

Business Practices Document

Schedule 21-CMP

Effective April 1, 2011

Central Maine Power Company

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Section 2

Business Practices

1. Introduction

a. Purpose of Document

This Business Practices document (“Business Practices”) is intended to supplement the terms and conditions of Transmission Service specific to the Central Maine Power Company’s Local Services Schedule 21, of Section II of the ISO New England Inc. (“ISO”) Transmission, Markets and Services Tariff (“Tariff”). Reading this document does not relieve the customer of the obligation to read and understand (a) the applicable Tariffs and Service Agreements, (b) ISO Market Rule 1, (c) ISO Manuals, (d) ISO Standard Operating Procedures or other associated documents that impact Transmission Services requirements. All services provided and taken under any tariff or service agreement are subject to the conditions and terms of the approved tariffs regardless of the information contained in these Business Practices. When deemed necessary by Central Maine Power Company these Business Practices may be modified according to the Company’s Process for Amending Business Practices.

b. Overview of Schedule 21 Transmission Service in New England

Effective February 1, 2005, ISO began operating as the Regional Transmission Organization

("RTO") for New England. Transmission owning companies, as signatories to the Transmission Operating Agreement became Participating Transmission Owners (PTO) in this RTO. The governing document for providing transmission service in New England is the ISO New England Transmission, Markets and Services Tariff ("ISO Tariff"). Section II of the ISO Tariff (the ISO OATT), provides the rates, terms and conditions for transmission service over the regional transmission system while Schedule 21 of Section II of the ISO Tariff provides the rates, terms and conditions associated with providing transmission service over the PTOs' local transmission facilities.

2. Definitions

Defined terms are capitalized in this document. Unless otherwise specified in these Business Practices, please refer to Section I of the ISO Tariff and Schedule 21 for the definition of other terms capitalized in these Business Practices.

3. Applicable Schedules

a. Services applicable to these Business Practices

Schedule 21 of the ISO Tariff contains the terms and conditions that are common for all local transmission services that are provided by the PTOs. Schedule 21-CMP contains the Company's specific rates, terms and conditions for Local Service provided over the transmission

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facilities located within Company's service area. The Company offers Local Point-to-Point, both firm and non-firm, Network Service and Ancillary Service Schedule 1.

b. Additional Services Provided Under the ISO-NE Tariff

The ISO-NE Tariff contains the terms and conditions for regional transmission services over the Pool Transmission Facilities that are provided by ISO. Transmission Customers interested in obtaining any of the services offered over these facilities should refer to Schedules 8 and 9 of the ISO-NE Tariff.

Additionally, generators interested in interconnecting to the regional transmission system should refer to Schedule 22 or Schedule 23 of the ISO-NE Tariff, which contains the terms and conditions for regional interconnection services that are provided by ISO and the PTOs.

4. Ancillary Services

Only one Ancillary Service is provided under Schedule 21. This service, Scheduling, System Control and Dispatch Service, is required to be taken by all customers taking service under the Company's Schedule 21. It is not necessary for customers to request this Ancillary service via the OASIS. The Transmission Customer will automatically be billed for Scheduling, System Control and Dispatch Service based on its transmission service request. Please note that the customer may be responsible for acquiring additional ancillary services under the ISO Tariff, as a customer taking service under the ISO OATT. See Schedules 2-7 of the ISO Tariff.

5. Procedures for Arranging for Transmission Service

In order to initiate service under Schedule 21, an Application must be completed and forwarded according to the instructions provided in the Application, along with the information requested under the Company's Creditworthiness Policy. The Application will be reviewed according to the terms of Schedule 21-CMP. The customer will be notified with any questions and a Service Agreement will be forwarded for execution once the Application has been deemed to be complete and the terms of the Creditworthiness Policy have been met. Upon the execution of the Service Agreement, the Transmission Customer may obtain access to the Company's OASIS as a Transmission Customer.

6. OASIS

a. Services Available on OASIS

Requests for Firm and Non-Firm Point-To-Point Transmission Service provided for under the terms of Schedule 21 should be made over the Company's OASIS site.

Central Maine Power Company has generators connected to our distribution system as well as our transmission system. CMP does not currently require generators to make non firm reservations on OASIS the billing determinants are based on the actual capacity use.

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In the New England Wholesale Market generation is dispatched based purely on economics. There is no distinction between firm and non-firm transmission. Based on the hierarchy of the tariff provisions Schedule 21-CMP cannot contradict Market Rule 1. Therefore there is a potential for contradictory/inconsistent terms and conditions concerning physical versus financial rights.

b. OASIS Staff Contact Info

Mike Shorey – 207-621-3842

Carol Purinton – 207-621-4778

c. OASIS Timing Requirements

The Company's OASIS Reservation Timing Requirements for Local Point-to-Point Transmission Service are in accordance with the ISO OATT, Section 5(a). The maximum and minimum lead times for requesting service are provided on the Company's OASIS site.

d. Transmission Service Requests

Transmission Customers may leave the price field of the transmission service request form blank. If left blank, the Transmission Provider will interpret the requested price as that of the appropriate filed rate for that service.

7. Billing

Central Maine Power Company transmission customers are billed based on its capacity reserved or its actual capacity used whichever is higher. This eliminates any charge for unauthorized use.

a. Discounts

Central Maine Power Company currently discounts firm and non-firm local point-to-point to \$0.00kW/year. CMP does however bill for Ancillary One.

8. Postback Methodology

Firm service reservations that remain unscheduled during the Operating and Scheduling Horizons will be released and posted back as Non-Firm ATC (Postback_{NF})¹.

¹ Pursuant to NERC MOD-029-1