CONFIDENTIAL DRAFT 5/28/04

Proposed Modifications to NYISO OATT to Eliminate Export Fees to New England

Attachment H to NYISO OATT

New York Independent System Operator, Inc. FERC Electric Tariff Original Volume No. 1 Attachment H

ATTACHMENT H

ANNUAL TRANSMISSION REVENUE REQUIREMENT FOR POINT-TO-POINT TRANSMISSION SERVICE AND NETWORK INTEGRATION TRANSMISSION SERVICE

I. TSC

1.0 Applicability of the Transmission Service Charge to Wholesale Customers

Each month, each wholesale Transmission Customer shall pay to the appropriate

Transmission Owner the applicable Wholesale Transmission Service Charge (AWholesale TSC@)

calculated in accordance with Section 2.2 of this Attachment for the first two months of LBMP

implementation and in accordance with Section 2.1 of this Attachment thereafter. The TSC shall

apply to Transmission Service:

- (a) from one or more Interconnection Points between the NYCA and another Control Area to one or more Interconnection Points between the NYCA and another Control Area (AWheels Through@);^{*}
- (b) from the NYCA to one or more Interconnection Points between the NYCA and another Control Area, including transmission to deliver Energy purchased from the LBMP Market and delivered to such a Control Area Interconnection Point (AExports@);^{*} or

Issued by:William J. Museler, PresidentEffective:September 1, 2000Issued on:November 10, 20002004Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RM99 12 000, issued March31, 2000, 90 FERC ¶ 61,352 (2000).

* The TSC shall not apply to Wheels Through or Exports scheduled with the ISO to destinations within the New England Control Area provided that the conditions listed in Section 7B.1(iv) of this Tariff are satisfied.

New York Independent System Operator, Inc. FERC Electric Tariff Original Volume No. 1 Attachment H

1.0%
1.0%
1.0%
1.0%

6.0 TSC For Retail Access Customers (RTSC)

Customers who apply for unbundled Transmission Service in accordance with the provisions of a Transmission Owner=s retail access program filed with the PSC or, in the case of LIPA, approved by the Long Island Power Authority=s Board of Trustees, will be responsible for paying a retail transmission service charge as detailed in Part IV of this Tariff.

7.0 NYPA Transmission Service Charge

The NYPA TSC for service to its directly connected Loads (Reynolds Metals,

GM-Massena, Town of Massena and the City of Plattsburgh) shall, at the Eligible Customer=s option, be (a) \$1.30 per kilowatt-month or (b) no more than \$3.75 per MWh; not to exceed \$60.00 per MW Day applied to peak MWh scheduled any hour each day; not to exceed \$300.00 per MW-Week applied to the peak MWh scheduled any hour each week. The TSC applicable to service over the Vermont intertie and the Ontario-Hydro intertie^{*} shall be the same as (b). The TSC applicable to service over the Hydro-Quebec intertie shall be no more than \$4.62 per MWh; not to exceed \$73.85 per MW-Day applied to peak MWh scheduled each day; not to exceed

Issued by:William J. Museler, PresidentEffective:September 1, 2000Issued on:November 10, 2000June , 2004Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RM99 12 000, issued March31, 2000, 90 FERC ¶ 61,352 (2000).

* The NYPA TSC shall not apply to service over the Vermont intertie provided that the conditions listed in Section 7B.1(iv) of this Tariff are satisfied.

New York Independent System Operator, Inc. FERC Electric Tariff Original Volume No. 1 Attachment H

II. NYPA TRANSMISSION ADJUSTMENT CHARGE (ANTAC@)

1.0 Applicability of the NYPA Transmission Adjustment Charge

Each month, the ISO shall charge, and each Transmission Customer shall pay, the applicable NYPA Transmission Adjustment Charge (ANTAC@) calculated in accordance with Section 2.2 of this Attachment for the first two (2) months of LBMP and in accordance with Section 2.1 of this Attachment thereafter. The NTAC shall apply to Transmission Service:

- (a) from one or more Interconnection Points between the NYCA and another
 Control Area to one or more Interconnection Points between the NYCA
 and another Control Area (Wheels Through);^{*} or
- (b) from the NYCA to one or more Interconnection Points between the NYCA and another Control Area, including transmission to deliver Energy purchased from the LBMP Market and delivered to such a Control Area Interconnection (Exports);^{*} or
- (c) to serve Load within the NYCA.

In summary the NTAC will be applied to all Energy Transactions, including internal New York State Loads and Wheels Through and Exports out of the NYCA at a uniform, non-discountable rate.

Issued by:William J. Museler, PresidentEffective:September 1, 2000Issued on:November 10, 2000June , 2004Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RM99-12 000, issued March31, 2000, 90 FERC ¶ 61,352 (2000).

* The TSC shall not apply to Wheels Through or Exports scheduled with the ISO to destinations within the New England Control Area provided that the conditions listed in Section 7B.1(iv) of this Tariff are satisfied.