study Procedures	99
33	Load Shedding and Curtailments	101
	33.1 Procedures	101
	33.2 Transmission Constraints	102
	33.3 Cost Responsibility for Relieving	
	Transmission Constraints	103
	33.4 Curtailments of Scheduled Deliveries	103
	33.5 Allocation of Curtailments	103
	33.6 Load Shedding	104
	33.7 System Reliability	104
34	Rates and Charges	105
	34.1 Monthly Demand Charge	105
	34.2 Determination of Network Customer's Monthly	
	Network Load	106
	34.3 Determination of The Company's	
	Monthly Transmission System Load	106
	34.4 Redispatch Charge	106
	34.5 Stranded Cost Recovery	107
35	Operating Arrangements	107
	35.1 Operation under The Network Operating	
	Agreement	107
	35.2 Network Operating Agreement	107
	35.3 Network Operating Committee	109
SCHEDULE 1	. . . . .	110
	Scheduling, System Control and Dispatch Service	110
SCHEDULE 2	. . . . .	111
	Reactive Supply and Voltage Control from	
	Generation Sources Service	111
SCHEDULE 3	. . . . .	114
	Regulation and Frequency Response Service	114
SCHEDULE 4	. . . . .	116
	Energy Imbalance Service	116
SCHEDULE 5	. . . . .	118
	Operating Reserve - Spinning Reserve Service	118
SCHEDULE 6	. . . . .	120
	Operating Reserve - Supplemental Reserve Service	120
SCHEDULE 7	. . . . .	122
	Long-Term Firm and Short-Term Firm Point-To-Point	
	Transmission Service	122

SCHEDULE 8 123
 Non-Firm Point-To-Point Transmission Service 123

ATTACHMENT A 125
 Form Of Service Agreement For
 Firm Point-To-Point Transmission Service 125

ATTACHMENT B 129
 Form Of Service Agreement For Non-Firm Point-To-Point
 Transmission Service 129

ATTACHMENT C 131
 Methodology To Assess Available Transmission
 Capability 131

ATTACHMENT D 132
 Methodology for Completing a System Impact Study 132

ATTACHMENT E 133
 Index Of Point-To-Point Transmission Service Customers . 133

ATTACHMENT F 134
 Service Agreement For
 Network Integration Transmission Service 134

ATTACHMENT G 136
 Network Operating Agreement 136

ATTACHMENT H 145
 Annual Transmission Revenue Requirement
 For Network Integration Transmission Service . . . 145

ATTACHMENT I 146
 Index Of Network Integration Transmission Service
 Customers 146

I. COMMON SERVICE PROVISIONS

1 Definitions

1.1 Ancillary Services: Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Company's Transmission System in accordance with Good Utility Practice.

1.2 Annual Transmission Costs: The total annual cost of the Transmission System for purposes of Network Integration Transmission Service shall be the amount specified in Attachment H until amended by the Company or modified by the Commission.

1.3 Application: A request by an Eligible Customer for transmission service pursuant to the provisions of the Tariff.

1.4 Commission: The Federal Energy Regulatory Commission.

1.5 Completed Application: An Application that satisfies all of the information and other requirements of the Tariff, including any required deposit.

1.6 Control Area: An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

(1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities

outside the electric power system(s), with the load within the electric power system(s);

- (2) maintain scheduled interchange with other Control Areas, within the limits of Good Utility Practice;
- (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

- 1.7 Curtailment: A reduction in firm or non-firm transmission service in response to a transmission capacity shortage as a result of system reliability conditions.
- 1.8 Delivering Party: The entity supplying capacity and energy to be transmitted at Point(s) of Receipt.
- 1.9 Designated Agent: Any entity that performs actions or functions on behalf of the Company, an Eligible Customer, or the Transmission Customer required under the Tariff.
- 1.10 Direct Assignment Facilities: Facilities or portions of facilities that are constructed by the Company for the sole use/benefit of a particular Transmission Customer requesting service under the Tariff. Direct Assignment Facilities shall be

specified in the Service Agreement that governs service to the Transmission Customer and shall be subject to Commission approval.

- 1.11 Eligible Customer: (i) Any electric utility (including the Company and any power marketer), Federal power marketing agency, or any person generating electric energy for sale for resale is an Eligible Customer under the Tariff. Electric energy sold or produced by such entity may be electric energy produced in the United States, Canada or Mexico. However, with respect to transmission service that the Commission is prohibited from ordering by Section 212(h) of the Federal Power Act, such entity is eligible only if the service is provided pursuant to a state requirement that the Company offer the unbundled transmission service, or pursuant to a voluntary offer of such service by the Company
- (ii) Any retail customer taking unbundled transmission service to a state requirement that the Company offer the transmission service, or pursuant to a voluntary offer of such service by the Company, is an Eligible Customer under the Tariff.
- 1.12 Facilities Study: An engineering study conducted by the Company to determine the required modifications to the Company's Transmission System, including the cost and scheduled completion date for such modifications, that will be required to provide the requested transmission service.
- 1.13 Firm Point-To-Point Transmission Service: Transmission Service under this Tariff that is reserved and/or

scheduled between specified Points of Receipt and Delivery pursuant to Part II of this Tariff.

- 1.14 Good Utility Practice: Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.
- 1.15 Interruption: A reduction in non-firm transmission service due to economic reasons pursuant to Section 14.7.
- 1.16 Load Ratio Share: Ratio of a Transmission Customer's Network Load to the Company's total load computed in accordance with Sections 34.2 and 34.3 of the Network Integration Transmission Service under Part III the Tariff and calculated on a rolling twelve month basis.

- 1.17 Load Shedding: The systematic reduction of system demand by temporarily decreasing load in response to transmission system or area capacity shortages, system instability, or voltage control considerations under Part III of the Tariff.
- 1.18 Long-Term Firm Point-To-Point Transmission Service: Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of one year or more.
- 1.19 Native Load Customers: The wholesale and retail power customers of the Company on whose behalf the Company, by statute, franchise, regulatory requirement, or contract, has undertaken an obligation to construct and operate the Company's system to meet the reliable electric needs of such customers.
- 1.20 Network Customer: An entity receiving transmission service pursuant to the terms of the Company's Network Integration Transmission Service under Part III of the Tariff.
- 1.21 Network Integration Transmission Service: The transmission service provided under Part III of the Tariff.
- 1.22 Network Load: The load that a Network Customer designates for Network Integration Transmission Service under Part III of the Tariff. The Network Customer's

Network Load shall include all load served by the output of any Network Resources designated by the Network Customer. A Network Customer may elect to designate less than its total load as Network Load but may not designate only part of the load at a discrete Point of Delivery. Where a Eligible Customer has elected not to designate a particular load at discrete points of delivery as Network Load, the Eligible Customer is responsible for making separate arrangements under Part II of the Tariff for any Point-To-Point Transmission Service that may be necessary for such non-designated load.

- 1.23 Network Operating Agreement: An executed agreement that contains the terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Network Integration Transmission Service under Part III of the Tariff.
- 1.24 Network Operating Committee: A group made up of representatives from the Network Customer(s) and the Company established to coordinate operating criteria and other technical considerations required for implementation of Network Integration Transmission Service under Part III of this Tariff.

- 1.25 Network Resource: Any designated generating resource owned, purchased or leased by a Network Customer under the Network Integration Transmission Service Tariff. Network Resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis.
- 1.26 Network Upgrades: Modifications or additions to transmission-related facilities that are integrated with and support the Company's overall Transmission System for the general benefit of all users of such Transmission System.
- 1.27 Non-Firm Point-To-Point Transmission Service: Point-To-Point Transmission Service under the Tariff that is reserved and scheduled on an as-available basis and is subject to Curtailment or Interruption as set forth in Section 14.7 under Part II of this Tariff. Non-Firm Point-To-Point Transmission Service is available on a stand-alone basis for periods ranging from one hour to one month.
- 1.28 Open Access Same-Time Information System (OASIS): The information system and standards of conduct contained in Part 37 of the Commission's regulations and all additional requirements implemented by subsequent Commission orders dealing with OASIS.

- 1.29 Part I: Tariff Definitions and Common Service Provisions contained in Sections 2 through 12.
- 1.30 Part II: Tariff Sections 13 through 27 pertaining to Point-To-Point Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.31 Part III: Tariff Sections 28 through 35 pertaining to Network Integration Transmission Service in conjunction with the applicable Common Service Provisions of Part I and appropriate Schedules and Attachments.
- 1.32 Parties: The Company and the Transmission Customer receiving service under the Tariff.
- 1.33 Point(s) of Delivery: Point(s) on the Company's Transmission System where capacity and energy transmitted by the Company will be made available to the Receiving Party under Part II of the Tariff. The Point(s) of Delivery shall be specified in the Service Agreement for Long-Term Firm Point-to-Point Transmission Service.
- 1.34 Point(s) of Receipt: Point(s) of interconnection on the Company's Transmission System where capacity and energy will be made available to the Company by the Delivering Party under Part II of the Tariff. The Point(s) of Receipt shall be specified in the Service Agreement for Long-Term Firm Point-to-Point Transmission Service.

- 1.35 Point-To-Point Transmission Service: The reservation and transmission of capacity and energy on either a firm or non-firm basis from the Point(s) of Receipt to the Point(s) of Delivery under Part II of the Tariff.
- 1.36 Power Purchaser: The entity that is purchasing the capacity and energy to be transmitted under the Tariff.
- 1.37 Receiving Party: The entity receiving the capacity and energy transmitted by the Company to Point(s) of Delivery.
- 1.38 Regional Transmission Group (RTG): A voluntary organization of transmission owners, transmission users and other entities approved by the Commission to efficiently coordinate transmission planning (and expansion), operation and use on a regional (and interregional) basis.
- 1.39 Reserved Capacity: The maximum amount of capacity and energy that the Company agrees to transmit for the Transmission Customer over the Company's Transmission System between the Point(s) of Receipt and the Point(s) of Delivery under Part II of the Tariff. Reserved Capacity shall be expressed in terms of whole megawatts on a sixty (60) minute interval (commencing on the clock hour) basis.
- 1.40 Service Agreement: The initial agreement and any amendments or supplements thereto entered into by the

Transmission Customer and the Company for service under the Tariff.

- 1.41 Service Commencement Date: The date the Company begins to provide service pursuant to the terms of an executed Service Agreement, or the date the Company begins to provide service in accordance with Section 15.3 or Section 29.1 under the Tariff.
- 1.42 Short-Term Firm Point-To-Point Transmission Service: Firm Point-To-Point Transmission Service under Part II of the Tariff with a term of less than one year.
- 1.43 System Impact Study: An assessment by the Company of (i) the adequacy of the Transmission System to accommodate a request for either Firm Point-To-Point Transmission Service or Network Integration Transmission Service and (ii) whether any additional costs may be incurred in order to provide transmission service.
- 1.44 Third-Party Sale: Any sale for resale in interstate commerce to a Power Purchaser that is not designated as part of Network Load under the Network Integration Transmission Service.
- 1.45 Transmission Customer: Any Eligible Customer (or its Designated Agent) that (i) executes a Service Agreement, or (ii) requests in writing that the

Company file with the Commission, a proposed unexecuted Service Agreement to receive transmission service under Part II of the Tariff. This term is used in the Part I Common Service Provisions to include customers receiving transmission service under Part II and Part III of this Tariff.

- 1.46 The Company: The public utility (or its Designated Agent) that owns, controls, or operates facilities used for the transmission of electric energy in interstate commerce and provides transmission service under the Tariff.
- 1.47 The Company's Monthly Transmission System Peak: The maximum firm usage of the Company's Transmission System in a calendar month.
- 1.48 Transmission Service: Point-To-Point Transmission Service provided under Part II of the Tariff on a firm and non-firm basis.
- 1.49 Transmission System: The facilities owned, controlled or operated by the Company that are used to provide transmission service under Part II and Part III of the Tariff.
- 2 Initial Allocation and Renewal Procedures
- 2.1 Initial Allocation of Available Transmission Capability: For purposes of determining whether existing capability on the Company's

Transmission System is adequate to accommodate a request for firm service under this Tariff, all Completed Applications for new firm transmission service received during the initial sixty (60) day period commencing with the effective date of the Tariff will be deemed to have been filed simultaneously. A lottery system conducted by an independent party shall be used to assign priorities for Completed Applications filed simultaneously. All Completed Applications for firm transmission service received after the initial sixty (60) day period shall be assigned a priority pursuant to Section 13.2.

2.2 Reservation Priority For Existing Firm Service

Customers: Existing firm service customers (wholesale requirements and transmission-only, with a contract term of one-year or more), have the right to continue to take transmission service from the Company when the contract expires, rolls over or is renewed. This transmission reservation priority is independent of whether the existing customer continues to purchase capacity and energy from the Company or elects to purchase capacity and energy from another supplier. If at the end of the contract term, the Company's Transmission System cannot accommodate all of the requests for transmission

service, the existing firm service customer must agree to accept a contract term at least equal to a competing request by any new Eligible Customer and to pay the current just and reasonable rate, as approved by the Commission, for such service. This transmission reservation priority for existing firm service customers is an ongoing right that may be exercised at the end of all firm contract terms of one-year or longer.

3 Ancillary Services

Ancillary Services are needed with transmission service to maintain reliability within and among the Control Areas affected by the transmission service. The Company is required to provide (or offer to arrange with the local Control Area operator as discussed below), and the Transmission Customer is required to purchase, the following Ancillary Services (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from Generation Sources.

The Company is required to offer to provide (or offer to arrange with the local Control Area operator as discussed below) the following Ancillary Services only to the Transmission Customer serving load within the Company's Control Area (i) Regulation and Frequency Response, (ii) Energy Imbalance, (iii) Operating Reserve - Spinning, and (iv) Operating Reserve - Supplemental. The Transmission Customer serving load within the

Company's Control Area is required to acquire these Ancillary Services, whether from the Company, from a third party, or by self-supply. The Transmission Customer may not decline the Company's offer of Ancillary Services unless it demonstrates that it has acquired the Ancillary Services from another source. The Transmission Customer must list in its Application which Ancillary Services it will purchase from the Company.

If the Company is a public utility providing transmission service but is not a Control Area operator, it may be unable to provide some or all of the Ancillary Services. In this case, the Company can fulfill its obligation to provide Ancillary Services by acting as the Transmission Customer's agent to secure these Ancillary Services from the Control Area operator. The Transmission Customer may elect to (i) have the Company act as its agent, (ii) secure the Ancillary Services directly from the Control Area operator, or (iii) secure the Ancillary Services (discussed in Schedules 3, 4, 5 and 6) from a third party or by self-supply when technically feasible.

The Company shall specify the rate treatment and all related terms and conditions in the event of an unauthorized use of Ancillary Services by the Transmission Customer.

The specific Ancillary Services, prices and/or compensation methods are described on the Schedules that are attached to and made a part of the Tariff. Three principal requirements apply to discounts for Ancillary Services provided by the Company in conjunction with its provision of transmission service as follows:

(1) any offer of a discount made by the Company must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. A discount agreed upon for an Ancillary Service must be offered for the same period to all Eligible Customers on the Company's system. Sections 3.1 through 3.6 below list the six Ancillary Services.

- 3.1 Scheduling, System Control and Dispatch Service: The rates and/or methodology are described in Schedule 1.
- 3.2 Reactive Supply and Voltage Control from Generation Sources Service: The rates and/or methodology are described in Schedule 2.
- 3.3 Regulation and Frequency Response Service: Where applicable the rates and/or methodology are described in Schedule 3.
- 3.4 Energy Imbalance Service: Where applicable the rates and/or methodology are described in Schedule 4.
- 3.5 Operating Reserve - Spinning Reserve Service: Where applicable the rates and/or methodology are described in Schedule 5.

3.6 Operating Reserve - Supplemental Reserve Service:

Where applicable the rates and/or methodology are described in Schedule 6.

4 Open Access Same-Time Information System (OASIS)

Terms and conditions regarding Open Access Same-Time Information System and standards of conduct are set forth in 18 CFR § 37 of the Commission's regulations (Open Access Same-Time Information System and Standards of Conduct for Public Utilities). In the event available transmission capability as posted on the OASIS, or alternative to OASIS, is insufficient to accommodate a request for firm transmission service, additional additional studies may be required as provided by this Tariff pursuant to Sections 19 and 32.

5 Local Furnishing Bonds

5.1 Transmission Providers That Own Facilities Financed by Local Furnishing Bonds: This provision is applicable only to the Transmission Providers that have financed facilities for the local furnishing of electric energy with tax-exempt bonds, as described in Section 142(f) of the Internal Revenue Code ("local furnishing bonds"). Notwithstanding any other provision of this Tariff, the Company shall not be required to provide transmission service to any Eligible Customer pursuant to this Tariff if the provision of such transmission service would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance the Company's

facilities that would be used in providing such transmission service.

5.2 Alternative Procedures for Requesting Transmission Service:

- (i) If the Company determines that the provision of transmission service requested by an Eligible Customer would jeopardize the tax-exempt status of any local furnishing bond(s) used to finance its facilities that would be used in providing such transmission service, it shall advise the Eligible Customer within thirty (30) days of receipt of the Completed Application.
- (ii) If the Eligible Customer thereafter renews its request for the same transmission service referred to in (i) by tendering an application under Section 211 of the Federal Power Act, the Company, within ten (10) days of receiving a copy of the Section 211 application, will waive its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act. The Commission, upon receipt of the Company's waiver of its rights to a request for service under Section 213(a) of the Federal Power Act and to the issuance of a proposed order under Section 212(c) of the Federal Power Act, shall issue an order under Section 211 of the Federal Power Act. Upon issuance of the order under Section 211 of the Federal Power Act, the Company shall be required to provide the requested transmission service in accordance with the terms and conditions of this Tariff.

6 Reciprocity

A Transmission Customer receiving transmission service under this Tariff agrees to provide comparable transmission service that it is capable of providing to the Company on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer's corporate affiliates.

A Transmission Customer that is a member of a power pool or Regional Transmission Group also agree to provide comparable transmission service to the members of such power pool and Regional Transmission Group on similar terms and conditions over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission Customer and over facilities used for the transmission of electric energy owned, controlled or operated by the Transmission customer's corporate affiliates.

This reciprocity requirement applies not only to the Transmission Customer that obtains transmission service under the Tariff, but also to all parties to a transaction that involves the use of transmission service under the Tariff, including the power seller, buyer and any intermediary, such as a power marketer. This reciprocity requirement also applies to any Eligible Customer that owns, controls or operates transmission facilities that uses an intermediary, such as a power marketer, to request transmission service under the Tariff. If the Transmission Customer does not own, control or operate transmission facilities, it must include in its Application a sworn statement of one of its duly authorized officers or other representatives that the purpose of its

Application is not to assist an Eligible Customer to avoid the requirements of this provision.

7 Billing and Payment

7.1 Billing Procedure: Within a reasonable time after the first day of each month, the Company shall submit an invoice to the Transmission Customer for the charges for all services furnished under the Tariff during the preceding month. The invoice shall be paid by the Transmission Customer within twenty (20) days of receipt. All payments shall be made in immediately available funds payable to the Company, or by wire transfer to a bank named by the Company.

7.2 Interest on Unpaid Balances: Interest on any unpaid amounts (including amounts placed in escrow) shall be calculated in accordance with the methodology specified for interest on refunds in the Commission's regulations at 18 C.F.R. § 35.19a(a)(2)(iii). Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by the Company.

7.3 Customer Default: In the event the Transmission Customer fails, for any reason other than a billing dispute as described below, to make payment to the Company on or before the due date as described above, and such failure of payment is not corrected within thirty (30) calendar days after the Company notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, the Company may initiate a proceeding with the Commission to terminate service but shall not terminate service until the Commission so approves any such request. In the event of a billing dispute between the Company and the Transmission Customer, the Company will continue to provide service under the Service Agreement as long as the Transmission Customer (i) continues to make all payments not in dispute, and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If the Transmission Customer fails to meet these two requirements for continuation of service, then the Company may provide notice to the Transmission Customer of

its intention to suspend service in sixty (60) days, in accordance with Commission policy.

8 Accounting for the Company's Use of the Tariff

The Company shall record the following amounts, as outlined below.

8.1 Transmission Revenues: Include in a separate operating revenue account or subaccount the revenues it receives from Transmission Service when making Third-Party Sales under Part II of the Tariff.

8.2 Study Costs and Revenues: Include in a separate transmission operating expense account or subaccount, costs properly chargeable to expense that are incurred to perform any System Impact Studies or Facilities Studies which the Company conducts to determine if it must construct new transmission facilities or upgrades necessary for its own uses, including making Third-Party Sales under the Tariff; and include in a separate operating revenue account or subaccount the revenues received for System Impact Studies or Facilities Studies performed when such amounts are separately stated and identified in the Transmission Customer's billing under the Tariff.

9 Regulatory Filings

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the right of the

Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

Nothing contained in the Tariff or any Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Tariff to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10 Force Majeure and Indemnification

10.1 Force Majeure: An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Neither the Company nor the Transmission Customer will be considered in default as to any obligation under this Tariff if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Tariff is hindered by an event of Force

Majeure shall make all reasonable efforts to perform its obligations under this Tariff.

10.2 Indemnification: The Transmission Customer shall at all times indemnify, defend, and save the Company harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Company's performance of its obligations under this Tariff on behalf of the Transmission Customer, except in cases of negligence or intentional wrongdoing by the Company.

11 Creditworthiness

For the purpose of determining the ability of the Transmission Customer to meet its obligations related to service hereunder, the Company may require reasonable credit review procedures. This review shall be made in accordance with standard commercial practices. In addition, the Company may require the Transmission Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under the Tariff, or an alternative form of security proposed by the Transmission Customer and acceptable to the

Company and consistent with commercial practices established by the Uniform Commercial Code that protects the Company against the risk of non-payment.

12 Dispute Resolution Procedures

12.1 Internal Dispute Resolution Procedures: Any dispute between a Transmission Customer and the Company involving transmission service under the Tariff (excluding applications for rate changes or other changes to the Tariff, or to any Service Agreement entered into under the Tariff, which shall be presented directly to the Commission for resolution) shall be referred to a designated senior representative of the Company and a senior representative of the Transmission Customer for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days [or such other period as the Parties may agree upon] by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

12.2 External Arbitration Procedures: Any arbitration initiated under the Tariff shall be conducted before a

single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) days of the referral of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and any applicable Commission regulations or Regional Transmission Group rules.

- 12.3 Arbitration Decisions: Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of appointment and shall notify the Parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret

and apply the provisions of the Tariff and any Service Agreement entered into under the Tariff and shall have no power to modify or change any of the above in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act and/or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with the Commission if it affects jurisdictional rates, terms and conditions of service or facilities.

- 12.4 Costs: Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:
- (A) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or
 - (B) one half the cost of the single arbitrator jointly chosen by the Parties.

- 12.5 Rights Under The Federal Power Act: Nothing in this section shall restrict the rights of any party to file

a Complaint with the Commission under relevant provisions of the Federal Power Act.

II. POINT-TO-POINT TRANSMISSION SERVICE

Preamble

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

13 Nature of Firm Point-To-Point Transmission Service

13.1 Term: The minimum term of Firm Point-To-Point

Transmission Service shall be one day and the maximum term shall be specified in the Service Agreement.

13.2 Reservation Priority: Long-Term Firm Point-To-Point

Transmission Service shall be available on a first-come, first-served basis i.e., in the chronological sequence in which each Transmission Customer has reserved service. Reservations for Short-Term Firm Point-To-Point Transmission Service will be conditional based upon the length of the requested transaction. If the Transmission System becomes oversubscribed, requests for longer term service may preempt requests for shorter term service up to the following deadlines: one day before the commencement of daily service, one week before the commencement of weekly service, and one month before the commencement of monthly service.

Before the conditional reservation deadline, if available transmission capability is insufficient to satisfy all Applications, an Eligible Customer with a reservation for shorter term service has the right of first refusal to match any longer term reservation before losing its reservation priority. A longer term competing request for Short-Term Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in Section 13.8) from being notified by the Company of a longer-term competing request for Short-Term Firm Point-To-Point Transmission Service. After the conditional reservation deadline, service will commence pursuant to the terms of Part II of the Tariff. Firm Point-To-Point Transmission Service will always have a reservation priority over Non-Firm Point-To-Point Transmission Service under the Tariff. All Long-Term Firm Point-To-Point Transmission Service will have equal reservation priority with Native Load Customers and Network Customers. Reservation priorities for existing firm service customers are provided in Section 2.2.

13.3 Use of Firm Transmission Service by the Company:

The Company will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under (i) agreements executed on or after [insert date sixty (60) days after publication in

Federal Register] or (ii) agreements executed prior to the
aforementioned date that the Commission requires to be
unbundled, by the date specified by the Commission. The
Company will maintain separate accounting, pursuant to

Section 8, for any use of the Point-To-Point Transmission Service to make Third-Party Sales.

13.4 Service Agreements: The Company shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it submits a Completed Application for Long-Term Firm Point-To-Point Transmission Service. The Company shall offer a standard form Firm Point-To-Point Transmission Service Agreement (Attachment A) to an Eligible Customer when it first submits a Completed Application for Short-Term Firm Point-To-Point Transmission Service pursuant to the Tariff. Executed Service Agreements that contain the information required under the Tariff shall be filed with the Commission in compliance with applicable Commission regulations.

13.5 Transmission Customer Obligations for Facility Additions or Redispatch Costs: In cases where the Company determines that the Transmission System is not capable of providing Firm Point-To-Point Transmission Service without (1) degrading or impairing the reliability of service to Native Load Customers, Network Customers and other Transmission Customers taking Firm Point-To-Point Transmission Service, or (2) interfering with the Company's ability to meet prior firm contractual commitments to others, the Company will be obligated to expand or upgrade its Transmission System pursuant to the terms of Section 15.4. The Transmission Customer must agree to compensate the Company for any

necessary transmission facility additions pursuant to the terms of Section 27. To the extent the Company can relieve any system constraint more economically by redispatching the Company's resources than through constructing Network Upgrades, it shall do so, provided that the Eligible Customer agrees to compensate the Company pursuant to the terms of Section 27. Any redispatch, Network Upgrade or Direct Assignment Facilities costs to be charged to the Transmission Customer on an incremental basis under the Tariff will be specified in the Service Agreement prior to initiating service.

- 13.6 Curtailment of Firm Transmission Service: In the event that a Curtailment on the Company's Transmission System, or a portion thereof, is required to maintain reliable operation of such system, Curtailments will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint. If multiple transactions require Curtailment, to the extent practicable and consistent with Good Utility Practice, the Company will curtail service to Network Customers and Transmission Customers taking Firm Point-To-Point Transmission Service on a basis comparable to the curtailment of service to the Company's Native Load Customers. All Curtailments will be made

on a non-discriminatory basis, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. When the Company determines that an electrical emergency exists on its Transmission System and implements emergency procedures to Curtail Firm Transmission Service, the Transmission Customer shall make the required reductions upon request of the Company. However, the Company reserves the right to Curtail, in whole or in part, any Firm Transmission Service provided under the Tariff when, in the Company's sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of its Transmission System. The Company will notify all affected Transmission Customers in a timely manner of any scheduled Curtailments.

13.7 Classification of Firm Transmission Service:

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

- (b) The Transmission Customer may purchase transmission service to make sales of capacity and energy from multiple generating units that are on the Company's Transmission System. For such a purchase of transmission service, the resources will be designated as multiple Points of Receipt, unless the multiple generating units are at the same generating plant in which case the units would be treated as a single Point of Receipt.
- (c) The Company shall provide firm deliveries of capacity and energy from the Point(s) of Receipt to the Point(s) of Delivery. Each Point of Receipt at which firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Receipt. Points of Receipt and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. Each Point of Delivery at which firm transmission capacity is reserved by the Transmission Customer shall be set forth in the Firm Point-To-Point Service Agreement for Long-Term Firm Transmission Service along with a corresponding capacity reservation associated with each Point of Delivery. Points of Delivery and corresponding capacity reservations shall be as mutually agreed upon by the Parties for Short-Term Firm Transmission. The greater of either (1) the sum of the capacity reservations at the

Point(s) of Receipt, or (2) the sum of the capacity reservations at the Point(s) of Delivery shall be the Transmission Customer's Reserved Capacity. The Transmission Customer will be billed for its Reserved Capacity under the terms of Schedule 7. The Transmission Customer may not exceed its firm capacity reserved at each Point of Receipt and each Point of Delivery except as otherwise specified in Section 22. The Company shall specify the rate treatment and all related terms and conditions applicable in the event that a Transmission Customer (including Third-Party Sales by the Company) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery.

- 13.8 Scheduling of Firm Point-To-Point Transmission Service: Schedules for the Transmission Customer's Firm Point-To-Point Transmission Service must be submitted to the Company no later than 10:00 a.m. of the day prior to commencement of such service. Schedules submitted after 10:00 a.m. will be accommodated, if practicable.

Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of 1,000 kW per hour. Transmission Customers within the Company's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common point of receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Company will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Company, and the

Company shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

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

14.1 Term: Non-Firm Point-To-Point Transmission Service

will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

14.2 Reservation Priority: Non-Firm Point-To-Point

Transmission Service shall be available from transmission capability in excess of that needed for reliable service to Native Load Customers, Network Customers and other Transmission Customers taking Long-Term and Short-Term Firm Point-To-Point Transmission Service. A higher priority will be assigned to reservations with a longer duration of service. In the event the Transmission System is constrained, competing requests of equal duration will be prioritized based on the highest price offered by the Eligible Customer for

the Transmission Service. Eligible Customers that have already reserved shorter term service have the right of first refusal to match any longer term reservation before being preempted. A longer term competing request for Non-Firm Point-To-Point Transmission Service will be granted if the Eligible Customer with the right of first refusal does not agree to match the competing request:

(a) immediately for hourly Non-Firm Point-To-Point Transmission Service after notification by the Company; and, (b) within 24 hours (or earlier if necessary to comply with the scheduling deadlines provided in Section 14.6) for Non-Firm Point-To-Point Transmission Service other than hourly transactions after notification by the Company. Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have the lowest reservation priority under the Tariff.

14.3 Use of Non-Firm Point-To-Point Transmission Service by the Company: The Company will be subject to the rates, terms and conditions of Part II of the Tariff when making Third-Party Sales under (i) agreements executed on or after [insert date sixty (60) days after publication in Federal Register] or (ii) agreements executed prior to the aforementioned date that the Commission requires to be unbundled, by the date specified by the Commission. The Company will maintain separate accounting, pursuant to

Section 8, for any use of Non-Firm Point-To-Point
Transmission Service to make Third-Party Sales.

14.4 Service Agreements: The Company shall
offer a standard form Non-Firm Point-To-Point
Transmission Service Agreement (Attachment B) to an

Eligible Customer when it first submits a Completed Application for Non-Firm Point-To-Point Transmission Service pursuant to the Tariff. Executed Service Agreements that contain the information required under the Tariff shall be filed with the Commission in compliance with applicable Commission regulations.

- 14.5 Classification of Non-Firm Point-To-Point Transmission Service: Non-Firm Point-To-Point Transmission Service shall be offered under terms and conditions contained in Part II of the Tariff. The Company undertakes no obligation under the Tariff to plan its Transmission System in order to have sufficient capacity for Non-Firm Point-To-Point Transmission Service. Parties requesting Non-Firm Point-To-Point Transmission Service for the transmission of firm power do so with the full realization that such service is subject to availability and to Curtailment or Interruption under the terms of the Tariff. The Company shall specify the rate treatment and all related terms and conditions applicable in the event that a Transmission Customer (including Third-Party Sales by the Company) exceeds its non-firm capacity reservation. Non-Firm Point-To-Point Transmission Service shall include transmission of energy on an hourly basis and transmission of scheduled short-term capacity and

energy on a daily, weekly or monthly basis, but not to exceed one month's reservation for any one Application, under Schedule 8.

14.6 Scheduling of Non-Firm Point-To-Point Transmission

Service: Schedules for Non-Firm Point-To-Point Transmission Service must be submitted to the Company no later than 2:00 p.m. of the day prior to commencement of such service. Schedules submitted after 2:00 p.m. will be accommodated, if practicable. Hour-to-hour schedules of energy that is to be delivered must be stated in increments of 1,000 kw per hour. Transmission Customers within the Company's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their schedules at a common Point of Receipt into units of 1,000 kW per hour. Scheduling changes will be permitted up to twenty (20) minutes before the

start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Company will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Company, and the Company shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

- 14.7 Curtailment or Interruption of Service: The Company reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when, an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System. The Company reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (1) a request

for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, or (4) transmission service for Network Customers from non-designated resources. The Company also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-To-Point Transmission Service shall be subordinate to Firm Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g., hourly non-firm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher

priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. Non-Firm Point-To-Point Transmission Service over secondary Point(s) of Receipt and Point(s) of Delivery will have a lower priority than any Non-Firm Point-To-Point Transmission Service under the Tariff. The Company will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

15 Service Availability

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

15.2 Determination of Available Transmission Capability:

A description of the Company's specific methodology for assessing available transmission capability posted on the Company's OASIS, or alternative to OASIS, (Section 4) is contained in Attachment C of the Tariff.

In the event sufficient transmission capability may not exist to accommodate a service request, the Company will respond by performing a System Impact Study.

15.3 Initiating Service in the Absence of an Executed Service Agreement: If the Company and the Transmission Customer requesting Firm or Non-Firm Point-To-Point Transmission Service cannot agree on all the terms and conditions of the Point-To-Point Service Agreement, the Company shall file with the Commission, within thirty (30) days after the date the Transmission Customer provides written notification directing the Company to file, an unexecuted Point-To-Point Service Agreement containing terms and conditions deemed appropriate by the Company for such requested Transmission Service. The Company shall commence providing Transmission Service subject to the Transmission Customer agreeing to (i) compensate the Company at whatever rate the Commission ultimately determines to be just and reasonable, and (ii) comply with the terms and conditions of the Tariff including posting appropriate security deposits in accordance with the terms of Section 17.3.

15.4 Obligation to Provide Transmission Service that Requires Expansion or Modification of the Transmission System: If the Company determines that it cannot accommodate a Completed Application for Firm Point-To-Point Transmission Service because of

insufficient capability on its Transmission System, the Company will use due diligence to expand or modify its Transmission System to provide the requested Firm Transmission Service, provided the Transmission Customer agrees to compensate the Company for such costs pursuant to the terms of Section 27. The Company will conform to Good Utility Practice in determining the need for new facilities and in the design and construction of such facilities. The obligation applies only to those facilities that the Company has the right to expand or modify.

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

15.6 Other Transmission Service Schedules: Eligible Customers receiving transmission service under other agreements on file with the Commission may continue to receive transmission service under those agreements

until such time as those agreements may be modified by the Commission.

15.7 Real Power Losses: Real Power Losses are associated with all transmission service. The Company is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by the Company. The applicable Real Power Loss factors are as follows:

<u>Metered Voltage Level</u>	<u>Energy Loss Factor (%)</u>
345 kV	0.36
138/69 kV	1.89

16 Transmission Customer Responsibilities

16.1 Conditions Required of Transmission Customers: Point-To-Point Transmission Service shall be provided by the Company only if the following conditions are satisfied by the Transmission Customer:

- a. The Transmission Customer has pending a Completed Application for service;
- b. The Transmission Customer meets the creditworthiness criteria set forth in Section 11;
- c. The Transmission Customer will have arrangements in place for any other transmission service necessary to effect the delivery from the generating source to the Company prior to the time service under Part II of the Tariff commences;

- d. The Transmission Customer agrees to pay for any facilities constructed and chargeable to such Transmission Customer under Part II of the Tariff, whether or not the Transmission Customer takes service for the full term of its reservation; and
- e. The Transmission Customer has executed a Point-To-Point Service Agreement or has agreed to receive service pursuant to Section 15.3.

16.2 Transmission Customer Responsibility for Third-Party Arrangements: Any scheduling arrangements that may be required by other electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by the Company, notification to the Company identifying such systems and authorizing them to schedule the capacity and energy to be transmitted by the Company pursuant to Part II of the Tariff on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Receipt. However, the Company will undertake reasonable efforts to assist the Transmission Customer in making such arrangements, including without limitation, providing any information or data required by such other electric system pursuant to Good Utility Practice.

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

17.1 Application: A request for Firm Point-To-Point Transmission Service for periods of one year or longer must contain a written Application to: Madison Gas and Electric Company, Post Office Box 1231, Madison, Wisconsin 53701-1231 at least sixty (60) days in advance of the calendar month in which service is to commence. The Company will consider requests for such firm service on shorter notice when feasible. Requests for firm service for periods of less than one year shall be subject to expedited procedures that shall be negotiated between the Parties within the time constraints provided in Section 17.5. All Firm Point-To-Point Transmission Service requests should be submitted by entering the information listed below on the Company's OASIS, or alternative to OASIS. Prior to implementation of the Company's OASIS, a Completed Application may be submitted by (i) transmitting the required information to the Company by telefax, or (ii) providing the information by telephone over the Company's time recorded telephone line. Each of these methods will provide a time-stamped

record for establishing the priority of the Application.

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

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;
- (iii) The location of the Point(s) of Receipt and Point(s) of Delivery and the identities of the Delivering Parties and the Receiving Parties;
- (iv) The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. The Company will treat this information as confidential except to the extent that disclosure of this information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice or pursuant to RTG transmission information sharing agreements. The Company shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations;
- (v) A description of the supply characteristics of the capacity and energy to be delivered;
- (vi) An estimate of the capacity and energy expected to be delivered to the Receiving Party;
- (vii) The Service Commencement Date and the term of the requested Transmission Service; and

- (viii) The transmission capacity requested for each Point of Receipt and each Point of Delivery on the Company's Transmission System; customers may combine their requests for service in order to satisfy the minimum transmission capacity requirement.

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

17.3 Deposit: A Completed Application for Firm Point-To-Point Transmission Service also shall include a deposit of either one month's charge for Reserved Capacity or the full charge for Reserved Capacity for service requests of less than one month. If the Application is rejected by the Company because it does not meet the conditions for service as set forth herein, or in the case of requests for service arising in connection with losing bidders in a Request For Proposals (RFP), said deposit shall be returned with interest less any reasonable costs incurred by the Company in connection with the review of the losing bidder's Application. The deposit also will be returned with interest less any reasonable costs incurred by the Company if the Company is unable to complete new facilities needed to provide the service. If an Application is withdrawn or the Eligible Customer decides not to enter into a Service Agreement for Firm

Point-To-Point Transmission Service, the deposit shall be refunded in full, with interest, less reasonable costs incurred by the Company to the extent such costs have not already been recovered by the Company from the Eligible Customer. The Company will provide to the Eligible Customer a complete accounting of all costs deducted from the refunded deposit, which the Eligible Customer may contest if there is a dispute concerning the deducted costs. Deposits associated with construction of new facilities are subject to the provisions of Section 19. If a Service Agreement for Firm Point-To-Point Transmission Service is executed, the deposit, with interest, will be returned to the Transmission Customer upon expiration or termination of the Service Agreement for Firm Point-To-Point Transmission Service. Applicable interest shall be computed in accordance with the Commission's regulations at 18 CFR § 35.19a(a)(2)(iii), and shall be calculated from the day the deposit check is credited to the Company's account.

17.4 Notice of Deficient Application: If an Application fails to meet the requirements of the Tariff, the Company shall notify the entity requesting service within fifteen (15) days of receipt of the reasons for such failure. The Company will attempt to remedy minor

deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, the Company shall return the Application, along with any deposit, with interest. Upon receipt of a new or revised Application that fully complies with the requirements of Part II of the Tariff, the Eligible Customer shall be assigned a new priority consistent with the date of the new or revised Application.

17.5 Response to a Completed Application: Following receipt of a Completed Application for Firm Point-To-Point Transmission Service, the Company shall make a determination of available transmission capability as required in Section 15.2. The Company shall notify the Eligible Customer as soon as practicable, but not later than thirty (30) days after the date of receipt of a Completed Application either (i) if it will be able to provide service without performing a System Impact Study or (ii) if such a study is needed to evaluate the impact of the Application pursuant to Section 19.1. Responses by the Company must be made as soon as practicable to all completed applications (including applications by its own merchant function) and the timing of such responses must be made on a non-discriminatory basis.

17.6 Execution of Service Agreement: Whenever the Company determines that a System Impact Study is not required and that the service can be

provided, it shall notify the Eligible Customer as soon as practicable but no later than thirty (30) days after receipt of the Completed Application. Where a System Impact Study is required, the provisions of Section 19 will govern the execution of a Service Agreement. Failure of an Eligible Customer to execute and return the Service Agreement or request the filing of an unexecuted service agreement pursuant to Section 15.3, within fifteen (15) days after it is tendered by the Company will be deemed a withdrawal and termination of the Application and any deposit submitted shall be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Application after such withdrawal and termination.

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

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

18 Procedures for Arranging Non-Firm Point-To-Point
Transmission Service

18.1 Application: Eligible Customers seeking Non-Firm Point-To-Point Transmission Service must submit a Completed Application to the Company. Applications should be submitted by entering the information listed below on the Company's OASIS, or alternative to OASIS. Prior to implementation of the Company's OASIS, or alternative to OASIS, a Completed Application may be submitted by (i) transmitting the required information to the Company by telefax, or (ii) providing the information by telephone over the Company's time recorded telephone line. Each of these methods will provide a time-stamped

record for establishing the service priority of the Application.

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

- (i) The identity, address, telephone number and facsimile number of the entity requesting service;
- (ii) A statement that the entity requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;
- (iii) The Point(s) of Receipt and the Point(s) of Delivery;
- (iv) The maximum amount of capacity requested at each Point of Receipt and Point of Delivery; and
- (v) The proposed dates and hours for initiating and terminating transmission service hereunder.

In addition to the information specified above, when required to properly evaluate system conditions, the Company also may ask the Transmission Customer to provide the following:

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

The Company will treat this information in (vi) and (vii) as confidential at the request of the Transmission Customer except to the extent that disclosure of this

information is required by this Tariff, by regulatory or judicial order, for reliability purposes pursuant to Good Utility Practice, or pursuant to RTG transmission information sharing agreements. The Company shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

18.3 Reservation of Non-Firm Point-To-Point Transmission

Service: Requests for monthly service shall be submitted no earlier than sixty (60) days before service is to commence; requests for weekly service shall be submitted no earlier than fourteen (14) days before service is to commence, requests for daily service shall be submitted no earlier than two (2) days before service is to commence, and requests for hourly service shall be submitted no earlier than noon the day before service is to commence. Requests for service received later than 2:00 p.m. prior to the day service is scheduled to commence will be accommodated if practicable.

18.4 Determination of Available Transmission Capability:

Following receipt of a tendered schedule the Company will make a determination on a

non-discriminatory basis of available transmission capability pursuant to Section 15.2. Such determination shall be made as soon as reasonably practicable after receipt, but not later than the following time periods for the following terms of service (i) thirty (30) minutes for hourly service, (ii) thirty (30) minutes for daily service, (iii) four (4) hours for weekly service, and (iv) two (2) days for monthly service.

19 Additional Study Procedures For Firm Point-To-Point
Transmission Service Requests

19.1 Notice of Need for System Impact Study: After receiving a request for service, the Company shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of the Company's methodology for completing a System Impact Study is provided in Attachment D. If the Company determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, the Company shall within thirty (30) days of receipt of a Completed Application, tender a System

Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Company for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to the Company within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest.

19.2 System Impact Study Agreement and Cost Reimbursement:

- (i) The System Impact Study Agreement will clearly specify the Company's estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, the Company shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges associated with any modifications to existing

planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

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

(iii) For System Impact Studies that the Company conducts on its own behalf, the Company shall record the cost of the System Impact Studies pursuant to Section 20.

19.3 System Impact Study Procedures: Upon receipt of an executed System Impact Study Agreement, the Company will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify any system constraints and redispatch options, additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. In the event that the Company is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer

and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer. The Company will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. The Company shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement pursuant to Section 15.3, or the Application shall be deemed terminated and withdrawn.

19.4 Facilities Study Procedures: If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, the Company, within thirty (30) days of the completion of the System

Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Company for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to the Company within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its application shall be deemed withdrawn and its deposit, pursuant to Section 17.3, shall be returned with interest. Upon receipt of an executed Facilities Study Agreement, the Company will use due diligence to complete the required Facilities Study within a sixty (60) day period. If the Company is unable to complete the Facilities Study in the allotted time period, the Company shall notify the Transmission Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Transmission Customer, (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades as

determined pursuant to the provisions of Part II of the Tariff, and (iii) the time required to complete such construction and initiate the requested service. The Transmission Customer shall provide the Company with a letter of credit or other reasonable form of security acceptable to the Company equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Transmission Customer shall have thirty (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

19.5 Facilities Study Modifications: Any change in design arising from inability to site or construct facilities as proposed will require development of a revised good faith estimate. New good faith estimates also will be required in the event of new statutory or regulatory requirements that are effective before the completion of construction or other circumstances beyond the control of the Company that significantly affect

the final cost of new facilities or upgrades to be charged to the Transmission Customer pursuant to the provisions of Part II of the Tariff.

19.6 Due Diligence in Completing New Facilities:

The Company shall use due diligence to add necessary facilities or upgrade its Transmission System within a reasonable time. The Company will not upgrade its existing or planned Transmission System in order to provide the requested Firm Point-To-Point Transmission Service if doing so would impair system reliability or otherwise impair or degrade existing firm service.

19.7 Partial Interim Service: If the Company

determines that it will not have adequate transmission capability to satisfy the full amount of a Completed Application for Firm Point-To-Point Transmission Service, the Company nonetheless shall be obligated to offer and provide the portion of the requested Firm Point-To-Point Transmission Service that can be accommodated without addition of any facilities and through redispatch. However, the Company shall not be obligated to provide the incremental amount of requested Firm Point-To-Point Transmission Service that requires the addition of facilities or upgrades to the Transmission System until

such facilities or upgrades have been placed in service.

- 19.8 Expedited Procedures for New Facilities: In lieu of the procedures set forth above, the Eligible Customer shall have the option to expedite the process by requesting the Company to tender at one time, together with the results of required studies, an "Expedited Service Agreement" pursuant to which the Eligible Customer would agree to compensate the Company for all costs incurred pursuant to the terms of the Tariff. In order to exercise this option, the Eligible Customer shall request in writing an expedited Service Agreement covering all of the above-specified items within thirty (30) days of receiving the results of the System Impact Study identifying needed facility additions or upgrades or costs incurred in providing the requested service. While the Company agrees to provide the Eligible Customer with its best estimate of the new facility costs and other charges that may be incurred, such estimate shall not be binding and the Eligible Customer must agree in writing to compensate the Company for all costs incurred pursuant to the provisions of the Tariff. The Eligible Customer shall execute and return such an Expedited Service

Agreement within fifteen (15) days of its receipt or the Eligible Customer's request for service will cease to be a Completed Application and will be deemed terminated and withdrawn.

20 Procedures if the Company is Unable to Complete New Transmission Facilities for Firm Point-To-Point Transmission Service

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

20.2 Alternatives to the Original Facility Additions: When the review process of Section 20.1 determines that one

or more alternatives exist to the originally planned construction project, the Company shall present such alternatives for consideration by the Transmission Customer. If, upon review of any alternatives, the Transmission Customer desires to maintain its Completed Application subject to construction of the alternative facilities, it may request the Company to submit a revised Service Agreement for Firm Point-To-Point Transmission Service. If the alternative approach solely involves Non-Firm Point-To-Point Transmission Service, the Company shall promptly tender a Service Agreement for Non-Firm Point-To-Point Transmission Service providing for the service. In the event the Company concludes that no reasonable alternative exists and the Transmission Customer disagrees, the Transmission Customer may seek relief under the dispute resolution procedures pursuant to Section 12 or it may refer the dispute to the Commission for resolution.

20.3 Refund Obligation for Unfinished Facility Additions:

If the Company and the Transmission Customer mutually agree that no other reasonable alternatives exist and the requested service cannot be provided out of existing capability under the conditions of Part II of the

Tariff, the obligation to provide the requested Firm Point-To-Point Transmission Service shall terminate and any deposit made by the Transmission Customer shall be returned with interest pursuant to Commission regulations 35.19a(a)(2)(iii).

However, the Transmission Customer shall be responsible for all prudently incurred costs by the Company through the time construction was suspended.

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

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

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

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

22 Changes in Service Specifications

22.1 Modifications On a Non-Firm Basis: The Transmission Customer taking Firm Point-To-Point Transmission Service may request the Company to provide

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

- (a) Service provided over Secondary Receipt and Delivery Points will be non-firm only, on an as-available basis and will not displace any firm or non-firm service reserved or scheduled by third-parties under the Tariff or by the Company on behalf of its Native Load Customers.
- (b) The sum of all Firm and non-firm Point-To-Point Transmission Service provided to the Transmission Customer at any time pursuant to this section shall not exceed the Reserved Capacity in the relevant Service Agreement under which such services are provided.
- (c) The Transmission Customer shall retain its right to schedule Firm Point-To-Point Transmission Service at the Receipt and Delivery Points specified in the relevant Service Agreement in the amount of its original capacity reservation.

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

22.2 Modification On a Firm Basis: Any request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the amount reserved in the existing Service Agreement. While such new request is pending, the Transmission Customer shall retain its priority for service at the existing firm Receipt and Delivery Points specified in its Service Agreement.

23 Sale or Assignment of Transmission Service

23.1 Procedures for Assignment or Transfer of Service:
Subject to Commission approval of any necessary filings, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its

Service Agreement, but only to another Eligible Customer (the Assignee). The Transmission Customer that sells, assigns or transfers its rights under its Service Agreement is hereafter referred to as the Reseller. Compensation to the Reseller shall not exceed the higher of (i) the original rate paid by the Reseller, (ii) the Company's maximum rate on file at the time of the assignment, or (iii) the Reseller's opportunity cost capped at the Company's cost of expansion. If the Assignee does not request any change in the Point(s) of Receipt or the Point(s) of Delivery, or a change in any other term or condition set forth in the original Service Agreement, the Assignee will receive the same services as did the Reseller and the priority of service for the Assignee will be the same as that of the Reseller. A Reseller should notify the Company as soon as possible after any assignment or transfer of service occurs but in any event, notification must be provided prior to any provision of service to the Assignee. The Assignee will be subject to all terms and conditions of this Tariff. If the Assignee requests a change in service, the reservation priority of service will be determined by the Company pursuant to Section 13.2.

23.2 Limitations on Assignment or Transfer of Service: If the Assignee requests a change in the Point(s) of Receipt or Point(s) of Delivery, or a change in any other specifications set forth in the original Service Agreement, the Company will consent to such change subject to the provisions of the Tariff, provided that the change will not impair the operation and reliability of the Company's generation, transmission, or distribution systems. The Assignee shall compensate the Company for performing any System Impact Study needed to evaluate the capability of the Transmission System to accommodate the proposed change and any additional costs resulting from such change. The Reseller shall remain liable for the performance of all obligations under the Service Agreement, except as specifically agreed to by the Parties through an amendment to the Service Agreement.

23.3 Information on Assignment or Transfer of Service: In accordance with Section 4, Resellers may use the Company's OASIS, or alternative to OASIS, to post transmission capacity available for resale.

24 Metering and Power Factor Correction at Receipt and Delivery Points(s)

24.1 Transmission Customer Obligations: Unless otherwise agreed, the Transmission Customer shall be responsible for installing and maintaining compatible metering and communications equipment to accurately account for the capacity and energy being transmitted under Part II of the Tariff and to communicate the information to the Company. Such equipment shall remain the property of the Transmission Customer.

24.2 The Company Access to Metering Data: The Company shall have access to metering data, which may reasonably be required to facilitate measurements and billing under the Service Agreement.

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

25 Compensation for Transmission Service

Rates for Firm and Non-Firm Point-To-Point Transmission Service are provided in the Schedules appended to the Tariff: Firm Point-To-Point Transmission Service (Schedule 7); and Non-Firm Point-To-Point Transmission Service (Schedule 8). The

Company shall use Part II of the Tariff to make its Third-Party Sales. The Company shall account for such use at the applicable Tariff rates, pursuant to Section 8.

26 Stranded Cost Recovery

The Company may seek to recover stranded costs from the Transmission Customer pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888. However, the Company must separately file any specific proposed stranded cost charge under Section 205 of the Federal Power Act.

27 Compensation for New Facilities and Redispatch Costs

Whenever a System Impact Study performed by the Company in connection with the provision of Firm Point-To-Point Transmission Service identifies the need for new facilities, the Transmission Customer shall be responsible for such costs to the extent consistent with Commission policy. Whenever a System Impact Study performed by the Company identifies capacity constraints that may be relieved more economically by redispatching the Company's resources than by building new facilities or upgrading existing facilities to eliminate such constraints, the Transmission Customer shall be responsible for the redispatch costs to the extent consistent with Commission policy.

III. NETWORK INTEGRATION TRANSMISSION SERVICE

Preamble

The Company will provide Network Integration Transmission Service pursuant to the applicable terms and conditions contained in the Tariff and Service Agreement. Network Integration Transmission Service allows the Network Customer to integrate, economically dispatch and regulate its current and planned Network Resources to serve its Network Load in a manner comparable to that in which the Company utilizes its Transmission System to serve its Native Load Customers. Network Integration Transmission Service also may be used by the Network Customer to deliver economy energy purchases to its Network Load from non-designated resources on an as-available basis without additional charge. Transmission service for sales to non-designated loads will be provided pursuant to the applicable terms and conditions of Part II of the Tariff.

28 Nature of Network Integration Transmission Service

28.1 Scope of Service: Network Integration Transmission Service is a transmission service that allows Network Customers to efficiently and economically utilize their Network Resources (as well as other non-designated generation resources) to serve their Network Load located in the Company's Control Area and any additional load that may be designated pursuant to Section 31.3 of the Tariff. The Network Customer

taking Network Integration Transmission Service must obtain or provide Ancillary Services pursuant to Section 3.

28.2 Company Responsibilities: The Company will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice in order to provide the Network Customer with Network Integration Transmission Service over the Company's Transmission System. The Company, on behalf of its Native Load Customers, shall be required to designate resources and loads in the same manner as any Network Customer under Part III of this Tariff. This information must be consistent with the information used by the Company to calculate available transmission capability. The Company shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice, endeavor to construct and place into service sufficient transmission capacity to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to the Company's delivery of its own generating and purchased resources to its Native Load Customers.

- 28.3 Network Integration Transmission Service: The Company will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to the Company's use of the Transmission System to reliably serve its Native Load Customers.
- 28.4 Secondary Service: The Network Customer may use the Company's Transmission System to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such energy shall be transmitted, on an as-available basis, at no additional charge. Deliveries from resources other than Network Resources will have a higher priority than any Non-Firm Point-To-Point Transmission Service under Part II of the Tariff.
- 28.5 Real Power Losses: Real Power Losses are associated with all transmission service. The Company is not obligated to provide Real Power Losses. The Network Customer is responsible for replacing losses associated with all transmission service as calculated by the Company. The applicable Real Power Loss factors are included in the base rates for service.

28.6 Restrictions on Use of Service: The Network Customer shall not use Network Integration Transmission Service for (i) sales of capacity and energy to non-designated loads, or (ii) direct or indirect provision of transmission service by the Network Customer to third parties. All Network Customers taking Network Integration Transmission Service shall use Point-To-Point Transmission Service under Part II of the Tariff for any Third-Party Sale which requires use of the Company's Transmission System.

29 Initiating Service

29.1 Condition Precedent for Receiving Service: Subject to the terms and conditions of Part III of the Tariff, the Company will provide Network Integration Transmission Service to any Eligible Customer, provided that (i) the Eligible Customer completes an Application for service as provided under Part III of the Tariff, (ii) the Eligible Customer and the Company complete the technical arrangements set forth in Sections 29.3 and 29.4, (iii) the Eligible Customer executes a Service Agreement pursuant to Attachment F for service under Part III of the Tariff or requests in writing that the Company file a proposed unexecuted Service Agreement with the Commission, and (iv) the Eligible Customer executes a

Network Operating Agreement with the Company pursuant to Attachment G.

29.2 Application Procedures: An Eligible Customer

requesting service under Part III of the Tariff must submit an Application, with a deposit approximating the charge for one month of service, to the Company as far as possible in advance of the month in which service is to commence. Unless subject to the procedures in Section 2, Completed Applications for Network Integration Transmission Service will be assigned a priority according to the date and time the Application is received, with the earliest Application receiving the highest priority. Applications should be submitted by entering the information listed below on the Company's OASIS, or alternative to OASIS. Prior to implementation of the Company's OASIS, or alternative to OASIS, a Completed Application may be submitted by (i) transmitting the required information to the Company by telefax, or (ii) providing the information by telephone over the Company's time recorded telephone line. Each of these methods will provide a time-stamped record for establishing the service priority of the Application. A Completed Application shall provide all of the

information included in 18 CFR § 2.20 including but not limited to the following:

- (i) The identity, address, telephone number and facsimile number of the party requesting service;
- (ii) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under the Tariff;
- (iii) A description of the Network Load at each delivery point. This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each Company substation at the same transmission voltage level. The description should include a ten (10) year forecast of summer and winter load and resource requirements beginning with the first year after the service is scheduled to commence;
- (iv) The amount and location of any interruptible loads included in the Network Load. This shall include the summer and winter capacity requirements for each interruptible load (had such load not been interruptible), that portion of the load subject to interruption, the conditions under which an interruption can be implemented and any limitations on the amount and frequency of interruptions. An Eligible Customer should identify the amount of interruptible customer load (if any) included in the 10 year load forecast provided in response to (iii) above;
- (v) A description of Network Resources (current and 10-year projection), which shall include, for each Network Resource:
 - Unit size and amount of capacity from that unit to be designated as Network Resource
 - VAR capability (both leading and lagging) of all generators
 - Operating restrictions
 - Any periods of restricted operations throughout the year
 - Maintenance schedules
 - Minimum loading level of unit
 - Normal operating level of unit

- Any must-run unit designations required for system reliability or contract reasons
 - Approximate variable generating cost (\$/MWH) for redispatch computations
 - Arrangements governing sale and delivery of power to third parties from generating facilities located in the Company's Control Area, where only a portion of unit output is designated as a Network Resource
 - Description of purchased power designated as a Network Resource including source of supply, Control Area location, transmission arrangements and delivery point(s) to the Company's Transmission System;
- (vi) Description of Eligible Customer's transmission system:
- Load flow and stability data, such as real and reactive parts of the load, lines, transformers, reactive devices and load type, including normal and emergency ratings of all transmission equipment in a load flow format compatible with that used by the Company
 - Operating restrictions needed for reliability
 - Operating guides employed by system operators
 - Contractual restrictions or committed uses of the Eligible Customer's transmission system, other than the Eligible Customer's Network Loads and Resources
 - Location of Network Resources described in subsection (v) above
 - 10 year projection of system expansions or upgrades
 - Transmission System maps that include any proposed expansions or upgrades
 - Thermal ratings of Eligible Customer's Control Area ties with other Control Areas; and
- (vii) Service Commencement Date and the term of the requested Network Integration Transmission Service. The minimum term for Network Integration Transmission Service is one year.

Unless the Parties agree to a different time frame, the Company must acknowledge the request within ten (10)

days of receipt. The acknowledgment must include a date by which a response, including a Service Agreement, will be sent to the Eligible Customer. If an Application fails to meet the requirements of this section, the Company shall notify the Eligible Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever possible, the Company will attempt to remedy deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, the Company shall return the Application without prejudice to the Eligible Customer filing a new or revised Application that fully complies with the requirements of this section. The Eligible Customer will be assigned a new priority consistent with the date of the new or revised Application. The Company shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations.

29.3 Technical Arrangements to be Completed Prior to Commencement of Service: Network Integration
Transmission Service shall not commence until the Company and the Network Customer, or a

third party, have completed installation of all equipment specified under the Network Operating Agreement consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System. The Company shall exercise reasonable efforts, in coordination with the Network Customer, to complete such arrangements as soon as practicable taking into consideration the Service Commencement Date.

29.4 Network Customer Facilities: The provision of Network Integration Transmission Service shall be conditioned upon the Network Customer's constructing, maintaining and operating the facilities on its side of each delivery point or interconnection necessary to reliably deliver capacity and energy from the Company's Transmission System to the Network Customer. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each such delivery point or interconnection.

29.5 Filing of Service Agreement: The Company will file Service Agreements with the Commission in compliance with applicable Commission regulations.

30 Network Resources

30.1 Designation of Network Resources: Network Resources shall include all generation owned, purchased or leased by the Network Customer designated to serve Network Load under the Tariff. Network Resources may not include resources, or any portion thereof, that are committed for sale to non-designated third party load or otherwise cannot be called upon to meet the Network Customer's Network Load on a non-interruptible basis. Any owned or purchased resources that were serving the Network Customer's loads under firm agreements entered into on or before the Service Commencement Date shall initially be designated as Network Resources until the Network Customer terminates the designation of such resources.

30.2 Designation of New Network Resources: The Network Customer may designate a new Network Resource by providing the Company with as much advance notice as practicable. A designation of a new Network Resource must be made by a request for modification of service pursuant to an Application under Section 29.

30.3 Termination of Network Resources: The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource at any time

but should provide notification to the Company as soon as reasonably practicable.

- 30.4 Operation of Network Resources: The Network Customer shall not operate its designated Network Resources located in the Network Customer's or Company's Control Area such that the output of those facilities exceeds its designated Network Load, plus non-firm sales delivered pursuant to Part II of the Tariff, plus losses. This limitation shall not apply to changes in the operation of a Transmission Customer's Network Resources at the request of the Company to respond to an emergency or other unforeseen condition which may impair or degrade the reliability of the Transmission System.
- 30.5 Network Customer Redispatch Obligation: As a condition to receiving Network Integration Transmission Service, the Network Customer agrees to redispatch its Network Resources as requested by the Company pursuant to Section 33.2. To the extent practical, the redispatch of resources pursuant to this section shall be on a least cost, non-discriminatory basis between all Network Customers, and the Company.
- 30.6 Transmission Arrangements for Network Resources Not Physically Interconnected With The Company: The Network Customer shall be responsible for any arrangements necessary to deliver capacity and energy from a Network Resource not physically interconnected with the Company's Transmission System. The Company will undertake reasonable efforts to assist the Network Customer in obtaining such

arrangements, including, without limitation, providing any information or data required by such other entity pursuant to Good Utility Practice.

30.7 Limitation on Designation of Network Resources: The Network Customer must demonstrate that it owns or has committed to purchase generation pursuant to an executed contract in order to designate a generating resource as a Network Resource. Alternatively, the Network Customer may establish that execution of a contract is contingent upon the availability of transmission service under Part III of the Tariff.

30.8 Use of Interface Capacity by the Network Customer: There is no limitation upon a Network Customer's use of the Company's Transmission System at any particular interface to integrate the Network Customer's Network Resources (or substitute economy purchases) with its Network Loads. However, a Network Customer's use of the Company's total interface capacity with other transmission systems may not exceed the Network Customer's Load.

30.9 Network Customer Owned Transmission Facilities: The Network Customer that owns existing transmission facilities that are integrated with the Company's Transmission System may be eligible to receive consideration either through a billing credit

or some other mechanism. In order to receive such consideration the Network Customer must demonstrate that its transmission facilities are integrated into the plans or operations of the Company to serve power and transmission customers. For facilities constructed by the Network Customer subsequent to the Service Commencement Date under Part III of the Tariff, the Network Customer shall receive credit where such facilities are jointly planned and installed in coordination with the Company. Calculation of the credit shall be addressed in either the Network Customer's Service Agreement or any other agreement between the Parties.

31 Designation of Network Load

31.1 Network Load: The Network Customer must designate the individual Network Loads on whose behalf the Company will provide Network Integration Transmission Service. The Network Loads shall be specified in the Service Agreement.

31.2 New Network Loads Connected With the Company:

The Network Customer shall provide the Company with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load

must be made through a modification of service pursuant to a new Application. The Company will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Commission policies.

31.3 Network Load Not Physically Interconnected with the Company: This section applies to both initial designation pursuant to Section 31.1 and the subsequent addition of new Network Load not physically interconnected with the Company. To the extent that the Network Customer desires to obtain transmission service for a load outside the Company's Transmission System, the Network Customer shall have the option of (1) electing to include the entire load as Network Load for all purposes under Part III of the Tariff and designating Network Resources in connection with such additional Network Load, or (2) excluding that entire load from its Network Load and purchasing Point-To-Point Transmission Service under Part II of the Tariff. To the extent that the Network Customer gives

notice of its intent to add a new Network Load as part of its Network Load pursuant to this section the request must be made through a modification of service pursuant to a new Application.

- 31.4 New Interconnection Points: To the extent the Network Customer desires to add a new Delivery Point or interconnection point between the Company's Transmission System and a Network Load, the Network Customer shall provide the Company with as much advance notice as reasonably practicable.
- 31.5 Changes in Service Requests: Under no circumstances shall the Network Customer's decision to cancel or delay a requested change in Network Integration Transmission Service (e.g. the addition of a new Network Resource or designation of a new Network Load) in any way relieve the Network Customer of its obligation to pay the costs of transmission facilities constructed by the Company and charged to the Network Customer as reflected in the Service Agreement. However, the Company must treat any requested change in Network Integration Transmission Service in a non-discriminatory manner.
- 31.6 Annual Load and Resource Information Updates: The Network Customer shall provide the Company

with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff. The Network Customer also shall provide the Company with timely written notice of material changes in any other information provided in its Application relating to the Network Customer's Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting the Company's ability to provide reliable service.

32 Additional Study Procedures For Network Integration
Transmission Service Requests

32.1 Notice of Need for System Impact Study: After receiving a request for service, the Company shall determine on a non-discriminatory basis whether a System Impact Study is needed. A description of the Company's methodology for completing a System Impact Study is provided in Attachment D. If the Company determines that a System Impact Study is necessary to accommodate the requested service, it shall so inform the Eligible Customer, as soon as practicable. In such cases, the Company shall within thirty (30) days of

receipt of a Completed Application, tender a System Impact Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Company for performing the required System Impact Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the System Impact Study Agreement and return it to the Company within fifteen (15) days. If the Eligible Customer elects not to execute the System Impact Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest.

32.2 System Impact Study Agreement and Cost Reimbursement:

- (i) The System Impact Study Agreement will clearly specify the Company's estimate of the actual cost, and time for completion of the System Impact Study. The charge shall not exceed the actual cost of the study. In performing the System Impact Study, the Company shall rely, to the extent reasonably practicable, on existing transmission planning studies. The Eligible Customer will not be assessed a charge for such existing studies; however, the Eligible Customer will be responsible for charges

associated with any modifications to existing planning studies that are reasonably necessary to evaluate the impact of the Eligible Customer's request for service on the Transmission System.

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

(iii) For System Impact Studies that the Company conducts on its own behalf, the Company shall record the cost of the System Impact Studies pursuant to Section 8.

32.3 System Impact Study Procedures: Upon receipt of an executed System Impact Study Agreement, the Company will use due diligence to complete the required System Impact Study within a sixty (60) day period. The System Impact Study shall identify any system constraints and redispatch options, additional Direct Assignment Facilities or Network Upgrades required to provide the requested service. In the event that the Company is unable to complete the required System Impact Study within such time period, it shall so notify the Eligible Customer

and provide an estimated completion date along with an explanation of the reasons why additional time is required to complete the required studies. A copy of the completed System Impact Study and related work papers shall be made available to the Eligible Customer. The Company will use the same due diligence in completing the System Impact Study for an Eligible Customer as it uses when completing studies for itself. The Company shall notify the Eligible Customer immediately upon completion of the System Impact Study if the Transmission System will be adequate to accommodate all or part of a request for service or that no costs are likely to be incurred for new transmission facilities or upgrades. In order for a request to remain a Completed Application, within fifteen (15) days of completion of the System Impact Study the Eligible Customer must execute a Service Agreement or request the filing of an unexecuted Service Agreement, or the Application shall be deemed terminated and withdrawn.

32.4 Facilities Study Procedures: If a System Impact Study indicates that additions or upgrades to the Transmission System are needed to supply the Eligible Customer's service request, the Company,

within thirty (30) days of the completion of the System Impact Study, shall tender to the Eligible Customer a Facilities Study Agreement pursuant to which the Eligible Customer shall agree to reimburse the Company for performing the required Facilities Study. For a service request to remain a Completed Application, the Eligible Customer shall execute the Facilities Study Agreement and return it to the Company within fifteen (15) days. If the Eligible Customer elects not to execute the Facilities Study Agreement, its Application shall be deemed withdrawn and its deposit shall be returned with interest. Upon receipt of an executed Facilities Study Agreement, the Company will use due diligence to complete the required Facilities Study within a sixty (60) day period. If the Company is unable to complete the Facilities Study in the allotted time period, the Company shall notify the Eligible Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study. When completed, the Facilities Study will include a good faith estimate of (i) the cost of Direct Assignment Facilities to be charged to the Eligible

Customer, (ii) the Eligible Customer's appropriate share of the cost of any required Network Upgrades, and (iii) the time required to complete such construction and initiate the requested service. The Eligible Customer shall provide the Company with a letter of credit or other reasonable form of security acceptable to the Company equivalent to the costs of new facilities or upgrades consistent with commercial practices as established by the Uniform Commercial Code. The Eligible Customer shall have thirty (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and provide the required letter of credit or other form of security or the request no longer will be a Completed Application and shall be deemed terminated and withdrawn.

33 Load Shedding and Curtailments

33.1 Procedures: Prior to the Service Commencement Date, the Company and the Network Customer shall establish Load Shedding and Curtailment procedures pursuant to the Network Operating Agreement with the objective of responding to contingencies on the Transmission System. The Parties will implement such programs during any period when the Company determines that a system contingency

exists and such procedures are necessary to alleviate such contingency. The Company will notify all affected Network Customers in a timely manner of any scheduled Curtailment.

33.2 Transmission Constraints: During any period when the Company determines that a transmission constraint exists on the Transmission System, and such constraint may impair the reliability of the Company's system, the Company will take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of the Company's system. To the extent the Company determines that the reliability of the Transmission System can be maintained by redispatching resources, the Company will initiate procedures pursuant to the Network Operating Agreement to redispatch all Network Resources and the Company's own resources on a least-cost basis without regard to the ownership of such resources. Any redispatch under this section may not unduly discriminate between the Company's use of the Transmission System on behalf of its Native Load Customers and any Network Customer's use of the

Transmission System to serve its designated Network Load.

33.3 Cost Responsibility for Relieving Transmission

Constraints: Whenever the Company implements least-cost redispatch procedures in response to a transmission constraint, the Company and Network Customers will each bear a proportionate share of the total redispatch cost based on their respective Load Ratio Shares.

33.4 Curtailments of Scheduled Deliveries: If a

transmission constraint on the Company's Transmission System cannot be relieved through the implementation of least-cost redispatch procedures and the Company determines that it is necessary to Curtail scheduled deliveries, the Parties shall Curtail such schedules in accordance with the Network Operating Agreement.

33.5 Allocation of Curtailments: The Company shall, on a non-discriminatory basis, Curtail the transaction(s) that effectively relieve the constraint. However, to the extent practicable and consistent with Good Utility Practice, any Curtailment will be shared by the Company and Network Customer in proportion to their respective Load Ratio Shares. The Company shall not direct the Network

Customer to Curtail schedules to an extent greater than the Company would Curtail the Company's schedules under similar circumstances.

33.6 Load Shedding: To the extent that a system contingency exists on the Company's Transmission System and the Company determines that it is necessary for the Company and the Network Customer to shed load, the Parties shall shed load in accordance with previously established procedures under the Network Operating Agreement.

33.7 System Reliability: Notwithstanding any other provisions of this Tariff, the Company reserves the right, consistent with Good Utility Practice and on a not unduly discriminatory basis, to Curtail Network Integration Transmission Service without liability on the Company's part for the purpose of making necessary adjustments to, changes in, or repairs on its lines, substations and facilities, and in cases where the continuance of Network Integration Transmission Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on the Company's Transmission System or on any other system(s) directly or indirectly interconnected with the Company's

Transmission System, the Company, consistent with Good Utility Practice, also may Curtail Network Integration Transmission Service in order to (i) limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) prevent damage to generating or transmission facilities, or (iii) expedite restoration of service. The Company will give the Network Customer as much advance notice as is practicable in the event of such Curtailment. Any Curtailment of Network Integration Transmission Service will be not unduly discriminatory relative to the Company's use of the Transmission System on behalf of its Native Load Customers. The Company shall specify the rate treatment and all related terms and conditions applicable in the event that the Network Customer fails to respond to established Load Shedding and Curtailment procedures.

34 Rates and Charges

The Network Customer shall pay the Company for any Direct Assignment Facilities, Ancillary Services, and applicable study costs, consistent with Commission policy, along with the following:

34.1 Monthly Demand Charge: The Network Customer shall pay a monthly Demand Charge, which shall be determined by

multiplying its Load Ratio Share times one twelfth (1/12) of the Company's Annual Transmission Revenue Requirement specified in Attachment H.

34.2 Determination of Network Customer's Monthly Network Load: The Network Customer's monthly Network Load is its hourly load (including its designated Network Load not physically interconnected with the Company under Section 31.3) coincident with the Company's Monthly Transmission System Peak.

34.3 Determination of the Company's Monthly Transmission System Load: The Company's Monthly Transmission System load is the Company's Monthly Transmission System Peak minus the coincident peak usage of all Firm Point-To-Point Transmission Service customers pursuant to Part II of this Tariff plus the Reserved Capacity of all Firm Point-To-Point Transmission Service customers.

34.4 Redispatch Charge: The Network Customer shall pay a Load Ratio Share of any redispatch costs allocated between the Network Customer and the Company pursuant to Section 33. To the extent that the Company incurs an obligation to the Network Customer for redispatch costs in accordance

with Section 33, such amounts shall be credited against the Network Customer's bill for the applicable month.

34.5 Stranded Cost Recovery: The Company may seek to recover stranded costs from the Network Customer pursuant to this Tariff in accordance with the terms, conditions and procedures set forth in FERC Order No. 888. However, the Company must separately file any proposal to recover stranded costs under Section 205 of the Federal Power Act.

35 Operating Arrangements

35.1 Operation under The Network Operating Agreement: The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement.

35.2 Network Operating Agreement: The terms and conditions under which the Network Customer shall operate its facilities and the technical and operational matters associated with the implementation of Part III of the Tariff shall be specified in the Network Operating Agreement. The Network Operating Agreement shall provide for the Parties to (i) operate and maintain equipment necessary for integrating the Network Customer within the Company's Transmission System (including, but not limited to, remote terminal

units, metering, communications equipment and relaying equipment), (ii) transfer data between the Company and the Network Customer (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside the Company's Transmission System, interchange schedules, unit outputs for redispatch required under Section 33, voltage schedules, loss factors and other real time data), (iii) use software programs required for data links and constraint dispatching, (iv) exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols. The Network Operating Agreement will recognize that the Network Customer shall either (i) operate as a Control Area under applicable guidelines of the North American Electric Reliability Council (NERC) and the applicable regional reliability council], (ii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with the Company, or (iii) satisfy its Control Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent

with Good Utility Practice, which satisfies NERC and the applicable regional reliability council] requirements. The Company shall not unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services. The Network Operating Agreement is included in Attachment G.

35.3 Network Operating Committee: A Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under the Network Operating Agreement. Each Network Customer shall be entitled to have at least one representative on the Committee. The Committee shall meet from time to time as need requires, but no less than once each calendar year.

SCHEDULE 1

Scheduling, System Control and Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into a Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control, and Dispatch Service are to be provided directly by the Company (if the Company is the Control Area operator) or indirectly by the Company making arrangements with the Control Area operator that performs this service for the Company's Transmission System. The Transmission Customer must purchase this service from the Company or the Control Area operator. The charges for Scheduling, System Control, and Dispatch Service are included in the basic transmission charge for both Network and Point-to-Point Service. To the extent the Control Area operator performs this service for the Company, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Company by that Control Area operator.

SCHEDULE 2

Reactive Supply and Voltage Control from
Generation Sources Service

In order to maintain transmission voltages on the Company's transmission facilities within acceptable limits, generation facilities under the control of the control area operators are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation Sources Service must be provided for each transaction on the Company's transmission facilities. The amount of Reactive Supply and Voltage Control from Generation Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Company.

Reactive Supply and Voltage Control from Generation Sources Service is to be provided directly by the Company (if the Company is the Control Area operator) or indirectly by the Company making arrangements with the Control Area operator that performs this service for the Company's Transmission System. The Transmission Customer must purchase this service from the Company or the Control Area operator. The charges for such service will be based on the regionally accepted market-based rates set forth below. To the extent the Control Area operator performs this service for the Company, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Company by the Control Area operator.

a. Firm Point-To-Point Transmission Service:

The following rates for reactive power/voltage control related to Firm Transmission Service are applied to the Transmission Customer's contract demand. Contract demand is the maximum kilowatts, as specified in the Service Agreement, which the Company has agreed to schedule for transmission over the Transmission System from the Point of Receipt to the Point of Delivery.

- (1) Monthly rate is up to \$0.07 per kW.
- (2) Weekly rate is up to \$0.016 per kW.
- (3) Daily rate is up to \$0.003 per kW. During any consecutive seven day period, a Transmission Customer purchasing daily service will pay no more than the weekly rate times the highest number of kilowatts delivered in any one hour during that seven day period.

b. Non-Firm Point-To-Point Transmission Service:

Following are the rates for reactive power/voltage control related to Non-Firm Transmission Service:

- (1) Monthly rate is up to \$58.40 per MW.
- (2) Weekly rate is up to \$13.48 per MW.

(3) Daily rate is up to \$1.92 per MW. During any consecutive seven day period, a Transmission Customer purchasing daily service will pay no more than the weekly rate times the highest number of kilowatts delivered in any one hour during that seven day period.

(4) The hourly rate is up to \$0.08 per MWh of energy transmitted.

c. Network Transmission Service:

The rate for reactive power/voltage control related to Network Transmission Service is up to \$0.07 per kW-month of Network Load.

SCHEDULE 3

Regulation and Frequency Response Service

Regulation and Frequency Response Service is necessary to provide for the continuous balancing of resources (generation and interchange) with load and for maintaining scheduled Interconnection frequency at sixty cycles per second (60 Hz). Regulation and Frequency Response Service is accomplished by committing on-line generation whose output is raised or lowered (predominantly through the use of automatic generating control equipment) as necessary to follow the moment-by-moment changes in load. The obligation to maintain this balance between resources and load lies with the Company (or the Control Area operator that performs this function for the Company). The Company must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from the Company or make alternative comparable arrangements to satisfy its Regulation and Frequency Response Service obligation. The amount of and charges for Regulation and Frequency Response Service are regionally accepted market-based rates set forth below. To the extent the Control Area operator performs this service for the Company, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Company by that Control Area operator.

a. Network Transmission Service:

The charge to provide Network Transmission Customers with Regulation and Frequency Response Service is up to \$0.12 per kW-month of Network Load times 1.03.

b. Point-to-Point Transmission Service:

The charge for Regulation and Frequency Response Service to Point-To-Point Transmission Customers is up to \$13.22 per kW-month of specified load following service.

SCHEDULE 4

Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within a Control Area over a single hour. The Company must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from the Company or make alternative comparable arrangements to satisfy its Energy Imbalance Service obligation. To the extent the Control Area operator performs this service for the Company, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Company by that Control Area operator.

The Company shall establish a deviation band of +/- 3.0 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s). Parties should attempt to eliminate energy imbalances within the limits of the deviation band within thirty (30) days or within such other reasonable period of time as is generally accepted in the region and consistently adhered to by the Company. If an energy imbalance is not corrected within thirty (30) days or a reasonable period of time that is generally accepted in the region and consistently adhered to by the Company, the Transmission Customer will compensate the Company for such service. Energy imbalances outside the deviation band will be subject to charges to be specified by the Company. The charges for Energy Imbalance Service are regionally accepted market-based rates set forth below.

a. Charges for Under-Supply:

If a Transmission Customer's scheduled deliveries to any Point of Delivery for any hour are less than the Transmission Customer's demand at that point of delivery for that hour and the difference is greater than the bandwidth percentage shown above, the Transmission Customer will pay an Energy Imbalance charge for all megawatt hours in excess of the bandwidth. This charge will be 150% of the Company's hourly marginal cost during on-peak hours and 125% of the Company's hourly marginal cost during off-peak hours. On- and off-peak hours are as designated by NERC guidelines. Charges for Energy Imbalances will be accumulated during the billing period and the Company will charge the Transmission Customer for Energy Imbalances at the end of the billing period.

b. Charges for Over-Supply:

If a Transmission Customer's scheduled deliveries to any Point of Delivery for any hour are more than the Transmission Customer's demand at that point of delivery for that hour and the difference is greater than the bandwidth percentage shown above, the Company will purchase such excess from the Transmission Customer at a rate of 90% of the Company's hourly decremental cost. Purchases of Energy Imbalances will be accumulated during the billing period and the Company will credit the Transmission Customer for Energy Imbalances at the end of the billing period.

SCHEDULE 5

Operating Reserve - Spinning Reserve Service

Spinning Reserve Service is needed to serve load immediately in the event of a system contingency. Spinning Reserve Service may be provided by generating units that are on-line and loaded at less than maximum output. The Company must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from the Company or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. The amount of and charges for Spinning Reserve Service are regionally accepted market-based rates set forth below. To the extent the Control Area operator performs this service for the Company, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Company by that Control Area operator.

a. Network Transmission Service:

The charge for Spinning Reserve Service for Network Transmission Customers is up to \$5.55 per kw-month of purchased Spinning Reserves. If a Network Transmission Customer wishes to purchase the total Spinning Reserves necessary to match its Network Load, the charge is up to \$0.10 per kW-month of Network Load times 1.03.

b. Point-to-Point Transmission Service:

The charge for Spinning Reserve Service for Point-To-Point Transmission Customers is up to \$5.55 per kW-month of purchased Spinning Reserves.

SCHEDULE 6

Operating Reserve - Supplemental Reserve Service

Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation or by interruptible load. The Company must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from the Company or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of and charges for Supplemental Reserve Service are set forth below. To the extent the Control Area operator performs this service for the Company, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Company by that Control Area operator.

a. Network Transmission Service:

The charge for Supplemental Reserve Service for Network Transmission Customers is up to \$3.03 per kW-month of purchased Supplemental Reserves. If a Network Transmission Customer wishes to purchase the total Supplemental Reserves necessary to match its Network Load, the charge is up to \$0.05 per kW-month of Network Load times 1.03.

b. Point-to-Point Transmission Service:

The charge for Supplemental Reserve Service for Point-To-Point Transmission Customers is up to \$3.03 per kW-month of purchased Supplemental Reserves.

SCHEDULE 7

Long-Term Firm and Short-Term Firm Point-To-Point
Transmission Service

The Transmission Customer shall compensate the Company each month for Reserved Capacity at the sum of the applicable charges set forth below:

- 1) Yearly delivery: one-twelfth of the demand charge of \$25,680/MW of Reserved Capacity per year.
- 2) Monthly delivery: \$2,140/MW of Reserved Capacity per month.
- 3) Weekly delivery: \$495/MW of Reserved Capacity per week.
- 4) Daily delivery: \$99/MW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

- 5) Discounts: Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by the Company must be announced to all Eligible Customer solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, the Company must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

SCHEDULE 8

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Company for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

- 1) Monthly delivery: \$2,140/MW of Reserved Capacity per month.
- 2) Weekly delivery: \$495/MW of Reserved Capacity per week.
- 3) Daily delivery: \$99/MW of Reserved Capacity per day.

The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.

- 4) Hourly delivery: The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed \$2.94/MWH. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.

5) Discounts: Three principal requirements apply to discounts for transmission service as follows (1) any offer of a discount made by the Company must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an affiliate's use) must occur solely by posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, the Company must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

ATTACHMENT A

Form Of Service Agreement For
Firm Point-To-Point Transmission Service

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between _____ (the Company), and _____ ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the Company to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Company an Application deposit in the amount of \$_____, in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (1) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 The Company agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

The Company:

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

The Company:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

Specifications For Long-Term Firm Point-To-Point
Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and energy to be transmitted by
The Company including the electric Control Area in
which the transaction originates.

3.0 Point(s) of Receipt: _____

Delivering Party: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

5.0 Maximum amount of capacity and energy to be transmitted
(Reserved Capacity): _____

6.0 Designation of party(ies) subject to reciprocal service
obligation: _____

7.0 Name(s) of any Intervening Systems providing transmission
service: _____

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission Charge: _____

8.2 System Impact and/or Facilities Study Charge(s):

8.3 Direct Assignment Facilities Charge: _____

8.4 Ancillary Services Charges: _____

ATTACHMENT B

Form Of Service Agreement For Non-Firm Point-To-Point
Transmission Service

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between _____ (the Company), and _____ (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Company to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
- 3.0 Service under this Agreement shall be provided by the Company upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information the Company deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The Company agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

The Company:

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

The Company:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

ATTACHMENT C

Methodology To Assess Available Transmission Capability

The Company will assess the capability of its Transmission System to provide Point-to-Point service requested pursuant to this Tariff based on First Contingency Total Transfer Capacity (FCTTC).

The Company will determine the FCTTC of its Transmission System in the interconnected network based on an analysis of the transmission capacity of its Transmission System. The analysis assumes the outage of any single transmission line, transformer, or generating unit, requiring that no system facility exceed its emergency rating and that all system voltages remain within acceptable limits following such outage. The Company will determine the availability of transmission capacity based on the lowest FCTTC resulting from the single most severe contingency.

The Company will utilize a PTI PSS/E power flow program in performing its analyses. The analyses will determine the availability of transmission capacity by subtracting from the FCTTC based on commitments of the Transmission System to serve (i) the loads and projected loads of the Company's Native Load Customers and Network Customers (if any); (ii) the loads of Firm Point-to-Point Transmission Customers under this Tariff (if any) and of firm Point-to-Point Transmission Service from the Company pursuant to other tariffs, rate schedules, and contracts; and (iii) transmission service to be provided in response to previously pending applications for Network or Firm Point-to-Point Transmission Service under this Tariff.

ATTACHMENT D

Methodology for Completing a System Impact Study

The Company will assess the capability of its Transmission System to provide Point-to-Point service requested pursuant to this Tariff based on First Contingency Total Transfer Capacity (FCTTC).

The Company will determine the FCTTC of its Transmission System in the interconnected network based on an analysis of the transmission capacity of its Transmission System. The analysis assumes the outage of any single transmission line, transformer, or generating unit, requiring that no system facility exceed its emergency rating and that all system voltages remain within acceptable limits following such outage. The Company will determine the availability of transmission capacity based on the lowest FCTTC resulting from the single most severe contingency.

The Company will utilize a PTI PSS/E power flow program in performing its analyses. The analyses will determine the availability of transmission capacity by subtracting from the FCTTC based on commitments of the Transmission System to serve (i) the loads and projected loads of the Company's Native Load Customers and Network Customers (if any); (ii) the loads of Firm Point-to-Point Transmission Customers under this Tariff (if any) and of firm Point-to-Point Transmission Service from the Company pursuant to other tariffs, rate schedules, and contracts; and (iii) transmission service to be provided in response to previously pending applications for Network or Firm Point-to-Point Transmission Service under this Tariff.

ATTACHMENT E

Index Of Point-To-Point Transmission Service Customers

Customer	Date of Service Agreement
----------	------------------------------

None at this time.

ATTACHMENT F

Service Agreement For
Network Integration Transmission Service

- 1.0 This Service Agreement, dated as of _____, is entered into, by and between _____ (the Company), and _____ (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Company to have a Valid Request for Network Integration Transmission Service under the Company's Network Integration Service Transmission Tariff (Tariff).
- 3.0 The Transmission Customer has provided to the Company an Application deposit in the amount of \$_____, which will be applied to charges for service under this Agreement in accordance with the provisions of Section 4 of the Tariff.
- 4.0 Service under this Agreement shall commence on the later: (1) _____, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this Agreement shall terminate on _____.
- 5.0 The Company agrees to provide and the Transmission Customer agrees to take and pay for Network Integration Service Transmission in accordance with the provisions of the Tariff and this Service Agreement, as they may be amended from time to time.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Company:

Transmission Customer:

- 7.0 The Tariff, Specifications for Network Integration Service Transmission, and Network Operating Agreement are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Company:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

ATTACHMENT G

Network Operating Agreement

1. Purpose of Agreement

By this Agreement, the Company and _____ (Transmission Customer) agree that the provisions of this Network Operating Agreement (NOA) and the Network Integration Service Transmission Tariff (Tariff) Service Agreement govern the Company's provision of Network Integration Service Transmission to the Transmission Customer in accordance with the Tariff, as it may be amended from time to time pursuant to Section 16. This NOA requires the Parties to: (i) operate and maintain equipment necessary for incorporating the Transmission Customer within the Company's transmission system (including, but not limited to, remote terminal units, metering, communications equipment, and relaying equipment); (ii) transfer data (including, but not limited to, operational dispatch cost characteristics of Network Resources, generation schedules for Network Resources, interchange schedules, unit outputs for redispatch required, voltage schedules, loss factors, and other real time data) between their respective control centers; (iii) implement software programs required for data links and constraint dispatching; (iv) exchange data on forecasted loads and resources necessary for planning and operation; and (v) address any other technical and operational considerations required for implementation of the Tariff.

The Transmission Customer shall: (i) operate as a control area under applicable guidelines of the North American Electric Reliability Council (NERC) and the Regional Reliability Council, Mid-Continent Area Power Pool (MAPP), and Mid-America Interconnected Network (MAIN) as applicable; or (ii) satisfy its control area requirements, including all

Ancillary Services, by contracting with the Company; or (iii) satisfy its control area requirements, including all Ancillary Services, by providing them itself or by contracting with another entity which can satisfy those requirements in a manner that is consistent with Good Utility Practice and which satisfies NERC and Regional Reliability Council guidelines. The Transmission Customer shall plan, construct, operate, and maintain its facilities and system in accordance with Good Utility Practice, which shall include, but not be limited to, all guidelines of NERC and the Regional Reliability Council, as applicable, as they may be modified from time to time, and any generally accepted practices in the region that are consistently adhered to by the Company.

Unless specified herein, capitalized terms shall refer to terms defined in the Tariff.

This NOA will be revised as necessary to incorporate changes to the Company's Control Area requirements.

2. Network Operating Committee

(a) Membership - The Network Operating Committee shall be composed of representatives from the Transmission Customers taking service under the Tariff and the Company or their Designated Agents.

(b) Responsibilities - The Network Operating Committee shall: (1) adopt rules and procedures consistent with this NOA and the Tariff governing operating and technical requirements necessary for implementing the Tariff; (2) review Network Resources and Network Loads on an annual basis in order to assess the adequacy of the transmission network, and (3) obtain from the Company, the Company's operating policies, procedures, and guidelines for network interconnection and operation.

3. Regulation and Frequency Response

The Transmission Customer shall meet its proportional share of Regulating Margin by either: (a) purchasing Load Following Service from the Company pursuant to Schedule 3 of the Tariff; or (b) contributing or arranging to have a third party contribute generating resources to meet the Regulating Margin requirement for the current year in the amount of:

A minimum of 1.0% of its previous year peak load, during all hours.

If the Transmission Customer supplies or arranges supply of its Load Following, it must meet all NERC and the Regional Reliability Council guidelines.

4. System Protection (Operating Reserve)

(a) The Transmission Customer shall meet its proportional share of Operating Reserve by either: (1) purchasing Operating Reserve - Spinning Reserve Service and Operating Reserve - Supplemental Reserve Service from the Company; or (2) meeting or arranging to have a third party meet the Operating Reserve requirement.

The Transmission Customer's Operating Reserve requirement shall be determined in the following manner:

The Company shall calculate its Operating Reserve requirement under Regional Reliability Council, as applicable, guidelines for its Network Load and Resources and Network Load and Resources of all previously committed Tariff customers. The same calculation shall be performed including the Transmission Customer's Network Load and Resources. The

difference between the calculated amounts is the Transmission Customer's Operating Reserve obligation.

If the Transmission Customer supplies or arranges supply of its Operating Reserve, it must meet all NERC and Regional Reliability Council, as applicable, guidelines.

If the Transmission Customer is a member of the Regional Reliability Council and governed by their guidelines for supplying operating reserve, the amount of operating reserve specified by the Regional Reliability Council shall apply.

5. Redispatch to Manage Transmission System Constraints

If the Company determines that redispatching Network Resources (including reductions in off-system purchases) to relieve an existing or potential transmission system constraint is the most effective way to ensure the reliable operation of the Transmission System, the Company will redispatch the Company's and the Transmission Customer's Network Resources on a least-cost basis, without regard to the ownership of such resources. The Company will apprise the Transmission Customer of its redispatch practices and procedures, as they may be modified from time to time.

The Transmission Customer will submit verifiable incremental and decremental cost data for its Network Resources, which estimates the cost to the Transmission Customer of changing the generation output of each of its Network Resources, to the Company. These costs will be used, along with similar data for the Company's resources, as the basis for least-cost redispatch. The Company's transmission operation staff will keep its data confidential, including from the Company's marketing staff. The Company will implement least-cost redispatch consistent with its existing contractual obligations and its current practices and

procedures for its own resources. The Transmission Customer is obligated to respond immediately to requests for redispatch from the Company.

Once redispatch has been implemented, the Company will book in a separate account costs incurred by both the Company and the Transmission Customer based on the submitted incremental and decremental costs. The Company and the Transmission Customer will each bear a proportional share of the total redispatch costs based on their then-current Load Ratio Shares. The Company will or credit the Transmission Customer's monthly bill as appropriate.

6. Maintenance of Facilities

(a) The Network Operating Committee shall establish procedures to coordinate the maintenance schedules of the generating resources and transmission and substation facilities, to the greatest extent practical, to ensure sufficient transmission resources are available to maintain system reliability and reliability of service.

(b) The Transmission Customer shall obtain: (1) concurrence from the Company, at an interval established by the Network Operating Committee, before beginning any scheduled maintenance of its facilities; and (2) clearance from the Company when the Transmission Customer is ready to begin maintenance on a Network Resource, transmission line, or substation (operated at 69 kV and above). The Transmission Customer shall immediately notify the Company at the time when any unscheduled or forced outages occur and again when such unscheduled or forced outages end. The Transmission Customer shall notify and coordinate with the Company prior to reparalleling the Network Resource, transmission line, or substation with the Transmission System.

7. Load Shedding

(a) The Parties shall implement load shedding programs to maintain the reliability and integrity of the Transmission System, as provided in Section 3.3 of the Tariff in accordance with NERC and Regional Reliability Council guidelines and Good Utility Practice. Load shedding may include: (1) automatic load shedding; (2) manual deep load shedding; or (3) rotating interruption of customer load. When manual deep load shedding or rotating interruptions are necessary, the Company shall notify the Transmission Customer's dispatchers or schedulers of the required action and the Transmission Customer shall comply immediately.

(b) The Transmission Customer shall, at its own expense, provide, operate, and maintain in service underfrequency load-shedding equipment. The Transmission Customer's equipment shall be compatible and coordinated with the Company's load-shedding equipment.

8. Service Conditions

The Parties recognize that operating and technical problems may arise in the control of the frequency and in the flow of real and reactive power over the interconnected transmission systems. The Network Operating Committee may adopt operating rules and procedures as necessary to assure that, as completely as practical, the delivery and receipt of real and reactive power and energy hereunder shall be accomplished in a manner that causes the least interference with such interconnected systems.

A Transmission Customer interconnecting with the Company's Transmission System is obligated to follow the same practices and procedures for interconnection and operation that the Company uses for its own load and resources.

Where the Transmission Customer purchases Ancillary Services from third parties, the Transmission Customer shall have the responsibility to secure contractual arrangements with such third parties that are consistent with the Tariff, this Network Operating Agreement, any applicable rules and procedures of the Network Operating Committee, and the NERC and the Regional Reliability Council, as applicable, guidelines.

9. Data, Information, and Reports

(a) The Transmission Customer shall, upon request, provide the Company with such reports and information concerning its network operation as are reasonably necessary to enable the Company to operate its transmission system adequately and meet all NERC and Regional Reliability Council guidelines and requirements.

This information will include, but not be limited to, forecasts and actual schedules for generating unit operation, interchange, losses, and load. Additionally, annual load and resource forecasts, pursuant to Section 31.6 of the Tariff shall be furnished to the Company. The Transmission Customer shall telemeter to the Company information needed to operate the Transmission System in a reliable manner and meet NERC and Regional Reliability Council requirements. Telemetry requirements for the Transmission Customer shall be consistent with practices followed by the Company.

10. Metering

(a) The Transmission Customer shall either provide and maintain appropriate metering (and related telemetry and communications) equipment or purchase such from the Company at their cost. Metering equipment shall meet the guidelines of NERC and the Regional Reliability

Council, as applicable, industry standards such as ANSI and other practices consistently adhered to by the Company.

(b) Procedures for meter reading, calibration, and adjustments shall be established by Network Operating Committee based on practices consistently adhered to by the Company.

(c) The Customer shall have access to metering data, which may reasonably be required to facilitate measurements and billing.

11. Communications

(a) The Transmission Customer shall, at its own expense, install and maintain communication link(s) for scheduling. The communication link(s) shall be used for data transfer and for voice communication.

(b) A Transmission Customer contributing to Regulating Margin and Operating Reserve requirements or securing the requirements from a third party shall, at its own expense, install and maintain telemetry equipment communicating between the generating resource and the Company.

12. Assignment

This NOA shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns, but shall not be assigned by either Party, except to successors to all or substantially all of the electric properties and assets of such Party, without the written consent of the other.

13. Notice

Any notice or request made to or by either Party regarding this NOA shall be made to the representative of the other Party as indicated in the Network Service Agreement.

14. The Tariff and the Network Integration Service Transmission Service Agreement are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this NOA to be executed by their respective authorized officials.

Company:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

ATTACHMENT H

Annual Transmission Revenue Requirement
For Network Integration Transmission Service

1. The Annual Transmission Revenue Requirement for purposes of the Network Integration Transmission Service shall be \$14,686,370.
2. The amount in (1) shall be effective until amended by the Company or modified by the Commission.

ATTACHMENT I

Index Of Network Integration Transmission Service Customers

Customer	Date of Service Agreement
----------	------------------------------

None at this time.