



NEW ENGLAND POWER POOL

2010 ANNUAL REPORT

NEPOOL at a Crossroads

"I am very appreciative of groups like NEPOOL and the role they play...what a rich tradition in history NEPOOL has, that the rest of the country can draw upon some of its experience in going forward as we face some of our energy problems."

FERC Commissioner John R. Norris

"...in contrast to the 2010 World Cup, our teams are all on the field at the same time, we are all competing against each other, we have various referees who only get to penalize certain players but not others, the rules change in the middle of the game...it is our collective responsibility to work through all that and NEPOOL will help us in reaching that goal."

CT DPUC Chairman Kevin M. DelGobbo

2010 Participants Committee Summer Meeting

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Message from the Chairman

Two roads diverged in a yellow wood, begins the famous Frost poem, *and sorry I could not travel both and be one traveller, long I stood and looked down one as far as I could to where it bent in the undergrowth*. NEPOOL at a Crossroads is the theme for this year's annual report, a choice that could not be a better fit in our current climate. NEPOOL Participants stand in front of real decisions about the future of our energy supply and the transmission that will deliver it, and what role they want this organization to play in making it all happen.

NEPOOL has walked a long road since its inception in 1971 with membership of a far smaller group of vertically integrated, investor-owned utilities and smaller municipal utilities and joint action agencies. Today, NEPOOL has over 450 members from every facet of the industry, including sectors and business interests that did not exist at NEPOOL's formation. The size of the table has grown and the interests are more diverse than ever. Governors and regulators from all six New England states now participate in our stakeholder process, both as individual states and as part of the New England Conference of Public Utilities Commissioners (NECPUC) and the New England States Committee on Electricity (NESCOE). The recently constituted Consumer Liaison Group provides additional opportunities for consumer advocates and end users to participate more meaningfully in NEPOOL. Prominent among those at the table is ISO New England (ISO) with its independent influence. The ISO and the region are far better today for the cooperative and effective relationships among the ISO and NEPOOL Participants.

Our industry keeps changing and Participants never stop moving. Technologies evolve, political winds change, and the costs of doing business are as volatile as the price of natural gas. To maintain reliability given aging infrastructure and uncertain loads, energy trading and environmental policies, transmission costs necessarily are rising, with over \$4 billion invested in New England's transmission infrastructure since 2002, and another \$5 billion planned in the next few years. The region continues to push to satisfy more and more of its energy needs with environmentally friendly resources. That goal is increasingly challenged by economic realities that the cost of new renewable energy is presently more expensive than existing embedded cost alternatives. There is more capacity on the system than our currently defined needs, and natural gas prices reflect the abundant supply of shale gas available on the Eastern seaboard. There also is an increasing desire to take advantage of renewable power generated in New England or by our Canadian neighbors. Throughout all of this change, the region must assure that reliability is maintained.

As we move down the road of restructuring, NEPOOL Participants must choose whether and how they will seek to influence the future. The region achieved a settlement on the Forward Capacity Market after three years of litigation, and 2010 marked the first Capacity Commitment Period in that new market. We are now in the midst of another round of capacity market litigation, revisiting the appropriate level of compensation for resources, how reliability needs should be met, and ultimately whether stated or not, whether all capacity ought to be treated equally. NEPOOL has provided and continues to provide a forum to identify and address the challenges our industry faces. The NEPOOL Participants must now decide with the benefit of that forum which road to travel. One road is lined with lawyers, consultants and outcomes dictated by the FERC; those traveling the second road negotiate together the twists and turns of the industry with the collaborative involvement of all competing business interests. Which path should we travel?

For my part, I confess to be colored by almost 30 years of history with NEPOOL in my unqualified support for traveling the path to consensus. Sometimes that path requires a detour to litigation but with a prompt return to the main path to consensus. As your Chairman, I have undertaken to minimize our detours and plan, in whatever role I may play, to get us through these detours and back on the path to consensus and collaboration. I urge each of us now to choose to move to the path, of late, less traveled, and to rededicate ourselves to the notion that we collectively can control our own destiny and make our own decisions as a region, rather than leaving our future in the hands of the FERC. Working together has made, and will continue to make, *all the difference*.

Sincerely,



Brian E. Forshaw
Chairman, NEPOOL
Participants Committee



452*

NEPOOL Participants

75

Generation Companies

31

Transmission and
Distribution Companies

54

Municipal Utilities

168

Suppliers

45

Alternative Resource
Providers

75

End Users

NEPOOL Participants Committee

12

meetings

134

votes

NEPOOL Markets Committee

17

meetings

86

votes

NEPOOL Reliability Committee

24

meetings

114

votes

NEPOOL Transmission Committee

14

meetings

22

votes

*As of December 1, 2010.

All Principal Committee meeting totals projected through December 31, 2010.

All Principal Committee vote tallies are as of November 30, 2010.

2010 NEPOOL Elected Officers

Robert de R. Stein

(Supplier)

Bob Stein is the Supplier Sector representative, and served as the Chairman of the Participants Committee for 2008 and 2009. He has been involved in NEPOOL activities for over 38 years, with his first professional job in transmission planning at NEPOOL. Over his long career, he has represented municipals and utilities on a variety of NEPOOL committees. He was a co-founder of the Signal Hill Consulting Group in 1998, and has represented various stakeholders in NEPOOL since 1996.

August Fromuth

(End User)

Gus Fromuth, the newest addition to the officers, is the End User Sector representative. He is Managing Director of Freedom Energy Logistics, a firm that specializes in direct enrollment of end users in NEPOOL and the New England Markets. Along with colleagues, Gus pioneered this concept of direct end user access, successfully working through the NEPOOL stakeholder process in 2003 to design and refine the ground rules for direct market participation by end users. Gus continues to advocate for end users and mechanisms to enhance their access to direct market participation, including dynamic pricing availability.

Douglas Hurley

(Alternative Resources)

Doug Hurley represents the Alternative Resources Sector. He is an Associate with Synapse Energy Economics, where he represents the interests of consumer advocates, environmental, and renewable resource clients at numerous NEPOOL and PJM stakeholder meetings. He was the lead client representative for three members of the Alternative Resources Sector in the FCM settlement conferences which, with help from other parties, successfully included demand response and energy efficiency in the FCM design.



Peter D. Fuller

(Generation)

Pete Fuller is the Generation Sector representative and has over 9 years of representative participation in NEPOOL. He is Director, Regulatory & Market Affairs for NRG Energy, Inc., where he is responsible for NRG's state and federal regulatory and policy activities in New England. Pete served in 2006 and 2007 as the Chairman of the Participants Committee and as the Co-Chair of the Installed Capacity Requirements Working Group. He is NRG's Member on the Participants Committee and each of the Technical Committees. He is the Chairman of the New England Power Generators Association.

Brian E. Forshaw

(Publicly Owned Entity)

Brian Forshaw is the Publicly Owned Entity Sector representative and Chair for 2010. He is Director of Power Supply for the Connecticut Municipal Electric Energy Cooperative (CMEEC), where he has worked for 28 years. CMEEC is a Connecticut joint-action power supply agency organized to secure reliable and low cost power supplies for municipal electric utilities. Brian currently represents CMEEC and other publicly owned utilities at NEPOOL. Additional responsibilities at CMEEC include long-term resource planning, strategic planning, resource procurement and contract negotiations.

Calvin A. Bowie

(Transmission)

Cal Bowie is the Transmission Sector representative. His extensive experience with NEPOOL dates back to 1984 when he attended his first Generation Task Force meeting. He has a utility background in distribution engineering, system planning, commercial and industrial account management, and wholesale marketing. He was active in NEPOOL governance reform and membership, chairing the Membership Subcommittee for a number of years. Cal is active at the Markets, Reliability, and Transmission Committees and their working groups and held the position of Vice-Chair of the Transmission Committee from 2007 to 2008.



2010 NEPOOL Elected Officers

Technical Committees

Markets Committee

Chair - ISO Appointed



Allison H. DiGrande

Vice-Chair - Participant - Elected



Thomas W. Kaslow
(Supplier)

Reliability Committee

Chair - ISO Appointed



Donald L. Gates

Vice-Chair - Participant - Elected



William S. Fowler
(Supplier/Generation)

Transmission Committee

Chair - ISO Appointed



Dorothy J. Capra
(Generation)

Standing Subcommittees (Participants Committee)

Budget & Finance Subcommittee

Chair

Joel S. Gordon
(Supplier)

Membership Subcommittee

Chair

Michael J. Lynch
(Publicly Owned Entity)

2010 witnessed a number of changes and proposed changes for the composition of NEPOOL's membership. In October, Northeast Utilities and NSTAR announced a proposed merger, which would create a combined utility with a total enterprise value of \$17.5 billion and nearly 3.5 million electric and gas customers, 4,500 miles of electric transmission lines, 72,000 miles of electric distribution lines and 6,000 miles of gas distribution lines. GDF Suez Energy International and International Power announced a proposed combination, both of whom have a significant presence in the New England generation market. The combination of these two companies, expected to occur early in 2011, would result in a generating company with approximately 2,700 MW of generation assets in New England. In August of this year, the owners of the Boston Generating assets, which represent over 2,900 MW of generation and the third largest power generating portfolio in New England, arranged an agreement with Constellation Energy as a "stalking horse" bidder and subsequently filed voluntarily for bankruptcy. That bankruptcy is still pending. Energy Capital Partners, which previously sold its generating fleet in New England to GDF Suez, acquired three combined cycle gas turbines in Connecticut and Massachusetts and announced in November an additional acquisition for a similar turbine in Connecticut, which would create the fifth largest generating fleet in New England with approximately 1,800 MW of capacity. In October, Constellation Energy completed its acquisition of CPower, expanding Constellation's total dispatchable demand response capacity across North America to 1,500 MW. NEPOOL will continue to evolve with these and other combinations and transpositions.



NEPOOL's Membership

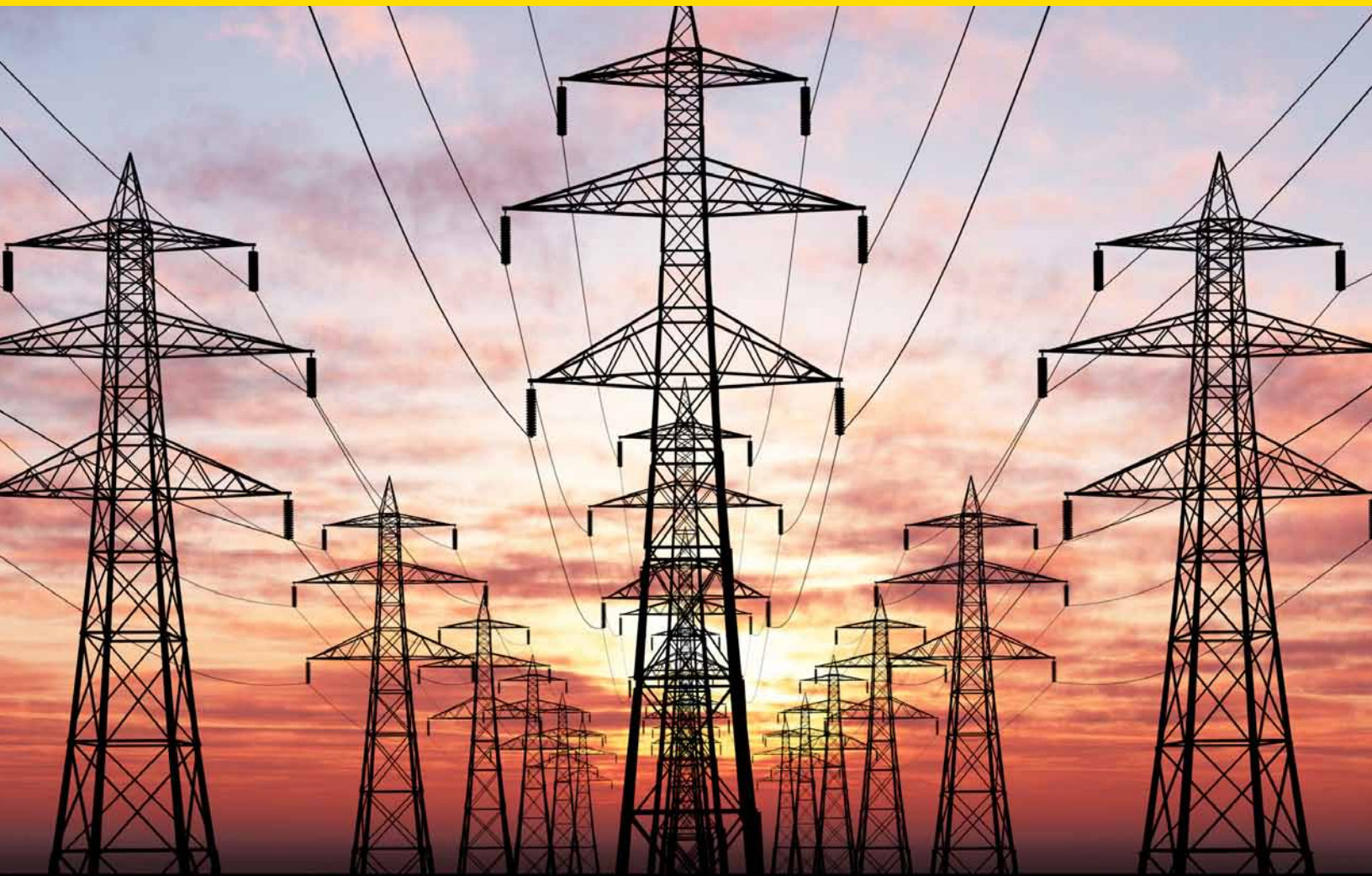
Who's on the Road (or "The Travelers")

In 2010, 60 new members joined the ranks of those traveling the road of restructuring. **As of December 1, NEPOOL membership has grown to more than 450 members.** Those NEPOOL members include generation companies, transmission and distribution companies, municipal utilities, marketers, aggregators, demand response providers, developers, and end users.

New members joined to participate in the Energy and Forward Capacity Markets, to support retail activities in the New England retail markets, and to succeed other long-time members. The membership growth in 2010 occurred principally through a larger number of marketers and aggregators joining the Supplier Sector. Many members joined to participate actively in the capacity markets through taking on new Capacity Supply Obligations. To assist those navigating through restructuring, NEPOOL hosted a formal orientation session following its 2009 Annual Meeting, and is planning once again to host an orientation following the December 2010 Annual Meeting. These orientation sessions augment the comprehensive market training program provided by ISO.

NEPOOL's ever larger and more diverse membership enhances NEPOOL's ability to identify and navigate the challenges facing the region's wholesale markets. The success of those efforts depends, though, on dynamic engagement in the NEPOOL stakeholder processes, active efforts by members to encourage emerging new members to become integral participants in those processes, and respect for and accommodation of, if possible, the diverse perspectives of all members, existing and new, as issues are addressed.





The **Eastern Interconnection Planning Collaborative (EIPC)** is a major national initiative funded in part by the Department of Energy to conduct scenario planning for the bulk power system on an Eastern Interconnection-wide basis (covering 39 states and part of Canada, and involving 26 planning authorities, including all of the ISOs in the Eastern Interconnection (EI)). The EIPC has a two-year mission to develop three transmission build-out scenarios covering a range of futures. EIPC has received a high level of attention across the EI and rightly so, because the work being done in EIPC could form the basis of actual transmission and resource development plans affecting the entire EI and involving hundreds of billions of dollars of commitments. The EIPC work will provide part of the framework for state and federal policy decisions affecting the future of the electric industry. It will also provide a model and structure for ongoing collaborative planning among the states, market participants, planning authorities and other interested persons in the EI.

For New England, which has strong history of regional system planning and collaborating with its neighbors, EIPC represents an opportunity and a risk. The opportunity is to strengthen our collaborative work with other regions in the EI. The risk is that other interests in the EI could use EIPC to further their agenda to develop

generation resources and the related transmission infrastructure in a way that could impose cost burdens on New England that are considered unacceptable in the region, and could limit the ability of those in New England to develop resources and infrastructure here in New England and neighboring regions in a way considered here to be more acceptable.

NEPOOL members immediately recognized the importance of the EIPC effort and the crossroad of opportunity and risk it presents, and NEPOOL provided the ideal vehicle for quick mobilization to navigate these new challenges. Members resolved early for NEPOOL to be part of this process and committed NEPOOL resources to develop the stakeholder structure and working group efforts needed to assist in selecting transmission build out scenarios for study. At the direction of NEPOOL, NEPOOL counsel has served in an advocacy, monitoring and liaison role in the EIPC process, and has helped coordinate and focus efforts among New England, market participants, states and the ISO representatives and, with New York representatives, to develop a coordinated and cohesive Northeast perspective. Various individual NEPOOL participants are active, providing thought leadership and effective advocacy in EIPC and helping to advance New England's interests in this important work.

Participants Committee

As the principle governing body of NEPOOL, the Participants Committee considers and acts on all matters affecting the region's wholesale electric power arrangements, either directly or by delegation. Every NEPOOL Participant is entitled to have a member on this Committee. Pursuant to the Participants Agreement, Participants Committee authority includes votes on ISO and Participant proposals to adopt or change the ISO Tariff, including changes to the Market Rules, OATT and general tariff provisions, Financial Assurance and Billing Policies, and the Information Policy. The Participants Committee also acts on recommendations for Installed Capacity Requirements and related values, Operating Procedures, Manuals, key changes to GIS rules (the Markets Committee addresses changes on details), and other system rules and procedures. The Participants Committee reviews and votes on the annual budgets of the ISO and NESCOE. The Participants Committee also votes on whether to endorse candidates recommended for the ISO Board of Directors. In all, the Participants Committee voted on 134 resolutions through November of 2010, with an additional 10 votes expected in December.

To carry out its responsibilities in 2010, the Participants Committee held 12 meetings, including a two-day Summer

Meeting in June in Westbrook, CT and a November meeting at ISO headquarters in Holyoke, MA. In January, the Participants Committee conducted a meeting by teleconference. All other meetings were in Boston, MA.

The Participants Committee actively works to inform and involve all interested stakeholders and regulators. At its Summer Meeting, FERC Commissioner John R. Norris attended and shared his insights as to the status of national energy policy. Commissioner Norris discussed reducing carbon emissions, the use of demand-side resources, efforts to increase renewable energy, smart grid and other technological advances, as well as investments for transmission infrastructure.

The Participants Committee is also a key forum for interaction with State regulators, policy makers and staff. Regulators from all six of the New England states participated in the Summer Meeting, discussing issues such as FCM and the ongoing litigation over the redesign of that market, demand response, transmission planning and investment, the development of renewable resources, particularly with the then-pending release of the New England Wind Integration Study, and other matters of specific interest to their Commissions. In November,

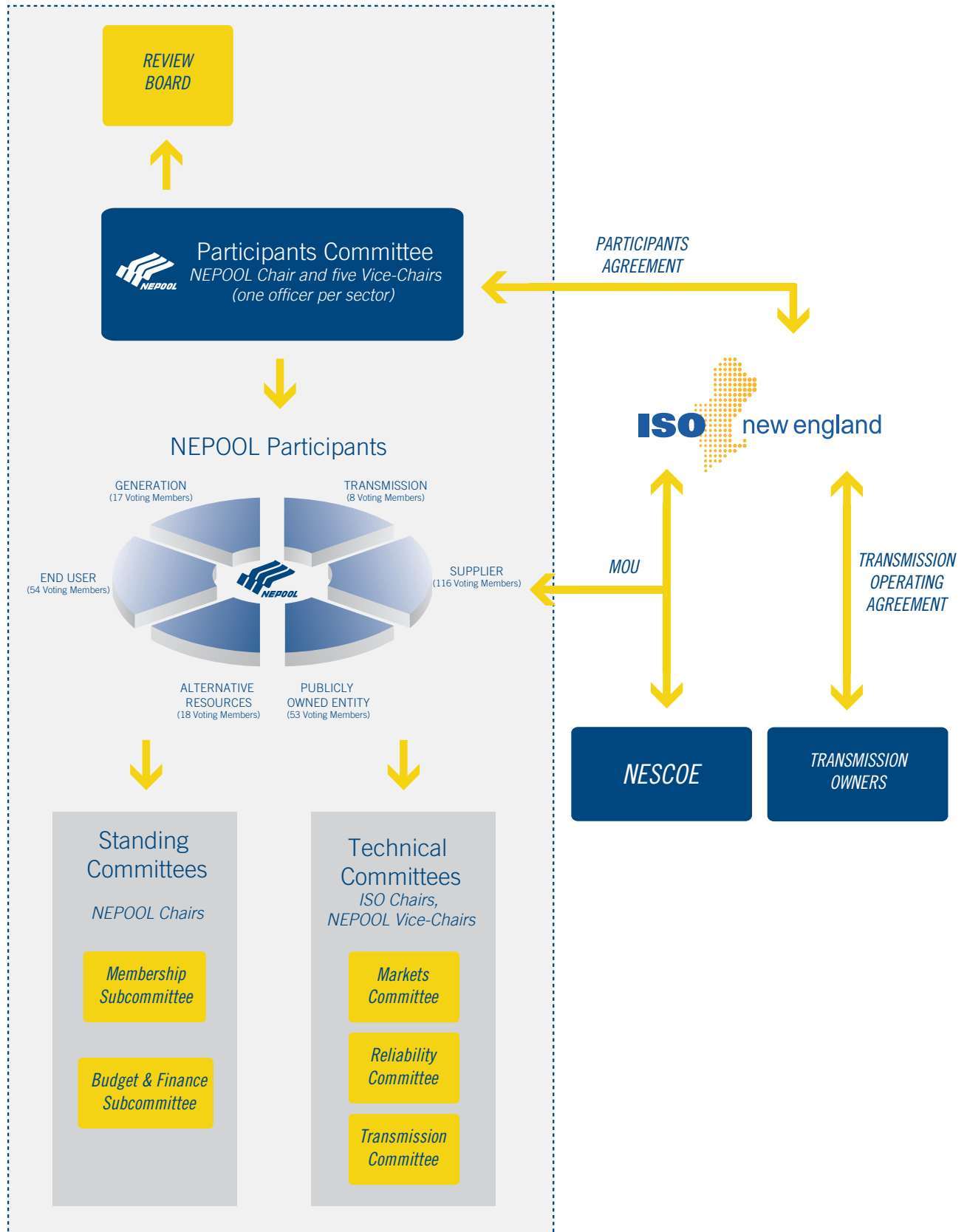
staff members from New England met with the Sectors to discuss matters of interest. Staff members routinely attended and participated actively in Participants Committee meetings, as did representatives of the Northeast Power Coordinating Council (NPCC), NECPUC, and NESCOE.

The Participants Committee is also the committee that meets biannually with the ISO Board of Directors. Both at the Summer Meeting and the November meeting at ISO headquarters, individual Sectors each met with members of the ISO Board, for approximately one hour, to discuss matters of specific interest to their Sectors.

In addition to the above, the Participants Committee also represents the NEPOOL Participants in proceedings before federal and state regulators. In 2010, the Participants Committee participated in or actively monitored more than 140 legal proceedings involving New England matters, including FERC litigation over the future of the FCM and several significant FERC rulemakings regarding compensation for price responsive demand, variable (or intermittent) energy resources, transmission planning and cost allocation, and credit reforms. Those proceedings are identified at pages 22 and 23 of this Annual Report.



NEPOOL Stakeholder Process



On November 16, stakeholders reviewed the final results from the ISO of the long anticipated **New England Wind Integration Study (NEWIS)** at the Planning Advisory Committee. The study was commissioned by GE Energy in 2009 in an effort to determine how the organization and region should plan for the integration of large amounts of renewables. Accompanying the report is a set of recommendations by GE Energy that will be reviewed by the NEWIS Technical Review Committee and, if endorsed, will be implemented by the ISO and the region on various timetables. The goal of the NEWIS is to provide mechanisms to ensure that the ISO can meet its responsibilities of operating the system reliably, managing transparent and competitive power system markets, and planning for the future needs of the system. The region aims to achieve these goals while simultaneously providing a means to facilitate innovation and the fulfillment of New England's policy objectives.



Markets Committee

The NEPOOL Markets Committee is one of the standing Technical Committees under the NEPOOL arrangements. It is chaired by a representative of the ISO, and the members elect a Vice-Chair. In 2010, the members elected Mr. Thomas Kaslow to serve his first term as a Vice-Chair of the Markets Committee.

With the beginning of the FCM's first Capacity Commitment Period on June 1, the NEPOOL Markets Committee, over the course of 17 meetings (many of them multi-day meetings), was busy in 2010 considering and recommending to the Participants Committee numerous changes to the market rules and manuals needed for that market in its inaugural year. Those changes addressed, among other things, competitiveness requirements for Capacity Imports, the overlapping interconnection analysis for Demand Resources, Demand Resource performance penalties, cold weather performance issues, Qualification Process Cost Reimbursement Deposits, and the conforming of other governing provisions such as Appendix A (Market Monitoring, Reporting, and Market Power Mitigation), Market Rule 1, and the Tariff's centralized Definitions section with the FCM.

Earlier in the year, the Markets Committee considered and recommended for Participants Committee approval a package of major market rule changes to the FCM that were subsequently approved by the Participants Committee and have been under consideration by the FERC for much of 2010. The Markets Committee also provided recommendations to the Participants Committee regarding NEPOOL's response to the FERC's rulemaking on demand response compensation.

Additionally, the Markets Committee addressed other topics such as load reconstitution, internal bilateral transactions, double-recovery for Voltage-Ampere Regulation (VAR)-capable resources, common costs for generating stations with multiple units, Day-Ahead Net Commitment Period Compensation (NCPC) settlement, the correction of meter data errors, the elimination of the secondary Financial Transmission Rights (FTR) market, and further enhancements to the Forward Reserve Market.

The Meter Reader and Demand Response Working Groups were also busy in 2010, each meeting 10 times. The Meter Reader

Working Group focused on technical details that influence the Host Participant Assigned Meter Reader methodology to determine and report capacity obligations; identified infrastructure requirements to implement FERC initiatives (such as eligibility criteria for asset related demands); and also provided input on manual changes affecting Host Participant Assigned Meter Reader activities. The Demand Response Working Group provided input on the changes to the FCM manuals relating to the registration, auditing, and verification of Demand Reduction Values for Demand Resources. This Working Group also conducted numerous technical sessions relating to North American Energy Standards Board (NAESB) updates, metering configurations, asset registration scenarios, asset data conversions, overlapping impact studies, customer baselines, performance, and lessons learned.

Reliability Committee

The Reliability Committee is another of the three standing Technical Committees under the NEPOOL arrangements. Like the Markets Committee, the Reliability Committee is chaired by a representative of the ISO, and the members elect a Vice-Chair. In 2010, the members re-elected Mr. William Fowler to his fourth term as Vice-Chair of the Reliability Committee.

With the many proposed improvements and upgrades to the region's transmission facilities, the NEPOOL Reliability Committee was busy in 2010 considering and recommending to the ISO and the

Participants Committee numerous changes to the system and rules and standards needed for system operations.

For much of the year the Reliability Committee has been focused on proposals for new rules regarding the calculation of tie benefits. This work will culminate in an ISO filing by the end of 2010 of tie benefits rules changes.

The Reliability Committee held 24 meetings in 2010, and, with input from a variety of task forces and sub-committees such as the Voltage Task Force, the Stability Task Force,

the Transmission Task Force, and the Power Supply Planning Committee, the Reliability Committee provided NEPOOL advisory input to the ISO and recommendations to the Participants Committee on numerous proposed plan applications, revisions to operating and planning procedures, Installed Capacity Requirements, proposed revisions to market rules regarding tie benefits, proposed delists of capacity resources, and several hundred million dollars worth of transmission cost allocation applications.

Transmission Committee

The Transmission Committee is the third standing Technical Committee under the NEPOOL arrangements. Like the other Technical Committees, the Transmission Committee is chaired by a representative of the ISO, and the members elect a Vice-Chair. In 2010, the members re-elected Ms. Dorothy Capra for her second term as Vice-Chair.

The NEPOOL Transmission Committee held 14 meetings and provided advisory

input to the ISO and recommendations to the Participants Committee on compliance with FERC orders regarding eTariff, NAESB requirements, reactive power payments, and the removal of the transmission service price cap.

The Transmission Committee also addressed NEPOOL comments in two important rulemaking proceedings regarding transmission planning and cost allocation and variable energy resources,

the second of which just culminated in a FERC Notice of Proposed Rulemaking that will result in the need for further input from the Transmission Committee in 2011.

In addition, the Transmission Committee provided recommendations on proposed Tariff amendments regarding capacity ratings and interconnection-related service.

Budget and Finance Subcommittee

The Budget and Finance Subcommittee spent much of its time in 2010 working with the ISO on a major overhaul of the ISO's Financial Assurance and Billing Policies, particularly as they relate to the use of unsecured credit.

The Subcommittee, which was chaired by Mr. Joel S. Gordon, met 10 times in 2010.

The changes worked through the Subcommittee and approved by the FERC (some changes were not approved by the FERC and were subsequently modified in light of the FERC's direction) include: (i) providing for twice-weekly, rather than weekly, settlement for certain charges; (ii)

eliminating the use of unsecured credit for FTR transactions; (iii) reallocating the costs of defaults where unsecured credit is used; (iv) segregating the billing and collateralization of transmission charges from other ISO charges; and (v) improving the quality of security that is provided pursuant to the Policies. Those changes are to become effective on January 26, 2011.

The Budget and Finance Subcommittee has also actively participated in the FERC's rulemaking regarding credit reform in organized wholesale electric markets. FERC's final rule in that proceeding became effective on November 26, 2010,

and is designed to reduce both the risk and the cost of default shared among market participants. The final rule incorporates suggestions and concerns articulated by NEPOOL and other parties in the proceeding. The Budget and Finance Subcommittee will work with the ISO to make further changes to the Financial Assurance Policy as required by that rule, with a June 30, 2011 deadline to file those changes.

The Budget and Finance Subcommittee has recommended the following NEPOOL budget for 2011 (with 2010 budget forecast figures included for comparison) (\$000):

	2011 PROPOSED BUDGET	2010 APPROVED BUDGET	2010 CURRENT FORECAST
Operating Expenses	\$6,283	\$6,032	\$5,730
Revenue	(\$3,500)	(\$2,999)	(\$3,606)
Net Participant Expenses	\$2,783	\$3,033	\$2,124



The region has been presented with many choices in its travel to cleaner generation, but has remained constant so far in its quest for greater **renewable generation**. The American Recovery and Reinvestment Act reflected a federal commitment to renewable generation and the New England states have also passed many of their own statutes such as the regional greenhouse gas initiative and increasingly aggressive renewable portfolio standards (RPS) to encourage renewable generation over carbon-emitting generation sources. These programs have ranged in size from the smallest residential programs such as solar water heater programs for households to large utility-scale renewable energy projects such as Cape Wind, which is poised to be the first off-shore wind project in the nation.

Renewable energy in New England, however, finds itself at a particularly challenging crossroads at this time. While there are active policies, public sentiment and project development favoring renewable energy, there is great uncertainty over the future. New England currently has more capacity than its immediate need and the region's single largest generation fuel

source, natural gas, is at low prices that reflect the abundant supply of gas available in the eastern portion of the country due to the increased development of shale gas. As a result, the cost of renewable energy is high relative to the current market prices for power, which is largely dependent on natural gas prices. Proposed transmission lines from Canada can have a material impact on the market, but the installation timeframe and costs of such lines are uncertain. There are questions over whether power from outside New England will meet RPS satisfaction, and the answer to that question can profoundly impact REC pricing. A recent law suit in Massachusetts challenging the constitutionality of Massachusetts statutes seeking to favor indigenous renewable generation over imports into the commonwealth add further uncertainty to the validity of state-specific renewable energy programs.

NEPOOL provides a constant and reliable means of ensuring that the region's market participants have the information needed to navigate the path to an increasingly clean supply of energy for the region.

GIS Working Group

The NEPOOL Generation Information System (GIS) creates and manages electronic certificates representing the fuel source, emissions and other attributes of all the power settled in the ISO's market settlement system, as well as attributes for certain behind-the-meter generators that are not settled in the ISO system and certain renewable generators that import power into New England. These certificates form the basis for retail bill disclosures, renewable and alternative energy portfolio standard compliance, environmental trading and investment incentives in the New England states. The GIS is owned by NEPOOL and is operated and administered by APX, Inc.

The GIS Operating Rules Working Group, which reports to the Markets Committee, addresses changes to the GIS, including the Operating Rules governing the GIS.

In 2010, the GIS Operating Rules Working Group, which is chaired by Mr. Dennis J. Duffy, met four times and developed a number of changes to the GIS Operating Rules, which the Markets Committee considered and ultimately supported. These changes addressed:

(1) the implementation of the Massachusetts Department of Energy Resources' Solar Credit Clearinghouse program; (2) the availability of an optional independent third party account

management service; (3) the creation of a report identifying voluntary GIS Certificate transactions; (4) the provision of additional information on the GIS bulletin board; (5) the inclusion of additional information in the GIS' publicly available reports; (6) the addition of Maine's "community based renewable energy" as a Certificate attribute; and (7) the creation of a publicly-available report showing aggregate data relating to the transfers of GIS Certificates.

The GIS now has 447 active accounts, with 74 of those accounts added in 2010. In addition, 1,003 approved generators have registered in the GIS, with 96 new generators joining in 2010. The GIS has created and managed over 140,028,520 Certificates from the third quarter of 2009 through the second quarter of 2010, and over 9,641,709 Renewable Certificates were created during the first and second quarters of 2010.

Membership Subcommittee

The level of Membership Subcommittee activity remained high during 2010, supporting and facilitating the opportunity for interested entities to join NEPOOL.

The Subcommittee, chaired by Mr. Michael J. Lynch, met 17 times to review, consider, and approve, pursuant to the authority delegated to it by the

Participants Committee, a continuous flow of applications for NEPOOL membership and requests to terminate Participant status. The Subcommittee approved over 60 entities for membership in NEPOOL and termination of the Participant status for 23 entities.

In addition, the Membership Subcommittee considered and developed recommendations to establish and refine the requirements that permit membership by entities who are primarily engaged in the wholesale sale of natural gas, and rules for addressing the voting rights of certain government entities.

NEPOOL Audit Management Subcommittee

The NEPOOL Audit Management Subcommittee (NAMS) was resurrected in early 2010 to help determine whether NEPOOL should perform an operations audit of the ISO or otherwise review the ISO audit process. The Participants have the right under the Participants Agreement to perform such an audit if they so choose every three years.

NAMS members include representatives from each of NEPOOL's six sectors, and Mr. Fernando P. Desilva was appointed as the Chairman of this Subcommittee. After meeting with members of the ISO Audit Division, NAMS recommended that the Participants Committee retain a consultant, Mr. William Dunn, to review ISO audit results and provided input into certain audit processes. After entering into a consulting agreement

with the Participants Committee, Mr. Dunn began reviewing the control room audit results in July 2010, followed by a review of the ISO SAS70 audit process. As reported to the Participants Committee at its November meeting, Mr. Dunn will complete his review in early 2011, after which NAMS will provide a report with recommendations for next steps, if any, to the Participants Committee.

Review Board and Review Board Liaison Committee

The Review Board is an independent, five-member board tasked with considering any appeals by NEPOOL members of NEPOOL's actions or failures to act. The Board is required to act on appeals within 35 business days. In 2010, the following members served on the Board:

Jon (Jack) Lotis (Chair)

Jay Siegel

Jacob Feinstein

Joseph Petrowski*

William Museler

In 2010, the Participants Committee came to a crossroads with respect to the future Review Board arrangements when in May the term of Jack Lotis expired.

Following concerted efforts by a newly constituted Review Board Working Group, the Participants Committee, by consensus, approved in November a proposal to reduce the size of the Review Board to three members beginning in the third quarter of 2011.

In addition, the proposal included provisions intended to minimize the risk and duration of Board vacancies and to establish budgetary parameters for the Board over a five-year period during which these revised arrangements are

intended not to be changed without broad consensus of the Participants Committee.

The Review Board Liaison Committee, chaired by Mr. Thomas Kaslow, met with the Board three times during 2010.

During those meetings, the Liaison Committee apprised the Review Board generally of NEPOOL matters, supporting the Board's need to be prepared to expeditiously address matters that may come before it, addressed the issues raised by the expiration and renewal of Mr. Lotis' term, and discussed and received the Board's input on the proposed changes to the Review Board arrangements discussed above.

*(resigned 5/31/10)



Over the past decade, the region has traveled far down the road of market evolution, including passage through the implementation of standard market design, the development of the Forward Reserve Market and the optimization of its energy and reserves markets, and, in 2006, the initiation of the **Forward Capacity Market**. All of this evolution has been designed to enhance the competitiveness of the overall marketplace, while helping to ensure that the region procures the level of resources needed for the reliable operation of the grid.

The travels through market evolution continued in 2010, although progress on two key issues now awaits direction from the FERC. This year witnessed both the inaugural FCM Capacity Commitment Period and the heavily contested filing of major market refinements to FCM. Much of the early year was spent discussing the future of

the FCM, which produced a contested ISO filing and three rounds of briefs over the future of our capacity markets. Also, after having spent months exploring alternatives for the future treatment of **price-responsive demand**, NEPOOL stopped in its tracks to await direction from the FERC at the very least on the levels of compensation appropriate for such resources. NEPOOL members now stand still at the crossroads awaiting direction from the FERC on capacity market pricing in New England, how New England resources - generation and demand - will be compensated, and more generally whether and to what extent various resources will be compensated the same or differently. Once that direction is provided, NEPOOL is well-positioned to help the region and its stakeholders travel in the coming year the path to be directed by the FERC.

Legal Proceedings & Appeals

FERC review and acceptance of proposed changes to New England's regional arrangements is a necessary prerequisite to the implementation of those changes. In 2010, there were more than 140 active FERC proceedings involving regional New England matters, marked by a continuing focus on the implementation and administration of New England's Forward Capacity Market, enhancements to the financial assurance arrangements, resolution of the capacity import proceedings, and other market issues and improvements.

2010's legal proceedings highlight that, working together through the NEPOOL forum, the path to consensus is the road most often travelled, reducing the level of contested regulatory involvement,

with most proposals for Market Rule and other Tariff changes enjoying the joint support of NEPOOL and the ISO, and where applicable, transmission owners and others with affected filing rights. Where there were detours due to unresolved and contested issues, many of the detours were limited as a result of the input and feedback compelled by the regimen of the Participant Processes. The FERC continued to insist that the route to its action on matters run through the Participant Processes, deferring action in a number of proceedings pending discussion and consideration in the NEPOOL forum.

Of the over 140 active legal proceedings in 2010:

88 were resolved entirely within the Participant Processes

20 were contested but resolved through paper hearings

4 were resolved through or are in ongoing hearings or settlement proceedings

11 were proceedings initiated by periodic reporting requirements

20 were administrative and rulemaking proceedings

NEPOOL counsel summarizes for members each month the legal proceedings relating to New England matters and developments in those proceedings for the prior month. A full listing of the legal proceedings that were active in 2010 is included at pages 21 to 23 of this Annual Report.

Appeals

US Supreme Court

Docket	Appellant(s)	DC Circuit and FERC Dockets Appealed
08-674	MPUC; CT AG/MA AG	Decided Jan 13, 2010 Public Interest Standard applies to contracting and non-contracting parties "Contract Rates" issues Remanded to DC Circuit (06-1403, 06-1427, 07-1193) (ER03-563; ER06-1465)
09-277	CT DPUC et al.	Petition for writ of certiorari denied Jan 11, 2010 ICR Proceedings (07-1375, 07-1460, 08-1175) (ER07-365, ER07-655, ER05-718)

US Court of Appeals for the DC Circuit

Docket	Appellant(s)	Order Appealed
06-1403 et al.	MPUC; CT AG/MA AG	FCM Settlement (ER03-563; ER06-1465)
08-1199	Public Parties	RTO ROE Proceedings (ER04-157-004 and -006)
09-1039	CT DPUC/CT AG	ROE Incentives for UI Bethel-Norwalk Upgrade Costs (ER07-653)
09-1040	CT DPUC et al.	ROE Incentives for NU M-N Project (ER08-966)
09-1220	CT AG, CT OCC	2009 ISO Administrative Costs Recovery (ER09-197)
09-1231	Massachusetts Public Systems	SEMA Cost Allocation (MPS LSCPR Complaint)
09-1320	Brookfield	ICAP Import Contract Complaints (EL09-48-001)
10-1103	PSEG	FCA1 Results (ER08-633)
10-1104	CT AG, CT OCC	2010 ISO Revenue Requirement (ER10-154)
10-1251	NEPGA	FCM Re-Design and Related Complaints (ER10-787; EL10-50; EL10-57)

FERC Proceedings*

Complaints

EL08-48	MPS LSCPR Complaint
EL09-3	MA Municipals Complaint To Terminate Berkshire RMR Agreement
EL09-42	Dartmouth Power Complaint (Appeal of RBA Denial)
EL09-47; 48	ICAP Import Contract Complaints
EL10-50	NEPGA FCM Re-Design Complaint
EL10-57	NRG/PSEG FCM Re-Design Complaint
EL10-58	PSEG Complaint (Bridgeport Harbor Units' Qualified Capacity Ratings)

Rate Filings

ER10-154	2010 Administrative Costs Budget
ER11-1943	2011 Administrative Costs Budget
ER11-1942	2011 Capital Budget/2010 Q3 Capital Projects Report
ER11-1913	2011 NESCOE Budget
ER09-1532 et al.	2010/2011 Power Year Transmission Rate Filing
ER04-157 et al.	RTO ROE Proceedings

ICRs, HQICCs and Related Values

ER10-438	2010/2011 Final ARA and Jump Ball Market Rule Changes
ER10-714	2011/2012 2nd Annual Reconfiguration Auction (ARA)
ER10-1182	2013/2014 Power Year - ICRs, HQICCs and Related Values

Forward Capacity Auction Filings

ER08-633	FCA1 Results Filing
ER08-633	FCA1 Proration Results Filing
ER09-1424	FCA3 Qualification Informational Filing
ER10-186	FCA3 Results Filing
ER10-1185	FCA4 Qualification Informational Filing
ER10-2477	FCA4 Results Filing

Market Rule 1 Changes, Interpretations and Waiver Requests

ER08-1209	Resources Needed for Reliability in the FCM
ER08-41	Tie Benefits Calculation and Allocation
ER08-830	Reports on Future of Load Response Programs
ER09-1051 et al.	Order 719 Compliance Filings
ER09-1144	FCM Phase II Market Rule Changes: Rights and Obligations, Payments and Charges
ER09-1546	NCPC Mitigation Reform
ER10-419	FCM Omnibus 5 Revisions Filing
ER10-437	Removal of Pending LFTR Revisions from Tariff Sheets
ER10-750	De-List Bids for Stations with Common Costs
ER10-787 et al.	FCM Re-Design: Revisions to MR1 §§ 12 and 13
ER10-819	Order 719 Reconciliation Filing
ER10-882	Application of Overlapping Interconnection Impacts Analysis to DR
ER10-902	Competitive Import Requirements
ER10-929	Market Settlement Clarifications
ER10-995	FCM Conforming Changes to Market Rule 1
ER10-996	Updates to Centralized Tariff Definitions
ER10-997	FCM Conforming Changes to Market Rule 1

Appendix A

ER10-1088	FCM Definitions Revisions
ER10-1183	Market Monitoring Reference Updates
ER10-1190	Suspension of Secondary FTR Market
ER10-1306	Change to Designation of Sheet 7013
ER10-1352	Omnibus 6 and ICR Rule Changes
ER10-1653	Load Reconstitution
ER10-1690	FRM Credit Calculation
ER10-2152	Allocation of Loss Revenues Associated with IBTs for Energy
ER10-2232	FCM Performance Penalties and Incentives for Demand Resources
ER11-80	QPCRD Revisions
ER11-1829	FCM/Cold Weather Revisions
ER11-1914	FCM Qualification Changes to Market Rule 1
ER11-2038	FRM Enhancements
ER11-2154	Orrington-Keswick to Keene Road-Keswick Line Changes

FCM Rule Waiver Requests/CSO Terminations

ER10-503	VEC Request for Limited Waiver of FCM Rules
ER10-600	Ampersand Request for Limited Waiver of FCM Rules
ER10-722	Pittsfield and Pawtucket Request for Limited Waiver of FCM Rules
ER10-1347	VELCO Request for Waiver of Market Rule 1 § 1.8.3.7
ER11-81	CPower Request for Limited Waiver of FCM Rules
ER11-1862	CSO Termination: UTC Power
ER11-1968	CSO Termination: Acushnet
ER11-1969	CSO Termination: UI
ER11-1970	CSO Termination: NHEC

eTariff

ER10-1384	eTariff Preparation Filing
ER10-2438	eTariff Baseline Filing
ER10-2933	eTariff Compliance Filing (Credit & Billing Enhancements)
ER11-48	eTariff Compliance Filing (Removal of Host Utility Exceptions)
ER11-50	eTariff Compliance Filing (FCM Performance Penalties and Incentives for DR)
ER11-52	eTariff Compliance Filing (VAR Support Amendments)
ER11-2023	eTariff Compliance Filing (Responsiveness Changes)

OATT Amendments

ER07-397	Schedule 2 (VAR Support) Amendments - Transition Period Double Recovery Issue
ER10-637	NEITC Operating Agreement
ER10-1445	Attachment E (Local Networks) Updates
ER11-2	Orders 676-E and -F Changes to Schedule 24 Incorporating by Reference NAESB WEQ Standards
ER11-1895	Order 739 Compliance Amendments
ER11-1947	ISO Request for Waivers of NAESB WEQ Standards
ER11-2216	Resource Capability Ratings

Financial Assurance/Billing Policy Amendments

ER10-62	Changes to FCM-Related Provisions of the Financial Assurance Policy
ER10-423	FA Exemption for Certain Non-Commercial Capacity Resources
ER10-752	Pre-Payment and Suspension Clarifications
ER10-942 et al.	Unsecured Credit Filing
ER10-1043	Miscellaneous Revisions to the Financial Assurance Policy

Schedule 20/20A/21 Updates

ER10-1181	Schedule 20A-VEC and 21-VEC – 2010 Transmission Formula Update
ER09-934	Schedule 21-BHE Change to Forward Looking Formula Rate
ER10-111	Schedule 21-BHE Local Service Agreements
ER10-1371	Schedule 21-BHE eTariff Clean-up & Preparation
ER09-938	Schedule 21-CMP Conforming Changes to Reflect MPRP CWIP Inclusion in RNS Rate
ER10-199	Schedule 21-CMP KLPD LNS Agreement
ER09-1243 et al.	Schedule 21-NSTAR Annual Informational Filing
ER10-315	Schedule 21-NU Localized Cost Sharing Agreements
ER10-641	Schedule 21-NU Localized Cost Sharing Agreements (NextEra/Dynegy)
ER10-993	Schedule 21-NU Localized Cost Responsibility Agreement (GenConn Devon)
ER10-3101	Schedule 21-NU - CMEEC Transmission Arrangements
ER10-473	Schedule 21-UI Localized Cost Sharing Agreements (NextEra/Dynegy)
ER10-1059	Schedule 21-UI Localized Costs Sharing Agreement (GenConn Devon)
ER10-2760	Waterbury Generation Request for Waiver of NU Unreserved Transmission Use Penalties

Regional Reports

ER03-345	Load Response Status Reports
ER06-613	Reserve Market Compliance Semi-Annual Reports
ER07-476 et al.	LFTR Implementation Quarterly Status Reports
ER08-54	Non-Generating Resource Regulation Market Participation Quarterly Reports
ER08-830	Future of Load Response Programs Reports
ER10-741	Capital Projects Report 2009 Q4
ER10-1248	Capital Projects Report 2010 Q1
ER10-2204	Capital Projects Report 2010 Q2
ER11-1942	Capital Projects Report 2009 Q3
ZZ10-4	Annual Markets Reports - 2009
ZZ10-4	Quarterly Markets Reports - 2009 Q3-Q4; 2010 Q1-Q2

Membership Filings

ER10-517	January 2010 Membership Filing
ER10-684	February 2010 Membership Filing
ER10-799	March 2010 Membership Filing
ER10-972	April 2010 Membership Filing
ER10-1146	May 2010 Membership Filing
ER10-1364	June 2010 Membership Filing
ER10-1650	July 2010 Membership Filing
ER10-2084	August 2010 Membership Filing
ER10-2512	September 2010 Membership Filing

ER11-24	October 2010 Membership Filing
ER11-1999	November 2010 Membership Filing
ER11-2225	December 2010 Membership Filing

Administrative Proceedings

AD09-8	Transmission Planning Processes Under Order 890
AD09-9	Small Hydropower Development
AD09-10	National Action Plan on Demand Response
AD10-4	Technical Conference on MBR Filings and EQR Reports
AD10-5	RTO/ISO Performance Metrics
AD10-11	Frequency Regulation Compensation in RTO/ISO Markets
AD10-12	Increasing Market and Planning Efficiency Through Improved Software
AD10-13	Rates, Accounting and Financial Reporting for New Electric Storage Technologies
AD10-14	Mandatory Reliability Standards for the Bulk-Power System
AD11-1	Reliability Monitoring, Enforcement and Compliance Issues

Rulemaking Proceedings

RM05-5	Order 676-E: WEQ Version 002.1 Business Practices
RM05-5	Order 676-F: Measurement Standards for Demand Response Services
RM09-23	Order 732: Revisions to Form, Criteria, and Procedures for QF Status
RM10-13	Order 741: Credit Reform
RM10-22	Order 739: Promoting a Competitive Market for Capacity Reassignments
RM09-16	NOPR: Exempting Non-Controlling Investments in Utilities from MBR Requirements
RM10-11	NOI/NOPR: Variable Energy Resources
RM10-12	NOI: Market Transparency / EQR
RM10-23	NOPR: Transmission Planning and Cost Allocation
RM11-2	Smart Grid Interoperability Standards

Other

ER08-1281	NYISO: Long-Term Solutions to Lake Erie Loop Flow
ER10-1250	Amendment to ISO External Market Monitor Contract
ER10-1749	ISO Request for Limited Waivers of NAESB WEQ Standards
ER11-1844	MISO Methodology to Involuntarily Allocate Costs to Entities Outside Its Control Area
ER11-23	PTO, SSP and CSC Requests for Waiver of WEQ Standards in Response to Order 676-E
EL10-52	Central Transmission v. PJM: Merchant Transmission Cost Recovery
EL10-67	UI Declaratory Order – Sales to Elm Electric Coop
PL10-1; PL10-2	Transparency of Energy Market Enforcement Process
PL10-4	FERC Penalty Guidelines
QM10-4	PSNH Application to Terminate Mandatory Purchase Obligation from QFs > 5MW
TS11-1	NSTAR Request for Exemption/ Waiver of Transmission Standards of Conduct

NEPOOL Participants*

511 Plaza, LP	Choice Energy	Dighton Power, LLC	FirstLight Hydro Generating Company
511 Plaza Energy, LLC	Cianbro Companies, The	Direct Energy Business, LLC	FirstLight Power Resources Management, LLC
AB Energy NE Pty. Ltd	Cianbro Energy, LLC	Discount Power, Inc.	First Point Power, LLC
Acushnet Company	CinCap V, LLC	Dominion Energy Marketing, Inc.	First Wind Energy, LLC
Advanced Power Services (NA) Inc.	Cinergy Services, Inc.	Dominion Nuclear Connecticut, Inc.	First Wind Energy Marketing, LLC
Algonquin Energy Services Inc	Citadel Energy Investments Ltd.	Dominion Retail, Inc.	Fitchburg Gas and Electric Light Company
Ameresco CT LLC	Citigroup Energy Inc.	DownEast Power Company, LLC	Food City, Inc.
Ameresco DR, LLC	Clearview Electric Inc.	Dragon Energy LLC	FPL Energy Maine Hydro, LLC
American PowerNet Management, LP	CMS Marketing Services and Trading	Dragon Products Company LLC	FPL Energy Mason, LLC
Ampersand Energy Partners LLC	Commonwealth of Massachusetts (Division of	DTE Energy Trading, Inc.	FPL Energy Wyman IV, LLC
ANP Funding I, LLC	Capital Asset Management)	Duke Energy Commercial Enterprises, Inc.	FPL Energy Wyman, LLC
Ansonia Generation, LLC	Community Power & Utility LLC	Duke Energy Ohio, Inc.	Franklin Power LLC
Arctos Capital LLC	Competitive Energy Services, LLC	Dynegy Marketing and Trade LLC	Gallop Power Greenville, LLC
Ashburnham Municipal Light Plant	Competitive Power Ventures, Inc.	Dynegy Power Marketing, Inc.	Galt Power Inc.
Associated Industries of Massachusetts	Converge, Inc.	East Avenue Energy LLC	Garland Manufacturing Company
Athens Energy LLC	Concord Municipal Light Plant	Easy Energy of Massachusetts, LLC	Garland Power Company
Backyard Farms, LLC	Concord Steam Corporation	ECO Industries, LLC	Gas Recovery Systems, LLC
Backyard Farms Energy, LLC	Connectiv Energy Supply Inc.	EDF Trading North America, LLC	GDF Suez Energy Marketing NA, Inc.
Bangor Hydro-Electric Company	Connecticut Central Energy, LLC	Edison Mission Marketing & Trading, Inc.	GDF Suez Energy Resources, NA, Inc.
Bank of America, N.A.	Connecticut Clean Energy Fund	eKapital Investments LLC	GenConn Energy LLC
Barclays Bank PLC	Connecticut Jet Power LLC	Electricity Maine, LLC	Georgetown Municipal Light Department
Beacon Power Corporation	Connecticut Light and Power Company, The	Elektrisola, Inc.	Glacial Energy of New England, Inc.
Bear Swamp Power Company LLC	Connecticut Municipal Electric Energy Cooperative	Emera Energy Services, Inc.	Granite Reliable Power, LLC
Belmont Municipal Light Department	Connecticut, Office of Consumer Counsel	Emera Energy Services Subsidiary No. 1 LLC	Granite Ridge Energy, LLC
Berkshire Power Company, LLC	Connecticut Resources Recovery Authority	Emera Energy Services Subsidiary No. 2 LLC	Granite State Electric Company
BG Energy Merchants, LLC	Conservation Law Foundation	Emera Energy Services Subsidiary No. 3 LLC	Great Bay Power Marketing, Inc.
BJ Energy, LLC	Conservation Services Group, Inc.	Emera Energy Services Subsidiary No. 4 LLC	Green Berkshires, Inc.
Black Bear HWVG, LLC	Consolidated Edison Co. of New York, Inc.	Emera Energy Services Subsidiary No. 5 LLC	Green Mountain Power
Black Bear Hydro Partners, LLC	Consolidated Edison Development, Inc.	Emera Energy U.S. Subsidiary No. 1 Inc.	Groton Electric Light Department
Black Oak Energy, LLC	Consolidated Edison Energy, Inc.	Emera Energy U.S. Subsidiary No. 2 Inc.	Groveland Electric Light Department
Blackstone Hydro, Inc.	Consolidated Edison Solutions, Inc.	EMI Power Systems, LLC	Gulf Oil Limited Partnership
BlueStar Energy Services, Inc.	Constellation Energy Commodities Group, Inc.	Enbala Power Networks Inc.	H.Q. Energy Services (U.S.) Inc.
BNP Paribas Energy Trading GP	Constellation NewEnergy, Inc.	Endure Energy, LLC	Hammond Belgrade Energy LLC
Borex Stratton Energy Inc.	Corinth Energy LLC	Energy America, LLC	Hammond Lumber Company
Boston Generating, LLC	Corinth Wood Pellets, LLC	Energy Curtailment Specialists, Inc.	Hampshire Council of Governments
Boylston Municipal Light Department	Covanta Energy Marketing, LLC	Energy Management, Inc.	Hannaford Bros. Co.
BP Energy Company	Covanta Haverhill Associates, LP	Energy New England LLC	Hannaford Energy, LLC
Braintree Electric Light Department	Covanta Maine LLC	Energy Services Group, Inc.	Hardwood Products Company
Bridgeport Fuel Cell Park, LLC	Covanta Projects of Wallingford, LP	EnerNOC, Inc.	Hardwood Energy LLC
Brookfield Energy Marketing Inc.	CP Energy Marketing (US) Inc.	Energy Federation Inc.	Harvard Dedicated Energy Limited
Brookfield Energy Marketing LP	CPower, Inc.	Energy Plus Holdings LLC	Hess Corporation
Brookfield Renewable Energy Marketing US LLC	Credit Suisse Energy LLC	Entergy Nuclear Power Marketing LLC	Hexis Energy Trading LLC
Burlington Electric Department	Cross-Sound Cable Company, LLC	EnvaPower, Inc.	Highland Wind LLC
Caitness New England Services Company	Danvers Electric Division	EquiPower Resources Management, LLC	Hingham Municipal Lighting Plant
Calpine Energy Services, LP	Dartmouth Power Associates, LP	ESI Northeast Energy GP, Inc.	Holden Municipal Light Department
Cambridge Energy Alliance, Inc.	DB Energy Trading, LLC	ESPI New England Inc.	Holyoke Gas & Electric Department
Cape Light Compact	DC Energy, LLC	Evergreen Wind Power, LLC	HOP Energy, LLC
Cargill Power Markets, LLC	Dennis Beverage Company, Inc.	Evergreen Wind Power III, LLC	Horizon Power and Light LLC
Centaurus Energy Master Fund, L.P.	Dennis Energy, Inc.	Evergreen Wind Power V, LLC	Hudson Energy Services, LLC
Central Maine Power Company	Devon Power LLC	Exelon Generation Company, LLC	Hudson Light and Power Department
Central Vermont Public Service	Devonshire Energy LLC	Exelon New Boston, LLC	Hull Municipal Lighting Plant
Centre Lane Trading Limited	DFC ERG CT, LLC	Exelon New England Holdings, LLC	Iberdrola Renewables, Inc.
CHI Power Marketing, Inc.	DFC-ERG Milford, LLC	Fairchild Energy, LLC	Indeck Energy-Alexandria, LLC
Chicopee Municipal Lighting Plant	Dighton Power Associates Limited Partnership	First Commodities Ltd.	Industrial Energy Consumer Group

Industrial Power Services Corporation	Middletown Power LLC	Plainfield Renewable Energy, LLC	Tiverton Power Associates Limited Partnership
Integrus Energy Services, Inc.	Milford Power Company, LLC	Power Bidding Strategies, LLC	Topsham Hydro Partners Limited Partnership
IPA Charles, LLC	Milford Power Limited Partnership	Powerex Corp.	Towantic Energy, LLC
IPA Mill, LLC	Millennium Power Partners, LP	PowerOptions, Inc.	Town of New Shoreham, Rhode Island
Ipswich Municipal Light Department	Miller Hydro Group, Inc.	PPL EnergyPlus Co.	TransAlta Energy Marketing (U.S.) Inc.
J. Aron & Company	Mint Energy, LLC	PPL Maine, LLC	TransCanada Energy Ltd.
J.F. Gray & Associates, LLC	Mirant Canal, LLC	PPL Wallingford Energy, LLC	TransCanada Power Marketing Ltd.
J.P. Morgan Ventures Energy Corporation	Mirant Energy Trading, LLC	Praxair, Inc.	Turner Energy LLC
Jump Power LLC	Mirant Kendall, LLC	Princeton Municipal Light Department	Twin Cities Energy, LLC
Just Energy (U.S.) Corp.	Montville Power LLC	PSEG Energy Resources & Trade LLC	Twin Cities Power, LLC
Katahdin Paper Company LLC	Morgan Stanley Capital Group, Inc.	Public Power, LLC	UBS AG, acting through its London Branch
Katahdin Paper Energy LLC	MxEnergy Electric Inc.	Public Service Company of New Hampshire	Union of Concerned Scientists, Inc.
Kennebec River Energy, LLC	NAEA Energy Massachusetts, LLC	Putnam Hydropower, Inc.	Union Leader Corporation
KeyTex Energy LLC	NAEA Newington Energy, LLC	Quality Egg of New England, LLC	United Illuminating Company, The
Kimberly-Clark Corporation	Narragansett Electric Company	Rainbow Energy Marketing Corporation	Unitil Energy Systems, Inc.
Kleen Energy Systems, LLC	NASDAQ OMX Commodities Clearing - Delivery LLC	RBC Energy Services LP	UNITIL Power Corp.
Koch Supply & Trading, LP	Nationwide Energy, LLC	Reading Municipal Light Plant	University of Massachusetts at Amherst
LaBree's, Inc.	New Brunswick Power Generation Corporation	Record Hill Wind LLC	University of Rhode Island
LaBree's Energy, LLC	New England Confectionery Company Inc.	Reliable Power, LLC	University System of New Hampshire
Laidlaw Berlin Biopower, LLC	New England Independent Transmission Company, LLC	REP Energy LLC	Utility Services, Inc.
Lake Road Generating Company, L.P.	New England Power Company	ResCom Energy LLC	VCharge Inc.
Lavalley Energy LLC	New England Wire Technologies Corporation	Ridgewood Rhode Island Generation, LLC	Velocity American Energy Master Fund I, LP
Lavalley Lumber Co.	New Hampshire Electric Cooperative, Inc.	RJF – Morin Brick LLC	Verde Energy USA, Inc.
LDH Energy Funds Trading, Ltd.	New Hampshire Industries, Inc.	RJF – Morin Energy LLC	Vermont Electric Cooperative
Liberty Power Delaware LLC	New Hampshire Office of Consumer Advocate	Robbins Energy LLC	Vermont Electric Power Company, Inc.
Liberty Power Holdings, LLC	New Hampshire Transmission, LLC	Robbins Lumber Inc.	Vermont Energy Investment Corporation
Lincoln Paper and Tissue, Inc.	New York State Electric & Gas, Inc.	Rocky Gorge Corporation	Vermont Marble Company
Linde Energy Services, Inc.	NextEra Energy Power Marketing, LLC.	Rowley Municipal Light Plant	Vermont Public Power Supply Authority
Littleton (MA) Electric Light Department	NextEra Energy Maine, Inc.	Royal Bank of Canada	Vermont Transco LLC
Littleton (NH) Water and Light Department	NextEra Energy Resources, LLC	Rumford Power Associates LP	Vermont Wind
Long Island Lighting Company d/b/a LIPA	NextEra Energy Seabrook LLC	Saracen Energy East LLC	Vermont Yankee Nuclear Power Corporation
Longfellow Wind, LLC	NextEra Energy Services Massachusetts, LLC	Saracen Power LLC	Verso Maine Energy, LLC
Louis Dreyfus Energy Services L.P.	Noble Americas Gas & Power Corp.	Saracen Energy Power Trading LLC	Viridian Energy, Inc.
Luminescent Systems, Inc.	Noble Environmental Power, LLC	Select Energy Inc.	Viridity Energy, Inc.
Macquarie Energy, LLC	North American Power and Gas, LLC	Sempra Energy Solutions	Vitol Inc.
Madison Electric Works	North American Power Partners LLC	Sempra Energy Trading Corp.	Wakefield Municipal Gas and Light Department
MAG Energy Solutions, Inc.	North Attleborough Electric Department	Seneca Energy II, LLC	Waterbury Generation LLC
Maine Health & Higher Educational Facilities Authority	Northern States Power Company	SESCO Enterprises, LLC	Waterside Power, LLC
Maine Public Service Company	Norwalk Power LLC	Shell Energy North America (US) L.P.	Watertown Renewable Power, LLC
Maine Skiing, Inc.	Norwood Municipal Light Department	Shipyard Brewing Co., LLC	Wellesley Municipal Light Plant
Maine Woods Pellet Company LLC	NRG Power Marketing, LLC	Shipyard Energy LLC	West Boylston Municipal Lighting Plant
Manchester Methane, LLC	NSTAR Electric Company	Shrewsbury's Electric Light Department	The Westerly Hospital
Mansfield Municipal Electric Department	Number Nine Wind Farm LLC	SIG Energy, LLLP	Westerly Hospital Energy Company, LLC
Marblehead Municipal Light Department	NYSEG Solutions, Inc.	SJH Energy LLC	Western Massachusetts Electric Company
Marden's, Inc.	Ontario Power Generation Inc.	Solios Power, LLC	Westfield Gas & Electric Light Department
Massachusetts, Office of the Attorney General	Open Book Energy, LLC	Somerset Power LLC	West Oaks Energy NY/NE, LP
Massachusetts Bay Transportation Authority	Order of St. Benedict of New Hampshire, d/b/a St. Anselm College	South Hadley Electric Light Department	WFM Intermediary New England, LLC
Massachusetts Development Finance Agency	PalletOne Energy LLC	South Jersey Energy Company	Wheelabrator Bridgeport, LP
Massachusetts Electric Company	PalletOne of Maine	South Jersey Energy Solutions, LLC	Wheelabrator Claremont Company, L.P.
Massachusetts Municipal Wholesale Electric Company	Palmco Power CT, LLC	Spark Energy, LP	Wheelabrator North Andover, Inc.
Massachusetts Port Authority	Parkview Adventist Medical Center	St. Joseph Health Services of Rhode Island	Whole Foods Market Group, Inc.
MASSPOWER	Parkview AMC Energy, LLC	Starion Energy, Inc.	Wolfeboro Municipal Electric Department
MATEP LLC	Pascoag Utility District	StatArb Investment, LLC	WM Renewable Energy, LLC
Mead Oxford Corporation	Patriot Partnership LLC	Sterling Municipal Electric Light Department	Z-TECH, LLC
Merchants Plaza, LLC	Paxton Municipal Light Department	Stetson Wind II, LLC	
Merchants Plaza Energy, LLC	Pawtucket Power Holding Company	Stowe Electric Department	
Mercuria Energy America, Inc.	Peabody Municipal Light Plant	Summit Hydropower, Inc.	
Merrill Lynch Commodities, Inc.	Pepco Energy Services, Inc.	Swift River Trading Company LLC	
Merrimac Municipal Light Department	PER Development, LLC	Taunton Municipal Lighting Plant	
Middleborough Gas and Electric Department	Pinpoint Power, LLC	TCPL Power Ltd.	
Middleton Municipal Electric Department		Templeton Municipal Lighting Plant	
		The Energy Consortium	
		The Energy Council of Rhode Island	

*As of December 1, 2010.



Operative Documents

Second Restated NEPOOL Agreement (2d RNA)

http://www.iso-ne.com/regulatory/restatd_nepool_agree/index.html

Participants Agreement (PA)

http://www.iso-ne.com/regulatory/part_agree/index.html

Market Participant Service Agreement (MPSA)

http://www.iso-ne.com/regulatory/tariff/attach_a/index.html

ISO Tariff (Tariff)

<http://www.iso-ne.com/regulatory/tariff/index.html>

Manuals

http://www.iso-ne.com/rules_proceds/ison_mnls/index.html

Operating Procedures (OPs)

http://www.iso-ne.com/rules_proceds/operating/ison/index.html

Planning Procedures (PPs)

http://www.iso-ne.com/rules_proceds/ison_plan/index.html

Transmission Owners Agreement (TOA)

<http://www.iso-ne.com/regulatory/toa/index.html>

Phase I/II HVDC Transmission Operating Agreement (HVDC TOA)

http://www.iso-ne.com/regulatory/toa/hvdc_toa.pdf

Phase I/II HVDC -TF Transmission Service Administration Agreement (TSAA)

http://www.iso-ne.com/regulatory/toa/phase_I-II_hvdc-tf_tsaa.pdf

Asset Owners Agreement (AOA)

http://www.iso-ne.com/regulatory/co_agree/index.html

Highgate Interconnection Operators Agreement

http://www.iso-ne.com/regulatory/co_agree/index.html

New Brunswick Coordination Agreement

http://www.iso-ne.com/regulatory/tariff/attach_f/index.html

NYISO Coordination Agreement

http://www.iso-ne.com/regulatory/tariff/attach_f/index.html

Interregional Coordination and Seams Issue Resolution Agreement

http://www.iso-ne.com/regulatory/ferc/filings/2004/jun/rt04-2-002_6-22-04_90day_rto_compliance.pdf

Generation Information System (GIS) Operating Rules

<http://www.nepoolgis.com/>

Review Board Rules of Procedure and Code of Conduct and Ethics Policy

http://www.iso-ne.com/committees/comm_wkgrps/prtcpnts_comm/rwbrd/prps/index.html

Memorandum of Understanding Among ISO, NEPOOL, and NESCOE

http://www.iso-ne.com/regulatory/part_agree/index.html

Interconnection Operators Agreement (IOA)

http://www.iso-ne.com/regulatory/co_agree/index.html

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