2013 Annual Report Today's Changing Landscape



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Table of Contents

Chairman's Message	1
2013 NEPOOL Elected Officers6	5
oday's Changing Landscape	3
Committee Reports14	1
egal Proceedings & Appeals23	3
ERC Proceedings24	1
Operative Documents27	7
NEPOOL Participants28	3
NEPOOL Counsel & Administrative Team)

Chairman's Message

As my two years as Chairman of the Participants Committee draws to a close, I wanted to thank you for the privilege and honor of serving you and, exercising Chair's prerogative, will reflect back on those two years as the capstone of my almost 40 years of participation in NEPOOL. The pace of change in the electric industry in New England seems to be constantly accelerating. NEPOOL plays a key role for its Participants to identify the many issues prompting that change and to understand, debate, and propose solutions to the many and growing difficulties facing our industry.

As it has from time to time in years past, New England is confronted now with increasing challenges to ensure reliability is maintained to meet the energy needs of each and every customer throughout the region. Abundant supply of relatively low priced domestic natural gas has profoundly changed the power sector in New England. A rapidly growing reliance on natural gas to generate electricity without a commensurate increase in natural gas transportation into New England has presented operational problems when sudden shortage events occur. Add to that an increasing number of generation resources seeking to retire over the next several years and operational reliability becomes even more trying.

The days of administratively directed integrated resource planning have largely passed, to be replaced for now by efforts to ensure that the wholesale power markets provide incentives for resources to be available when, and where, they are needed. New transmission is essential to support this changing power landscape and our regulators are fundamentally changing the ground rules for transmission expansion.

Amidst these challenges, the one constant to New England's ever-changing electric landscape is the NEPOOL stakeholder process, which time and again has proven to be a powerful, independent and effective means to consider and refine proposals and, as appropriate, offer new approaches to resolving issues. From my perspective, there have been three essential characteristics of the NEPOOL process that have served us well over the past two years and will continue to do so:



Collaboration

NEPOOL is a large and diverse group of stakeholders representing every corner of the industry, with currently over 430 members. NEPOOL also encourages and welcomes the active participation from representatives of all six New England states. NEPOOL thus provides its members a critically important opportunity to collaborate and interact with ISO New England (ISO), states and federal regulators at the business table. With your other elected NEPOOL Officers, we have sought constantly to ensure that collaboration and interaction through monthly, summer and annual meetings and through other specially focused task groups such as the Forward Capacity Market Working Group and the New England Gas-Electric Focus Group. We work to foster positive relationships that provide an essential and solid foundation for addressing an ever-changing landscape.

Independent Stakeholder Presence and Information Access

Given the challenges facing the region, NEPOOL's visible presence – and the role it plays in identifying, planning, debating, refining and implementing changes – has never been more important. Recognizing that reality, I made it a priority during my tenure for NEPOOL to establish its own independent and dedicated website – www.nepool.com – with "one-stop shopping" for the latest NEPOOL news, calendar of events, Committee and Subcommittee materials, regulatory developments, and more. In just the last nine months, the site has had over 30,000 visits and it now serves as the primary face for NEPOOL and a source for and a portal to NEPOOL-related information (coordinated carefully with the ISO's postings on its website).

Alternative Market Rule Proposals

The NEPOOL stakeholder process provides a distinct opportunity to ensure meaningful input to the ISO and the Federal Energy Regulatory Commission (FERC) by requiring the ISO to file NEPOOL-approved alternative Market Rule proposals to those offered by the ISO under the aptly named "jump ball" provisions of the Participants Agreement. While the two organizations in years past have worked hard to reach consensus on proposals submitted to the FERC, NEPOOL and the ISO recently have diverged on five separate proposals – two in 2013 that involved straightforward jump ball filings. (The other three included two proposals involving transmission arrangements that are not subject to the jump ball, and one involving a compliance filing the FERC determined also did not invoke the jump ball provisions.) NEPOOL is unique as a regional stakeholder organization to have its Market Rule proposals presented to the FERC in this way. NEPOOL has demonstrated a willingness to use its jump ball rights in appropriate circumstances, and this mechanism has proven, per design, to increase the likelihood of informed and meaningful input on all Market Rule changes as the region works collaboratively to identify solutions to the challenges confronting it.

Carlton Fisk, native New Hampshirite and Red Sox legend, once famously said "a million years went by quick". Those words certainly ring true for me. As I conclude my tenure, I am reminded of my first time chairing the Participants Committee meeting in January 2012, when I was eagerly awaiting our first grandchild, scheduled to arrive imminently. The NEPOOL meeting went smoothly and the meeting adjourned in time for me to be with my family to celebrate the arrival of our grandson. That day was a good NEPOOL day with much promise and hope, and so has every day since then. I wish nothing but good days ahead to the NEPOOL Officers and each and every NEPOOL Participant. Thank you for the opportunity to serve as your Chairman over these past two years.

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Calvin Bowie *Chairman*, NEPOOL Participants Committee

2013 ELECTED OFFICERS Participants Committee



Calvin A. Bowie

(Transmission)

Cal Bowie has been the Transmission Sector representative for the past six years and was the 2012 and 2013 Chairman of the Participants Committee. He is a veteran of over 40 years of service in the electric utility industry, with extensive experience in NEPOOL dating 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 has been Northeast Utilities' (NU) member on the Reliability and Transmission Committees and held the position of Vice-Chair of the Transmission Committee from 2007 to 2009. He currently serves as NU's member on the Markets Committee.



Brian E. Forshaw

(Publicly Owned Entity)

Brian Forshaw is the Publicly Owned Entity Sector representative and served as the Chairman of the Participants Committee in 2010 and 2011. He is the Chief Regulatory and Risk Officer for the Connecticut Municipal Electric Energy Cooperative (CMEEC), where he has worked for over 33 years. CMEEC is a Connecticut joint-action power supply agency organized to secure reliable and low cost power supplies for municipal electric utilities. Additional responsibilities at CMEEC include long-term resource planning, strategic planning, resource procurement and oversight of enterprise risk management activities.



August Fromuth

(End User)

Gus Fromuth is the End User Sector representative. He is Managing Director of Freedom Energy Logistics, a firm that specializes in supporting direct participation of End Users in NEPOOL and the New England Markets. Freedom Energy also provides customers with high end energy management services in order to obtain electric power at wholesale prices. Along with colleagues, Gus pioneered the concept of direct end user access, successfully working through the NEPOOL stakeholder process to design and refine the ground rules for direct market participation by End Users. Gus is also an executive of, and principal stockholder in, Halifax American Energy Company and Power New England, retail energy providers that are licensed in the New England states as re-sellers of grid electricity directly to End Users.

2013 ELECTED OFFICERS Participants Committee

Peter D. Fuller

(Generation)

Pete Fuller is the Generation Sector representative and served as the Chairman of the Participants Committee in 2006 and 2007. He is Director, Regulatory & Market Affairs for NRG Energy, Inc. In this position, he is responsible for NRG's state and federal regulatory and policy activities in New England. Pete has more than 12 years of representative participation in NEPOOL and previously served as the Co-Chair of the Installed Capacity Requirements Working Group. Pete is NRG's member on each of the Principal Committees. He is also a former Chairman of the New England Power Generators Association.



Joel S. Gordon

(Supplier)

Joel Gordon is the Supplier Sector representative. He is Director, Market Policy for PSEG Power Connecticut, LLC and serves as the representative for the PSEG companies within the NEPOOL stakeholder process. He has held similar positions over the past 15 years with other NEPOOL Market Participants, including NRG and PG&E National Energy Group. Joel has also served as the Chairman of the NEPOOL Budget & Finance Subcommittee since October 2008. Joel began his career in the industry as a project finance lender with State Street Bank in Boston lending to renewable and alternative energy projects and managed the bank's loan portfolio of gas and water distribution companies.



Douglas Hurley

(Alternative Resources)

Doug Hurley represents the Alternative Resources (AR) Sector. He is a Principal Associate with Synapse Energy Economics, where he represents the interests of consumer advocate, environmental, and renewable resource clients at numerous NEPOOL and PJM stakeholder meetings. He was the lead client representative for three members of the AR Sector in the FCM settlement conferences that, with help from other parties, successfully included demand response and energy efficiency in the FCM design. He actively assists five clients in their participation in the FCM with energy efficiency and distributed generation resources. Doug has been the AR Sector's Participants Committee Vice-Chair since mid-2009.



TODAY'S CHANGING LANDSCAPE

Introduction

There has been a material shift in 2013 from New England's intense focus on strategic planning to an urgent and methodical focus on implementing changes to address pressing reliability and operational risks facing the region. NEPOOL reported in its last two Annual Reports about strategic planning to address key regional risks to New England's bulk power system that were identified by the ISO. Those planning initiatives and potential solutions were being explored collaboratively for more than 18 months by NEPOOL members, the ISO and the New England states through the New England States Committee on Electricity (NESCOE) and the New England Conference of Public Utilities Commissioners (NECPUC).

During 2013, the strategic planning effort gave way to vigorous debate over, and efforts to identify and implement, solutions to address three distinct risks: (1) the increased reliance on natural gas; (2) the large number of aging or economically challenged generators providing fuel diversity to New England's resource mix; and (3) the need for flexible supply resources to balance the integration of variable renewable resources. The effort this year has produced a series of initiatives that will dramatically impact New England's energy landscape. As discussed on the following pages, while consensus solutions to these problems remain to be achieved, there was considerable progress this year.

With respect to market design projects, NEPOOL focused much of the year on a series of important energy market enhancements to permit greater bidding flexibility in both the Day-Ahead and Real-Time Markets and on potential modifications to the Forward Capacity Market intended to strengthen performance incentives/penalties. These projects, among other contemplated design changes, have significant implications for longer-term changes to New England's power system and wholesale markets.

Collaborative efforts continued throughout this year with representatives from the natural gas and electric power industries, state regulators, and the ISO to address a changing landscape resulting from the country's abundant supply of, and demand for, natural gas. In this regard, there were numerous developments to address reliability and operational risks associated with New England's increasing gas dependency.

Finally, implementation of the major changes to New England's transmission planning that are expected to begin in 2014 will also help shape New England's future landscape. NEPOOL advocated for competitive transmission development in 2012. The FERC ordered such changes in 2013, and the region worked to develop ISO Tariff provisions to provide for competitive processes for regional transmission development. The changes also provide rules for the evaluation and selection by the ISO of transmission projects driven by public policy requirements, and a default cost allocation method for those projects.

KEY DOCUMENTS:

MARKET DESIGN

ISO and NEPOOL Filing: Energy Market Offer Flexibility Changes, ER13-1877 (July 1, 2013) http://www.nepool.com/uploads/Filing _20130701_ER13_1877_Mkt_Offer_Flex.pdf

FERC Order No. 755: Final Rule on Frequency Regulation Compensation (Issued Oct. 20, 2011) http://www.ferc.gov/whats-new/commmeet/2011/102011/E-28.pdf

FERC Order on ISO's FCM Redesign Compliance Filing (Issued Feb. 12, 2013) http://www.iso-ne.com/regulatory/ferc/ orders/2013/feb/er12-953-001_2-12-13_order_ fcm_compliance.pdf

NEPOOL Committee materials, ISO filings and FERC orders related to the FCM Performance Incentives Project http://www.iso-ne.com/key_projects/fcm_perf_ incentives/

Fall 2013 FERC Technical Conference on Centralized Capacity Markets in RTOs/ISOs, AD13-7-000 http://www.ferc.gov/eventcalendar/EventDetails. aspx?ID=6944&CalType=%20&CalendarID=116 &Date=&View=Listview

INCREASING DEPENDENCE ON NATURAL GAS

New England Gas-Electric Information Exchange http://www.nescoe.com/Gas-Elec_Info_Exchange. html

NESCOE-Commissioned Gas-Electric Study http://www.nescoe.com/Gas_Supply_Study.html

FERC Order on Winter 2013-14 Reliability Program (Issued Sep. 16, 2013) http://www.nepool.com/uploads/Order_ ER13_1851.pdf

FERC Order on Day-Ahead Energy Market Schedule Changes (Issued Apr. 24, 2013) http://www.nepool.com/uploads/Order_ER13_895.pdf

FERC Order No. 787: Gas-Electric Information Sharing Protocols (Issued on Nov. 15, 2013) http://elibrary.ferc.gov/idmws/common/opennat. asp?fileID=13395644

FERC Winter 2013-14 Energy Market Assessment (Released Oct. 2013) http://www.ferc.gov/CalendarFiles/ 20131017101835-2013-14-WinterReport.pdf

ORDER 1000

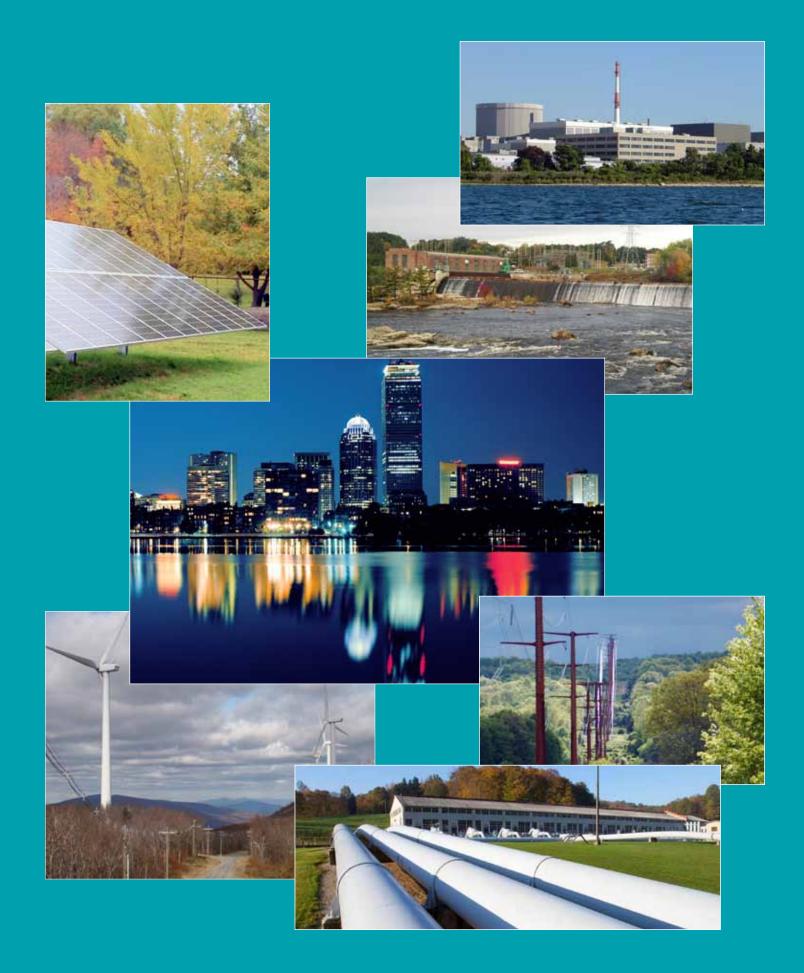
Order 1000 (Issued July 21, 2011) http://www.ferc.gov/whats-new/commmeet/2011/072111/E-6.pdf

Order 1000-A (Issued May 17, 2012) http://www.ferc.gov/whats-new/commmeet/2012/051712/E-1.pdf

Initial Compliance Filing by ISO and PTOs (Oct. 25, 2012) http://www.iso-ne.com/regulatory/ferc/ filings/2012/oct/er13-193-000_10-25-12_ order_1000_compliance_part_1.pdf

Order on Compliance (Issued May 17, 2013) http://www.iso-ne.com/regulatory/ferc/ orders/2013/may/er13-193_er13-196_5-17_13_ order_on_order_1000_compliance_filings.pdf

Second Compliance Filing by ISO and PTOs (Nov. 15, 2013) http://www.iso-ne.com/regulatory/ferc/ filings/2013/nov/er13-196-002_11-15-2013_ order_1000.pdf



Market Design

NEPOOL this year focused on a number of market design projects to address New England's evolving strategic risks and to improve the energy, ancillary services and capacity markets. While some of these projects have been under assessment for years, others advanced or were initiated this year to respond to new realities and changing circumstances.

NEPOOL and the ISO reached consensus on energy market design improvements to allow increased flexibility, including changes to allow hourly adjustments of bids and offers and negative energy offers. The region also continued to work together to develop and implement the Regulation Market design consistent with the FERC's directives for alternative resources as it articulated in its Final Rule on Frequency Regulation Compensation in the Organized Wholesale Power Markets, which was designated Order No. 755.

For more than a decade and with great effort, stakeholders and the ISO have worked to design and implement an effective capacity market. A settlement in 2006 established New England's Forward Capacity Market (FCM). In early 2013, the FERC approved a number of major FCM changes reflecting regional experiences with the prior auctions and a number of FERC FCM redesign orders following ongoing litigation directing the ISO in part to implement an offer floor mitigation construct and to eliminate the use of an administrative price floor in the auction. In the midst of implementing these changes, and as Market Participants navigate through the qualification process for participation in the next Forward Capacity Auction (FCA8), the region has explored further changes to the capacity market design (*see* "Markets Committee" section of this Annual Report for more information).

Most notably, the ISO and stakeholders embarked on a year-long effort to consider a new ISO "pay-for-performance" proposal and to explore alternatives and amendments to that redesign proposal. The ISO has requested a vote on its proposal at NEPOOL's Annual Meeting and plans to file its new FCM proposal by the end of 2013 with the goal of implementing such a mechanism in time for the Capacity Commitment Period associated with the ninth Forward Capacity Auction (FCA9). During this same time frame, the FERC has also signaled renewed interest in capacity market design issues by holding a Technical Conference this past fall on the topic, focusing much of its attention on New England's design. As NEPOOL looks forward, there is an expectation that the region will explore once again the possible implementation of a downward-sloping demand curve in the FCM.



Increasing Dependence on Natural Gas

Concern over New England's increasing dependence on natural gas as a generation fuel, and the implications that such dependence has for the region's energy landscape going forward, took center stage in 2013. This urgency was attributable largely to the fact that the nation's natural gas supply picture has permanently altered the Northeast's energy demand equation. While the ISO and NEPOOL took steps to address some of these challenges, it is clear that additional measures must be taken to safeguard the age-old compact of reliable electric supply at just and reasonable prices.

To help tackle some of these challenges, NEPOOL, joined by regional representatives of the gas industry and NESCOE, formed the New England Gas-Electric Focus Group early in 2013. The efforts of that group were informed by a Gas-Electric Study conducted this year by Black & Veatch for NESCOE. That Study concluded with what many New England stakeholders already suspected: absent greater infrastructure or other solutions that will increase supply or decrease demand, the region will likely face significant natural gas infrastructure constraints for the next 15 years. Left unaddressed, according to the Study, these constraints will manifest themselves in substantially higher natural gas and electric prices for New England consumers, as well as in threats to reliability in the event gas-fired generators cannot dispatch due to fuel unavailability.

There were other developments during the past year that highlighted natural gas's escalating importance in the region's energy policy discussion. For example, the FERC accepted the ISO's Winter Reliability Program in the fall of 2013. Designed to address the near term reliability concerns presented by anticipated operational issues during the 2013-2014 winter (December 1, 2013 to February 28, 2014), the ISO's proposal will compensate fuel oil (dual-fuel and oil-fired generators) and demand response resources for their incremental energy inventory as a hedge against cold weather conditions. The reliance on fuel oil, in particular, as a stop-gap, by the ISO's Winter Reliability Program is an acknowledgment that the natural gas delivery system is constrained in New England, and will be so for the foreseeable future.

Earlier in the year, the FERC approved NEPOOL's proposal to move back the ISO's Day-Ahead Market scheduling timeline. The NEPOOL proposal, as well as a competing proposal by the ISO, were designed to assist gas-fired generators in learning much earlier in the day than previously how much electricity they would be called on to produce the next day. With this earlier knowledge, the gas-fired generators would have more time to arrange for the fuel and related gas transportation

to meet their Day-Ahead commitments. Another change early in the year increased the amount of reserves the ISO was authorized to procure in the Forward Reserve Market so as to increase its available fast-start capability to address a system contingency. In both cases, the revisions to the Market Rules were prompted by the recognition that short-term fixes were necessary to respond to the stresses placed on the bulk power market by the region's greater reliance on natural gas.

Responding in part to gas-electric coordination issues that were raised in a late 2012 New England filing, the FERC conditionally approved early in 2013 the temporary sharing of confidential information between the ISO and interstate natural gas pipelines for purposes of helping to ensure reliable operations during the 2012-2013 winter. Later that year, the FERC issued a notice of proposed rulemaking (NOPR) on the topic. Very recently, the FERC finalized rules proposed in that NOPR that are designed to remove potential barriers to communication between interstate natural gas pipelines and electric transmission operators to promote reliable service and operational planning (Order 787). The revised rules make clear that the confidential exchange of non-public operational information between interstate natural gas pipelines and public utilities that own, operate or control interstate electric transmission facilities is permitted for the purpose of safeguarding reliability. New England has not yet addressed the contractual limit to the ISO sharing confidential information of its members, but efforts to do so are imminent.

As New England approaches the new year, there is no doubt that the challenges associated with the region's natural gas dependence will remain through the upcoming winter. During the 2012-2013 heating season, New England experienced the highest natural gas prices in the nation and the 2013-2014 winter is expected to be no different. In its October 2013 Winter 2013-2014 Energy Market Assessment, the FERC concluded that New Englanders should again expect to experience the highest natural gas and electricity prices in the United States. Indeed, the FERC market analysis noted that natural gas futures prices for New England delivery in January/February 2014 are more than \$5/ MMBtu higher than last winter's and that winter power peak futures prices have increased over 50% from last winter to \$100/MWh.

Ultimately, the natural gas supply and demand picture is likely to get worse in New England before it gets better. As in 2013, NEPOOL will be monitoring this situation closely, prepared to consider changes that might be proposed by its members, the ISO or the gas industry to address the region's increasing reliance on natural gas.



Order 1000 Regional Transmission Development

A significant activity for NEPOOL during 2013 has been its continuing efforts to comply with Order 1000, which is making major changes to the landscape for regional transmission development. In 2013 this work focused on two areas: development of the proposal filed on July 10, 2013 to comply with the interregional requirements of Order 1000; and development of the further regional compliance amendments filed in November 2013 to comply with the FERC's May 17, 2013 order (the Compliance Order) on New England's initial Order 1000 compliance filing.

A large portion of the interregional compliance effort was a matter of further detailing, clarifying and formalizing existing interregional transmission planning practices among the three Northeast ISOs/RTOs (ISO-NE, NYISO and PJM). The other piece of the interregional compliance work was to identify an interregional cost allocation proposal. Under the proposal, costs of interregional transmission projects, which are projects that are physically in more than one region and that have been included in each of the participating regions' regional plans, would be allocated on an avoided cost basis. NEPOOL supported the interregional compliance filing and was a joint filing party in support of the proposed amendments to the ISO-NE Tariff to carry out the proposal (Docket No. ER13-1960-000).

A further regional compliance filing in November 2013 was in response to the Compliance Order, which required the establishment of competitive transmission development for all regional reliability, economic and public policy transmission projects. The Compliance Order also required that, for public policy transmission projects: (1) the ISO rather than the states will select which projects get built, and (2) an *ex ante* default cost allocation method be set forth in the Tariff for

such projects. NEPOOL supported planning revisions that would broaden opportunities for competitive transmission development from provisions advocated by the ISO and transmission owners. Also, the Participants Committee shared the experience of the New England states in being unable to achieve consensus to support the transmission owners' cost allocation proposal for public policy projects. It is anticipated that the FERC will be presented with individual efforts to overturn the transmission owners' cost allocation proposal in favor of alternative proposals designed to allocate new project costs to more specifically identified project beneficiaries. With this 2013 activity, the major Tariff-related work for NEPOOL regarding Order 1000 is done unless further compliance changes are required, and we await FERC decisions expected in the next several months.

In 2014 we will begin to see implementation of the major changes to the transmission planning landscape required by Order 1000. Instead of being subject to an incumbent transmission owner's exclusive right to build and own, new regional reliability, economic and public policy transmission projects will be subject to competitive transmission development processes commencing in 2014 and open to all qualified transmission project sponsors. Instead of relying only on agreements and funding outside of the Tariff to get public policy transmission built, the states and stakeholders will have a mechanism to identify public policy transmission, get it built and pay for it through the Tariff.



Participants Committee

As the principal governing body of NEPOOL, the Participants Committee is integral to New England's ever-changing and interconnected electric landscape. This Committee considers and acts, either directly or by delegation, on all matters affecting the region's wholesale electric power arrangements. The Committee is comprised of over 250 voting members that, accounting for shared representation of Related Persons, represent the more than 430 Participants (current Participants are listed on pages 28 to 29 of this Annual Report, and members are all identified at www.nepool.com/members.php). The Participants Committee 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 Committee also acts on recommendations for Installed Capacity Requirements and related values, Operating Procedures, Manuals, cardinal changes to GIS Rules, and other system rules and procedures. It reviews and votes on the annual budgets of the ISO, NESCOE, and NEPOOL, and votes on whether to endorse candidates recommended for the ISO Board of Directors. In all, the Participants Committee voted on nearly 150 resolutions during 2013.

To carry out its responsibilities in 2013, the Participants Committee met for 16 days both in person and by teleconference. The in-person meetings included a threeday Summer Meeting in June in Rhode Island (Newport) and regularly-scheduled monthly meetings, most often held in Massachusetts (Boston, Westborough, and Framingham), but with single day meetings in Manchester, New Hampshire and Providence, Rhode Island. Of the three meetings held solely via teleconference, two were special Participants Committee meetings and one was a regularly-scheduled monthly meeting. This Committee is the final opportunity for members to weigh in all NEPOOL actions and it is by far the NEPOOL committee with the broadest attendance. With a number of Participants represented by the same person, participation in meetings, both in-person and by phone, generally includes 75 or more members and alternates.

The Participants Committee actively works to ensure interested stakeholders and regulators the chance to influence the development of an ever-evolving mosaic of market mechanisms designed to sustain and improve system reliability and the long-term viability of the region's competitive markets. It serves as a key vantage point for collaboration with state regulators, policy makers and their staffs. Commissioners and staff members from New England's state commissions routinely attended and participated actively in Participants Committee meetings, as did representatives of the FERC, Northeast Power Coordinating Council (NPCC), NECPUC, and NESCOE.

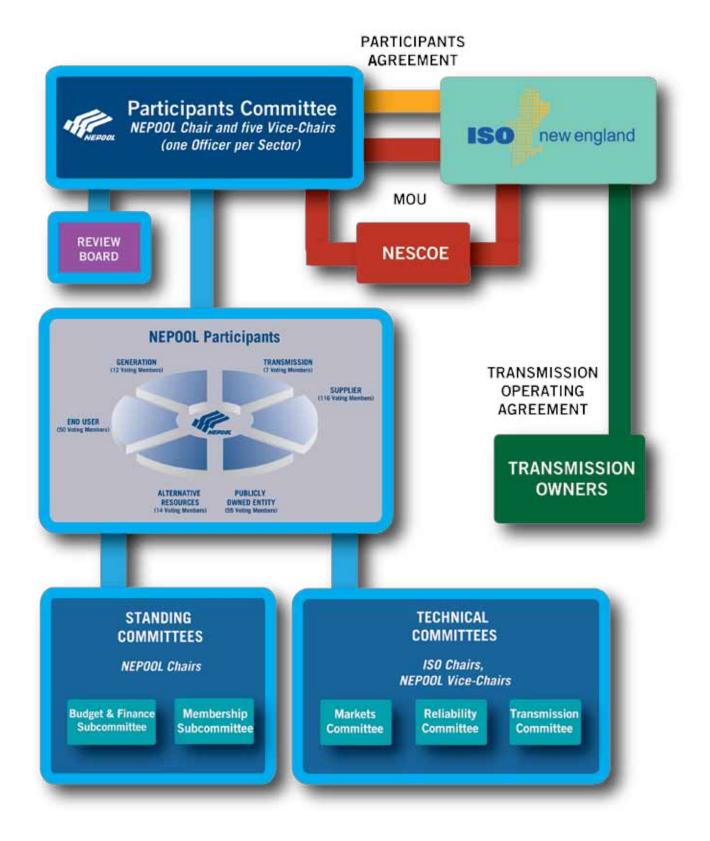
The Participants Committee also serves as a vehicle for direct communications with the ISO Board. The Committee in separate Sector meetings met twice with the ISO Board in 2013, once during the summer meeting and again in November. During those meetings, individual Sectors raised and discussed matters of specific interest to their Sectors.

During 2013, the Participants Committee met for 16 days, 13 in person and 3 by teleconference.

By representing the NEPOOL Participants in proceedings before federal and state regulators, the Participants Committee offers an important depth and nuance through which changes to the landscape mosaic are evaluated and implemented. In 2013, the Participants Committee participated in or actively monitored more than 180 legal proceedings involving New England matters, including near and long-term changes to the FCM design and FERC proceedings addressing Winter 2013/2014 reliability, resource performance and auditing, fuel cost recovery, energy market offer timing and flexibility, posturing rules, the treatment of Participant and ISO information, and CFTC exemption order-related changes. Those proceedings are identified on pages 23 to 25 of this Annual Report.



NEPOOL Stakeholder Process





Markets Committee



Allison H. DiGrande Chair ISO-Appointed



Thomas W. Kaslow (Supplier) Vice-Chair Participant-Elected

The NEPOOL Markets Committee is one of NEPOOL's three standing Technical Committees. In 2013 it was chaired by Ms. Allison DiGrande of the ISO, and the members elected Mr. Thomas Kaslow to serve a fourth term as the Vice-Chair of the Committee.

The Markets Committee is charged with advising the ISO and the Participants Committee on the design and operation of the region's wholesale electric markets, and there were many Market Rule changes considered in 2013. To accomplish its assigned task, the Markets Committee through November held 25 meetings over 36 days. At least two more days of meetings are planned for December of this year.

In response to evolving issues related to New England's increased reliance on natural gas-fueled generation, the Markets Committee considered numerous changes to address reliability concerns and to improve gas-electric coordination in the region. Those changes included an out-of-market program focused on the procurement of incremental energy from oil-fired, dual-fuel and demand response resources to address reliability and operational issues for the 2013-2014 winter; temporary changes to the Information Policy to allow for the confidential exchange of generator-specific information between the ISO and interstate natural gas pipeline operators during the 2012-2013 winter; market mitigation modifications to allow dual-fuel units to take better advantage of fuel switching

capability; modifications to permit the use of a Reserve Constraint Penalty Factor (RCPF) of \$250/MWh for the replacement reserve requirement in place of the normal supplemental commitment; and changes to authorize the ISO's procurement of additional reserves.

Important changes also were made to the energy market in 2013. The Markets Committee recommended changes to accelerate the timing of offers and bids to allow better coordination of the gas and electric markets and to reduce the risk of fuel unavailability to meet short-notice requirements. The Committee also recommended changes to permit bidders increased energy offer flexibility, including the opportunity to make hourly intra-day re-offers and to offer energy at negative prices. The former change allowed resources to tailor their offers to reflect intra-day changes in fuel prices, and the latter change was to allow those resources with the strongest economics to continue operating during hours when decreased load requires the ISO to temporarily shut down units to balance the system (e.g., overnight). The Markets Committee also supported corresponding revisions proposed by the ISO to the market power mitigation rules and conforming changes to the Net Commitment Period Compensation (NCPC) payment rules.

Much of the Committee's efforts in 2013 focused on various aspects of the FCM, including year-long discussions among NEPOOL members and state regulators on the ISO's newly proposed pay-for-performance mechanism as well as consideration of related alternatives and amendments to that proposal. The Committee also considered a number of other FCM changes and enhancements with respect to the following:

- FCM redesign changes for FCA8 to comply with FERC directives;
- FCM modifications for FCA8, including recommendation of changes to the objective function of the auction to maximize social welfare and consideration without recommendation of proposed revisions to the FCM capacity carry forward rule and pricing rules for Insufficient Competition or Inadequate Supply;

Markets Committee (continued)

- Re-definition of FCM Shortage Event triggers;
- Participant-sponsored proposal to eliminate the ISO's right, after an FCA, to release the Capacity Supply Obligation of a resource whose de-list bid was initially rejected for reliability;
- Prices at which capacity offers trigger for FCA9 a review for market power by the ISO Market Monitor;
- Asset auditing and FCM Financial Assurance for Demand Response;
- Changes to the FCM rules intended to achieve consistency with the new price-responsive demand (PRD) full integration rules, including changes to the rules for Demand Response Assets consisting of behind-the-meter generation that may provide net supply to the system; and
- Documentation in FCM manuals regarding the Import Capacity Resource qualification process.

As with past years, the Markets Committee in 2013 also considered numerous Market Rule changes to address FERC directives. Those changes included modifications to the Regulation Market design in response to the FERC's Final Rule on frequency regulation compensation (Order 755). In response to another FERC directive, the Markets Committee considered Tariff revisions authorizing Market Participants to submit filings for out-of-market cost recovery in certain extraordinary circumstances.

Other Market Rule changes recommended by the Markets Committee in 2013 included: (1) modified auditing provisions for generation resources participating in the energy, reserve and capacity markets; (2) changes to the Forward Reserve Market failure-to-reserve penalty rate and failure-to-activate penalty provisions; (3) adoption of a new *ex-post* conduct test for any resource committed for local reliability; (4) modifications to the Information Policy to allow for the release of economic minimum limit data; (5) enhancements to Financial Transmission Rights; and (6) clarifications and clean-up of provisions in the Market Rules and related Manuals.

The following two Working Groups formed by, and reporting to, the Markets Committee were also busy in 2013:

The Demand Resources Working Group held eight meetings in 2013 and provided input on the Critical Path Schedule (CPS) reporting changes in the FCM, Real-Time Emergency Generation (RTEG), and Real-Time Demand Response (RTDR) auditing changes, including new demand response asset audit values, and a proposed solution to address baseline accuracy during outages in the PRD transition period. This Working Group also conducted numerous technical and training sessions relating to PRD, energy efficiency issues, the results of FCA7 for demand resources, customer baselines, performance and lessons learned.

As in past years, the Markets Committee was very active in 2013, holding 25 meetings through the end of November. At least two more days of meetings are planned for the remainder of 2013.

The Meter Reader Working Group reviewed and provided input on changes concerning the documentation of the process by which meter readers submit an asset's peak contribution data for the report of estimated capacity requirements, updates on the current process for meter reader notifications, prepopulated asset registration forms and other changes to asset registration processes, price-responsive demand rules, proposed web-based application for requesting changes to load asset registration, operational information loss estimate corrections, and potential net supply generator assets.



Reliability Committee

With the many proposed improvements and upgrades to the region's transmission facilities, the NEPOOL Reliability Committee was busy in 2013 considering and recommending to the ISO and the Participants Committee numerous changes to the system and rules and standards needed for system operations. Under New England's arrangements, no material changes are permitted to the bulk power system without first notifying the ISO and waiting for confirmation that the proposed changes will not significantly affect the reliability or operations of the bulk power system. Those changes are all considered and voted on by the Reliability Committee. The Reliability Committee also reviews and provides advisory input on all proposed substantive changes to Operating Procedures, Transmission Cost Allocation applications, and Installed Capacity Requirements. Carrying out these activities consumed much of the Reliability Committee's time in 2013.

In addition to these normal activities, the Reliability Committee had a particular focus in 2013 on two special projects. The first was working with the Markets Committee to develop the 2013-2014 Winter Reliability Program, which is a temporary ISO resource procurement program to ensure that resources are available when needed, and with adequate fuel supply, for the upcoming winter. The second project is providing advisory input into a new proposal for Capacity Zones to be filed with the FERC in 2014. This effort is in response to the FERC's FCM-related order in Docket No. ER12-953-000 to the ISO to: (1) consider with stakeholders the appropriate level of zonal modeling going forward; (2) the appropriate rules to govern intra- and inter-zonal transactions; and (3) whether objective criteria by which zones may automatically be created in response to rejected de-list bids, generation retirements or other changes in system conditions would be appropriate in New England.

Both the Reliability and Transmission Committees were very busy in 2013, holding 22 and 14 meetings, respectively, through November 30.

To accomplish these and other responsibilities, the Reliability Committee has held 22 meetings in 2013, as of November 30, and received input from a variety of Task Forces and Subcommittees 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 and proposed de-lists of capacity resources, as well as recommendations on revisions to Operating and Planning Procedures, Installed Capacity Requirements, and approximately \$800 million worth of Transmission Cost Allocation applications.



William S. Fowler (Supplier/Generation) Vice-Chair Participant-Elected Reliability Committee



Donald L. Gates Chair ISO-Appointed Reliability Committee Transmission Committee



José A. Rotger (Supplier) Vice-Chair Participant-Elected Transmission Committee

Transmission Committee

The NEPOOL Transmission Committee has responsibility for providing advisory input on all proposed changes to the Open Access Transmission Tariff part of the ISO Tariff. Almost all of the Committee's 14 meetings in 2013 (as of November 30) were focused on the interregional and further regional compliance with Order 1000 (see discussion on p. 13).

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 New England's market settlement system, as well as attributes for certain behind-themeter generators and conservation resources that are not settled regionally 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 2013, the GIS Operating Rules Working Group met three times and discussed a number of changes to the GIS Operating Rules, including the following: (1) authorization of automatic banking of all Certificates eligible to satisfy renewable and alternative portfolio standards and other Certificates representing renewable generation; (2) issuance of new Certificates representing thermal energy produced by renewable resources that are eligible for the New Hampshire Renewable Portfolio Standard; (3) introduction of mechanics to avoid potential double counting of generation relating to netmetered generators; and (4) addition of "Responsible Parties" who control the GIS accounts on behalf of certain generators. Appropriate NEPOOL Committees approved the first three sets of changes. The fourth set of changes is pending before the Markets Committee.

Additionally, NEPOOL Counsel represents NEPOOL in periodic meetings with representatives of the other renewable energy credit tracking systems in the United States to explore best practices and common issues facing those systems.

The GIS now has 948 active accounts, with 224 of those accounts added in 2013. In addition, 5,291 approved generators have registered in the GIS, with 2,496 new generators joining in 2013. The GIS created and managed 121,079,012 Certificates from the third quarter of 2012 through the second quarter of 2013. Looking solely at the first and second quarters of 2013, the GIS created and managed more than 10,626,163 Renewable Certificates.



Membership Subcommittee



Michael J. Lynch (Publicly Owned Entity) Chair

For the second consecutive year, overall membership numbers held steady, ending 2013 at roughly the same number as 2012, or 435 members. Notwithstanding the steady state in overall membership numbers, the Subcommittee considered 41 applications for membership in, and 31 terminations of membership from, NEPOOL during 2013.

To consider applications to join or terminate NEPOOL membership, the Membership Subcommittee, chaired by Mr. Michael J. Lynch, met fourteen times. The Subcommittee has the delegated authority from the Participants Committee to approve applications for membership in, and to approve terminations of membership from, NEPOOL. Monthly actions taken by the Subcommittee are posted on the NEPOOL website at http://nepool. com/Memb_Subcomm.php. The NEPOOL website also provides instructions for becoming a member, changing a Participant name, and terminating a membership.

Of the 28 new members joining in 2013, more than half became members of the Supplier Sector, resulting in 12 additional voting members in that Sector. Four new members joined the Alternative Resources Sector, evenly split among the Small Group members in the Renewable Generation and Load Response Sub-Sectors. Six Related Persons to members of the Generation Sector were added to the landscape, as were one new voting member in the Publicly Owned Entity and End User Sectors. Terminations in 2013 were concentrated in the End User and Supplier Sectors. Seven individual voting members from the End User Sector (representing 12 members) terminated their membership, as did 10 members of the Supplier Sector. Among the reasons reported to be driving these withdrawals were the additional membership criteria required to establish appropriate person status, as well as lower overall standard offer rates available in a number of New England states. Membership consolidation also resulted in a number of withdrawals in the Alternative Resources and Generation Sectors.

Review Board and Review Board Liaison Committee

The Review Board is an independent 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 2013, the following members served on the Board:

- Jacob Feinstein (Chair)
- Jon (Jack) Lotis
- William Museler



Jacob Feinstein Chair, Review Board



Jon (Jack) Lotis Review Board



William Museler Review Board

The Review Board Liaison Committee, chaired by Mr. Stacy Dimou, met with the Review Board twice in 2013. Those meetings were to discuss administrative issues associated with the Board functions and to apprise the Review Board generally of NEPOOL matters, in support of the Board's efforts to remain prepared to act expeditiously on matters that might come before it. Additional information concerning the Review Board can be found at: http://nepool.com/RB_Home.php.



Budget & Finance Subcommittee



Joel S. Gordon (Supplier) Chair

This was a busy year for the Budget & Finance Subcommittee. In concert with the ISO, the Subcommittee considered and presented for approval changes to the Financial Assurance Policy and Billing Policy to comply with the final order of the Commodity Futures Trading Commission (CFTC) and changes to those policies to address the ongoing evolution of the New England markets. The Subcommittee and the ISO also discussed the possibility of moving responsibility for clearing the market for long-term Financial Transmission Rights (FTRs) to a third party. All of this was in addition to the usual work by the Subcommittee on budgets for the region. The Subcommittee met 12 times in 2013.

The CFTC issued its final exemption order for the RTOs in March. The Subcommittee reviewed that order and considered Financial Assurance Policy changes necessary to comply with the CFTC's final order, including additional eligibility requirements for Market Participants and applicants to qualify as "appropriate persons" under that order.

In addition, the Subcommittee considered changes to the Financial Assurance Policy and Billing Policy to address changes in the Day-Ahead Market close timing and reviewed and recommended a "best practices" approach for Market Participants to follow. The Subcommittee also fulfilled the commitment it made at the start of the FCM to reconsider the financial assurance requirements for Non-Commercial Capacity and discussed changes to Financial Assurance Policy to add financial assurance obligations associated with proposed Performance

Incentives in the FCM. The Subcommittee continued consideration of a proposal with respect to third-party clearing of FTR transactions.

Finally, the Budget & Finance Subcommittee considered the settlement this year of the ISO's 2013 operating and capital budgets, and reviewed carefully and fully the ISO's proposal for its 2014 operating and capital budgets. It also reviewed the proposal for the 2014 NESCOE budget. Input on all of those budgets was submitted, NEPOOL endorsed the 2013 settlement, which the FERC approved, and also endorsed the finally proposed 2014 budgets. Most recently, the Subcommittee has recommended the following NEPOOL budget for 2014 (with 2013 budget forecast figures included for comparison) (\$000):



Expressed in Thousands of Dollars	2014 PROPOSED BUDGET	2013 APPROVED BUDGET	2013 CURRENT FORECAST
Operating Expenses	\$6,008	\$6,007	\$6,005
Revenue	(\$3,315)	(\$3,240)	(\$3,326)
Net Participant Expenses	\$2,693	\$2,767	\$2,679

Legal Proceedings & Appeals

New England's electric landscape continues to transform as the region collaboratively adapts to complex economic, regulatory, and administrative developments. At the heart of the changes coloring the region's landscape is the FERC, which must accept or approve any changes to the New England market arrangements. In 2013, there were more than 180 active FERC proceedings involving regional New England matters, marked by a continuing focus on the refinement and administration of New England's FCM, responses to FERC policy directives and reporting requirements, 2013/2014 Winter reliability, fuel cost recovery for reliability responses, resource performance, energy market offer flexibility, asset auditing revisions, posturing rules, the treatment of confidential information, CFTC exemption order-related changes, and other market issues and improvements.

2013's legal proceedings highlight that, working collaboratively through the NEPOOL stakeholder process, the region's landscape is clearest, and the level of contested regulatory involvement reduced, when changes to the implementing Market Rules or other Tariff changes enjoy the joint support of NEPOOL and the ISO, and where applicable, transmission owners and others with affected filing rights. Where the clarity or consensus around the panorama or path through the landscape becomes hazy or not clear-cut and must be ultimately determined by the FERC, the FERC's direction is informed and made

more efficient as a result of the systematic, purposeful, and collaborative course and comments produced by the Participant Processes. FERC action on matters coloring New England's landscape continued to be guided and clarified by the direction given through the Participant Processes.

Of the over 180 active legal proceedings in 2013:

- 98 Resolved entirely within the Participant Processes
- 37 Contested but resolved through paper hearings
- 4 Resolved through or are in ongoing hearings or settlement proceedings
- 11 Proceedings initiated by periodic reporting requirements
- 9 FERC enforcement proceedings
- 5 Natural gas-related proceedings
- 16 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. Those reports, as well as a brief summary of the developments since the last posted report are available in the NEPOOL website's library at http:// nepool.com/Litigation_Reports.php. A full listing of the legal proceedings that were active in 2013 is included at pages 23 to 25 of this Annual Report.

Appeals

Docket	Appellant(s)	Underlying Proceeding (FERC Dockets Appealed)
10-1395; 09-1231	Massachusetts Public Systems	SEMA Cost Allocation (MPS LSCPR Complaint) (ER08-48)
11-1422	NEPGA	FCM Settlement Appeal Remand and Remand Rehearing Orders (ER03-563-066 -067)
11-1486 (consol.)	EPSA, EEI et al.	Orders 745/745-A (RM10-17)
12-1060 (consol.)	NEPGA, NSTAR, MMWEC/NHEC, VT DPS/PSB, NRG	FCM Redesign (ER10-787 et al.)
12-1232 (consol.)	PSEG et al.	Orders 1000/1000-A (RM10-23)
12-1306	EPSA and NEPGA	New England's Order 745 Compliance Filing (ER11-4336)
12-707 (2nd Circuit)	Vermont Parties (AG, PSB, Gov.)	Vermont Yankee Complaint (D. Vt. 1:11-cv-00099)
MJG-12-1286 (D. MD)	PPL EnergyPlus, LLC v. Nazarian	Constitutionality of Maryland Public Service Commission order directing utilities to enter into a contract for differences for capacity and energy in PJM
11-745 (D. NJ)	PPL EnergyPlus, LLC v. Hanna	Constitutionality of New Jersey's Long Term Capacity Agreement Pilot Program Act directing utilities to enter into standard offer capacity agreements" with NJ PSB-selected generators

U.S. Court of Appeals for the D.C. Circuit (unless otherwise noted)

FERC Proceedings*

Market Rule 1 Changes, Waiver Requests ER13-1875 CFTC Exemption Order Changes ER13-585 CSO Bilateral Transaction and Reconfig. Auction Enhancements ER13-895 Day-Ahead Market Schedule Changes (Jump Ball Filing) DR Asset Auditing ER13-1010 ER13-1877 Energy Market Offer Flexibility Changes ER13-1880 FCA Objective Function FCM Admin. Pricing Rule Changes ER14-463 FCM Redesign Compliance: FCA8 Revisions ER12-953 et al. ER13-612 FCM Static De-List Bid Changes ER13-1733 Forward Reserve Market (FRM) Incentives Reliability Response Fuel Cost Recovery ER13-2149 ER13-323 Generator Audit Revisions ER13-750 IMM Information Sharing Revisions ER13-2110 Net-Metered Generator Auditing Revisions ER13-1742 PRD Full Integration Changes & FCM Net Supply Revisions ER13-1736 RCPF for Replacement Reserve Req. ER13-1259 Regulation Market Clearing Price Inclusion of Opportunity Costs ER13-2397 **Reliability Commitment Mitigation Revisions** Revised Order 755 Compliance Filing ER12-1643 (Regulation Market Changes) ER13-2313 Shortage Event Triggers ER13-2113 **Tie-Line Name Changes** ER13-465 **TMNSR** Procurement Revision ER13-1851 Winter 2013/14 Reliability Program

Forward Capacity Auction Filings

ER08-633	FCA1 Results Remand Proceeding
ER11-3891	FCA5 Results Filing
ER11-3891	FCA5 Results Filing (VY De-List Bid)
ER13-335	FCA7 Qualification Informational Filing
ER13-468	FCA7 Capacity Qual. Deadline Waiver Request
	Footprint Power
EL13-23	FCA7 Brookfield Complaint
EL13-25	FCA7 HQ US Complaint
ER13-992	FCA7 Results Filing
ER14-311	FCA8 Capacity Qual. Deadline Waiver Request
	National Grid
ER14-329	FCA8 Qualification Informational Filing

FCM CSO Terminations

ER13-735	Concord Steam	
ER13-729	MATEP	
ER13-1153	Burlington Electric Department	
ER13-1154	Comverge	
ER13-1516	Rhode Island Genco	
ER13-2210	Constellation New Energy	
ER13-2212	Waterbury Generation	
ER13-2213	TransCanada Power Marketing	
ER13-2215	Comverge	
ER14-29	EnerNOC	
ER14-266	Entergy Nuclear Power Marketing	
ER14-270	Pawtucket Power Holding Co.	

Information Policy Filings

ER13-356	Pipeline Information-Sharing Changes
ER13-2099	Minimum Power Value Revisions

Complaints EL11-66 EL13-33 EL13-72 EL13-34 EL13-66 EL14-7	Base ROE Complaint (2011) Base ROE Complaint (2012) Reliability Response Fuel Cost Recovery NESCOE FCM Renewables Exemption NEPGA Resource Performance Obligations NEPGA FCM Administrative Pricing Rules
ICRs, HQICCs and ER13-495	1 Related Values 2013/14 ARA3, 2014/15 ARA2 2015/16 ARA1
ER14-328	2017/18 Power Year
Rate Filings ER13-185 ER13-192 ER09-1532 ER13-2266 ER14-90 ER14-91 ER14-91 ER13-1291 ES13-34 ES12-47	 2013 Administrative Costs Budget 2013 Capital Budget 2013/14 Power Year Trans. Rate Filing 2013/14 Winter Reliability Prog. Bid Results 2014 ISO-NE Admin. and Capital Budgets 2014 NESCOE Budget RCM Add'I Cost Recovery: Dominion \$39 Million in Securities to Refinance Capital Expenditures Financings \$40 Million in Securities for New Back Up Control Center
OATT Amendmen	ts
ER12-1914	NPC-Supported Revisions to Attachment K
ER13-2123	Order 676-G Revisions to Schedule 24
ER13-193/196	Order 1000 Compliance Filing
ER13-193/196	Order 1000-A Compliance Filing
ER13-1960/1957	Order 1000 Interregional Requirements Compliance Filing
ER13-1263	Attachment F Implementation Rule Waiver Request (National Grid)
ISO-NE eTariff	
ER12-1627	Conforming Changes to FCM Provisions Reflecting PRD Full Integration
ER13-2161	Correction: Removal of Attachment A-1
ER14-172	Corrections: Sections I.2, III.1, and III.F
ER13-876	Corrections: Sections III.13.5, 13.6 and 13.7
ER13-510	Corrections: Section III.A.15.2
ER13-1149	Obsolete Tariff Provisions Removal
Financial Assuran	ce/Billing Policy Amendments
ER13-1875	CFTC Exemption Order Changes
ER13-1257	Day-Ahead Energy Market Schedule-Related Changes
ER14-487	FCM Non-Commercial Capacity FA Changes
ER13-1870	State Sales Tax Collections Clarification
Regional Reports	
ER13-935	Capital Projects Report - 2012 Q4
ER13-1459	Capital Projects Report - 2013 Q1
ER13-2145	Capital Projects Report - 2013 Q2
ER14-85	Capital Projects Report - 2013 Q3
ZZ13-4	IMM Annual Markets Report (2012)
ZZ13-4 ZZ12-4	IMM Aundal Markets Report (2012)
ZZ12-4 ZZ13-4	IMM Quarterly Markets Reports (2012)
ER07-476	
	LFTR Implementation Quarterly Status Reports
ER08-54	Non-Generating Resource Regulation Market
	Participation Quarterly Reports

FERC Proceedings*

ER12-1643	Order 755 Regulation Market Progress Reports
ER06-613	Reserve Market Semi-Annual Reports

Membership Filings

ER13-688	January 2013 Membership Filing
ER13-873	February 2013 Membership Filing
ER13-1016	March 2013 Membership Filing
ER13-1209	April 2013 Membership Filing
ER13-1383	May 2013 Membership Filing
ER13-1616	June 2013 Membership Filing
ER13-1867	July 2013 Membership Filing
ER13-2079	August 2013 Membership Filing
ER13-2292	September 2013 Membership Filing
ER14-3	October 2013 Membership Filing
ER14-247	November 2013 Membership Filing
ER14-497	December 2013 Membership Filing
ER13-554	Negawatt Additional Reqs. for Participation
not docketed	Suspension Notice: DownEast Power Co.
not docketed	Suspension Notice: Gallop Power Greenville
not docketed	Suspension Notice: PNE
not docketed	Suspension Notices: DFC-ERG Milford, eKapital,
	Energy Connect, Lotus Capital,
not docketed	Suspension Notices: Vermont Marble Co. and
	Exelon New England Holdings

Schedule 20/21/22/23 Updates

ER14-63	BHE: LGIA - Oakfield Wind Farm
ER13-2383	BHE: LSA Cancellation Black Bear HVGW
ER13-480	BHE: LSA Cancellation Evergreen Wind
ER13-2408	BHE: LSAs Orono "B" and Stillwater "B"
ER09-938	CMP Annual Informational Filing
ER13-474	FG&E Changes
ER09-1498	FG&E: Annual Informational Filing
ER12-2304	GMP: Merger Revisions; 21-CVPS Cancel'n
ER13-905	GMP: Woodsville LSA
ER13-623/1111	NGrid G-33 Line Emergency Switching Instructions
	Agreement
ER09-1243 et al.	NSTAR Annual Informational Filing
ER14-258	NU: Elimination of Unreserved Use Penalties
ER14-465 et al.	NU: LCRAs (Bridgeport Energy)
ER14-324 et al.	NU: LCRAs (CTMEEC, Wallingford)
ER10-1181	VEC and 20-VEC Annual Informational Filing

FERC Enforcement Actions

IN08-8	Barclays Bank et al.
IN12-12	Competitive Energy Services
Not docketed	Constellation (Staff Notice of Alleged Violations)
IN13-6	EnerNOC
IN13-15	Enerwise
IN08-11/ IN13-5	JP Morgan
IN12-10	Lincoln Paper & Tissue
IN12-13	Richard Silkman
IN12-11	Rumford Paper Company

Natural Gas Proceedings

Not docketed	Enforcement Notice of Alleged Violations
IN13-10; 15; 16	Enforcement Actions
AD12-12	Natural Gas and Electric Market Coordination
RM13-1	NOI: Enhanced Nat. Gas Market Transparency
RM13-17	Order 787: Gas/Elec. Operational Info Sharing

Rulemaking Proceedings	
RM13-2	NOPR: Revisions to Pro Forma SGIA & SGIP
RM05-5	Order 676-G: WEQ DR and EE M&V Standards
RM10-11	Order 764-A: Variable Energy Resources
RM10-12	Order 768/768-A: Electricity Mrk't Transparency
RM12-3	Order 770: EQR Filing Processes
RM11-12	Order 771: Availability of E-Tag Information
RM13-10	Order 778: FERC Continuity of Operations Plan
RM11-24	Order 784: 3rd-Party Provision of Ancillary
	Services; New Electric Storage Technology
	Accounting and Financial Reporting
RM12-10	SGIP: Request to Update for Solar Generation
RM13-18	WIRES Request for Policy Statement on Electric
	Transmission ROE
Administrative Proceedings	
Administrative Pr AD10-12	
AD10-12	Increasing Market and Planning Efficiency Through Improved Software
AD12-14 et al.	NOI: Open Access and Priority Rights on Interconnection Facilities
AD12-9 et al.	Policy Statement: New Trans. Project Capacity
AD12-9 et al.	Allocation
AD13-7	RTO/ISO Centralized Capacity Markets
AD14-1	Zero Rate Reactive Power Rate Schedules
Others	
ER13-1125	Bangor Hydro Waiver Permitting 2 OATTs
	Post-MPS Merger
ER14-218	Bangor Hydro (Emera Maine) Notice of Succession
	to MPS OATT
QM13-4	BED Termination of PURPA Purchase Obligation
	from Chase Mill Hydro
ER13-1557	NGrid/NSTAR (Line D21 Upgrades Cost Allocation)
ER13-2120	E&P Agreement BHE/First Wind
ER14-35	E&P Agreement CMP/W. Maine Renewables
EL12-106	Foley v. UI: Rate Base Complaint
ER13-446	FG&E - Pinetree Interconnection Agreement
ER13-839	LGIA – GMP Cancellation
ER13-741/678	LGIA – Oakfield (BHE/Evergreen/ISO-NE)
ER11-1844	MISO Methodology to Involuntarily Allocate Costs to Entities Outside Its Control Area
FD12 0100	
ER13-2180	National Grid/TransEnergie (Converter Station
ER13-1176 et al.	Upgrade Agreement) National Grid Interconnection Agreements
ER13-1176 et al. ER14-244	NSTAR/HQUS Use Rights Transfer Agreement
ER14-11	SGIA – CMP/Spruce Wind
ER13-1231	SGIA – CMP/Topsham Hydro Schedule L
ER13-825	SGIA - HGE Cancellation
ER14-183	SGIA – NGrid/Vuelta Solar
ER14-12	VELCO Floyd Project Cost Recovery Deferral
TS11-5	Waiver of Transmission Standards of Conduct:
.011.0	Bangor Hydro Request
TS04-277	Waiver of Transmission Standards of Conduct:
	Green Mountain Power Request
	CFTC Exemption Request



Operative Documents

Second Restated NEPOOL Agreement (2d RNA) http://nepool.com/uploads/Op-2d_RNA.pdf Participants Agreement (PA) http://nepool.com/uploads/Op-PA.pdf

Market Participant Service Agreement (MPSA) http://nepool.com/uploads/Op-MPSA_form.pdf

Memorandum of Understanding Among ISO, NEPOOL, and NESCOE http://nepool.com/uploads/MOU_Final.pdf

ISO Tariff (Tariff) http://www.iso-ne.com/regulatory/tariff/index.html

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

Operating Procedures (OPs) http://www.iso-ne.com/rules_proceds/operating/isone/index.html

Planning Procedures (PPs) http://www.iso-ne.com/rules_proceds/isone_plan/index.html

Transmission Operating Agreement (TOA) http://www.iso-ne.com/regulatory/toa/index.html Asset Owners Agreement (AOA) http://www.iso-ne.com/regulatory/co_agree/index.html

Interconnection Operators Agreement (IOA) http://www.iso-ne.com/regulatory/co_agree/index.html

Phase I/II HVDC Transmission Operating Agreement (HVDC TOA) http://www.iso-ne.com/regulatory/toa/index.html

Phase I/II HVDC -TF Transmission Service Administration Agreement (TSAA) http://www.iso-ne.com/regulatory/toa/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

Review Board Rules of Procedure, Bylaws and Code of Conduct and Ethics Policy http://nepool.com/RB_Home.php

Generation Information System (GIS) Operating Rules http://www.nepoolgis.com/

NEPOOL Participants*

511 Plaza, LP 511 Plaza Energy, LLC A123 Systems, Inc. Abest Power & Gas, LLC Acushnet Company Advanced Power Services (NA) Aequitas Energy, Inc. Algonquin Energy Services Inc. Ambit Northeast LLC Ameresco CT LLC Ameresco DR, LLC American PowerNet Management Ampersand Energy Partners LLC Ansonia Generation, LLC Anthony, Christopher M. Ashburnham Municipal Light Plant Associated Industries of Mass. Backyard Farms, LLC Backyard Farms Energy, LLC Bangor Hydro-Electric Company Barclays Bank PLC BayRing Communications Beacon Power, LLC Bear Swamp Power Company LLC Belmont Municipal Light Dept. Berkshire Power Company, LLC Berlin Station, LLC Black Bear HVGW. LLC Black Bear Hydro Partners, LLC Black Bear SO. LLC Blackstone Hydro, Inc. Blue Pilot Energy, LLC Blue Sky East, LLC **BNP** Paribas Energy Trading GP Boylston Municipal Light Dept. **BP Energy Company** Braintree Electric Light Department Brayton Point Energy, LLC Bridgeport Fuel Cell Park, LLC Bridgewater Power Company L.P. Brookfield Energy Marketing Inc. Brookfield Energy Marketing LP Brookfield Renewable Energy Marketing US LLC Burlington Electric Department

C.N. Brown Electricity, LLC Calpine Energy Services, LP Canadian Wood Products -Montreal Inc. Cape Light Compact Cape Wind Associates, LLC Cargill Power Markets, LLC Central Maine Power Company Centre Lane Trading Limited CHI Power Marketing, Inc. Chicopee Municipal Lighting Plant Choice Energy LLC **Cianbro Companies** Cianbro Energy, LLC CinCap V, LLC Citigroup Energy Inc. Clear Choice Energy, LLC Clearview Electric Inc. Commonwealth of Mass. (Div. of Capital Asset Management) Competitive Energy Services, LLC Comverge, Inc. Concord Municipal Light Plant Concord Steam Corporation Connecticut Central Energy, LLC Connecticut Gas & Electric, Inc. Connecticut Jet Power LLC Connecticut Light and Power Co. **Connecticut Municipal Electric** Energy Coop. Connecticut Office of Consumer Counsel Connecticut Resources Recovery Authority Connecticut Transmission Mun. Electric Energy Cooperative. Conservation Law Foundation Conservation Services Group, Inc. Consolidated Edison Co. of NY Consolidated Edison Development Consolidated Edison Energy, Inc. Consolidated Edison Solutions, Inc. Constellation Energy Power Choice Constellation NewEnergy, Inc. Corinth Energy LLC Corinth Wood Pellets, LLC Covanta Energy Marketing, LLC

Covanta Haverhill Associates, LP Covanta Maine LLC Covanta Projects of Wallingford CP Energy Marketing (US) Inc. CPV Towantic, LLC Cross-Sound Cable Company, LLC Danvers Electric Division Darby Energy, LLLP Dartmouth Power Associates, LP DB Energy Trading, LLC DC Energy, LLC Demansys Energy, LLC Devon Power LLC **Devonshire Energy LLC** DFC ERG CT, LLC Direct Energy Business, LLC Discount Power, Inc. Dominion Energy Marketing, Inc. Dominion Nuclear Connecticut, Inc. Dominion Retail, Inc. DR Power, LLC Dragon Energy LLC Dragon Products Company LLC DTE Energy Trading, Inc. Duke Energy Comm. Enterprises Dynasty Power Inc. Dynegy Marketing and Trade LLC E.N.H. Power East Avenue Energy LLC Easy Energy of Massachusetts EDF Trading North America, LLC Edison Mission Mktg & Trading Electricity Maine, LLC Electricity MASS, LLC Elektrisola. Inc. Emera Energy Services Sub. No. 1 Emera Energy Services Sub. No. 2 Emera Energy Services Sub. No 3Emera Energy Services Sub. No 4 Emera Energy Services Sub. No. 5 EMI Power Systems, LLC Energy America, LLC Energy Curtailment Specialists Energy Management, Inc.

Energy New England LLC Energy Federation Inc. Energy Plus Holdings LLC energy.me EnergyConnect, Inc. EnerNOC, Inc. Entergy Nuclear Power Marketing EnvaPower, Inc. Environment Northeast EquiPower Resources Management Essential Power, LLC Essential Power Newington, LLC ESI Northeast Energy GP, Inc. ETC Endure Energy, LLC Ethical Energy Benefit Co. Evergreen Wind Power III, LLC **EverPower Commercial Services** Exelon Generation Company, LLC Exelon New England Holdings Fairchild Energy, LLC Fairpoint Energy, LLC First Point Power, LLC First Wind Energy Marketing, LLC FirstLight Power Resources Management, LLC Fitchburg Gas and Electric Light Food City, Inc. Footprint Power LLC Footprint Power Salem Harbor Development FPL Energy Maine Hydro, LLC FPL Energy Mason, LLC FPL Energy Wyman, LLC FPL Energy Wyman IV, LLC Freepoint Commodities, LLC Gallop Power Greenville, LLC Galt Power Inc. Garland Manufacturing Company Garland Power Company Gas Recovery Systems, LLC GDF SUEZ Energy Marketing North America, Inc. GenConn Energy LLC GenOn Energy Management, LLC Georgetown Mun. Light Dept. Glacial Energy of New England Granite Reliable Power, LLC

Granite State Electric Company Great Bay Energy IV LLC Great Bay Power Marketing, Inc. Great Eastern Energy Green Berkshires, Inc. Green Mountain Energy Company Green Mountain Power Groton Electric Light Department Groveland Electric Light Dept. Gulf Oil Limited Partnership H.Q. Energy Services (U.S.) Inc. Hammond Belgrade Energy LLC Hammond Lumber Company Hampshire Council of Gov'ts Hannaford Bros. Co. Hannaford Energy, LLC Hardwood Energy LLC Hardwood Products Company Harvard Dedicated Energy Limited Hess Corporation Hess Energy Marketing, LLC High Liner Foods (USA) HIKO Energy, LLC Hingham Municipal Lighting Plant Holden Municipal Light Dept. Holyoke Gas & Electric Dept. HOP Energy, LLC Howard Wind LLC Hudson Energy Services, LLC Hudson Light and Power Dept. Hull Municipal Lighting Plant Iberdrola Renewables, LLC Icetec Energy Services, Inc. Indeck Energy-Alexandria, LLC Independence Energy Group LLC Industrial Energy Consumer Group Industrial Power Services Corp. Integrys Energy Services, Inc. Ipswich Municipal Light Dept. J. Aron & Company J.F. Gray & Associates, LLC J.P. Morgan Ventures Energy Corporation Just Energy (U.S.) Corp.

Granite Ridge Energy, LLC

NEPOOL Participants*

Kennebec River Energy, LLC Kimberly-Clark Corporation Kleen Energy Systems, LLC LaBree's, Inc. LaBree's Energy, LLC

Liberty Power Delaware LLC Liberty Power Holdings, LLC Lincoln Paper and Tissue, Inc. Linde Energy Services, Inc. Littleton (MA) Electric Light Dept. Littleton (NH) Water & Light Dept. Long Island Lighting Company d/b/a LIPA Longfellow Wind, LLC Louis Dreyfus Energy Services Macquarie Energy, LLC Madison Electric Works

MAG Energy Solutions, Inc. Maine Public Advocate Office Maine Public Service Company Maine Skiing, Inc.

Major Energy Electric Services Manchester Methane, LLC Mansfield Municipal Electric Dept.

Marble River, LLC

Marblehead Municipal Light Dept.

Marden's, Inc.

Mass. Office of the Attorney Gen. Mass. Bay Transportation Authority

Mass. Dev. Finance Agency Massachusetts Electric Company Massachusetts Gas and Electric Massachusetts Municipal Wholesale Electric Company Massachusetts Port Authority MATEP LLC

Mega Energy Holdings, LLC Mercuria Energy America, Inc. Merrill Lynch Commodities, Inc. Merrimac Municipal Light Dept. Messalonskee Stream Hydro, LLC Middleborough Gas & Elec. Dept. Middleton Municipal Electric Dept.

Middletown Power LLC Millennium Power Partners, LP Miller Hydro Group, Inc. Mint Energy, LLC MoArk, LLC Montville Power LLC Morgan Stanley Capital Group, Inc. Narragansett Electric Company Negawatt Business Solutions NEPM II, LLC New Brunswick Energy Marketing Corporation New England Confectionery Company Inc. New England Independent Transmission Company, LLC New England Power Company New England Wire Technologies Corporation New Hampshire Electric Cooperative, Inc. New Hampshire Industries, Inc. New Hampshire Office of Consumer Advocate New Hampshire Transmission, LLC New York State Electric & Gas, Inc. NextEra Energy Power Marketing NextEra Energy Maine, Inc. NextEra Energy Resources, LLC NextEra Energy Seabrook LLC Noble Americas Energy Solutions Noble Americas Gas & Power Noble Environmental Power, LLC North America Power Partners LLC North American Power and Gas North Attleborough Electric Dept. North Eastern States, Inc. Northern States Power Company Norwalk Power LLC Norwood Municipal Light Dept. NRG Canal, LLC NRG Kendall, LLC NRG Power Marketing, LLC NSTAR Electric Company Number Nine Wind Farm LLC Nxegen, LLC NYSEG Solutions, Inc. **OBE Electric. LLC** Ontario Power Generation Energy Trading, Inc. Ontario Power Generation Inc.

Open Book Energy, LLC PalletOne Energy LLC PalletOne of Maine Palmco Power CT, LLC Palmco Power MA, LLC Parkview Adventist Medical Center Parkview AMC Energy, LLC Pascoag Utility District Patriot Partnership LLC Pawtucket Power Holding Co. Paxton Municipal Light Department Peabody Municipal Light Plant People's Power and Gas LLC Pepco Energy Services, Inc. Perigee Energy, LLC Pioneer Hydro Electric Co., Inc. Plainfield Renewable Energy, LLC Plymouth Rock Energy, LLC PNE Energy Supply LLC Power Bidding Strategies, LLC Powerex Corp. PowerOptions, Inc. Power Supply Services, LLC PPL EnergyPlus Co. Praxair, Inc. Princeton Municipal Light Dept. Provider Power CT, LLC Provider Power Mass. LLC PSEG Energy Resources & Trade PSEG New Haven LLC Public Power, LLC Public Service Co. of New Hampshire Putnam Hydropower, Inc. Rainbow Energy Marketing **RBC Energy Services LP** Reading Municipal Light Plant Record Hill Wind LLC ReEnergy Sterling CT LP ReEnergy Stratton Energy LLC Reliant Energy Northeast LLC **REP Energy LLC** Repsol Energy North American Corporation **ResCom Energy LLC** Rhode Island Engine Genco, LLC

Rocky Gorge Corporation Rowley Municipal Light Plant Royal Bank of Canada Russell Municipal Light Dept. Saracen Energy East LLC Saracen Power LLC SBR Energy, LLC Seneca Energy II, LLC Shell Energy North America (US) Shipyard Brewing Co., LLC Shipyard Energy LLC Shrewsbury's Electric Light Dept. Solios Power, LLC Somerset Power LLC South Hadley Electric Light Dept. South Jersey Energy Company South Jersey Energy ISO1, LLC South Jersey Energy ISO2, LLC Spark Energy, LP Springfield Power LLC Spruce Mountain Wind, LLC St. Anselm College Starion Energy, Inc. StatArb Investment, LLC Sterling Mun. Electric Light Dept. Stetson Holdings, LLC Stetson Wind II. LLC Stowe Electric Department Summit Hydropower, Inc. Swift River Trading Company Tangent Energy Solutions, Inc. Taunton Municipal Lighting Plant TCPL Power Ltd. Templeton Municipal Lighting Plant Tenaska Power Services Co. Texas Retail Energy, LLC The Energy Consortium The Energy Council of RI Topsham Hydro Partners LP Town of New Shoreham, RI Town Square Energy, LLC TransAlta Energy Marketing (U.S.) TransCanada Energy Ltd. TransCanada Power Marketing TrueLight Commodities, LLC

Turner Energy LLC

Twin Cities Power, LLC Twin Eagle Resource Management, LLC Union Atlantic Electricity Union Leader Corporation Union of Concerned Scientists United Illuminating Company Unitil Energy Systems, Inc. UNITIL Power Corp. Univ. Massachusetts at Amherst Univ. System of New Hampshire Utility Services, Inc. VCharge Inc. Verde Energy USA, Inc. Vermont Electric Cooperative Vermont Electric Power Company Vermont Energy Investment Corp Vermont Marble Company Vermont Public Power Supply Authority Vermont Transco LLC Vermont Wind Verso Maine Energy, LLC Viridian Energy, LLC Viridity Energy, Inc. Vitol Inc. Wakefield Municipal Gas and Light Department Wallingford, Conn., Dep't of Pub. Utils., Elec. Div. Waterbury Generation LLC Waterside Power, LLC Wellesley Municipal Light Plant West Boylston Mun. Lighting Plant Westerly Hospital Westerly Hospital Energy Co. Western Mass. Electric Co. Westfield Gas & Elec. Light Dept. Wheelabrator Bridgeport, LP Wheelabrator Claremont Company Wheelabrator North Andover, Inc. WM Renewable Energy, LLC Wolfeboro Municipal Electric Dept. **XOOM Energy LLC** Z-TECH, LLC

*As of November 30, 2013

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