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FILE NO. 55430.000003

September 11, 2000

BY HAND

The Honorable David P. Boergers, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Filing of
New York Independent System Operator, Inc.
and NEPOOL Participants
Emergency Energy Transactions Agreement and
Notice of Cancellation of Existing Interconnection Agreement

Dear Mr. Boergers:

Pursuant to Section 205 of the Federal Power Act and 18 C.F.R. § § 35.13(a)(2)(ii) and 35.15, the New York Independent System Operator, Inc. ("NYISO"), by counsel, hereby files an Emergency Energy Transactions Agreement ("Agreement") between the NYISO and the entities which are the participants in the New England Power Pool ("NEPOOL Participants"). The Agreement specifies the terms, rates, and conditions under which NYISO and the NEPOOL Participants will provide emergency service. The NYISO also provides notice of cancellation of the Interconnection Agreement between the New England Power Pool and the New York Power Pool, dated April 4, 1977, as amended February 15, 1978, June 1, 1979 and September 1, 1980.

List of Documents Submitted

The NYISO submits the following documents:

1. Transmittal filing letter;
2. Emergency Energy Transactions Agreement (Attachment I);
3. Notice of Cancellation of Interconnection Agreement (Attachment II);
4. Certificate of Concurrence from NEPOOL Participants (Attachment III);

ATLANTA BANGKOK BRUSSELS CHARLOTTE HONG KONG KNOXVILLE LONDON MCLEAN MIAMI
NEW YORK NORFOLK RALEIGH RICHMOND WARSAW WASHINGTON
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WILLIAMS**

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5. List of the names and addresses of persons to whom a copy of the rate schedule change has been mailed (Attachment IV); and
6. *Federal Register* Notice (Attachment V) (also enclosed on diskette).

Copies of Correspondence

Copies of correspondence concerning this filing should be served :

On behalf of the NYISO:

Robert E. Fernandez, Esquire
General Counsel
John P. Buechler
Director of Regulatory Affairs
New York Independent System Operator, Inc.
3890 Carman Road
Schenectady, NY 12303

Arnold H. Quint
Hunton & Williams
1900 K Street, NW
Suite 1200
Washington, DC 20006

On behalf of NEPOOL Participants:

Richard M. Chapman, Chair
NEPOOL Participants Committee
c/o Vermont Electric Power Company, Inc.
366 Pinnacle Ridge Road
Rutland, VT 05701
Tel: (802) 770-6272
Fax: (802) 770-6440

David T. Doot
Eric K. Runge
Day, Berry & Howard LLP
CityPlace I
Hartford, CT 06103-3499
Tel: (860) 275-0102
Fax: (860) 275-0343



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On behalf of ISO New England, Inc.:

Robert C. Gerlach
Ballard Spahr Andrews & Ingersoll, LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103-7599
Tel: (215) 665-8500
Fax: (215) 864-8999

Proposed Effective Date and Request for Waiver

The NYISO proposes to make the Agreement effective on August 14, 2000, the date as of which the Agreement was executed by the parties. Waiver of the Commission's notice requirements is appropriate for the following reasons: (1) NYISO and the NEPOOL Participants have recently completed negotiation and execution of the Agreement; (2) the Agreement needs to be in place to address the increased potential for emergency transactions during the remainder of the summer season. The NEPOOL Participants have agreed to the requested effective date.

The NYISO also proposes to make cancellation of the Interconnection Agreement effective on the same date that the Commission permits the Agreement to become effective.

Names and Addresses of Persons to Whom
a Copy of the Rate Schedule Change Has Been Mailed

See Attachment IV. Service on the NEPOOL Participants is being accomplished electronically in accordance with the provisions of Section 21.13(e) of the Restated NEPOOL Agreement.

Brief Description of the Rate Schedule Change; Statement of
the Reasons for the Rate Schedule Change; Description of Rate Design

The Emergency Energy Transactions Agreement that is the subject of this filing sets forth the rates, terms, and conditions pursuant to which NYISO and the NEPOOL Participants will provide emergency service to each other. Emergency energy will be supplied when the seller, in its sole discretion, has energy to sell pursuant to the provisions of Section 4.1. Delivery from third party control areas will be effected where feasible.

Schedule A of the Agreement provides that emergency energy will be sold by NYISO at 110% of the locational based marginal price to the Delivery Points as specified in Article II of the



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Agreement. When the NEPOOL Participants are the seller, the price will be 110% of the highest priced bid block for the resources dispatched (or the locational price at the point(s) of exit once the NEPOOL locational price system is in place) to provide the emergency energy. The rates in Schedule A include the rates set forth in the NYISO and NEPOOL Tariffs for transmission service charges, charges for ancillary services, and compensation for transmission losses.

Where the emergency energy is supplied to the buyer from a third party, the total charge is the cost of energy that the third party supplier charges the seller plus actual ancillary services and transmission charges incurred by the seller pursuant to any third party's open access transmission tariffs and the ancillary services and transmission charges under the seller's Open Access Transmission Tariff.

The Emergency Energy Transactions Agreement supersedes in its entirety the Interconnection Agreement. Moreover, the New York Power Pool no longer exists.

Effect of Rate Schedule Change: Estimate of Transactions and Revenues

It is impossible to project the effect of this filing because it is not possible to project the frequency of emergency occurrences or the price that will be in effect at the time.

Requisite Agreement

The Agreement has been executed by both the NYISO and by ISO New England, Inc. as agent for the NEPOOL Participants. The NEPOOL Participants agree that the Interconnection Agreement should be cancelled.

No Costs Relating to Discriminatory Practices

Neither the NYISO nor the NEPOOL Participants have expenses or costs that have been alleged or judged to be illegal, duplicate, or unnecessary costs that are demonstrably the product of discriminatory practices.



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Federal Register Notice

A form of *Federal Register* Notice is provided as Attachment V hereto. A diskette of the notice is also provided in WordPerfect format.

Respectfully submitted,

A handwritten signature in cursive script that reads "Arnold H. Quint" with a small flourish at the end.

Arnold H. Quint
Counsel for
New York Independent System Operator, Inc.

cc: Parties on Attachment IV
NEPOOL Participants
Parties to New York Independent System Operator Agreement

Attachment I

Emergency Energy Transactions Agreement

EMERGENCY ENERGY TRANSACTIONS AGREEMENT

This Agreement made on the fourteenth (14th) day of August, 2000.

BETWEEN:

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC, a not-for-profit corporation governed by the laws of New York State, hereinafter called "NYISO".

and

The entities which are the participants in the New England Power Pool ("NEPOOL") pursuant to the New England Power Pool Agreement, dated September 1, 1971, as amended and as filed with the Federal Energy Regulatory Commission. The participants in NEPOOL, as changed from time to time by additions of new participants or terminations of participants effected in accordance with the terms of the NEPOOL Agreement, are hereinafter called the "NEPOOL Participants".

WHEREAS, the NEPOOL Participants and NYISO are sometimes hereinafter referred to as the "Parties" or individually as a "Party", and

WHEREAS, the NEPOOL Participants have entered into an Interim Independent System Operator Agreement ("ISO-Agreement") with ISO New England Inc. ("ISO-NE"), pursuant to which NEPOOL transferred to ISO-NE responsibility for, among other things, direction and control of the operation of the New England power system consistent with proper standards of reliability, including the administration of the power exchange and the scheduling of emergency energy (and related services) with other entities, and

WHEREAS, ISO-NE is the agent for the NEPOOL Participants for, among other matters, arranging for the purchase and sale of emergency energy, and

WHEREAS, the NYISO is authorized to interact with other Control Area operators as required to effect external transactions pursuant to its Services Tariff, and

WHEREAS, either of the Parties may, from time to time, have insufficient operating reserve available on its respective system, or need to supplement available resources to cover sudden and unforeseen circumstances such as loss of equipment or forecast errors, and

WHEREAS, such conditions could result in the need to purchase emergency energy for reliability reasons, and

WHEREAS, the Parties wish to provide for the terms and conditions pursuant to which either Party may purchase such energy, and,

WHEREAS, either of the Parties (Buyer) from time to time, at its own option and subject to the terms hereinafter provided, may desire to enter into a transaction for the purchase of such energy, and

WHEREAS, the other Party (Seller) may have available for sale such energy subject to the following terms and conditions.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein set forth, the Parties hereto mutually agree as follows:

ARTICLE I

1.0 ADMINISTRATION COMMITTEE

1.1 For purposes of administering the terms of this Agreement, there is hereby established an Administration Committee consisting of four members. The NEPOOL Participants and the NYISO will each appoint two principal members and two alternate members to the Administration Committee. An alternate member shall vote only in the absence of a principal member. The NYISO and the NEPOOL Participants may each, from time to time remove and replace any member appointed by it, and shall fill any vacancy promptly. The NYISO and the NEPOOL Participants shall each give prompt notice in writing to the other of appointments, removals, and replacements.

1.2 The Administration Committee is authorized on behalf of the Parties hereto to do all acts and things necessary to carry out the provisions of this Agreement. Specifically, the duties of the Administration Committee shall include, but not be limited to:

- Preparation and maintenance of a suitable set of definitions of terms to be used in the administration of this agreement
- Matters relating to scheduling and accounting
- The coordination of maintenance schedules
- The consideration of other such operating matters as may arise in carrying out the objectives of this Agreement

- 1.3 NYISO and the NEPOOL Participants agree to exchange non-confidential information as may be required from time to time, through the Administration Committee, so as to enable the Administration Committee to perform its duties.
- 1.4 The expenses of a member of the Administration Committee shall be borne by the entity appointing that member. Any other expenses incurred by the Administration Committee shall be shared equally by the Parties or in such other proportion as may be agreed upon by the Administration Committee.
- 1.5 All decisions of the Administration Committee in respect to matters within its jurisdiction shall be unanimous.
- 1.6 The Administration Committee has no authority to modify the terms of this Agreement.

ARTICLE II

2.0 DELIVERY POINT

- 2.1 Delivery Point for the sale or purchase of energy under this Agreement shall be at the several points of interconnection between the NYISO control area and the NEPOOL control area, and at such other points of interconnection as may be established.

Unless otherwise agreed by the Administration Committee, the Seller shall be allowed to include, in the price charged for such energy, all costs of delivering such energy to the Delivery Point, and the Buyer shall be responsible for all costs beyond the Delivery Point.

ARTICLE III

3.0 CHARACTERISTICS OF THE POWER AND ENERGY

- 3.1 All power and energy made available by the Seller shall be three phase, 60 Hz alternating current at operating voltages established at the Delivery Point in accordance with system requirements and appropriate to the interconnection or other such characteristics as may be agreed upon by the Parties.

ARTICLE IV

4.0 NATURE OF SERVICE

- 4.1 The NEPOOL Participants and NYISO shall, to the maximum extent each deems consistent with the safe and proper operation of its own system, the furnishing of economical, dependable and satisfactory services to its own customers, and its obligations to other parties, make available to the other Party when a system emergency exists on the other Party's system, emergency energy from its system's available generating capability in excess of its load requirements up to the transfer limits in use between the two control areas. Emergency energy is energy provided in cases of emergency outages of generating units, transmission lines or other equipment, or to meet other sudden and unforeseen circumstances such as forecast errors, or to provide sufficient operating reserve. The Seller shall refer to all emergency transactions as being sold "out of 10 minute reserves"; "out of 30 minute reserves" where such a delivery could reasonably be expected to be recalled if the seller needed the generation for a reserve pick-up or other system emergency; or "above and beyond reserves" where the seller would normally be able to continue delivering the energy following a reserve pick-up.
- 4.2 In the event either Party is unable to provide emergency energy to the other when needed, but there is energy available from a third party control area, delivery of such energy will be effected where feasible.
- 4.3 The Parties are participants in the Northeast Power Coordinating Council's (NPCC) "Procedures for Shared Activation of Ten Minute Reserve" which describes the reserve energy assistance and repayment process following losses of large regional generating units or purchases. In addition to NEPOOL Participants and the NYISO, regional participants include the Maritimes, Ontario's Independent Electricity Market Operator and PJM Interconnection, L.L.C. The objective of this procedure is to effect an improvement in reliability by more quickly relieving the initial stress placed on the interconnected transmission system following a large loss of generation or energy purchase.

ARTICLE V

5.0 RATES AND CHARGES

- 5.1 The charge for emergency energy delivered to NYISO or to NEPOOL shall be as set forth in Schedule A. (Attached)
- 5.2 Should activation of reserve sharing be required by either of the Parties, inadvertent

interchange will intentionally be accumulated with each Control Area providing assistance. In accordance with the NPCC Procedure described in Section 4.3, inadvertent owed the assisting Party should be paid by the Party requiring support via a bilateral payback arrangement in the same day, but in no event later than, the end of the next on peak or off peak period following the inadvertent period in which the inadvertent was accumulated.

ARTICLE VI

6.0 MEASUREMENT OF ENERGY INTERCHANGED

- 6.1 All energy supplied at the Delivery Point shall be metered. The metered amounts shall be adjusted for actual losses to the Delivery Point on each of the several points of interconnection between the NYISO control area and the NEPOOL control area. This adjustment will be done to compensate for the difference in location between the Delivery Point and the meter.
- 6.2 Any properly designated representative of either of the Parties hereto shall have access, through coordination with the meter Owner, during normal business hours to all of the billing meters for the purpose of reading the same. The accuracy of the meters shall be verified by proper tests periodically and at any other time upon reasonable notice given by either of the Parties to the other, and each of the Parties shall be entitled to have a representative present at such verification, subject to coordination with the meter Owner. In the event that an error greater than 2% should be discovered, retroactive billing adjustments, if any, shall be determined by the Administration Committee.

ARTICLE VII

7.0 BILLING AND PAYMENT

- 7.1 The procedure for rendering and payment of invoices for transactions pursuant to this Agreement shall be as set out hereunder unless otherwise agreed by the Administration Committee.
- 7.2 Promptly after the end of each calendar month, the Seller shall prepare or cause to be prepared and render an invoice to the Buyer covering all transactions conducted under the terms of this Agreement during such calendar month. All transactions will be billed based on the schedule of energy agreed to by the Parties.
- 7.3 All invoices rendered by the Seller shall be payable by the Buyer by electronic bank transfer, or in such other manner as is agreed to by the Administration Committee, on the

later of the twentieth day of each month or the first common banking day after the nineteenth day of the month whichever is later (the "Due Date").

- 7.4 If the rendering of an invoice is unavoidably delayed, the Seller may issue an interim invoice based on estimated charges. Each bill shall be subject to adjustment for any errors in calculation, meter readings, estimating or otherwise. Any such billing adjustments shall be made as promptly as practical, but in no event later than six months after issuing the invoice.
- 7.5 Any amount not paid by the Due Date shall be subject to interest, calculated from the due date of the bill to the date of payment, in accordance with the methodology specified for interest on refunds in the Federal Energy Regulatory Commission's regulations at 18 C.F.R. § 35.19a (a) (2) (iii).
- 7.6 If any invoice remains unpaid for thirty days after the Due Date, the Seller or Buyer may, in addition to all other remedies available to it, and after giving the other Party at least five days written notice of its intention to do so, present the issue in dispute to that Party's Board of Directors. (For purposes of this section, the NEPOOL Participants Committee shall be deemed to be its Board of Directors). The Party's Board of Directors shall contact the other Party's Board of Directors or its designee to develop a solution to a billing dispute. The Boards of Directors may choose to submit the billing dispute to a form of alternative dispute resolution to which the Boards of Directors may agree. Such action shall not be construed as a breach of contract by the Seller and shall not relieve the Buyer of its obligations to pay for energy in accordance with the provisions of this Agreement.
- 7.7 The applicable provisions of this Agreement shall continue in effect after termination of this Agreement to the extent necessary to provide for final billing, billing adjustments, payments and disposition of any claims outstanding.

ARTICLE VIII

8.0 RECORDS

- 8.1 Each Party hereto shall keep or cause to be kept complete and accurate records and memoranda of its operations hereunder and shall maintain such data as may be necessary to determine with reasonable accuracy any item required hereunder. With respect to invoicing records, each Party shall maintain or cause to be maintained such records, memoranda and data for the current calendar year plus the previous calendar year. The Administration Committee shall have the right to examine all such records and memoranda that are not confidential in so far as may be reasonably necessary for the purpose of ascertaining the reasonableness and accuracy of any statements of costs relating to transactions hereunder.

ARTICLE IX

9.0 LIABILITY

- 9.1 The NEPOOL Participants acknowledge that, for the purposes of arranging transactions in emergency energy under this Agreement, the NEPOOL Participants shall act exclusively through their authorized agent, ISO-NE unless they have otherwise notified the NYISO in writing.
- 9.2 Force Majeure: A Party shall not be considered to be in default or breach of this Agreement, and shall be excused from performance or liability for damages to any other party, if and to the extent it shall be delayed in or prevented from performing or carrying out any of the provisions of this Agreement, arising out of or from any act, omission, or circumstance by or in consequence of any act of God, labor disturbance, sabotage, failure of contractors or suppliers of materials, act of the public enemy, war, invasion, insurrection, riot, fire, storm, flood, ice, earthquake, explosion, epidemic, breakage or accident to machinery or equipment or any other cause or causes beyond such Party's reasonable control, including any curtailment, order, regulation, or restriction imposed by governmental, military or lawfully established civilian authorities, or by making of repairs necessitated by an emergency circumstance not limited to those listed above upon the property or equipment of the Party or property or equipment of others which is deemed under the "operational control" of the Party. A Force Majeure event does not include an act of negligence or intentional wrongdoing. Any Party claiming a force majeure event shall use reasonable diligence to remove the condition that prevents performance and shall not be entitled to suspend performance of its obligations in any greater scope or for any longer duration than is required by the force majeure event. Each Party shall use its best efforts to mitigate the effects of such force majeure event, remedy its inability to perform, and resume full performance of its obligations hereunder.
- 9.3 Liability to Third Parties: Except as otherwise expressly provided herein, nothing in this Agreement shall be construed or deemed to confer any right or benefit on, or to create any duty to, or standard of care with reference to any third party, or liability or obligation, contractual or otherwise, on the part of the Parties to this Agreement.
- 9.4 Liability Between Parties: The Parties' duties and standard of care with respect to each other, and the benefits and rights conferred on each other shall be no greater than as expressly stated herein. Neither Party, its directors, officers, trustees, employees or agents, shall be liable to the other Party for any loss, damage, claim, cost, charge or expense, whether direct, indirect, incidental, punitive, special,

exemplary or consequential, arising from the other Party's performance or nonperformance under this Agreement, except to the extent that a Party, is found liable for gross negligence or willful misconduct, in which case the Party responsible shall be liable only for direct and ordinary damages and not for any incidental, consequential, punitive, special, exemplary or indirect damage.

- 9.5 Liability for Interruptions: Neither Party shall be liable to the other Party for any claim, demand, liability, loss or damage, whether direct, indirect, incidental, punitive, special, exemplary or consequential, resulting from an occurrence on the circuits and system that are under the "operational control" of the other Party and which results in damage to or renders inoperative such circuits and system, or the separation of the systems in an emergency, or interrupts or diminishes service, or increases, decreases or in any way affects for whatever length of time the voltage or frequency of the power and energy delivered hereunder to the other Party.
- 9.6 "Operational Control": As used in this Article, "operational control" means security monitoring, adjustment of generation and transmission resources, coordinating and approval of changes in transmission status for maintenance, determination of changes in transmission status for reliability, coordination with other control areas, voltage reductions and load shedding, except that each legal owner of generation and transmission resources continues to physically operate and maintain its owned facilities.

ARTICLE X

10.0 APPLICABLE LAW

- 10.1 This Agreement shall be governed by and construed in accordance with the laws of the state of New York where the NYISO is the Seller of emergency energy, and the Parties irrevocably attorn to the courts of the State of New York.
- 10.2 This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts where the NEPOOL Participants are the Sellers of emergency energy, and the Parties irrevocably attorn to the courts of the Commonwealth of Massachusetts.

ARTICLE XI

11.0 LICENSE AND AUTHORIZATION

- 11.1 The agreements and obligations expressed herein are subject to such initial and continuing governmental permission and authorization as may be required. Each Party

shall be responsible for securing and paying for any approvals required by it from any regulatory agency of competent jurisdiction relating to its participation in this Agreement and will reasonably cooperate with the other Party in seeking such approvals.

ARTICLE XII

12.0 ASSIGNMENT

- 12.1 This Agreement shall inure to the benefit of, and be binding upon and may be performed by, the successors and assigns of the Parties hereto respectively, but shall not be assignable by either Party without the written consent of the other.

ARTICLE XIII

13.0 NOTICES

- 13.1 Except as otherwise agreed from time to time, any notice, invoice or other communication which is required by this Agreement to be given in writing, shall be sufficiently given at the earlier of the time of receipt or deemed time of receipt if delivered personally to a senior official of the Party for whom it is intended or electronically transferred or sent by registered mail, addressed as follows:

In the case of NYISO to:

New York ISO, Inc.
3890 Carman Road
Schenectady, New York 12303
Vice President Operations & Reliability

In the case of NEPOOL Participants to:

ISO New England Inc., as agent for NEPOOL
One Sullivan Road
Holyoke, Massachusetts 01040-2841
Attention: Vice President of Operations

or delivered to such other person or electronically transferred or sent by registered mail to such other address as either Party may designate for itself by notice given in accordance with this Section or delivered by any other means agreed to by the Parties hereto.

Any notice, or communication so mailed shall be deemed to have been received on the third business day following the day of mailing, or if electronically transferred shall be

deemed to have been received on the same business day as the date of the electronic transfer, or if delivered personally shall be deemed to have been received on the date of delivery or if delivered by some other means shall be deemed to have been received as agreed to by the Parties hereto.

- 13.2 The use of a signed facsimile of future notices and correspondence between the Parties related to this Agreement shall be accepted as proof of the matters therein set out. Follow-up with hard copy by mail will not be required unless agreed to by the Administration Committee.

ARTICLE XIV

14.0 EFFECTIVE DATE AND TERM

- 14.1 Subject to the conditions of Article XI (License and Authorization) above, this Agreement shall take effect upon the execution hereof by both Parties, and shall continue in force until terminated in accordance with paragraph 14.2.
- 14.2 This Agreement may be terminated at any time by mutual agreement in writing. It may also be terminated by either Party with at least ninety days prior written notice to the other Party of its intention to terminate and such termination is accepted for filing by the Federal Energy Regulatory Commission.

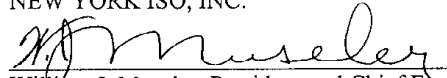
ARTICLE XV

15.0 NEPOOL PARTICIPANTS

- 15.1 Except as otherwise provided in Section 15.2 of this Article, the NEPOOL Participants shall be treated as a single party for all purposes of this Agreement, and the NEPOOL Participants Committee or ISO-NE shall act for and represent the NEPOOL Participants in all matters with respect to this Agreement, other than those assigned to the Administration Committee under Article I. Any action taken by the Participants Committee or ISO-NE on behalf of the NEPOOL Participants under this Agreement shall be conclusive and binding upon the NEPOOL Participants.
- 15.2 The obligations of each NEPOOL Participant under this Agreement shall be limited to its percentage of the aggregate obligations of all Participants. Each Participant's percentage share for this purpose shall equal the percentage of NEPOOL expenses, which the Participant is obligated to pay under Section 19.2 of the NEPOOL Agreement.

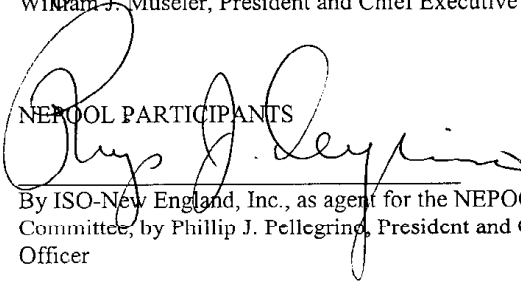
IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed in duplicate as of the day and year first written above.

NEW YORK ISO, INC.



William J. Museler, President and Chief Executive Officer

NEPOOL PARTICIPANTS



By ISO-New England, Inc., as agent for the NEPOOL Participants Committee, by Phillip J. Pellegrino, President and Chief Executive Officer

Schedule A

To the Emergency Energy Transaction Agreement

In accordance with the Emergency Energy Transaction Agreement between NYISO and NEPOOL dated the August 14, 2000, the Administration Committee agrees that the charge for emergency energy delivered by NYISO or NEPOOL to the other shall be as defined below.

The Seller shall be allowed to include, in the total price charged for emergency energy, all costs incurred in the delivery of emergency energy to the Delivery Point (as defined in Section 2.1), and the Buyer shall be responsible for all costs beyond the Delivery Point.

Direct NYISO/NEPOOL Transaction

The charge for emergency energy supplied in any hour to the Buyer shall be calculated using the following two part formula. The first part of the formula calculates the energy portion of the charge and the second part incorporates any transmission charges incurred by the Seller to deliver the emergency energy to the Delivery Point. In the case of NYISO as the Seller, the cost of the energy portion shall be the LBMP (Locational Based Marginal Price) at the point(s) of exit. In the case of NEPOOL as the Seller, the cost of the energy portion shall be the highest priced bid block for the resources dispatched (or the locational price at the point(s) of exit once the NEPOOL locational price system is in place), to provide the emergency energy. Regardless of the Seller, the Seller's energy cost shall be multiplied by 110%.

Energy Portion for an hour =

- (Emergency Energy supplied in the hour in MWhr)
- * (Seller's cost of such energy in \$/MWhr)
- * 110%

Transmission Charge to Delivery Point (if applicable) =

The actual ancillary services (as applicable) and transmission costs incurred by the Seller in delivering such energy to the Delivery Point pursuant to the Seller's Open Access Transmission Tariff.

TOTAL CHARGE FOR EMERGENCY ENERGY SUPPLIED IN ANY HOUR =

The sum of the Energy Portion for an hour and the Transmission Charge for that same hour.

NYISO/NEPOOL Transaction From Third Party Supplier

The charge for emergency energy supplied to the Buyer from a third party shall be calculated using the following two part formula. The first part of the formula calculates the energy portion of the charge and the second part incorporates any transmission charges incurred by the Seller to

deliver the emergency energy to the Delivery Point. The Seller's cost for emergency energy (whether NYISO or NEPOOL) shall be the cost that the third party supplier charges the Seller.

Energy Portion for an hour =

(Emergency Energy supplied in the hour in MWhr)*
(Third Party Suppliers charge for such energy in \$/MWhr)

Transmission Charge to Delivery Point (if applicable) =

The actual ancillary services costs (as applicable), transmission costs and all other applicable costs attributable to such import transactions incurred by the Seller in delivering such energy to the Delivery Point pursuant to the Seller's Open Access Transmission Tariff.

TOTAL CHARGE FOR EMERGENCY ENERGY SUPPLIED IN ANY HOUR =

The sum of the Energy Portion for an hour and the Transmission Charge for that same hour.

Attachment II

Notice of Cancellation

NOTICE OF CANCELLATION

Notice is hereby given that effective the 14th day of August, 2000, the Interconnection Agreement between The New England Power Pool and the New York Power Pool is to be cancelled.

Notice of the proposed cancellation has been served upon the Parties to the New York Independent System Operator Agreement, the NEPOOL Participants, ISO New England, Inc. and upon the electric utility regulatory agencies in New York, New Jersey, Pennsylvania, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

New York Independent System Operator, Inc.

By: Arnold H. Quint
Arnold H. Quint, Counsel/att

Date: 9/11/00

Attachment III

Certificate of Concurrence

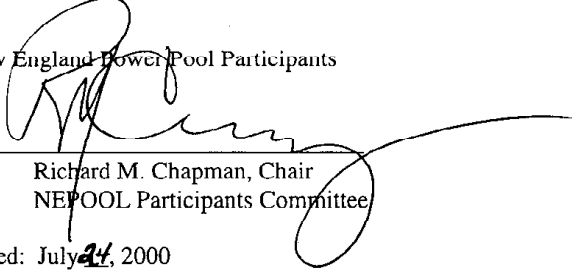
Certificate of Concurrence

This is to certify that the New England Power Pool Participants assent to and concur in the rate schedule described below, which the New York Independent System Operator, Inc. has filed, and hereby file this Certificate of Concurrence in lieu of the filing of the rate schedule supplement specified:

Emergency Energy Transactions Agreement,
Dated as of May 1, 2000

New England Power Pool Participants

By:


Richard M. Chapman, Chair
NEPOOL Participants Committee

Dated: July 24, 2000

Attachment IV

**Names and Addresses of
Persons Served with Rate Schedule Change**

Names and Addresses of Persons Served

Connecticut Department of Public Utility Control 10 Franklin Square New Britain, CT 06051-2605	The Honorable John G. Rowland State Capitol 210 Capitol Avenue Hartford, CT 06106
Maine Public Utilities Commission State House, Station 18 242 State Street Augusta, ME 04333-0018	The Honorable Angus S. King, Jr. One State House Station Room 236 Augusta, ME 04333-0001
Massachusetts Department of Telecommunications and Energy One South Station Boston, MA 02110	The Honorable Paul Cellucci Office of the Governor Room 360 State House Boston, MA 02133
New Hampshire Public Utilities Commission 8 Old Suncook Road - Building #1 Concord, NH 03301	The Honorable Jeanne Shaheen State House Room 208 Concord, NH 03301
Rhode Island Public Utilities Commission 100 Orange Street Providence, RI 02903	The Honorable Lincoln Almond State House Room 143 Providence, RI 02903
Vermont Public Service Board 112 State Street, Drawer 20 Montpelier, VT 05620-2701	The Honorable Howard Dean 109 State Street Montpelier, VT 05609
Stephen L. Diamond, President New England Conference of Public Utilities Commissioners, Inc. c/o Maine Public Utilities Commission 18 State House Station Augusta, ME 04333-0018	Amy Ignatius, Esquire New England Conference of Public Utilities Commissioners, Inc. 470 Forest Avenue Suite 209 Portland, ME 04101

Harvey L. Reiter, Esquire
Kathleen L. Mazure, Esquire
Counsel for New England Conference of
Public Utilities Commissioners, Inc.
McCarthy, Sweeney & Harkaway P.C.
1750 Pennsylvania Avenue, NW
Washington, DC 20006

Pennsylvania Public Utility Commission
Office of the Secretary
Commonwealth & North Street
North Office Building
P.O. Box 3265
Harrisburg, PA 17120

Power Planning Committee
New England Governors' Conference, Inc.
76 Summer Street, 2nd Floor
Boston, MA 02110

Secretary
New Jersey Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

New York Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

NEPOOL Participants
Parties to the New York Independent System Operator Agreement

