

Attachment III

OATT ATTACHMENT II – CHAMPLAIN-HUDSON POWER EXPRESS MERCHANT TRANSMISSION FACILITY

This Attachment II to (Section 41 of) the ISO's OATT addresses the Champlain-Hudson Power Express Merchant Transmission Facility (the "MTF") that is subject to the ISO's operational control.

Topics addressed in this Attachment II include responsibilities of the MTF Provider, such as: (a) information and posting requirements for the MTF Provider OASIS, (b) registration of Transmission Customers to be eligible to obtain MTF Reservations, (c) the processes for obtaining MTF Reservations, (d) availability of and limitations on MTF Reservations, (e) releases of unused MTF Reservations, (f) calculation of ATC for use in the administration of MTF Reservations, and (g) an overview of credit requirements for obtaining MTF Reservations. Additional responsibilities of the MTF Provider are set forth in the NTO Agreement between the ISO and the MTF Provider, and elsewhere in the ISO Tariffs and Procedures. This Attachment II addresses other topics related to the MTF, including: (1) rights associated with MTF Reservations, (2) requirements and obligations that apply to Transmission Customers that seek to obtain, or that hold MTF Reservations, (3) the ISO's scheduling and curtailment of Imports to the NYCA over the MTF, (4) operation of the MTF, and (5) communications failure among/between the ISO the MTF Provider and HQT.

41.1. Definitions

Capitalized terms used and defined in this Attachment II shall have the meaning given them in this Attachment. Capitalized terms used and not defined in this Attachment, but defined in other provisions of the ISO Tariffs, shall have the meaning given them under those provisions.

Hydro-Quebec Merchant Function (“HQUS”): Hydro-Québec’s merchant function is referred to as H.Q. Energy Services (U.S.) Inc. or “HQUS.”

Hydro-Quebec Transmission Function (“HQT”): Hydro-Québec when carrying on electric power transmission activities is referred to as “HQT.” In other sections of the ISO Tariffs, HQT is sometimes referred to as Hydro-Québec TransEnergie or “HQTE.”

Initial MTF Reservation Holder: The MTF Provider has allocated the full 1,250 MW of transfer capability associated with the MTF pursuant to an open solicitation and a Firm Electric Transmission Rights Purchase Agreement executed with H.Q. Energy Services (U.S.) (“HQUS”). *See* Letter Order Accepting CHPE LLC's Post-Open Solicitation Compliance Filing, ER20-1214-001, 002 (February 8, 2022). The original MTF Reservation HQUS acquired from the MTF Provider expires on the fortieth (40th) anniversary of the initial commercial operation of the MTF.

MTF: The Champlain Hudson Power Express Line is a 1,250 MW, high voltage direct current, controllable Merchant Transmission Facility extending from the Point of Receipt where it connects to transmission facilities owned and operated by Hydro-Québec at the U.S. - Canada border to its Point of Delivery where it connects to the rest of the NYS Transmission System at the Astoria Annex 345 kV GIS Substation in Queens, New York within Zone J.

MTF Provider: CHPE LLC and its designated agent(s). The MTF Provider is responsible for registration of Transmission Customers to procure, hold and use MTF Reservations, administering and maintaining the MTF Provider OASIS, administering MTF Reservations, and operating the MTF consistent with the Operating Agreement between the MTF provider and ISO, the ISO’s Tariffs and applicable reliability standards and rules. The MTF Provider is expected to recognize and respect the timeframes in which the ISO Administered Markets

require information related to the MTF to be made available.

MTF Provider Business Practices: Rules and procedures developed by the MTF Provider that set forth details about: (i) how the MTF Provider implements its responsibilities under this Attachment; and (ii) the obligations and requirements that Transmission Customers must satisfy to acquire and hold a MTF Reservation. The MTF Provider Business Practices, including any proposed revisions thereto, must be prominently posted on the MTF Provider OASIS.

Except where circumstances require action to address an immediate reliability or market issue that requires a change to the MTF Provider Business Practices, the MTF Provider shall post proposed changes to its Business Practices for comment on the MTF Provider OASIS for at least five business days before they take effect, and provide any comments the MTF Provider receives to the ISO. Changes to Business Practices that are initially implemented to address an immediate reliability or market issue must be posted for comment on the MTF Provider OASIS for at least five business days after they take effect, and the MTF Provider shall provide any comments it receives to the ISO.

The ISO may reject or require revisions to a proposed MTF Provider Business Practice if the ISO determines that either: (a) the new or revised MTF Provider Business Practice is inconsistent with the requirements of the ISO's Tariffs, or (b) that the ISO would need to modify its own processes or procedures in order to accommodate the new or revised MTF Provider Business Practice. It may take some time for the ISO to identify an inconsistency between a new or revised MTF Provider Business Practice and the ISO's Tariffs, processes or procedures. The ISO shall provide any determination approving, rejecting or requiring revisions to a new or revised MTF Provider Business Practice in order for the new or revised

MTF Provider Business Practice to be approved, to the MTF Provider in writing.

MTF Provider OASIS: The Open-Access Same Time Information System administered by the MTF Provider addressing the MTF. The MTF Provider OASIS will satisfy all FERC requirements for the transmission path associated with the MTF, and MTF Reservations will be offered to qualified Transmission Customers on the MTF Provider OASIS. Information posted on the MTF Provider OASIS shall include: the results of the Commission-mandated open-season process used to initially allocate transmission rights on the MTF; Available Transfer Capability (ATC) for the MTF; MTF Reservation holder, quantity in MW, and duration; estimated line losses from the MTF Point of Receipt to the MTF Point of Delivery; opportunities to acquire MTF Reservations from the MTF Provider and from current MTF Reservation holders; the MTF Provider Business Practices; and the rates that the MTF Provider will assess to Transmission Customers that acquire Default Release MTF Reservations. The ISO will use information posted on the MTF Provider OASIS to determine if MTF Reservations are valid and sufficient to support an Energy market Bid, or the sale of Capacity.

Terms and conditions regarding Open Access Same-Time Information System and Standards of Conduct are set forth in 18 C.F.R. Part 37 (Open Access Same-Time Information System and Standards of Conduct for Public Utilities) and 18 C.F.R. Part 38 of the Commission's regulations (Business Practice Standards and Communication Protocols for Public Utilities). The MTF Provider shall post on its OASIS and its public website an electronic link to all rules, standards and practices that (i) relate to the terms and conditions of transmission service, (ii) are not subject to a North American Energy Standards Board (NAESB) copyright restriction, and (iii) are not otherwise included in this ISO OATT. The MTF Provider shall post on OASIS and on its public website an electronic link to the NAESB

website where any rules, standards and practices that are protected by copyright may be obtained.

MTF Reservation: Defined in Section 3 of this Attachment II. Includes Default Release MTF Reservation.

MTF Reservation Application: The information that must be submitted in a MTF Reservation Application is specified in Section 41.5.2.3 of this Attachment II.

MTF Reservation Charge(s): Charges assessed to Transmission Customers that hold MTF Reservations, which shall be determined pursuant to arrangements between the MTF Provider and the Transmission Customer(s). The MTF Provider may pay MTF Reservation Charges it collects for resale or release of MTF Reservations to holders of MTF Reservations that were acquired by other Transmission Customers. MTF Reservation Charges shall be in accordance with the Commission's authorization for the MTF Provider to charge negotiated rates for the use of transmission service over its MTF. The MTF Reservation Charge that will be assessed when a Default Release MTF Reservation is acquired must be posted on the MTF Provider OASIS.

MTF Reservation Service Agreement: A blanket Service Agreement that is consistent with the *pro forma* Service Agreement set forth in Section 41.19 of the OATT, or an unexecuted or non-conforming Service Agreement that is filed in conformance with Part 35 of the Commission's Regulations (18 CFR Part 35).

NTO Agreement: An agreement between the ISO and the MTF Provider that is based on the *pro forma* agreement in Section 31.11 (or any successor section) of the ISO OATT.

41.2. Allocation of Available Transfer Capability Over MTF

41.2.1 Commission-Approved Allocation Process: All available transfer capability over MTF was allocated to the MTF Provider, which assigned the rights to the Initial MTF Reservation Holder pursuant to a Commission-approved rights allocation process. To the extent that transfer capability over MTF is not fully reserved through the Commission-approved rights allocation process, such excess transfer capability shall be made available for acquisition by public posting on the MTF Provider OASIS by the MTF Provider, treating the MTF Provider as the MTF Reservation holder. Secondary rights to use the MTF, to the extent unused by MTF Reservation holders, shall be offered on the MTF Provider OASIS by MTF Provider consistent with the Default Release rules set forth below in Section 41.18.

41.2.2 Voluntary Transfer of MTF Reservations: Voluntary releases of MTF Reservations by MTF Reservation holders may be posted for sale and acquired by qualified Transmission Customers on the MTF Provider's OASIS consistent with Section 41.18 of this Attachment. Posting a voluntary release on the MTF Provider OASIS in accordance with Section 41.18 is the only way to voluntarily transfer MTF Reservations on an hourly basis. Daily and longer duration voluntary releases of MTF Reservations may, alternatively, be transferred via a bilateral agreement between the reselling MTF Reservation holder and a qualified Transmission Customer. The reselling MTF Reservation holder is required to inform the MTF Provider and to post the transfer on the MTF Provider's OASIS before service commences consistent with Sections 41.8 and 41.18.4 below.

41.3. MTF Service

41.3.1 MTF Reservations and Scheduling Transmission Service Over the MTF

41.3.1.1 MTF Reservation: A MTF Reservation is a right to receive firm transmission

service from the MTF's Point of Receipt to its Point of Delivery in accordance with this Attachment II and the MTF Provider Business Practices for a specified period of time, up to a specified maximum quantity of MW.

The minimum duration of a MTF Reservation is one hour. The maximum duration shall be specified in the MTF Reservation Service Agreement or the OASIS posting for the MTF Reservation. In the event of a conflict, the shorter duration shall apply. The maximum duration shall be limited by the rights that the transferor possesses.

The scheduling rights associated with annual, monthly, weekly or daily MTF Reservation include the ability to participate in both the ISO's Day-Ahead and Real-Time Markets. Hourly voluntary release MTF Reservations and Default Release MTF Reservations only allow participation in the ISO's Real-Time Market.

MTF Reservations may be obtained or transferred: (a) by acquiring a MTF Reservation on the MTF Provider OASIS, or (b) via a bilateral agreement between an MTF Reservation holder (the reseller) and a qualified Transmission Customer. Notice of a sale via bilateral agreement must be posted on the MTF Provider OASIS before service commences. See Sections 41.8 and 41.18.4 of this Attachment II.

The acquisition or transfer of a MTF Reservation with a duration of one day or longer must be completed and recorded on the MTF Provider OASIS at least two calendar days in advance of the start date of the acquisition or transfer. The voluntary release of a MTF Reservation with an hourly duration must be made available by posting it on the MTF Provider OASIS by noon one calendar day in advance of the start date. See Section 41.18.6 for additional rules and details.

The MTF Reservation holder, quantity in MW, and duration of each MTF Reservation

shall be posted on the MTF Provider OASIS.

A MTF Reservation with a duration of one month or longer is required to support the sale of Unforced Capacity over the MTF. The ISO's other rules and requirements to sell Unforced Capacity must also be satisfied.

41.3.1.2 Default Release MTF Reservation: The MTF Reservation that a Transmission Customer acquires via the Default Release process. The duration of a Default Release MTF Reservation is one hour.

Like hourly voluntary release MTF reservations, the scheduling rights associated with Default Release MTF Reservations are only available for and only apply to the Real-Time Market. Otherwise, Default Release MTF Reservations have the same scheduling and curtailment priority as other MTF Reservations.

Default Release MTF Reservations will be made available for acquisition on the MTF Provider OASIS starting at 12:30 p.m. on the day before the relevant real-time operating day. The opportunity to acquire a Default Release MTF Reservation shall conclude ninety-five (95) minutes before the start of the relevant real-time operating hour. Real-Time Market Bids must be submitted to the ISO eighty-five (85) minutes in advance of each real-time operating hour.

If the MTF Provider reasonably anticipates that the TTC of the MTF will be affected by derates in advance of its posting of available Default Release MTF Reservations, then the MTF provider shall limit the Default Release MTF Reservations it makes available for acquisition in each hour such that MTF Reservations that are associated with timely submitted Day-Ahead or real-time Bids to schedule transmission service on the MTF, plus MTF Reservations that are posted for voluntary release on an hourly basis, plus Default Release MTF Reservations equal the anticipated ATC of the MTF for that hour. If the MTF Provider anticipates that MTF

Reservations that are associated with timely submitted Day-Ahead or real-time Bids to schedule transmission service on the MTF, plus MTF Reservations that are posted for voluntary release on an hourly basis, plus Default Release MTF Reservations will equal or exceed the ATC of the MTF, then the MTF Provider shall not post any Default Release MTF Reservations for that hour.

The MTF Provider is responsible for developing a business practice that addresses how it will allocate payments it receives from entities that acquire Default Release MTF Reservations to the MTF Reservation holders whose rights were acquired.

Except as specified in this Section 41.3.1.2, or where Default Release MTF Reservations are specifically addressed, the rules that apply to MTF Reservations also apply to Default Release MTF Reservations.

41.3.1.3 Emergency Energy Transfers: The ISO and HQT may agree to employ unused transfer capability on the MTF to deliver Energy to New York in an Emergency. The ISO will reimburse the MTF Provider for any such use of MTF transfer capability as if it was Default Released and will pay HQT for the Emergency Energy delivered to the MTF Point of Receipt consistent with the Interconnection Agreement between the ISO and HQT. The MTF Provider is responsible for developing a business practice that addresses how it will allocate payments it receives from the ISO to MTF Reservation holders whose rights were used to deliver Emergency Energy.

41.3.1.4 Administration of MTF Reservations

Rules related to the administration of MTF Reservations are set forth below.

- (a) The MTF is a unidirectional transmission facility that is eligible to transmit Energy from its Point of Receipt to its Point of Delivery.

- (b) The MTF Provider shall limit total MTF Reservations to a maximum of 1250 MW in each hour of the Day-Ahead Market and of the Real-Time Market.
- (c) If the capability of the MTF is subject to a derate that the MTF Provider expects to have a duration of more than one month, then the MTF Provider shall post a notification of the derate, including the reason(s) for the derate if known, on its OASIS and limit total MTF Reservations to a reduced value, or set of values, consistent with the MTF's reduced capability.

When implementing reductions in MTF Reservations in response to a derate of the MTF that is expected to have a duration of more than one month the allocation of such derates to MTF Reservation holders shall be determined in advance and applied *pro rata* by the MTF Provider, comparing each MTF Reservation holder's reservation(s) (in MW) to the MTF's capability (in MW).

41.3.1.5 Availability of MTF Reservations: The MTF Provider shall calculate and post on its OASIS MTF ATC, MTF Reservations held by Transmission Customers, and unreserved transfer capability for each day from the current operating day to, at least, thirteen (13) months into the future. *See* Section 41.21 for additional information.

Qualified Transmission Customers may acquire MTF Reservations by (a) purchasing MTF Reservations that are made available for voluntary release by MTF Reservation holders on the MTF Provider OASIS (see Section 41.18), or (b) via an agreement between a MTF Reservation holder and an eligible Transmission Customer to sell or transfer, in whole or in part, a MTF Reservation, where the transfer is recorded on the MTF Provider OASIS (see Section 41.8 below), or (c) through a default release. The MTF Provider will facilitate transfers or sales of MTF Reservations consistent with Sections 41.8 and 41.18 of this Attachment. Additionally, if

and to the extent that transfer capability over MTF has not been fully allocated, a Transmission Customer that satisfies all applicable requirements may obtain a MTF Reservation from the MTF Provider.

- (a) The ISO's Bid verification software will only recognize and validate Bids supported by MTF Reservations that are timely and properly recorded on the MTF Provider OASIS. The MTF Provider OASIS shall ordinarily be updated to reflect the current status of MTF Reservations no less frequently than every 5 minutes. If the MTF Provider is not able to timely update MTF Reservation postings on its OASIS, it shall inform the ISO and the Communication Failure rules set forth in Section 41.14 below may apply.

41.3.1.6 Energy Schedules and Curtailment of Energy Schedules on the MTF

Rules related to scheduling Energy on the MTF and Curtailing scheduled Energy are set forth below.

- (a) The ISO is responsible for determining Energy schedules on the MTF and, when necessary, for implementing curtailments of Energy schedules.
- (b) The ISO shall evaluate and schedule Energy Bids on the MTF in accordance with its Tariffs, including this Attachment II. The pricing and scheduling rules that apply to the MTF are identified in Section 4.4.4 of the ISO Services Tariff.
- (c) A Transmission Customer's Bids (in MW) may not exceed its MTF Reservations.
- (d) Curtailment of Energy schedules to address NYCA limitations (including limitations on the MTF itself) shall be determined by the ISO in accordance with its Tariffs, including Section 41.3.1.8 of this Attachment II.
- (e) Energy schedules over the MTF in each hour will be limited to the transfer capability of the line in that hour, as determined by the ISO.

1. If, due to limitations on Transmission Facilities in Quebec, HQT limits Energy deliveries to the MTF, or if HQT reduces the transfer capability of the Canadian transmission facilities connecting to the MTF, the ISO shall implement a corresponding limit to the MTF promptly after receiving notice of the change.
- (f) Holding a MTF Reservation that is posted on the MTF Provider OASIS and that the ISO is able to validate is a prerequisite to submitting an economic Bid to be scheduled to import Energy into New York at the MTF Point of Delivery.
 - (g) The ISO may incorporate Ramp Capacity limits that apply to the MTF into its SCUC and RTC. Any Ramp Capacity limits that the ISO implements shall be publicly posted on the ISO's web site with the Ramp Capacity limits the ISO employs for other external interfaces.
 - (h) The ISO may set a Ramp Capacity limit for the MTF. Except in an emergency, the ISO shall consult with HQT and the MTF Provider and provide at least one day of advance notice to them before it changes the Ramp Capacity limit that applies solely to the MTF.
 - (i) The scheduling of Energy on the MTF at times when the ISO is unable to validate MTF Reservations (for example, due to the MTF Provider OASIS becoming unavailable) is addressed in Section 41.14 below.

41.3.1.7 Scheduling Imports of Energy to the NYCA over the MTF: A MTF Reservation is required to schedule an External Transaction to import Energy to New York Control Area ("NYCA") Zone J from the HQT Balancing Authority Area ("Quebec") over the MTF. However, a MTF Reservation is not, by itself, sufficient for Energy to flow from Quebec to the NYCA over the MTF in real-time. In order to deliver Energy to the NYCA over the MTF a Transmission Customer must (a) purchase transmission service for its Energy from HQT to the

MTF Point of Receipt or Energy delivered at the MTF's Point of Receipt, (b) hold an MTF Reservation of sufficient size (in MW) to accommodate the maximum possible Energy schedule that could result from the External Transaction Bids it submits to the ISO, (c) submit Bids that reference valid NERC E-Tags for their transaction(s), and (d) receive one or more schedules to deliver Energy to the NYCA at the MTF Point of Delivery from the ISO based on its Bids. If a MTF Reservation is not of sufficient size (in MW) to accommodate the maximum possible Energy schedule associated with a MTF Reservation holder's submitted E-Tags referencing that reservation, then except under the circumstances addressed in Section 14 below, the ISO shall determine the Bid(s) that are not adequately supported and shall not evaluate those Bid(s) for possible scheduling.

ISO schedules and dispatch instructions will specify the Energy to be injected at the MTF Point of Delivery; losses on the MTF are the responsibility of the Transmission Customer to satisfy.

Bids to schedule External Transactions to the NYCA over the MTF will be evaluated and scheduled by the ISO in accordance with its Tariffs, including this Attachment II. Payments or charges to Transmission Customers for External Transactions scheduled over the MTF will reflect the LBMP at the Point of Delivery and other costs or charges in accordance with the ISO's Tariffs.

- (a) Customers seeking to Schedule Day-Ahead transactions at the Proxy Generator Bus associated with the MTF (i) shall comply with all applicable ISO Procedures, and (ii) shall submit bids that reference valid NERC E-Tags for their transaction(s) no later than 10 minutes prior to the close of the DAM.
- (b) Customers seeking to schedule Real-Time Market transactions at the Proxy Generator Bus

associated with the MTF (i) shall comply with all applicable ISO Procedures, and (ii) shall submit Bids that reference valid NERC E-Tags for their transaction(s) at least 85 minutes before the start of each dispatch hour.

- (c) NERC E-Tags for External Transactions at the Proxy Generator Bus associated with the MTF shall each reference no more than one MTF Reservation identification number from the MTF Provider OASIS.

41.3.1.8 Curtailment of Energy schedules on the MTF: The ISO reserves the right to effect a Curtailment, as necessary, in whole or in part, of any Energy schedule when, in the ISO's sole discretion, an emergency or other unforeseen condition impairs or degrades the reliability of the MTF or of other NYCA facilities, or to address conditions or limitations in Quebec or actions taken by HQT. When the ISO instructs a Curtailment of scheduled Energy, the MTF Provider shall make the required reductions. The ISO will notify HQT and all affected Transmission Customers in a timely manner of any Curtailments of Energy schedules.

In the event that the ISO effects a Curtailment, in whole or part, of MTF Service, no credit or other adjustment shall be provided as a result of the Curtailment with respect to the charge payable by the Transmission Customer to the MTF Provider, unless provided for by the MTF Provider under arrangements between the MTF Provider and the Transmission Customer.

A Transmission Customer may be eligible for an Import Curtailment Guarantee in accordance with Section 25.6 of the ISO's Services Tariff if an Import is curtailed to address the inability of the New York State Transmission System, other than the MTF, to reliably receive an Import that the ISO scheduled over the MTF.

No compensation will be available to Transmission Customers in the ISO Administered Markets if the ISO curtails their MTF Energy schedules to address conditions or limitations in an

external control area, or actions taken by external control area operators. No compensation will be available to Transmission Customers in the ISO Administered Markets if the ISO curtails their MTF Energy schedules to address a limitation on the MTF.

41.4. Transmission Customers

41.4.1 Registration: Authorization to acquire MTF Reservations will be made available to any Transmission Customer that satisfies the requirements set forth in OATT Attachment II, completes all required applications and submits all required information. The MTF Provider is responsible for registration of Transmission Customers to acquire MTF Reservations, including determining qualification to acquire MTF Reservations.

41.4.2 Conditions Required of Transmission Customers: MTF Reservations will be made available to a Transmission Customer by the MTF Provider only if all of the following conditions are satisfied by the Transmission Customer.

- (a) The MTF Provider has approved the Transmission Customer's completed MTF Reservation Application;
- (b) The Transmission Customer satisfies the creditworthiness criteria set forth in the information posted by the MTF Provider on the MTF Provider OASIS;
- (c) The Transmission Customer is not in arrears with regard to its obligations to pay the MTF Provider, as specified in the settlement and payment requirements posted by the MTF Provider on the MTF Provider OASIS;
- (d) The Transmission Customer and the MTF Provider have executed a MTF Reservation Service Agreement consistent with Section 41.19 of the OATT;
- (e) The Transmission Customer states in its MTF Reservation Application that it is

registered as a Customer and a Transmission Customer, or equivalent, in both New York and Quebec, and that it has all necessary regulatory authority and permissions to export Energy from Quebec, Canada to New York in an amount equal to or greater than its maximum MTF Reservation(s) in MW;

- (f) The Transmission Customer accepts sole responsibility to have all necessary arrangements in place, including any and all transmission service necessary to effect delivery from the generating source(s) to the Point of Receipt prior to or at the time a MTF Reservation commences, and to maintain such service for the duration of the MTF Reservation;
- (g) The Transmission Customer must submit External Transactions into the ISO-Administered Markets in accordance with applicable requirements; and
- (h) The Transmission Customer agrees to pay any costs chargeable to such Transmission Customer under this Attachment II, other provisions of the ISO Tariffs, or its MTF Reservation Service Agreement for the full term of its MTF Reservation, even at times when it does not utilize its MTF Reservation to obtain Transmission Service.

41.4.3 Transmission Customer Responsibility for Third-Party Arrangements: Any

arrangements for transmission service related to the delivery of Installed Capacity and Energy to New York that may be required by neighboring electric systems shall be the responsibility of the Transmission Customer requesting service. The Transmission Customer shall provide, unless waived by the ISO, notification to the ISO identifying such neighboring electric systems and authorizing them to schedule the Installed Capacity and Energy to be transmitted to the Point of Receipt. The Transmission Customer shall arrange for transmission service, as necessary, beyond the Point of Delivery in accordance with the ISO's Tariffs.

41.5. Procedures for Obtaining MTF Reservation

41.5.1 Application: qualified Transmission Customers seeking a MTF Reservation must first submit a completed MTF Reservation Application to the MTF Provider. MTF Reservation Applications should be submitted by transmitting all of the information required in Section 41.5.2.3 below to the MTF Provider in accordance with the MTF Provider Business Practices posted on the MTF Provider OASIS.

41.5.2 Request for a MTF Reservation

41.5.2.1 Timing: A request for blanket authority to acquire MTF Reservations, including both Default Release and/or voluntarily released MTF Reservations, must be made in an MTF Reservation Application submitted to the MTF Provider consistent with the requirements of the MTF Provider Business Practices. The request should be delivered at least thirty (30) days in advance of the start of the calendar month in which service is expected to commence. The MTF Provider will consider requests for a MTF Reservation on shorter notice when practicable.

41.5.2.2 Timing for acquiring Default Release MTF Reservations: A Transmission Customer that already possesses blanket authority to acquire a defined quantity of Default Release MTF Reservations may acquire such Default Release MTF Reservation no earlier than 12:30 p.m. on the day before the relevant real-time operating day and no later than ninety-five (95) minutes before the start of the relevant real-time operating hour. A request that exceeds the limits of the Transmission Customer's blanket authority will be rejected by the MTF Provider.

41.5.2.3 MTF Reservation Application: A completed application for a MTF Reservation shall provide the information included at 18 C.F.R. § 2.20 of the Commission's

regulations, plus a statement that the applicant is a Customer and a Transmission Customer, or the equivalent, in both Quebec and New York and a statement that the applicant possesses all required regulatory authority and permissions to export Energy from Quebec to New York over the MTF. A MTF Reservation Application must include, but is not limited to, the following:

- (a) The identity, address, email address, telephone number and facsimile number of the entity requesting a MTF Reservation or the ability to acquire MTF Reservation(s);
 - (b) A statement that the entity requesting a MTF Reservation or the ability to acquire MTF Reservation(s) is, or will be when service commences, eligible to acquire, hold and use one or more MTF Reservations;
 - (c) A statement that the entity requesting a MTF Reservation or the ability to acquire MTF Reservation(s) is a Customer and a Transmission Customer under the ISO Tariffs and has completed the equivalent registration process with HQT;
 - (d) A statement that the entity requesting a MTF Reservation or the ability to acquire MTF Reservation(s) possesses all required regulatory authority and permissions to export Energy from Quebec to New York over the MTF;
 - (e) The location of the Point of Receipt and Point of Delivery (consistent with the descriptions included in the definition of the “MTF”) and the identities of the Delivering Party and the Receiving Parties (which should ordinarily both be the Transmission Customer);
 - (f) The earliest requested Service Commencement Date;
 - (g) The maximum transmission capacity (in MWs) requested at the MTF’s Point of Delivery;
- and

- (h) A non-refundable application processing fee of \$1,000 in calendar year 2026, escalating consistent with the Consumer Price Index, with the updated fee taking effect on January 1st of each subsequent year.

41.5.3 Deposit: If required by the MTF Provider, a completed application for a MTF Reservation by a Transmission Customer shall also include a deposit of no more than (a) one month's charge for a MTF Reservation for service requests of one month or greater or (b) the full charge for a MTF Reservation for service requests of less than one month. If the application for a MTF Reservation is rejected by the MTF Provider because it does not meet the conditions for service as set forth herein, the deposit will be returned with interest, less any reasonable administrative costs incurred by the MTF Provider, the ISO or any affected Transmission Owners in connection with the review of the Application for MTF Service. The deposit also will be returned with interest, less any reasonable administrative costs incurred by the MTF Provider, the ISO or any affected Transmission Owners if the new facilities or upgrades needed to provide the service cannot be completed. If an application for a MTF Reservation is withdrawn or the Transmission Customer decides not to enter into a MTF Reservation Service Agreement, the deposit will be refunded in full, with interest, less reasonable administrative costs incurred by the MTF Provider, the ISO or any affected Transmission Owners to the extent such costs have not already been recovered from the Transmission Customer. The MTF Provider will provide to the Transmission Customer a complete accounting of all costs deducted from the refunded deposit, which the Transmission Customer may contest if there is a dispute concerning the deducted costs. Deposits associated with construction of new facilities or upgrades are subject to the provisions of this OATT. If a MTF Reservation Service Agreement is executed, the deposit, with

interest, will be returned to the Transmission Customer upon expiration or termination of the MTF Reservation. Applicable interest will be calculated from the day the deposit is credited to the MTF Provider's account.

41.5.4 Notice of Deficient Application: If a MTF Reservation Application fails to meet the requirements of this Attachment II, the MTF Provider will notify the entity requesting service within fifteen (15) days of the MTF Provider's receipt of the application for a MTF Reservation of the reasons for such failure. The MTF Provider will attempt to remedy minor deficiencies in an application for a MTF Reservation through informal communications with the eligible customer. If such efforts are unsuccessful, the MTF Provider will return the application for a MTF Reservation, along with any deposit (less the reasonable administrative costs incurred by the MTF Provider in connection with the Application for MTF Service), with interest.

41.5.5 Response to a Completed Application: Following receipt of a completed MTF Reservation Application the eligible customer will be notified as soon as practicable, but not later than twenty (20) days after the date of receipt of a completed application for a MTF Reservation. Responses by the MTF Provider must be made as soon as practicable to all completed applications for MTF Reservations, and the timing of such responses must be made on a nondiscriminatory basis.

41.5.6 Execution of MTF Reservation Service Agreement: Whenever the MTF Provider determines that the requested service can be provided, it will notify the Eligible Customer as soon as practicable but no later than thirty (30) days after receipt of the Completed MTF Reservation Application, and will tender a conforming, blanket MTF Reservation Service Agreement to the Eligible Customer. Failure of an Eligible Customer to execute and return the blanket MTF Reservation Service Agreement (as a conforming agreement or with any non-

conforming changes agreed upon with the MTF Provider) or to request the filing of an unexecuted MTF Reservation Service Agreement, within fifteen (15) days after it is tendered by the MTF Provider shall be deemed a withdrawal and termination of the Application for a MTF Reservation and any deposit submitted (less the reasonable administrative costs incurred by the MTF Provider, or the ISO in connection with the Application for a MTF Reservation) will be refunded with interest calculated in accordance with the methodology specified for interest on refunds in the Commission's regulations at 18 C.F.R. § 35.19a (a)(2)(iii), or any successor provision thereto. Nothing herein limits the right of an Eligible Customer to file another MTF Reservation Application after such withdrawal and termination. Where a modification to the MTF would be required to accommodate the requested service, the Eligible Customer and MTF Provider must follow the applicable transmission expansion or interconnection procedures set forth in the ISO OATT.

41.5.7 Format of MTF Reservation Service Agreement: Conforming MTF Reservation Service Agreements are Transmission Customer specific blanket agreements that specify the maximum quantity, in MW and total MWh, of firm MTF transfer capability that a Transmission Customer may simultaneously reserve by acquiring and holding MTF Reservations. *See* ISO OATT, Section 41.19.

41.5.8 FERC Filing and Recording of MTF Reservation Service Agreements: The MTF Provider will report to FERC through its Electronic Quarterly Reports conforming and non-conforming MTF Reservation Service Agreements. As soon as practicable after: (i) the full execution of a MTF Reservation Service Agreement that does not fully conform with the form of the agreement in Section 41.19 of the OATT, or (ii) MTF Provider's receipt of a request by Eligible Customer to file an unexecuted MTF Reservation Service Agreement, MTF Provider is

responsible for timely filing the non-conforming or unexecuted agreement with FERC in compliance with applicable Commission regulations.

Promptly after receiving a complete filing package for a non-conforming or unexecuted MTF Reservation Service Agreement, the ISO (acting solely in its role as the administrator of the ISO OATT) will submit the materials to FERC on behalf of the MTF Provider. The MTF Provider shall be responsible for drafting any portions of the agreement that are in dispute and shall assume the burden of justifying any departures from the form of the MTF Reservation Service Agreement. The MTF Provider and Eligible Customer will provide FERC with their comments on an unexecuted agreement, including any alternative positions, that each may have with respect to the disputed provisions. The ISO may separately provide FERC with comments on a non-conforming or unexecuted MTF Reservation Service Agreement.

41.5.9 Treatment of Confidential and Protected Information: Consistent with the standards of conduct set forth in 18 C.F.R. Part 358 of the Commission's regulations, the MTF Provider shall not share Confidential or Protected Information submitted by a Transmission Customer with its other Transmission Customers unless it is expressly authorized to do so, in writing, by the submitting Transmission Customer. Except as set forth in this section, the MTF Provider shall treat information: (a) included in an MTF Reservation Application, (b) submitted by a Transmission Customer, or (c) provided by the ISO or HQT, that qualifies as Confidential Information or Protected Information under the ISO's Tariffs, consistent with the requirements that apply to the ISO in Section 12.4 of its OATT.

The MTF Provider may disclose Confidential or Protected Information to the ISO and to its Market Monitoring Unit without providing notice of the disclosure. The MTF Provider may share Transmission System Information that is necessary to reliably and safely operate the MTF

with the ISO, HQT and Transmission Owner control centers. The MTF Provider may disclose Confidential or Protected Information to the Commission, the CFTC and their respective staffs in accordance with Section 12.4.2 of the ISO OATT. Finally, the MTF Provider may disclose Confidential Information to the extent that disclosure of such information is required by the ISO's Tariffs, or by regulatory or judicial order, in a manner consistent with that required by Section 12.4 of the ISO's OATT.

The ISO may share Confidential Information and Protected Information with the MTF Provider that the MTF Provider requires to implement the requirements of this Attachment II or other provisions of the ISO's Tariffs. Confidential and Protected Information the ISO is permitted to share with the MTF Provider includes, but is not limited to: (a) Transmission System Information affecting the MTF, and (b) information about Day-Ahead and real-time Bids submitted requesting Transmission Service on the MTF.

41.6. Determination of Available Transfer Capability

The MTF Provider shall calculate and post Available Transfer Capability ("ATC"), and shall post for informational purposes the Total Transfer Capability ("TTC") that the ISO calculates, in accordance with Section 41.21 of this OATT. Upon request, the MTF Provider shall provide to the ISO and/or to its Market Monitoring Unit any information, data and documents they require to review the MTF Provider's calculations.

41.7. Payment for MTF Reservations

A Transmission Customer shall pay the MTF Reservation Charge to the MTF Provider, or its designated agent, if the Customer: (i) receives a MTF Reservation based upon an allocation of

rights to transmission service over the MTF awarded to the Transmission Customer through a Commission-approved rights allocation process; or (ii) obtains a MTF Reservation using transfer capability over the MTF made available as a result of a voluntary sale by a MTF Reservation holder or a default release; or (iii) a capability forfeiture by a rights holder consistent with the terms of a Commission-approved rights allocation. The Transmission Customer will be billed for its MTF Reservation consistent with the terms of this Attachment II and the MTF Provider Business Practices.

41.8. Sale, Assignment or Transfer of MTF Reservations

41.8.1 Procedures for Sale, Assignment or Transfer of MTF Reservation: Consistent with rules posted in the MTF Provider Business Practices on the MTF Provider OASIS, a Transmission Customer may sell, assign, or transfer all or a portion of its rights under its MTF Reservation Service Agreement, but only to another Eligible Customer that has an executed blanket MTF Reservation Service Agreement in place, or that executes a blanket MTF Reservation Service Agreement with the MTF Provider prior to the date on which the reassignment becomes effective (the “Assignee”). The Transmission Customer that sells, assigns or transfers its rights under its MTF Reservation Service Agreement is hereafter referred to as the “Reseller.” Assignee compensation to the Reseller shall be at rates established by the Reseller. The Assignee shall be subject to all terms and conditions of this Attachment II and the ISO Tariffs, including the MTF Provider Creditworthiness Procedures set forth in Section 41.22 below. If the Assignee requests a change in service, the request will be considered and determined by the MTF Provider consistent with this Attachment.

In the case of a sale, assignment or transfer of MTF Reservations that was made available

for sale and acquired on the MTF Provider OASIS, the compensation to the Reseller shall be posted on the MTF Provider OASIS. If the Assignee does not request any change in the term or conditions set forth in the original MTF Reservation Service Agreement, the Assignee shall receive the same services as did the Reseller.

MTF Reservations with a duration of one day or longer may alternatively be resold via a bilateral agreement between a Reseller and an Assignee. The Reseller shall notify the MTF Provider as soon as possible after any sale, assignment or transfer of a MTF Reservation that does not occur on the MTF Provider OASIS. Notification of a bilateral sale or transfer must be provided to the MTF Provider and posted by the Reseller on the MTF Provider OASIS by noon, at least two calendar days before the MTF Reservation is transferred to the Assignee and service may commence.

41.8.2 Limitations on and Obligations of Assignment or Transfer of Service: If the Assignee requests a change specifications set forth in the original MTF Reservation Service Agreement, the MTF Provider will consent to such change subject to the provisions of this Attachment II, provided that the change will not (a) impair the operation and reliability of the MTF, Market Participants' generation systems or TO's transmission or distribution systems, or (b) impair the ISO's ability to perform its Tariff duties, or (c) impose an obligation on the ISO to develop new procedures, market functionality or Tariff rules to support the change. The Assignee shall compensate the MTF Provider, the ISO and any affected Transmission Owner for performing any required transmission expansion or interconnection studies in accordance with the ISO OATT needed to evaluate the capability of the MTF to accommodate the proposed change and any upgrades resulting from such change. If the Assignee is unable to acquire the MTF Reservation or defaults on its obligations then the Reseller shall remain liable

for the performance of all obligations under the MTF Reservation Service Agreement, except as specifically agreed to by the MTF Provider, the Reseller and the Assignee in a written instrument that is consistent with the requirements of this OATT.

41.8.3 Information on Assignment or Transfer of Service: All re-sales or assignments of MTF Reservations must be posted on the MTF Provider OASIS on or before the date the reassigned service commences. See Sections 41.8.1 and 41.18.4. The MTF Provider shall also enable holders of MTF Reservations to post information regarding MTF Reservations that are available for resale on the MTF Provider OASIS.

41.9. Real Power Losses

Transmission Customers are responsible for providing the Energy HQT and the MTF Provider require to achieve the Energy schedule that the ISO issues.

41.10. No Effect on Rates; No Allocation of Revenues

The MTF shall not affect rates for service on the rest of the New York State Transmission System that are recovered under this OATT, and the MTF Provider shall not be allocated any revenues collected under this OATT for service on the rest of the New York State Transmission System. The MTF Provider is responsible for billing its customers. See Section 41.18.11 of this Attachment and the MTF Provider Business Practices.

41.11. Ancillary Services

Ancillary Services charges assessed to Imports on the MTF shall be assessed in the same manner as the ISO assesses such charges to Imports at other locations.

41.12. Energy Imbalances and Payback of Inadvertent Interchange on the MTF

Inadvertent Energy will be determined for the MTF by the ISO and HQT distinct from all other NYCA/Quebec interfaces and repaid on the MTF consistent with the rules in this section.

- (a) Inadvertent Energy will be determined by comparing actual power flows at the MTF's Point of Delivery to the Energy schedules that the ISO and HQT establish.
- (b) The MTF Provider, HQT and the ISO will work together to ensure that losses on the MTF are estimated and accounted for accurately. Any change to the loss factors used for the MTF shall be implemented prospectively.
- (c) Inadvertent Energy payback schedules will be determined by the ISO and HQT and communicated to the MTF Provider in advance.
- (d) Inadvertent payback on the MTF shall not result in the violation of a line limit. If it would, then the inadvertent payback schedule shall be reduced, but the payback obligation will not be excused.
- (e) Payback of inadvertent Energy to Quebec by the ISO will only be scheduled when Imports to the NYCA are expected to exceed the inadvertent Energy payback schedule.

41.13. Transmission Congestion Contracts

In conducting Centralized TCC Auctions and Reconfiguration Auctions, the ISO shall exclude consideration of the MTF and system security constraints relating thereto. The MTF shall not be eligible for an award of Incremental TCCs. Funding of upgrades to other components of the New York State Transmission System may be eligible for an award of Incremental TCCs in accordance with Section 19.2.4 of the ISO's OATT.

41.14. Communication Failure / Inability to Exchange Data

The rules set forth in this section address how the MTF Provider and the ISO will operate when they are, in pertinent part or entirely, unable to timely communicate with each other, or with HQT, including when software fails so that information that needs to be communicated is not timely available. The MTF Provider's responsibilities in this section may be superseded by instructions given by the ISO's operators to address a reliability concern. Any such instructions shall be issued in writing, or on a recorded line, whenever possible.

41.14.1. MTF Provider Unable to Obtain Bids from ISO—the MTF Provider shall not post Default Release MTF Reservations until it is able to obtain the Day-Ahead Bids and relevant real-time Bids submitted for service on the MTF by MTF Reservation holders from the ISO. Section 41.18.8 of this Attachment addresses the treatment of real-time Bids in the Default Release process. If the MTF provider is not able to obtain data from the ISO to confirm whether Bids were submitted for service on the MTF, then it shall not make any default releases of MTF Reservations.

41.14.2. ISO Unable to Obtain MTF Reservations from MTF Provider OASIS—if the ISO is unable to successfully query the MTF Provider OASIS to confirm the Bids it received are each tied to a MTF Reservation of equivalent or greater size (in MW) for a market-hour, then the ISO will economically evaluate all of the Bids it received to schedule an Import on the MTF and issue schedules based on its economic evaluation. The schedule that the ISO develops will respect any derate of deliveries on the MTF that it is aware of. If the real-time schedule that the ISO develops for the MTF is greater than the MTF or HQT can support, then reductions will be made in the check-out process between the ISO and HQT. If the ISO's inability to confirm that

Bids are fully supported by a MTF Reservation results in the scheduling of a Bid on the MTF that was not supported, or was not adequately supported, by a corresponding MTF Reservation, then the unsupported transaction may be removed, in whole or in part, in the checkout process with HQT or thereafter, and the ISO may inform its Market Monitoring Unit or the Commission and take other appropriate action.

41.14.3. ISO Unable to Post Real-Time Schedules—if the ISO’s market software is unable to develop real-time schedules for the MTF, then the ISO and HQT may agree on a schedule and the ISO will inform the MTF Provider of agreed-on schedule. The ISO may assign schedules to Market Participants consistent with Bids, e-tags, MTF Reservations, HQT’s schedules and operation of its transmission system, and the ISO’s Tariffs and Procedures. Any MWh imported that the ISO is not able to assign to a MTF Customer transaction will be treated as inadvertent interchange.

41.14.4. Communication Failure—if communications fail (including telephonic communications) between and among the MTF Provider, the ISO and HQT, then the MTF is expected to continue to operate at its current schedule until communications are restored. If a partial communications failure occurs the MTF Provider shall communicate any need to derate the MTF to the ISO as soon as practicable, verbally on a recorded line or via electronic means. The ISO may assign schedules to Market Participants consistent with Bids, e-tags, MTF Reservations, HQT’s schedules and operation of its transmission system, and the ISO’s Tariffs and Procedures. Any MWh imported that the ISO is not able to assign to a MTF Customer transaction will be treated as inadvertent interchange.

41.14.5. Back-Up Operation—if the NYCA enters Back-Up Operation, the MTF Provider will be expected to follow Con Edison’s operating instructions and Con Edison will be

responsible for developing interchange schedules on the MTF with HQT.

41.15. ISO Access to MTF Provider OASIS

The MTF Provider shall provide the ISO read-only access to all areas of its OASIS, including Transmission Customer specific pages and information. The ISO shall have the ability to download all available data, reports and settlements for any Transmission Customer and to create custom reports in the same manner as a Transmission Customer could. The MTF Provider shall impose security requirements on the ISO that are similar to the security requirements that apply to its Transmission Customers.

41.16. ISO Data Requests to MTF Provider and MTF Reservation Holders

The MTF Provider and MTF Reservation holders are required to promptly respond to requests for information from the ISO or its Market Monitoring Unit related to possible physical or economic withholding of the MTF from the Energy and Capacity Markets. The obligation of the MTF Provider and of MTF Reservation holders to respond to information requests is the same as the obligation that applies to Market Parties with respect to the categories of information listed in Section 30.6.2.2 of the ISO Services Tariff. The MTF Provider shall keep confidential any data request it receives from the ISO or its Market Monitoring Unit.

41.17. MTF Provider Filing Rights Under Section 205 of the Federal Power Act

The MTF provider will possess the same filing rights as other non-incumbent owners of NYCA transmission facilities. The MTF Provider is required to execute a version of the Form of Operating Agreement set forth in Section 31.11 of the OATT. Section 3.08(a) of the Form

of Operating Agreement addresses the filing rights accorded to non-incumbent owners of transmission facilities in New York.

**OATT Attachment II, Section 41.18 -
CHAMPLAIN-HUDSON POWER
EXPRESS MERCHANT
TRANSMISSION FACILITY
PROCEDURES FOR THE REASSIGNMENT OF MTF
RESERVATIONS**

The procedures for reassignment of MTF Reservations are consistent with, and supplement, the provisions of the ISO's OATT that address the MTF. The following procedures will apply to the release of unused MTF Reservations to third parties:

41.18.1. Definitions

Capitalized terms shall have the meaning given to them in Section 41.1 of the OATT, Section 1 of the OATT or Section 2 of the Market Services Tariff.

41.18.2. Process for Release

The release of unused transfer capability will be facilitated through the posting of available MTF Reservations on the MTF Provider OASIS. The posting of such releases shall be consistent with Attachment II to the ISO OATT and FERC procedures regarding OASIS postings.

41.18.3. Character of MTF Reservations to be Offered for Release

MTF service is unidirectional, from the MTF Point of Receipt at the Quebec/New York border to the MTF Point of Delivery in New York City. A more complete explanation of the characteristics of MTF Reservations, including Default Release MTF Reservations, is set forth in Section 41.3 of the ISO's OATT.

MTF Reservations support firm transmission service in both the ISO's Day-Ahead and Real-Time Markets. MTF Reservations may be voluntarily offered for release by holders on a monthly, weekly, daily or hourly basis. Default Release MTF Reservations are made available in accordance with Section 41.18.8 below. Default Release MTF Reservations only support firm transmission service in the ISO's Real-Time Market.

41.18.4. Voluntary Assignment of Rights Holders' MTF Service Reservation

A MTF Reservation holder may assign its MTF Reservation(s) to a Transmission Customer that has registered with the MTF Provider and that is, or will be, qualified to acquire the MTF Reservation(s) before service commences. Voluntary transfers of MTF Reservations that occur through postings on the MTF Provider OASIS must occur consistent with the deadlines specified in Section 41.18.6 below.

MTF Reservations with a duration of one day or longer may alternatively be resold via a bilateral agreement between a Reseller and an Assignee, as those terms are defined in Section 41.8.1 of this Attachment. The Reseller shall notify the MTF Provider as soon as possible after any sale, assignment or transfer of a MTF Reservation that does not occur on the MTF Provider OASIS. Notification of a bilateral sale or transfer must be provided to the MTF Provider and posted by the Reseller on the MTF Provider OASIS by noon, at least two calendar days before the MTF Reservation is transferred to the Assignee and service may commence.

The voluntary assignment of MTF Reservation may be in whole or in part, in segments, on a full or partial term basis or any combination thereof. However, except for voluntary releases of hourly service which are real-time only, Day-Ahead rights may not be severed from the MTF Reservation rights for the associated real-time hour(s).

41.18.5. Eligible Transmission Customers

Market participants seeking to acquire a MTF Reservation must meet the creditworthiness and financial security standards established by the MTF Provider, and have an executed blanket MTF Reservation Service Agreement with the MTF Provider.

41.18.6. Timing of Voluntary Release

Rights Holder(s) may publicly post offers to voluntarily release MTF Reservation(s) on the MTF Provider OASIS in a time frame that allows and accounts for the posting and acquisition deadlines set forth below. Offers may be for Annual, Monthly, Weekly, Daily or Hourly

service.

(a) Annual Release:

Must be acquired no later than Noon, seven calendar days before the start of the first month to which the release applies

(b) Monthly Release:

Must be acquired no later than Noon, two calendar days before the start of the month to which the release applies

(c) Weekly Release:

Must be acquired no later than Noon, two calendar days before the first operating day to which the release applies

(d) Daily Release:

Must be acquired no later than Noon, two calendar days before the operating day to which the release applies

(e) Hourly Release:

- Must be posted no earlier than Noon, two calendar days before the operating day to which the release applies and no later than Noon the day before the operating day to which the release applies
- Must be acquired no later than ninety-five (95) minutes before the start of the relevant real-time operating hour

The deadlines set forth above address voluntary offers to release a MTF Reservation holder's MTF Reservation to facilitate full access to MTF transfer capability for third parties. Automatic release of transfer capability due to MTF Reservation holders' failure to either (a) submit a Bid to schedule transmission service over the MTF, or (b) make MTF Reservations available via a voluntary release, is governed by the "Default Release" provision, below.

41.18.7.Posting of Release and Award of Reservation

Releases of MTF Reservations and acquisitions of such reservations via the MTF Provider OASIS shall be accomplished through the posting of MTF Reservations offered for release at a

publicly posted rate on the MTF Provider OASIS, with the award of such MTF Reservations performed on a first-come, first served basis for eligible Transmission Customers that meet the posted rate. Any fee that the MTF Provider assesses for administering or facilitating releases of MTF Reservations on its OASIS shall be publicly posted.

41.18.8.Default Release Process

Default Release MTF Reservations equal to the difference between: (A) the quantity, in MW, of (i) validated Bids that were submitted to the ISO's Day-Ahead Market by MTF Reservation holders, plus (ii) validated Bids that were submitted to the ISO's Real-Time Market by MTF Reservation holders by noon, the day before the relevant real-time operating day, plus (iii) hourly voluntary releases that have been posted by MTF Reservations holder(s) by noon, the day before the relevant real-time operating day; and (B) the expected capability of the MTF determined by the MTF Provider for each real-time scheduling hour, shall be released for acquisition by third parties and posted on the MTF Provider OASIS as Available Transfer Capability by 12:30 p.m. on the day before the real-time operating day. Default Release MTF Reservations for the released capability will be issued on a first-come, first-served basis through the MTF Provider OASIS to eligible Transmission Customers that meet the posted rate.

41.18.9.Priority of Capability Released Under the Default Release Provisions

All MTF Reservations, including Default Release MTF Reservations, support firm transmission service, differences are limited to the timing of release, duration of service, and whether the MTF Reservation grants rights both Day-Ahead and real-time, or only in real-time. The characteristics of MTF Reservations and Default Release MTF Reservations are explained in this Section 41.18, and in Section 41.3 of Attachment II to the ISO's OATT.

41.18.10. Liability

The MTF Provider and any MTF Reservation holder releasing its MTF Reservation through the voluntary or default release procedures of these rules shall be held harmless with regard to any

claim which may be raised by any party regarding the award of MTF Reservations, except to the extent that such party successfully establishes that the MTF Provider or the Rights Holder, as the case may be, has incorrectly selected the bidder as the result of gross negligence or willful misconduct.

41.18.11. Billing

A party acquiring or holding a MTF Reservation or a Default Release MTF Reservation through a release shall be billed by the MTF Provider and shall make payments to the MTF Provider in accordance with the terms of the MTF Reservation Service Agreement. If the party acquiring MTF Reservations through releases fails to pay the reservation charges by the due date, the MTF Reservation shall revert to the releasing party for the remaining term of the release.

OATT Attachment II, Section 41.19
**Form of Blanket MTF Reservation Service Agreement for the Champlain-
Hudson Power Express Merchant Transmission Facility**

- 1.0** This Form of Blanket MTF Reservation Service Agreement (“MTF Reservation Service Agreement”), dated as of _____, is entered into, by and between CHPE LLC (“MTF Provider”) and _____ (“Transmission Customer”). It is a “Service Agreement” for purposes of the Federal Energy Regulatory Commission’s Filing Regulations (18 CFR Part 35).
- 2.0** The Transmission Customer has been determined by MTF Provider to have a complete and valid application to acquire MTF Reservations, which may also include the acquisition of Default Release MTF Reservation, consistent with the New York Independent System Operator, Inc. (“ISO”) Open Access Transmission Tariff (“OATT”) and the MTF Provider Business Practices.
- 3.0** If required, the Transmission Customer has provided to MTF Provider an application deposit in accordance with the provisions of the OATT and the MTF Provider Business Practices.
- 4.0** A MTF Reservation under this Service Agreement shall commence on (1) the date that the MTF provider accepts or posts on its OASIS, or (2) such other date as it is permitted to become effective by the Commission. A MTF Reservation under this Service Agreement shall terminate on such date as is mutually agreed upon by the parties.
- 5.0** The MTF Provider agrees to provide, and the Transmission Customer agrees to take and pay for, a MTF Reservation in accordance with the provisions of Attachment II to the OATT (or its successor tariff), the MTF Provider Business Practices, the OATT Section 41.18 Procedures for the Reassignment of MTF Reservations and this

MTF Reservation Service Agreement.

- 6.0** The MTF Provider has informed the Transmission Customer, in writing, of either
- (a) the total amount of MTF Reservation(s) it is eligible to acquire in terms of both the maximum MW the Transmission Customer is eligible to reserve in any hour and the total MWh of reservations the Transmission Customer is allowed, or (b) the maximum dollar value of MTF Reservations that it can procure.
- 7.0** Any notice or request made to or by either party regarding this MTF Reservation Service Agreement shall be made to the representative of the other party as indicated below, and shall be copied to the ISO at the address below. Notices may be provided electronically to the e-mail addresses listed below.

CHPE LLC

Attn: General Counsel
623 Fifth Avenue, 20th Floor
New York, NY 10022
jeremiah.sheehan@transmissiondevelopers.com

With a copy to:

CHPE LLC
Attn: Chris Benson, Vice President, HVDC
623 Fifth Avenue, 20th Floor
New York, NY 10022
Chris.Benson@tdi-usa.com

Transmission Customer:

Company Name _____

Representative _____

Street Address _____

City, State, Zip Code _____

E-mail Address(es) _____ (one or two)

System Operator:

New York Independent System Operator, Inc.
Attn: Regulatory Affairs Department
Attn: Member Relations Department
10 Krey Boulevard
Rensselaer, New York 12144
regulatory_affairs@nyiso.com;
customer_registration@nyiso.com

- 8.0** The NYISO's Market Services Tariff and its OATT, including the attachments thereto that expressly address the MTF, are incorporated into this MTF Reservation Service Agreement and made a part hereof, except that all financial assurance requirements, billing arrangements, payment obligations and liabilities associated with MTF Reservations shall be solely the responsibility of the MTF Provider and the Transmission Customer under this MTF Reservation Service Agreement.

IN WITNESS WHEREOF, the Parties have caused this MTF Reservation Service Agreement to be executed by their respective authorized officials.

CHPE LLC:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

OATT Attachment II, Section 41.20
Specifications For MTF Reservation Obtained via the MTF
Provider OASIS and Related External Transaction
Schedules

Obtaining a MTF Reservation is a prerequisite to scheduling an External Transaction on the MTF in the ISO's Day-Ahead or Real-Time Energy Market. A Transmission Customer holding a MTF Reservation and otherwise meeting the qualifications for submitting transactions under the New York Independent System Operator, Inc.'s ("ISO's") Tariffs may submit Bids to schedule Import transactions on the MTF up to the total MW amount of the MTF Reservation.

1.0 Term of Reservation: As specified in the Transmission Customer's MTF Reservation
timely posted on the MTF Provider OASIS

Start Date: As specified in the Transmission Customer's MTF Reservation
timely posted on the MTF Provider OASIS

Termination Date: As specified in the Transmission Customer's MTF Reservation
timely posted on the MTF Provider OASIS

2.0 Description of capacity and Energy to be transmitted by Participants including the
electric Control Area in which the transaction originates: As specified in the
Transmission Customer's MTF Reservation timely posted on the MTF Provider OASIS.

3.0 Point of Delivery: The Astoria Annex 345 kV GIS Substation in Queens, New York
within Zone J

Delivering party: The Transmission Customer

4.0 Point of Receipt: Location at the U.S. - Canada border where the MTF line changes
from transmission facilities owned and operated by
Hydro-Québec's transmission function ("HQT") to transmission
facilities owned and operated by the MTF Provider, subject to the

ISO's operational control.

Receiving party: The Transmission Customer

- 5.0** Maximum amount of capacity and Energy to be transmitted (Reserved Capacity): As specified in the Transmission Customer's MTF Reservation posted on the MTF Provider OASIS
- 6.0** Designation of party(ies) or other entity(ies) subject to reciprocal transmission service obligation: Not applicable
- 7.0** Name(s) of any intervening systems providing transmission service: HQT or the ISO, pursuant to their respective tariffs
- 8.0** MTF Service under this Service Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of this Tariff.)
 - 8.1** MTF Transmission Charge: As specified in the Transmission Customer's MTF Reservation timely posted on the MTF Provider OASIS
 - 8.2** System Impact Study and/or Facilities Study Charge(s): Not applicable
 - 8.3** Direct assignment expansion charge: Not applicable

**OATT ATTACHMENT II,
Section 41.21
Method of Calculating TTC, CBM, TRM and ATC for
the Champlain-Hudson Power Express Merchant
Transmission Facility Version 1.0**

41.21.1. Introduction

The MTF is a HVDC Transmission Facility that connects the NYCA to the Balancing Authority Area operated by HQTE. The MTF is owned and operated by CHPE LLC (“MTF Provider”).

The ISO has Operational Control of the MTF and performs the reliability functions related to the calculation of Total Transfer Capability (“TTC”) for all of the external interfaces between the NYCA and its neighboring Balancing Authority Areas and for the NYCA’s internal interfaces.

Both the ISO and the MTF Provider are responsible for determining and posting the Available Transfer Capability (“ATC”) of the MTF, with distinctions in methodology and purpose described below.

41.21.2. Scope of Document

This document addresses the following items with respect to the MTF between the NYCA and the HQT Balancing Authority Area:

- Total Transfer Capability (TTC) methodology
- Capacity Benefit Margin (CBM) methodology
- Transmission Reliability Margin (TRM) methodology
- Available Transfer Capability (ATC) methodology

41.21.3. Overview

The MTF is a unidirectional transmission facility that accommodates transfers from Quebec to New York. MTF Reservations for the entire 1250 MW transfer capability of the MTF were awarded to H.Q. Energy Services (U.S.) Inc. (“HQUS”) through an allocation process approved by the Federal Energy Regulatory Commission (“FERC”). HQUS can voluntarily transfer the rights to some or all of its MTF Reservations to other eligible Transmission Customers on a short-term or long-term basis in accordance with this OATT. To the extent that MTF Reservation holders do not (1) submit Day-Ahead Bids in the ISO’s Markets equal to their allocation of rights (in MW), or (2) voluntarily release their allocation of rights by 12:00 noon the day before the operating day, or (3) submit HAM bids in the ISO’s Markets equal to their allocation of rights (in MW) by 12:00 noon the day before the operating day, or some combination of the three specified actions, Default Release MTF Reservations will be made available for acquisition in the ISO’s Real-Time Market on the MTF Provider OASIS on an hourly basis for the remaining ATC through Default Release MTF Reservations. MTF ATC is addressed in section 5 below.

41.21.4. MTF Total Transfer Capability (“TTC”)

The Total Transfer Capability or TTC for an interface is the best engineering estimate of the total amount of electric power that can be transferred over the interface in a reliable manner in a given time frame. The ISO, acting as the Transmission Operator (“TOP”), determines the TTC for the MTF consistent with Section 9.5 of its OATT. The ISO posts the TTC for the MTF and other external interfaces in the *Available Transfer Capability Implementation Document* that is publicly available on the ISO’s web site. The posted TTC represents the amount of Energy that can be delivered at the MTF’s Point of Delivery in New York City. The MTF Provider shall

post on its OASIS the most up-to-date TTC information that it is able to obtain from the ISO's OASIS for informational purposes.

41.21.5. MTF Capacity Benefit Margin ("CBM")

As explained in Section 9.7 of its OATT, the ISO does not set transmission capability aside as CBM.

41.21.6. MTF Transmission Reliability Margin ("TRM")

The Transmission Reliability Margin or TRM is the amount of transmission transfer capability set aside to provide reasonable assurance that the interconnected transmission network will be secure. TRM accounts for the inherent uncertainty in system conditions and the need for operating flexibility to ensure reliable system operation as the system conditions change.

The ISO, acting as a Transmission Operator, calculates the TRM on the MTF interface consistent with Section 9.6 of its OATT. Typically the operational uncertainties associated with an external HVDC facility are minimal and result in a TRM value of zero (0). For additional information on TRM, please refer to the NYISO's publicly posted *Transmission Reliability Margin Implementation Document*.

41.21.7. MTF Methodology for Computing Available Transfer Capability ("ATC")

The ISO will calculate and post MTF ATC in accordance with Section 9 of its OATT. The MTF Provider will also calculate and post MTF ATC. The ISO will use the ATC it calculates to determine the quantity, in MW, of transmission service (Imports) it can schedule. The MTF Provider will use the ATC it calculates to determine available MTF Reservations, including but not limited to Default Release MTF Reservations. MTF Reservations that are posted on the MTF Provider OASIS are, ordinarily, a prerequisite to receiving a transmission service (Imports) schedule on the MTF from the ISO.

All transmission service in the NYCA, including service on the MTF, is firm service.

The MTF Provider does not need to calculate Non-Firm ATC because, consistent with OATT Sections 6.8 and 9.2, Non-Firm Point-to-Point Transmission Service is not available in the markets that the ISO administers.

This section defines the Firm ATC calculations the MTF Provider performs for the MTF. The general equation for calculation of ATC is derived from MOD-029 as follows:

Long-term calculation (applies to Day-Ahead Market and any period that is further into the future than the Day-Ahead Market):

$$\text{ATC} = \text{Max} ((\text{TTC} - \text{MTF Reservations} - \text{ETC} - \text{CBM} - \text{TRM} + \text{Postbacks} + \text{Counterflows}, 0)$$

For the Real-Time Market day:

$$\text{ATC} = \text{Max} ((\text{TTC} - \text{Day-Ahead Bids from MTF Reservation holders} - \text{Real-Time Bids from MTF Reservation holders submitted before the 12:00 noon deadline} - \text{Acquired Voluntary and Default Release MTF Reservations} - \text{ETC} - \text{CBM} - \text{TRM} + \text{Postbacks} + \text{Counterflows}), 0)$$

ETC is zero because it is effectively addressed by the MTF Reservations and Day-Ahead and real-time Bids that are accounted for in the ATC formula.

CBM is not relied on in New York (see Section 3 above).

TRM is the ISO's CRM value and is appropriately set to zero (0) for the MTF; it is currently zero for all of the NYCA's external interfaces, UDRs, and Scheduled Lines.

Postbacks are set to zero (0), because the ISO's financial transmission system does not provide for "redirects: of physical transmission reservations in the manner contemplated by the Commission's

pro forma Open Access Transmission Tariff. It therefore does not support “postbacks” of such “redirects.” The ISO has previously obtained waivers of the NAESB standards governing redirects and postbacks. The ISO, therefore, does not incorporate postbacks of redirected service into its ATC calculations and it would be inappropriate for the MTF Provider to do so for the MTF. Counterflows is excluded because the MTF is a unidirectional, controllable transmission facility.

Frequency of Calculation and Posting of ATC values:

The MTF Provider shall be required to calculate and post ATC values on its OASIS with at a minimum the following frequency:

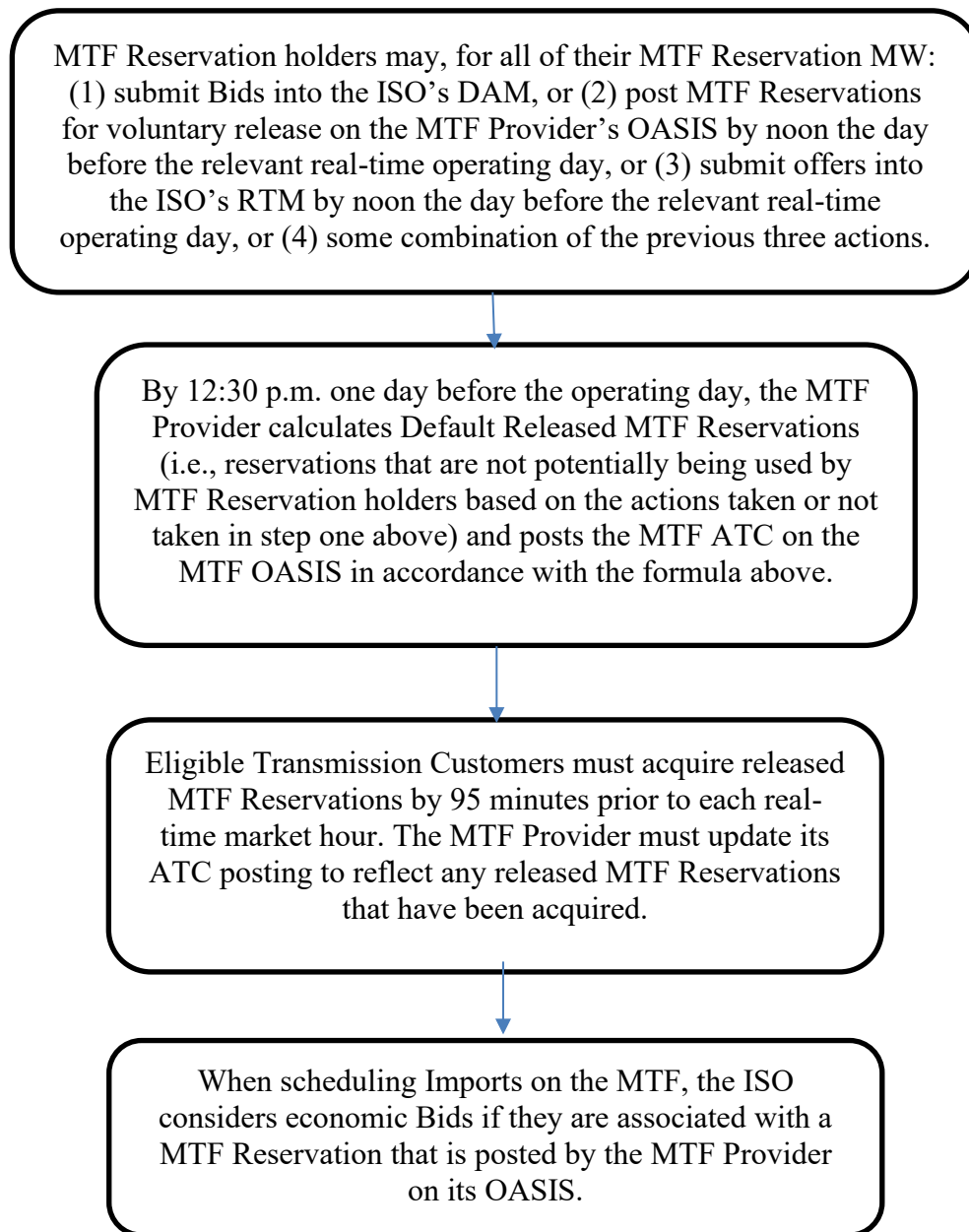
- (a) Hourly ATC values for at least the next forty-eight (48) hours;
- (b) Daily ATC values for at least the next thirty-one (31) calendar days; and
- (c) Monthly ATC values for at least the next 12 months (*i.e.*, for months 2-13)

The MTF Provider shall recalculate ATC, at minimum, on the following frequency unless one or more of the calculated values identified in the ATC equation has changed:

- (a) For hourly values, as needed, at least once per hour (subject to the exception in MOD-001-1a which allows transmission service providers up to 175 hours per year during which calculations are not required);
- (b) For daily values, at least once per day; and
- (c) For monthly values, at least once per week

The MTF Provider is expected to post new values it calculates, including changes to reflect a real-time derate or uprate of the MTF’s ATC as soon as possible.

41.21.8. MTF ATC Calculation Process Flow:



For additional information about the ISO's calculation of ATC, please see Section 9.3 of the ISO OATT.

OATT ATTACHMENT II, SECTION 41.22

MTF Creditworthiness Procedures

41.22.1. Overview

The creditworthiness of each Transmission Customer seeking to acquire MTF Reservations must be established by the MTF Provider. The MTF Provider shall perform its credit review in accordance with procedures based on specific quantitative and qualitative criteria to determine the level of secured and unsecured credit required from each Transmission Customer. A summary of the MTF Provider's Creditworthiness Requirements are described in this Section 41.22. Detailed information regarding the MTF Provider's creditworthiness requirements is available in the MTF Provider Business Practices posted on the MTF Transmission Provider OASIS.

41.22.2. Financial Information

Transmission Customers requesting MTF Service will be required to provide credit rating and financial information as part of the Credit Application for MTF Service. Required information may include: (a) all current credit rating reports from commercially accepted credit rating agencies including Standard and Poor's Inc. ("S&P"), Moody's Investors Service ("Moody's"), and Fitch Ratings ("Fitch"); (b) financial statements audited by a registered independent auditor; and (c) references from banks and utilities/vendors.

41.22.3. Creditworthiness Requirements and Process

Transmission Customers, rated and un-rated, will be required to meet the creditworthiness requirements specified in this Section 41.22 and the MTF Provider Business Practices. Credit rating and financial information provided by Transmission Customers that would be used to establish creditworthiness may include, but is not limited to, investment grade ratings for senior unsecured long-term debt and ratio analyses of audited financial statements. If the Customer does not meet the MTF Provider's creditworthiness requirements, the MTF Provider (at its discretion) may establish a credit limit for that Customer equal to the financial assurance (i.e., the security deposit) required from all Transmission Customers, as specified in this Section 41.22 and the MTF Provider Business Practices.

The MTF Provider may consider the following criteria in reviewing the creditworthiness of

Transmission Customers:

1. The Transmission Customer must meet and maintain the credit and financial assurance requirements applicable to market participants as established by the ISO; and
2. The Transmission Customer must not be in default of any amounts owed to the MTF Provider.

If the Transmission Customer does not qualify using the above requirements, the MTF Provider may consider other qualitative factors on a case-by-case basis. The specific factors will depend upon the MTF Provider Business Practices, and may include billing history and the Transmission Customer's anticipated use of the MTF.

41.22.3.1. Procedure for Determining Creditworthiness

The MTF Service Credit Application shall be posted on the MTF Provider's OASIS and is available for download. The Credit Application may be submitted along with the MTF Reservation Application. Because the amount of time required to complete the credit review varies widely, it is recommended that credit applications be submitted at least ten (10) business days before the Transmission Customer takes service for the first time. As part of the credit review process, the MTF Provider will assign a credit limit to each Transmission Customer. For a customer that holds a below investment grade rating from either S&P, Moody's or Fitch, or is not rated by any of those three rating agencies, the assigned credit limit may be the amount of the security deposit posted by such customer. For a customer that is rated by one or more of S&P, Moody's or Fitch and holds an investment grade rating from each agency that rates that customer, the credit limit will be established using standard commercial practices on a case-by-case basis based on an estimate of the customer's anticipated use of the MTF.

41.22.4. Financial Assurance

Transmission Customers seeking to acquire MTF Reservations may be required to submit a security deposit to the MTF Provider. For customers executing a blanket MTF Reservation Service Agreement, the minimum security deposit shall be specified in the MTF Provider Business Practices, provided, however, that customers may choose to provide a higher security deposit. For customers executing a non-conforming MTF Reservation Service Agreement, the security deposit requirement shall be determined on a case-by-case basis, with the maximum security deposit that may be charged equal to the cost of the MTF Reservations being acquired

for the duration of the specific transaction. Security deposits will be held in separate accounts. Account statements will be provided to the customer on an annual basis upon request.

41.22.5. Credit Levels

Transmission Customers meeting the above creditworthiness requirements will be extended credit based on levels specified in the MTF Provider Business Practices. Transmission Customers that do not meet the MTF Provider's creditworthiness requirements will not receive unsecured credit from the MTF Provider. The MTF Provider will monitor the credit status of all approved customers and may modify credit limits (higher or lower) for such customer to the extent that company circumstances or service changes occur. In the event that a customer is downgraded such that it holds a below investment grade rating from S&P, Moody's or Fitch, or is not rated by any of the three agencies, the customer's credit limit may be immediately reduced to the amount of security deposit posted by that customer.

41.22.6. Contesting Creditworthiness Determination

Should the MTF Provider reject a credit application, the MTF Provider will provide the customer the reasons for the rejection and an opportunity to revise and resubmit the credit application to address the identified deficiencies. Transmission Customers may also contest the MTF Provider's determination of creditworthiness by submitting a written request for re-evaluation. Such request should provide information supporting the basis for a request to re-evaluate a Transmission Customer's creditworthiness. The MTF Provider will review and respond to the request under the procedures outlined in this Section 41.22 and the MTF Provider Business Practices.

41.22.7. Procedures for Changes in Credit Levels and Collateral Requirements

The MTF Provider will immediately notify customers of any modifications to credit limits or required security deposits. Upon request, the MTF Provider will provide customers a written explanation for any change in credit limits or required security deposits, including an opportunity to cure any credit deficiencies within a specified time period.

41.22.8. Posting Collateral Requirements

In the event that the MTF Providers revises the level of collateral required (e.g., security deposit) as a result of changes to the Transmission Customer's financial information, the MTF Provider's criteria, or other events that result in the Transmission Customer being determined to

be non-creditworthy, the Transmission Customer shall have the opportunity to cure such deficiency consistent with the procedures in this Attachment II, Section 41.22 and the MTF Provider Business Practices, as posted on the MTF Transmission Provider OASIS.

41.22.9. Additional Requirements

Along with the above criteria for determining creditworthiness, the MTF Provider may require the Transmission Customer to fulfill additional conditions, consistent with the MTF Provider Business Practices posted on the MTF Transmission Provider OASIS.

OATT ATTACHMENT II, SECTION 41.23

Incorporation By Reference of NAESB Standards

In accordance with the Commission's April 13, 2026 Order in Docket Nos. ER26-570-000 and ER26-570-001, the NAESB WEQ Standards listed below are hereby incorporated by reference to the extent that the requirements therein apply to the MTF Provider:

- (1) WEQ-000, Abbreviations, Acronyms, and Definition of Terms (WEQ Version 004, July 31, 2023);
- (2) WEQ-001, Open Access Same-Time Information Systems (OASIS) (WEQ Version 004, July 31, 2023), with Minor Correction MC24004 applied to standard WEQ-001-24.2.4 (August 9, 2024);
- (3) WEQ-002, Open Access Same-Time Information Systems (OASIS) Business Practice Standards and Communication Protocols (S&CP), (WEQ Version 004, July 31, 2023);
- (4) WEQ-003, Open Access Same-Time Information Systems (OASIS) Data Dictionary, (WEQ Version 004, July 31, 2023);
- (5) WEQ-004, Coordinate Interchange (WEQ Version 004, July 31, 2023);
- (6) WEQ-005, Area Control Error (ACE) Equation Special Cases (WEQ Version 004, July 31, 2023);
- (7) WEQ-006, Manual Time Error Correction (WEQ Version 004, July 31, 2023);
- (8) WEQ-007, Inadvertent Interchange Payback (WEQ Version 004, July 31, 2023);
- (9) WEQ-008, Transmission Loading Relief (TLR) – Eastern Interconnection (WEQ Version 004, July 31, 2023);
- (10) WEQ-011, Gas/Electric Coordination (WEQ Version 004, July 31, 2023);
- (11) WEQ-012, Public Key Infrastructure (PKI) (WEQ Version 004, July 31, 2023);
- (12) WEQ-013, Open Access Same-Time Information Systems (OASIS) Implementation Guide, (WEQ Version 004, July 31, 2023);

(13) WEQ-015, Measurement and Verification of Wholesale Electricity Demand Response (WEQ Version 004, July 31, 2023);

(14) WEQ-021, Measurement and Verification of Energy Efficiency Products (WEQ Version 004, July 31, 2023);

(15) WEQ-022, Electric Industry Registry (WEQ Version 004, July 31, 2023);

(16) WEQ-023, Modeling (WEQ Version 004, July 31, 2023); and

(17) WEQ-024, Cybersecurity (WEQ Version 004, July 31, 2023).

42 Attachment JJ – Amended and Restated Interconnection Agreement Between New York Independent System Operator, Inc. and Hydro-Québec

OATT ATTACHMENT JJ – AMENDED AND RESTATED
INTERCONNECTION AGREEMENT BETWEEN NEW YORK INDEPENDENT
SYSTEM OPERATOR, INC. AND HYDRO-QUÉBEC

Convention d'interconnexion
amendée et consolidée

entre

New York Independent System
Operator, Inc.

et

Hydro-Québec

Amended and Restated
Interconnection Agreement

between

New York Independent System
Operator, Inc.

and

Hydro-Québec

LA PRÉSENTE CONVENTION est passée en date du 16 Février 2026

ENTRE :

New York Independent System Operator, Inc.

société à but non lucratif constituée en vertu des lois de l'État de New York, (ci-après appelée « NYISO »)
D'UNE PART

- et -

Hydro-Québec
D'AUTRE PART

ATTENDU QUE NYISO et Hydro-Québec sont parfois ci-après collectivement appelées « *Parties* » ou individuellement « *Partie* »; et

ATTENDU QU'Hydro-Québec, société dûment constituée et régie en vertu de la Loi sur Hydro-Québec (RLRQ, chap. H-5), dans ses activités de transport d'électricité est responsable de l'exploitation du réseau de transport d'électricité appartenant à Hydro-Québec et de la gestion de la fiabilité du réseau de transport du Québec conformément au Contrat du service de transport d'Hydro-Québec pour l'accessibilité à son réseau et aux conventions passées avec d'autres réseaux interconnectés au Québec ainsi que conformément aux dispositions de la *Régie de l'énergie* et aux dispositions et directives telles qu'elles sont énoncées par le *NERC* et le *NPCC*, et qu'elle a le pouvoir et l'autorité voulus pour conclure la présente *Convention* et pour exécuter ses obligations en vertu de celle-ci; et

THIS AGREEMENT made as of the 16th day of February, 2026

BETWEEN :

New York Independent System Operator, Inc.

a not-for-profit corporation organized under the laws of New York State, (Hereinafter called "NYISO")
OF THE ONE HAND

- and -

Hydro-Québec
OF THE OTHER HAND

WHEREAS, NYISO and Hydro-Québec are sometimes hereinafter collectively referred to as the "*Parties*" or individually as a "*Party*"; and

WHEREAS Hydro-Québec, a corporation duly incorporated and regulated by the Hydro-Québec Act (CQLR, Chapter H-5), acting in its electric power transmission capacity is responsible for operating the transmission system owned by Hydro-Québec and for managing the reliability of the Québec transmission system pursuant to the Hydro-Québec Open-Access Transmission Tariff (Contrat du service de transport d'Hydro-Québec pour l'accessibilité à son réseau) and agreements with other Québec interconnected systems and in compliance with the *Régie de l'énergie* requirements and requirements and guidelines as set forth by *NERC* and *NPCC*, and as such has the power and authority to enter into this *Agreement* and perform its obligations under it; and

ATTENDU QUE NYISO est une société à but non lucratif établie en vertu de l'*ISO Agreement*, et qu'elle est responsable de l'exploitation sécuritaire du Réseau de transport de New York conformément à ses Tarifs et *ISO/TO Agreement* et conformément aux dispositions du New York State Reliability Council et aux exigences et directives telles qu'elles sont énoncées par le *NERC* ou le *NPCC*, et qu'elle a le pouvoir et l'autorité voulus pour conclure la présente *Convention* et exécuter ses obligations en vertu de celle-ci; et

ATTENDU QUE NYISO et Hydro-Québec désirent coordonner les exploitations interconnectées afin de préserver la *Fiabilité* et de maximiser la capacité interconnectée pour les deux Réseaux électriques conformément aux conditions prévues dans la présente *Convention*; et

ATTENDU que les *Parties* désirent gérer les aspects relatifs à l'exploitation de leurs exploitations interconnectées en élaborant, gérant et mettant en œuvre des pratiques, procédures et informations se rapportant à la coordination de la sécurité et à l'exploitation du réseau conformément aux termes et conditions prévues dans la présente *Convention*;

ATTENDU que les *Parties* sont liées par une Entente d'interconnexion datée du 22 octobre 2002 qui est amendée et consolidée par la présente *Convention*;

EN CONSÉQUENCE LA PRÉSENTE *CONVENTION* ATTESTE QUE en contrepartie des engagements et obligations mutuels entre les *Parties* et pour une autre contrepartie bonne et valable, NYISO et Hydro-Québec conviennent de ce qui suit :

1.0 DÉFINITIONS

Dans la présente *Convention* les mots et termes ci-dessous ont la signification (également applicable au singulier et au pluriel) qui leur

WHEREAS NYISO is a not-for-profit corporation established pursuant to the *ISO Agreement*, and is responsible for the secure operation of the *New York Transmission System* in accordance with its Tariffs, and the *ISO/TO Agreement* and in compliance with New York State Reliability Council requirements and requirements and guidelines as set forth by *NERC* or *NPCC* and as such has the power and authority to enter into this *Agreement* and perform its obligations under it; and

WHEREAS NYISO and Hydro-Québec desire to coordinate interconnected operations to maintain *Reliability* and maximize interconnected capability for both *Electricity Systems* under the terms and conditions contained in this *Agreement*; and

WHEREAS the *Parties* desire to manage the operational aspects of their interconnected operations by developing, administering and implementing practices, procedures and information relating to security coordination and power system operation under the terms and conditions of this *Agreement*;

WHEREAS the *Parties* are bound by an Interconnection Agreement dated October 22nd 2002 which is amended and restated by the present *Agreement*;

NOW THEREFORE THIS *AGREEMENT* WITNESSES THAT in consideration of the mutual agreements and obligations between the *Parties* and for other good and valuable consideration NYISO and Hydro-Québec agree as follows:

1.0 DEFINITIONS

In this *Agreement*, the following words and terms have the meanings (such meanings to be equally applicable to both the singular and the

est attribué dans le présent Article 1 :

« *Adéquation* » signifie la capacité du réseau électrique de fournir de l'électricité selon la demande d'électricité et les exigences énergétiques à tout moment, compte tenu des indisponibilités programmées et non programmées de composantes de réseau.

« *Annexe* » désigne une annexe jointe à la présente *Convention* ainsi que toutes les modifications, tous les suppléments, tous les remplacements et toutes les adjonctions aux présentes se rapportant aux présentes.

« *Autorité en matière de fiabilité* » désigne la ou les personnes chargées d'exécuter des fonctions concernant la sécurité reliée à l'interconnexion telles qu'elles sont établies par le *NERC*.

« *Autorité en matière de normes* » désigne toute agence ou organisme qui recommande des normes, critères ou pratiques d'affaires à l'une ou l'autre des *Parties* quant à la *Fiabilité des Réseaux de transport*, comme le *NERC*, le *NPCC*, le *NAESB* ou la *Régie de l'énergie*.

« *Avantages mutuels* », tel que décrit à l'Article 3, désigne l'appui en régimes transitoire et permanent que la production intégrée et les *Réseaux de transport* dans l'État de New York et au Québec se fournissent mutuellement en raison du fait qu'ils sont interconnectés. Les *Avantages mutuels* ne comprennent pas les produits énergétiques qui sont normalement commercialisés ou rémunérés par l'intermédiaire de marchés de gros ou de contrats de vente.

« *Comité d'interconnexion* » désigne le comité établi conjointement par Hydro-Québec et NYISO pour gérer les dispositions de la présente *Convention* en vertu de l'Article 8.

« *Contrôle de l'exploitation* » désigne la surveillance de sécurité, l'ajustement des ressources de production et de transport, la

plural forms) ascribed to them in this Article 1:

“*Adequacy*” means the ability of the electric system to supply electricity according to demand and energy requirements at all times, taking into account scheduled and unscheduled outages of system elements.

“*Schedule*” means a schedule attached to this *Agreement* and all amendments, supplements, replacements and additions hereto.

“*Reliability Authority*” means the person or persons delegated to perform interconnection security functions as set forth by *NERC*.

“*Standards Authority*” means any agency or body that recommends standards, criteria or business practices to either *Party* relating to the *Reliability of Transmission Systems*, such as *NERC*, *NPCC*, *NAESB* or the *Régie de l'énergie*.

“*Mutual Benefits*” as described in Article 3, means the transient and steady-state support that the integrated generation and *Transmission Systems* in New York State and Québec provide to each other inherently by virtue of being interconnected. *Mutual Benefits* shall exclude energy products that are normally marketed or compensated through other wholesale trading markets or sales agreements.

“*Interconnection Committee*” means the committee jointly established by Hydro-Québec and NYISO to administer the terms and provisions of this *Agreement* pursuant to Article 8.

“*Operational Control*” means security monitoring, adjustment of generation and transmission resources, coordinating and

coordination et l'approbation des modifications apportées à l'état du transport à des fins d'entretien, la détermination des modifications à apporter à l'état du transport à des fins de *Fiabilité*, la coordination avec d'autres *Zones d'équilibrage*, les réductions de tension et le délestage de la charge, sauf que chaque propriétaire licite de ressources de production et de transport continue d'exploiter et d'entretenir physiquement ses propres installations.

« *Convention* » désigne la présente Convention et la ou les *Annexes* qui y sont jointes et en font partie intégrante.

« *Date de prise d'effet* » désigne la date spécifiée à la page 1 de la présente *Convention*.

« *Élément critique* » désigne un élément d'équipement électrique dont la disponibilité a une incidence sur la capacité de transport des *Installations d'interconnexion* tel que décrit à l'*Annexe C*.

« *Énergie d'urgence* » désigne l'énergie fournie à partir de la *Réserve d'exploitation* ou de la capacité de production d'électricité disponible pour la vente au Québec ou dans l'État de New York ou disponible à partir d'une autre *Zone d'équilibrage* et qui peut être fournie en cas d'indisponibilité soudaine et imprévue des unités de production, des lignes de transport ou de tout autre équipement, ou pour faire face à d'autres circonstances soudaines et imprévues comme des erreurs de prévision, ou pour fournir une *Réserve d'exploitation* suffisante.

« *Équipement de mesure* » désigne les transformateurs de tension, transformateurs de courant, compteurs, câbles de raccordement et enregistreurs utilisés pour mesurer toute puissance réactive et puissance active, avec l'étiquetage du temps et toute autre quantité dont l'une ou l'autre *Partie* a raisonnablement besoin pour des raisons de *Fiabilité* ou de facturation.

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 own facilities.

“*Agreement*” means this Agreement and the *Schedule(s)* attached hereto and incorporated herein.

“*Effective Date*” means the date specified on page 1 of this *Agreement*.

“*Critical Element*” means an element of electrical equipment whose availability has an impact on the transmission capacity of the *Interconnection Facilities* as described in *Schedule C*.

“*Emergency Energy*” means energy supplied from *Operating Reserve* or electrical generation available for sale in Quebec or New York State or available from another *Control Area* and which may be provided in cases of sudden and unforeseen 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*.

“*Metering Equipment*” means the voltage transformers, current transformers, meters, connecting wiring and recorders used to meter any reactive power and active power, with associated time tagging and any other quantity that is reasonably required by either *Party* for *Reliability* reasons or billing reasons.

« *Fiabilité* » désigne le degré de rendement du réseau de production transport qui permet de livrer l'électricité selon les *Normes de fiabilité* et selon la quantité désirée. La *Fiabilité* d'un réseau électrique peut être établie en tenant compte de deux aspects de base du fonctionnement des réseaux électriques, l'*Adéquation* et la *Sécurité*.

« *Force majeure* » désigne un cas de force majeure décrit à l'Article 12.1.

« *Installations d'interconnexion* » désigne les installations d'interconnexion décrites à l'*Annexe A*

« *Instructions d'exploitation* » désigne les procédures, mesures et instructions d'exploitation concernant l'exploitation des *Installations d'interconnexion* telles qu'elles sont établies et modifiées de temps à autre par le *Comité d'interconnexion* conformément à l'Article 4.9 de la présente *Convention*.

« *Intervenant du marché* » désigne une entité qui, pour son propre compte, produit, transporte, vend et/ou achète pour sa propre consommation ou pour les revendre, de la puissance, de l'énergie, des produits dérivés de l'énergie et des services complémentaires dans les marchés de gros de l'électricité. Les intervenants du marché comprennent les clients des services de transport, les propriétaires d'installations de transport qui ne sont pas une *Partie* à la présente *Convention*, les détaillants, les détenteurs de produits dérivés de l'énergie, les producteurs d'énergie et d'autres fournisseurs de puissance ainsi que leurs mandataires désignés.

« *ISO Agreement* » désigne la convention établissant le NYISO.

« *ISO/TO Agreement* » désigne la convention établissant les dispositions auxquelles les *Propriétaires d'installations de transport* ont transféré à NYISO le *Contrôle de l'exploitation* d'installations de transport

“*Reliability*” means the degree of performance of the generation - transmission system that allows electricity to be delivered within *Reliability Standards* and in the amount desired. Electric system *Reliability* can be established by considering two basic and functional aspects of the electric systems which are *Adequacy* and *Security*.

“*Force Majeure*” means an event of force majeure as described in Section 12.1.

“*Interconnection Facilities*” means the interconnection facilities described in *Schedule A*.

“*Operating Instructions*” means the operating procedures, steps, and instructions for the operation of the *Interconnection Facilities* as established and amended from time to time by the *Interconnection Committee* as per Section 4.9 of this *Agreement*.

“*Market Participant*” means an entity that, for its own account, produces, transmits, sells and/or purchases for its own consumption or to resell it, capacity, energy, energy derivatives and ancillary services in the wholesale power markets. Market Participants include transmission service customers, transmission owners which are not a *Party* to this *Agreement*, load serving entities, holders of energy derivatives, generators, and other power suppliers and their designated agents.

“*ISO Agreement*” means the agreement that establishes the NYISO.

“*ISO/TO Agreement*” means the agreement that establishes the terms and conditions under which the *Transmission Owners* transferred to the NYISO *Operational Control* over designated transmission facilities.

désignées.

« *Limites de sécurité* » désigne les limites de voltage, les limites de stabilité et les capacités thermiques du réseau électrique qui contraignent son exploitation.

« *NAESB* » désigne l'organisme appelé North American Electric Standards Board ou l'organisme qui le remplace.

« *NERC* » désigne l'organisme appelé North American Electric Reliability Corporation ou l'organisme qui le remplace.

« *Normes de fiabilité* » désigne les critères, normes et exigences se rapportant à la *Fiabilité* tels qu'établis par une *Autorité en matière de fiabilité*.

« *NPCC* » désigne l'organisme appelé Northeast Power Coordinating Council ou l'organisme qui le remplace.

« *Opérateur de Zone d'équilibrage* » désigne la ou les personnes responsables de l'exploitation sécuritaire d'une *Zone d'équilibrage* tel qu'il est établi par l'*Autorité en matière de normes*.

« *Propriétaire de réseau de transport* » désigne une entité qui est propriétaire d'un *Réseau de transport*.

« *Régie de l'énergie* » désigne l'organisme de réglementation du Québec créé en vertu de la Loi sur la *Régie de l'énergie* (RLRQ., chap. R-6.01) et dont le mandat consiste, entre autres, à approuver les tarifs et les *Normes de fiabilité* au Québec.

« *Règles de l'art de l'industrie* » désigne toute pratique, méthode et action utilisée ou approuvée par une part importante de l'industrie des services publics d'électricité en Amérique du Nord au cours de la période de temps pertinente, ou toute pratique, méthode ou action qui, selon un jugement raisonnable à

“*Security Limits*” means the operating electricity system voltage limits, stability limits and thermal ratings of the electric system that restrict its operation.

“*NAESB*” means the organization called the North American Electric Standards Board or its successor organization.

“*NERC*” – means the organization called the North American Electric Reliability Corporation or its successor organization.

“*Reliability Standards*” means the criteria, standards and requirements relating to *Reliability* as established by a *Standards Authority*.

“*NPCC*” means the organization called the Northeast Power Coordinating Council or its successor organization.

“*Control Area Operator*” means the person or persons responsible for the secure operation of a *Control Area* as set forth by the *Standards Authority*.

“*Transmission Owner*” means an entity that owns a *Transmission System*.

“*Régie de l'énergie*” means the Québec regulatory body created pursuant to “An Act respecting the Régie de l'énergie” (Loi sur la *Régie de l'énergie*) (CQLR, chap. R-6.01 and whose mandate is, among other things, to approve tariffs and *Reliability Standards* in Québec.

“*Good Utility Practice*” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts

la lumière des faits connus au moment où la décision a été prise, devrait selon toute attente produire le résultat désiré à un coût raisonnable conformément aux bonnes pratiques d'affaires, et compte tenu des impératifs de fiabilité, sécurité et rapidité. *Règles de l'art* s'entend non pas uniquement d'une pratique, d'une méthode ou d'une action optimale particulière à l'exclusion de toutes les autres, mais plutôt des pratiques, méthodes ou actions généralement acceptées en Amérique du Nord.

« Réseau de transport de l'État de New York », aux fins de la présente *Convention*, désigne l'ensemble du réseau de transport d'électricité de l'État de New York, ce qui comprend : (1) les « Transmission Facilities Under ISO Operational Control » (les installations de transport dont l'ISO contrôle l'exploitation) et (2) les « Transmission Facilities Requiring ISO Notification » (les installations de transport qui requièrent que l'ISO soit tenu informé de leur état), dans les deux cas selon la définition donnée à ces expressions dans le tarif intitulé NYISO Open Access Transmission Tariff (OATT); et (3) toutes les autres installations de transport dans la zone d'équilibrage de New York.

« Réseau de transport » désigne un réseau destiné au transport de l'électricité, et comprend les équipements, les ouvrages ou toute autre installation utilisée à cette fin.

« Réseau de transport de New York », aux fins de la présente *Convention*, désigne « Transmission Facilities Under ISO Operational Control » tel que défini dans le tarif intitulé NYISO Open Access Transmission Tariff (OATT).

« Réseau de transport du Québec » désigne les installations de transport d'électricité à des tensions de 44 kV et plus, qui appartiennent à Hydro-Québec et sont exploitées par Hydro-Québec, y compris les transformateurs élévateurs de tension situés aux centrales de production, les postes d'électricité et de

known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. *Good Utility Practice* is not intended to be limited to a single optimum practice, method, or act to the exclusion of all others, but rather to be practices, methods, or acts generally accepted in North America.

“New York State Transmission System” for the purpose of this *Agreement* means the entire New York State electric transmission system, which includes: (1) the “Transmission Facilities Under ISO Operational Control” and (2) the “Transmission Facilities Requiring ISO Notification,” both as defined in the NYISO Open Access Transmission Tariff (OATT); and (3) all the other transmission facilities within the New York control area.

“Transmission System” means a system for transmitting electricity, and includes any equipment, structures or other facilities used for that purpose.

“New York Transmission System” for the purpose of this *Agreement* means the “Transmission Facilities Under ISO Operational Control” as defined in the NYISO Open Access Transmission Tariff (OATT).

“Québec Transmission System” means the electricity transmission facilities of a voltage level of 44 kV or greater owned by Hydro-Québec and operated by Hydro-Québec including step-up transformers at generating stations, electricity and transformation stations as well as all generation interconnection

transformation ainsi que toute installation de raccordement de centrales de production, de même que tout autre réseau électrique au Québec visé par une entente d'exploitation avec Hydro-Québec donnant à Hydro-Québec le contrôle de ses installations d'électricité

« *Réseaux électriques* » désigne le *Réseau de transport de New York* pour NYISO et le *Réseau de transport du Québec* pour Hydro-Québec.

« *Réserve d'exploitation* » désigne la capacité de production ou la capacité de réduction de la charge qui peut être appelée à court préavis par chacune des *Parties* pour remplacer la fourniture d'énergie programmée qui est défaillante par suite d'une indisponibilité imprévue ou pour augmenter l'énergie programmée par suite d'une demande imprévue ou d'une autre contingence.

« *Sécurité* » désigne la capacité du réseau électrique de résister à des perturbations soudaines, y compris, sans limitation, des courts-circuits électriques ou la perte imprévue de composantes du réseau.

« *Transferts involontaires* » désigne les différences entre l'énergie effectivement livrée et mesurée conformément à l'Article 9 de la présente *Convention* et l'énergie nette programmée pour être livrée par les *Parties* à des *Installations d'interconnexion* pendant un certain laps de temps.

« *Urgence* » désigne toute condition anormale du réseau nécessitant une action corrective afin d'empêcher ou de limiter une perte d'installations de transport ou de production qui pourrait avoir un effet défavorable sur la *Fiabilité* du *Réseau électrique* de l'une ou l'autre des *Parties* ou des deux *Parties* à la fois.

« *Zone d'équilibrage* » désigne un ou des réseaux électriques, délimités par des dispositifs de mesurage et de télémétrie d'interconnexion, capables de contrôler la

facilities, and all other electricity systems in Québec which are subject to an operating agreement with Hydro-Québec that gives Hydro-Québec control of their electric transmission facilities.

“*Electricity Systems*” means the *New York Transmission System* for NYISO and the *Québec Transmission System* for Hydro-Québec.

“*Operating Reserve*” means generation capacity or load reduction capacity which can be called upon on short notice by either *Party* to replace scheduled energy supply which is unavailable as a result of an unexpected outage or to augment scheduled energy as a result of unexpected demand or other contingencies.

“*Security*” means the ability of the electric system to withstand sudden disturbances including, without limitation, electric short circuits or unanticipated loss of system elements.

“*Inadvertent Transfers*” means the differences between the actual energy delivered and measured as per Article 9 of this *Agreement* and the net energy programmed to be delivered by the *Parties* on given *Interconnection Facilities* during a given time interval.

“*Emergency*” means any abnormal system condition that requires remedial action to prevent or limit loss of transmission or generation facilities that could adversely affect the *Reliability* of either or both *Parties' Electricity System*.

“*Control Area*” means an electric system or systems, bounded by interconnection metering and telemetry, capable of controlling generation to maintain its interchange schedule

production pour respecter son programme d'échanges avec d'autres zones d'équilibrage et de contribuer au réglage de la fréquence des *Installations d'interconnexion* tel qu'établi par le *NERC*.

2.0 OBJET DE LA CONVENTION

2.1 Objet de la présente *Convention*

La présente *Convention* prévoit l'exploitation fiable des *Réseaux électriques* interconnectés conformément aux exigences de l'*Autorité en matière de normes*.

La présente *Convention* établit une structure et un cadre concernant les fonctions suivantes relatives à la *Fiabilité* de l'exploitation des *Réseaux électriques* :

- a) l'élaboration et l'émission des *Instructions d'exploitation*;
- b) l'élaboration et l'émission des *Limites de sécurité*;
- c) l'exploitation coordonnée des *Installations d'interconnexion*;
- d) l'élaboration et l'adoption de critères et de normes d'exploitation;
- e) l'examen de la performance des *Installations d'interconnexion*;
- f) l'étude des questions se rapportant au service de transport et à l'accès;
- g) la fourniture d'assistance à l'autre *Partie* en cas d'*Urgence*; et
- h) la mise en œuvre des exigences respectives de l'*Autorité en matière de normes* concernant le *Réseau de transport de New York* et de l'*Autorité en matière de normes* concernant le *Réseau de transport du Québec*.

with other control areas and contributing to frequency regulation of the *Interconnection Facilities* as set forth by *NERC*.

2.0 PURPOSE OF AGREEMENT

2.1 Purpose of this *Agreement*

This *Agreement* provides for the reliable operation of the interconnected *Electricity Systems* in accordance with the requirements of the *Standards Authority*.

This *Agreement* establishes a structure and framework for the following functions related to the *Reliability* of the operations of the *Electricity Systems*:

- (a) developing and issuing *Operating Instructions*;
- (b) developing and issuing *Security Limits*;
- (c) coordinated operation of the *Interconnection Facilities*;
- (d) development and adoption of operating criteria and standards;
- (e) operating performance review of the *Interconnection Facilities*;
- (f) considering matters of transmission service and access;
- (g) providing assistance to the other *Party* in an *Emergency*; and
- (h) implementation of the respective requirements of each of *Standards Authority* in respect of the *New York Transmission System* and *Québec Transmission System*.

3.0 AVANTAGES MUTUELS

3.1 Contrepartie du contrat

Le Réseau de transport de l'État de New York et le Réseau de transport du Québec, du fait qu'ils sont interconnectés, partagent des *Avantages mutuels*. Les deux *Parties* reconnaissent que les *Avantages mutuels* constituent une contrepartie suffisante pour conclure la présente *Convention*.

4.0 EXPLOITATION INTERCONNECTÉE

4.1 Exploitation interconnectée

Les Réseaux électriques ne sont pas synchronisés. L'exploitation interconnectée des Réseaux électriques ne peut avoir lieu que :

- a) en détachant les charges et/ou les unités de production d'un Réseau électrique et en raccordant cette charge et/ou ces unités de production à l'autre Réseau électrique; et/ou
- b) au moyen de dispositifs de contrôle du transit raccordant de manière asynchrone les Réseaux électriques.

Ces opérations interconnectées doivent se dérouler conformément aux modes d'exploitation applicables indiqués dans les *Instructions d'exploitation*. Les deux *Parties* conviennent d'établir les *Instructions d'exploitation* complémentaires nécessaires pour réaliser l'exploitation interconnectée des Réseaux électriques ainsi que les *Instructions d'exploitation* appropriées pour empêcher l'exploitation synchrone par inadvertance des Réseaux électriques. Les parties d'un Réseau électrique synchronisées ou raccordées à l'autre Réseau électrique à des fins d'exploitation interconnectée demeurent sous le contrôle de la *Partie* responsable du Réseau électrique auquel ces parties appartiennent.

4.2 Notification de circonstances

Si l'une des *Installation d'interconnexion* disponible à des fins d'exploitation

3.0 MUTUAL BENEFITS

3.2 Contract Consideration

The New York State Transmission System and Québec Transmission System, by virtue of being interconnected with each other, share *Mutual Benefits*. Both *Parties* acknowledge the *Mutual Benefits* as adequate consideration for entering into this *Agreement*.

4.0 INTERCONNECTED OPERATION

4.1 Interconnected Operation

The *Electricity Systems* are not synchronized. Interconnected operation of the *Electricity Systems* shall only occur:

- (a) by detaching load and/or generating units from one *Electricity System* and connecting this load and/or generating units to the other *Electricity System*; and/or
- (b) through the use of flow control devices asynchronously interconnecting the *Electricity Systems*.

Such interconnected operations must occur as per the applicable operating modes set out in the *Operating Instructions*. Both *Parties* agree to establish such further *Operating Instructions* as required to implement the interconnected operation of the *Electricity Systems* and appropriate *Operating Instructions* to prevent inadvertent synchronous operation of the *Electricity Systems*. Portions of one *Electricity System* synchronized or connected to the other *Electricity System* for interconnected operations remain under the control of the *Party* responsible for the *Electricity System* to which they belong.

4.2 Notification of Circumstances

In the event that an *Interconnection Facility* that is available for use for interconnected

interconnectée :

- a) est déclarée ou rendue indisponible;
- b) doit être mise hors circuit ou a été mise hors circuit; ou
- c) fait ou fera l'objet d'une modification de capacité de transfert;

la *Partie* qui a subi la mise hors circuit ou la modification de la capacité de transfert ou qui planifie de procéder à la mise hors circuit ou à la modification de la capacité de transfert d'une *Installation d'interconnexion* doit en notifier immédiatement l'autre *Partie* et lui indiquer le changement des circonstances de la mise hors circuit ou de la capacité de transfert ainsi que le moment de rétablissement prévu, conformément à la procédure adoptée par le *Comité d'interconnexion*.

4.3 Conformité avec les décisions du Comité d'interconnexion

Hydro-Québec et NYISO doivent chacune exploiter leur propre partie des *Installations d'interconnexion* conformément aux *Instructions d'exploitation* qui respectent leurs tarifs, règles et normes respectifs, et leurs conventions respectives avec les propriétaires d'*Éléments critiques* et les directives applicables du *Comité d'interconnexion*, sauf empêchement dû à un cas de *Force majeure*. Les directives du *Comité d'interconnexion* comprennent des décisions et des *Instructions d'exploitation* élaborées et approuvées conjointement qui respectent leurs tarifs, règles et normes respectifs et leurs conventions respectives avec les propriétaires d'*Éléments critiques*. Si des décisions du *Comité d'interconnexion* ne prévoient pas une circonstance particulière, les *Parties* agiront en conformité avec la *Bonne pratique de l'industrie*.

Chaque *Partie* peut conclure, selon ce qui peut être jugé commercialement souhaitable par cette *Partie* pour son avantage exclusif ou selon ce qui peut être exigé d'elle en vertu de

operations:

- (a) is declared or rendered unavailable for use;
- (b) is to be put off-line or has been put off-line; or,
- (c) is or will be subject to a change of transfer capability,

the *Party* which has experienced or plans to initiate the putting off-line of, or the change to the transfer capability of the *Interconnection Facility* shall immediately provide the other *Party* with notification indicating the change in the circumstances of the putting off-line or transfer capability and the expected restoration time, in accordance with procedures adopted by the *Interconnection Committee*.

4.3 Compliance with Decisions of the Interconnection Committee

Hydro-Québec and NYISO shall each operate their respective portion of the *Interconnection Facilities* in accordance with the *Operating Instructions* that conform with their respective tariffs, rules, standards, and agreements with owners of *Critical Elements* and applicable directions of the *Interconnection Committee*, except where prevented by *Force Majeure*. The *Interconnection Committee's* directions include decisions and jointly developed and approved *Operating Instructions* that conform with their respective tariffs, rules, standards and agreements with owners of *Critical Elements*. If decisions of the *Interconnection Committee* do not anticipate a particular circumstance, the *Parties* will act in accordance with *Good Utility Practice*.

Each *Party* may execute, as may be deemed commercially desirable by that *Party* for its sole benefit or may be required of it by tariff or regulatory authority, agreements with the

son tarif ou par un organisme de réglementation, des conventions avec les propriétaires d'*Éléments critiques* qui ont accordé à la *Partie* en question le *Contrôle de l'exploitation* au jour le jour de ces *Éléments critiques*.

4.4 Contrôle et surveillance

Chaque *Partie* doit fournir ou organiser un contrôle et une surveillance de 24 heures sur 24 de sa propre partie des *Installations d'interconnexion*.

4.5 Transfert de puissance réactive

En l'absence d'une entente commerciale, chaque *Partie* doit normalement prévoir son propre approvisionnement réactif pour maintenir un facteur de puissance unitaire à la frontière internationale.

4.6 Transferts involontaires

Les transferts d'énergie involontaires sur toutes les *Installations d'interconnexion* doivent être contrôlés et comptabilisés conformément aux normes et procédures exigées par l'*Autorité en matière de normes* et utilisées par les *Parties*.

Les *Parties* comptabiliseront et régleront les transferts d'énergie involontaires qui surviennent sur les *Installations d'interconnexion* Hertel – Astoria séparément et distinctement des transferts d'énergie involontaires qui surviennent sur les *Installations d'interconnexion* Châteauguay – Massena et Cedars – Dennison.

4.7 Adoption de normes

Les *Parties* s'engagent par les présentes à adopter, mettre en vigueur et respecter les exigences et normes qui préserveront la *Fiabilité* des *Réseaux électriques* interconnectés. Ces exigences quant à la *Fiabilité* et ces *Normes de fiabilité* doivent :

- a) être adoptées et mises en vigueur dans le but de fournir un service fiable;

owners of *Critical Elements* that have granted to that *Party* the day-to-day *Operational Control* of those *Critical Elements*.

4.4 Control and Monitoring

Each *Party* shall provide or arrange for 24-hour control and monitoring of their portion of the *Interconnection Facilities*.

4.5 Reactive Transfer

In the absence of a commercial agreement, each *Party* shall normally provide its own reactive supply to maintain unity power factor at the international boundary.

4.6 Inadvertent Transfers

Inadvertent energy transfers on all *Interconnection Facilities* shall be controlled and accounted for in accordance with the standards and procedures required by the *Standards Authority* and utilized by the *Parties*.

The *Parties* will account for and repay inadvertent energy transfers that occur on the Hertel – Astoria *Interconnection Facilities* separate and distinct from inadvertent energy transfers that occur on the Châteauguay – Massena *Interconnection Facilities* and the Cedars — Dennison *Interconnection Facilities*.

4.7 Adoption of Standards

The *Parties* hereby agree to adopt, enforce and comply with requirements and standards that will safeguard *Reliability* of the interconnected *Electricity Systems*. Such *Reliability* requirements and *Reliability Standards* shall be:

- (a) adopted and enforced for the purpose of providing reliable service;

- b) ne pas être indûment discriminatoires quant au fond ou quant à leur application;
- c) être appliquées uniformément aux deux *Parties*; et
- d) être compatibles avec les obligations respectives des *Parties* envers les *Autorités en matière de normes* compétentes.

- (b) not unduly discriminatory in substance or application;
- (c) applied consistently to both *Parties* and,
- (d) consistent with the *Parties* respective obligations to applicable *Standards Authorities*.

4.8 Point de transfert pour la puissance réelle et réactive

Les puissances réelles et réactives seront transférées sur les *Installations d'interconnexion* tel que décrit à l'*Annexe A* à l'endroit où ces circuits traversent la frontière internationale.

4.8 Transfer Point for Real and Reactive Power

Real and reactive power will be transferred over the *Interconnection Facilities* as described in *Schedule A* where these circuits cross the international boundary.

4.9 Instructions d'exploitation

Le *Comité d'interconnexion* émettra les *Instructions d'exploitation* se rapportant aux fonctions des *Parties* relatives à la *Fiabilité*. Chaque *Partie* doit remettre les *Instructions d'exploitation* et toute modification ultérieure qui y est apportée aux propriétaires d'*Éléments critiques* dans leurs *Zones d'équilibrage* respectives dans la mesure où elles se rapportent à ces installations et à qui ces *Instructions d'exploitation* s'appliquent.

4.9 Operating Instructions

The *Interconnection Committee* will issue the *Operating Instructions* that relate to the *Reliability* functions of the *Parties*. Each *Party* shall deliver the *Operating Instructions* and any future amendments thereto to the owners of *Critical Elements* in their respective *Control Areas* as they relate to those facilities and to which such *Operating Instructions* apply.

D'autres instructions d'exploitation peuvent être émises en vertu d'ententes entre l'une ou l'autre *Partie* et des propriétaires d'*Éléments critiques* en vue de l'exploitation et de l'entretien des *Installations d'interconnexion*. En cas de conflit ou de divergence entre les *Instructions d'exploitation* et l'une quelconque des instructions d'exploitation qui peuvent être émises en vertu d'ententes entre l'une ou l'autre *Partie* et les propriétaires d'*Éléments critiques*, les *Parties* doivent suivre les *Instructions d'exploitation*. En de telles circonstances, le *Comité d'interconnexion* doit agir de manière à résoudre le conflit ou la divergence avec les propriétaires concernés des *Éléments critiques*.

Other operating instructions may be issued under agreements between either *Party* and the owners of *Critical Elements* for the operation and maintenance of the *Interconnection Facilities*. In the event that there is a conflict or discrepancy between the *Operating Instructions* and any of the operating instructions that may be issued under agreements between either *Party* and owners of *Critical Elements*, the *Parties* shall follow the *Operating Instructions*. In such circumstances, the *Interconnection Committee* shall act to resolve the conflict or discrepancy with the relevant owners of *Critical Elements*.

5.0 COORDINATION EN MATIÈRE DE SÉCURITÉ ET ÉVALUATION DE L'IMPACT DES INDISPONIBILITÉS SUR LA FIABILITÉ

Les deux *Parties* s'engagent à se fournir mutuellement les mises à jour appropriées des programmes de retraits planifiés et autres activités qui pourraient avoir un effet sur la *Fiabilité*, la disponibilité ou la capacité des *Installations d'interconnexion*. En qualité d'*Opérateurs de Zones d'équilibrage* et d'*Autorités en matière de Fiabilité*, Hydro-Québec pour la province de Québec et NYISO pour l'État de New York doivent coopérer l'une avec l'autre au besoin, et avec d'autres *Opérateurs de Zones d'équilibrage* et *Autorités en matière de Fiabilité*, pour établir les *Limites de sécurité* et pour effectuer la coordination visant la *Sécurité* et les évaluations des indisponibilités du point de vue de la *Fiabilité*.

6.0 ASSISTANCE EN CAS D'URGENCE

6.1 Obligation de mitiger

Les deux *Parties* doivent exercer la diligence nécessaire pour mitiger un cas d'*Urgence* dans la mesure du possible selon les exigences applicables de chacune des *Autorités en matière de normes* et les politiques et procédures existantes de Hydro-Québec et de NYISO régissant la mitigation d'une *Urgence*.

6.2 Énergie d'urgence

Des livraisons d'*Énergie d'urgence* peuvent être demandées par une *Partie* une fois épuisés tous les mécanismes du marché disponibles. La *Partie* qui reçoit la demande doit fournir à la *Partie* qui fait la demande de l'*Énergie d'urgence* dans toute la mesure du possible tout en protégeant l'intégrité de son propre *Réseau de transport*. L'*Énergie d'urgence* peut être fournie via les *Installations d'interconnexion* conformément à l'Annexe A de la présente Convention.

Chaque *Partie* doit informer l'autre *Partie*, par écrit, du prix ou de la formule de prix

5.0 SECURITY COORDINATION AND RELIABILITY ASSESSMENT OF OUTAGES

Both *Parties* agree to provide each other with appropriate updates on planned outage schedules and other activities that may impact on the *Reliability* or availability or capability of the *Interconnection Facilities*. As *Control Area Operator* and *Reliability Authority*, Hydro-Québec for the province of Québec and NYISO for the State of New York, shall cooperate with each other as required, and with other *Control Area Operators* and *Reliability Authorities*, to establish *Security Limits* and to perform *Security* coordination and *Reliability* assessments of outages.

6.0 ASSISTANCE IN AN EMERGENCY

6.1 Obligation to Mitigate

Both *Parties* shall exercise due diligence to mitigate an *Emergency* to the extent practical as per applicable requirements of each of the *Standards Authorities* and the existing policies and procedures of Hydro-Québec and NYISO governing the mitigation of an *Emergency*.

6.2 Emergency Energy

Emergency Energy deliveries may be requested by a *Party* after all available market mechanisms have been exhausted. The *Party* receiving the request shall provide *Emergency Energy* to the *Party* making the request to the extent practicable while protecting the integrity of its own *Transmission System*. *Emergency Energy* may be made available over *Interconnection Facilities* consistent with Schedule A to this *Agreement*.

Each *Party* shall inform the other *Party* by written notice of the applicable price or pricing

applicable à l'égard de l'*Énergie d'urgence* qu'elle peut rendre disponible. Les *Parties* doivent faire de leur mieux pour que les prix ou les formules de prix soient disponibles à l'avance, évitant ainsi la négociation de modalités pendant une *Urgence*.

6.3 Autres Urgences

Outre l'Article 6.1 ci-dessus, les *Parties* reconnaissent que des *Urgences* peuvent survenir aux termes d'ententes entre Hydro-Québec et des propriétaires d'installations de transport dans l'État de New York, soit toute situation de réseau anormale exigeant une mesure corrective pour :

- a) protéger l'intégrité de l'équipement;
- b) assurer la sécurité des travailleurs et du public; ou
- c) protéger l'environnement

Les *Parties* peuvent être tenues de participer à de telles mesures correctives.

7.0 ÉCHANGES D'INFORMATIONS ET CONFIDENTIALITÉ

7.1 Informations

NYISO et Hydro-Québec s'engagent à échanger des informations à la demande du *Comité d'interconnexion*. Ces informations sont les suivantes :

- a) les informations nécessaires pour élaborer les *Instructions d'exploitation*;
- b) les caractéristiques des installations du *Réseau de transport* et les données de modélisation nécessaires pour procéder à l'analyse de la *Sécurité*;
- c) les descriptions fonctionnelles et les diagrammes schématiques des dispositifs de protection et des installations de communication du *Réseau de transport*;

formula for such *Emergency Energy* it may make available. The *Parties* must do their best to have such prices or pricing formulas available in advance, therefore avoiding the negotiation of terms during an *Emergency*.

6.3 Other Emergencies

In addition to the above Section 6.1, the *Parties* acknowledge that Emergencies may occur under the provisions of agreements between Hydro-Québec and owners of transmission facilities in New York State, being any abnormal system condition that requires remedial action to:

- (a) protect the integrity of equipment;
- (b) ensure worker and public safety; or,
- (c) protect the environment.

The *Parties* may be required to participate in such remedial action.

7.0 EXCHANGE OF INFORMATION AND CONFIDENTIALITY

7.1 Information

NYISO and Hydro-Québec agree to exchange such information as may be required by the *Interconnection Committee*. Such information will be comprised of the following:

- (a) Information required to develop *Operating Instructions*;
- (b) *Transmission System* facility specifications and modeling data required to perform *Security* analysis;
- (c) Functional descriptions and schematic diagrams of *Transmission System* protective devices and communication facilities;

- d) les données sur les spécifications, et les méthodes connexes d'établissement des spécifications, pour les *Installations d'interconnexion*;
 - e) les points de télémétrie, les dispositifs d'alarmes et les points nécessaires à la surveillance en temps réel du processus de *Sécurité*;
 - f) les données nécessaires à la mise en concordance des comptes relatifs à l'énergie involontaire, et pour les transactions relatives à l'*Énergie d'urgence*;
 - g) les informations à valeur commerciale relatives au *Réseau de transport* portant sur des aspects tels que : capacités de transfert, diminutions et interruptions des approvisionnements, services complémentaires pour autant que la Partie qui les reçoit s'engage à ne pas les divulguer à:
 - 1) un tiers qui est un *Intervenant du marché*; ou
 - 2) une filiale, une division ou un employé au sein de l'organisation d'une *Partie* qui est un *Intervenant du marché*; et
 - h) toute autre information qui peut s'avérer nécessaire pour que les *Parties* puissent maintenir l'exploitation fiable de leurs *Réseaux de transport* interconnectés et exécuter leurs obligations en vertu de la présente *Convention* et envers toute *Autorité en matière de normes* dont l'une ou l'autre *Partie* est membre ou à laquelle elle est assujettie; pour autant que cette même information s'échange conformément aux restrictions applicables à la divulgation d'informations à tout *Intervenant du marché*.
- (d) Ratings data, and associated ratings methodologies, for *Interconnection Facilities*;
 - (e) Telemetry points, equipment alarms and status points required for real time monitoring of *Security* dispatch;
 - (f) Data required to reconcile accounts for inadvertent energy, and for *Emergency Energy* transactions;
 - (g) Commercially valuable *Transmission System* information concerning such things as transfer capabilities, physical curtailments and interruptions of supply, ancillary services; provided, however, that this commercially valuable *Transmission System* information shall not be shared by the receiving *Party* with
 - (1) any other party that is a *Market Participant*; or
 - (2) any subsidiary, division, or employee within a *Party's* organization who is a *Market Participant*, and
 - (h) All other information as may be required for the *Parties* to maintain the reliable operation of their interconnected *Transmission Systems* and fulfill their obligations under this *Agreement* and to any *Standards Authority* of which either *Party* is a member or is subject to, provided, however, that this other information will be exchanged only if that can be done in accordance with applicable restrictions on the disclosure of information to any *Market Participant*.

7.2 Confidentialité

La *Partie* qui reçoit une information en vertu du présent Article 7 la traitera en toute confidentialité et s'abstiendra de la divulguer sans l'accord préalable et écrit de la *Partie* qui la lui a fournie, sauf exception prévue à l'Article 7.3. L'obligation de chaque *Partie* en vertu du présent Article 7.2 demeure en vigueur et survit pendant 7 ans à la résiliation de la présente *Convention*.

7.3 Demandes de divulgation

Si une information reçue par une *Partie* doit être divulguée en vertu d'une ordonnance ou d'une citation émise par un tribunal ou un organisme de réglementation, ou par suite d'une sentence arbitrale, la *Partie* qui a reçu l'information, conformément à ses obligations légales et réglementaires, doit faire des efforts raisonnables pour obtenir un engagement ou une ordonnance préventive exigeant le maintien de la confidentialité de l'information demandée. La *Partie* qui reçoit la demande de divulgation doit également, conformément à ses obligations légales et réglementaires, notifier l'autre *Partie* rapidement, de manière à donner à l'autre *Partie* l'occasion d'obtenir un engagement ou une ordonnance préventive exigeant le maintien de la confidentialité de l'information demandée. Chaque *Partie* est responsable des frais juridiques et autres coûts qu'elle engage pour chercher à obtenir de tels engagements ou de telles ordonnances préventives.

7.4 Garanties et déclarations

Les *Parties* garantissent et déclarent ce qui suit :

- a) Chaque *Partie* s'est conformée et a l'intention de se conformer à un code de conduite.
- b) Hydro-Québec a également adopté un code de conduite entre autres concernant la séparation fonctionnelle entre ses activités de transporteur et ses

7.2 Confidentiality

The *Party* receiving information pursuant to this Article 7 shall treat such information as confidential, and shall not, except as provided for in subsection 7.3, disclose any of the information received without the prior written consent of the *Party* supplying the information. The obligation of each *Party* under this subsection 7.2 continues and survives the termination of this *Agreement* by 7 years.

7.3 Demands for Disclosure

If information received by a *Party* is required to be disclosed in compliance with an order or subpoena of a court or regulatory body, or the award of an arbitrator, the *Party* that received the information, consistent with its legal and regulatory obligations, shall make reasonable efforts to obtain an agreement or protective order requiring the maintenance of the confidentiality of the information demanded. The *Party* receiving the demand for disclosure shall also, consistent with its legal and regulatory obligations, notify the other *Party* promptly, so as to give the other *Party* an opportunity to obtain an agreement or protective order requiring the maintenance of the confidentiality of the information demanded. Each *Party* shall be responsible for its own legal expenses and other costs for seeking to obtain such agreements or protective orders.

7.4 Warranties and Representations

The *Parties* warrant and represent that:

- (a) Each *Party* has, and intends to abide by a code of conduct.
- (b) Hydro-Québec also has in place a code of conduct notably with respect to functional separation between transmission and merchant functions.

fonctions marchandes.

- c) Chaque *Partie* suivra et mettra en vigueur les procédures prévues dans son code de conduite respectif concernant toute information confidentielle reçue de l'autre *Partie*.

- (c) Each *Party* will follow and enforce the procedures within its respective code of conduct concerning any confidential information received from the other *Party*.

8.0 COMITÉ D'INTERCONNEXION

8.0 INTERCONNECTION COMMITTEE

8.1 Inauguration du Comité d'interconnexion et autorisation

Les *Parties* doivent former un *Comité d'interconnexion* en vertu de la présente *Convention*. Dans les 30 jours suivant la *Date de prise d'effet*, chacune des *Parties* doit nommer deux représentants et deux substituts pour qu'ils agissent à titre de membres du *Comité d'interconnexion* et soient autorisés à agir en leur nom relativement aux mesures ou décisions prises par le *Comité d'interconnexion*. Une *Partie* peut, à tout moment, moyennant un préavis écrit donné à l'autre *Partie*, désigner le remplaçant d'un représentant ou d'un substitut pour le *Comité d'interconnexion*.

8.1 Interconnection Committee Inauguration & Authorization

The *Parties* shall form an *Interconnection Committee* under this *Agreement*. Within 30 days of the *Effective Date*, each of the *Parties* shall appoint two representatives and two alternates, to serve as members of the *Interconnection Committee* with the authority to act on their behalf with respect to actions or decisions taken by the *Interconnection Committee*. A *Party* may, at any time upon providing prior written notice to the other *Party*, designate the replacement of a representative or an alternate to the *Interconnection Committee*.

8.2 Obligations et responsabilités du Comité d'interconnexion

Le *Comité d'interconnexion* a pour vocation de gérer la mise en œuvre des dispositions de la présente *Convention*. Le *Comité d'interconnexion* doit élaborer et adopter des politiques, instructions et recommandations se rapportant à l'exécution par les *Parties* de leurs obligations en vertu de la présente *Convention*, essayer de régler les différends entre les *Parties* conformément à l'Article 11 de la présente *Convention* et s'engage à prendre toute autre mesure qu'il est expressément chargé de prendre en vertu de la présente *Convention*.

8.2 Interconnection Committee Duties and Responsibilities

The *Interconnection Committee* exists to administer the implementation of the provisions of this *Agreement*. The *Interconnection Committee* shall develop and adopt policies, instructions, and recommendations relating to the *Parties'* performance of their obligations under this *Agreement*, attempt to resolve disputes between the *Parties* pursuant to Article 11 of this *Agreement*, and shall undertake any other actions specifically delegated to it pursuant to this *Agreement*.

Le *Comité d'interconnexion* s'engage à élaborer et autoriser conjointement des *Instructions d'exploitation* afin de réaliser l'objet de la présente *Convention* conformément à l'*Annexe B*, « Procédures

The *Interconnection Committee* shall undertake to jointly develop and authorize *Operating Instructions* to implement the intent of this *Agreement* in accordance with *Schedule B*, "Procedures for Development and

d'élaboration et d'autorisation d'*Instructions d'exploitation* ».

Si les conditions de la présente *Convention* s'avèrent incompatibles avec les obligations imposées par une *Autorité en matière de normes* dont une *Partie* est membre ou à laquelle une *Partie* est assujettie ou d'autres exigences réglementaires ou ne reconnaissent pas celles-ci, les *Parties* s'engagent à modifier la présente *Convention* en conséquence.

8.3 Limites des pouvoirs du Comité d'interconnexion

A l'exception des *Annexes*, le *Comité d'interconnexion* n'est pas autorisé à modifier les stipulations de la présente *Convention*. Bien que chaque *Partie* puisse encourir des dépenses découlant de la gestion de la mise en œuvre des dispositions de la présente *Convention* par le *Comité d'interconnexion*, ce dernier n'a pas le pouvoir d'engager ou de lier contractuellement d'une autre façon l'une ou l'autre des *Parties* de façon à l'obliger à encourir ou payer des coûts ou des dépenses.

8.4 Exécution des obligations du Comité d'interconnexion

Le *Comité d'interconnexion* doit tenir des réunions au moins deux fois par année civile. Les questions examinées à toutes les réunions doivent être inscrites à un ordre du jour, qui doit contenir des points soumis par l'une ou l'autre des *Parties* avant la réunion et envoyés aux représentants de l'autre *Partie*. Des réunions extraordinaires peuvent être convoquées à tout moment si le *Comité d'interconnexion* le juge nécessaire ou approprié.

Sous réserves des limites de ses pouvoirs prévues à l'Article 8.3 de la présente *Convention*, le *Comité d'interconnexion* a la responsabilité et le pouvoir de prendre des mesures à l'égard de tous les aspects de la présente *Convention*, y compris, sans limitation:

Authorization of *Operating Instructions*”.

Should the terms and conditions contained in this *Agreement* be found to conflict with or fail to recognize obligations of a *Standards Authority* of which either *Party* is a member or to which it is subject or other regulatory requirements the *Parties* agree to amend this *Agreement* accordingly.

8.3 Limitations of Interconnection Committee Authority

With the exception of the *Schedules*, the *Interconnection Committee* is not authorized to modify or amend any of the terms of this *Agreement*. While each *Party* may incur expenses that may result from the *Interconnection Committee's* administration of the implementation of the provisions of this *Agreement*, the *Interconnection Committee* has no authority to commit or otherwise contractually bind either *Party* to incur or pay any cost or expenditure.

8.4 Exercise of Interconnection Committee Duties

The *Interconnection Committee* shall hold meetings at least twice each calendar year. The matters to be addressed at all meetings shall be specified in an agenda, which shall contain items specified by either *Party* in advance of the meeting and sent to the representatives of the other *Party*. Special meetings may be called at any time if the *Interconnection Committee* deems such meetings to be necessary or appropriate.

Subject to the limitations on its authority as set forth in Section 8.3 of this *Agreement*, the *Interconnection Committee* has the responsibility and authority to take action on all aspects of this *Agreement*, including, but not limited to the following:

- | | |
|---|---|
| <p>a) modifier, ajouter ou annuler des <i>Annexes</i> ou des <i>Instructions d'exploitation</i> et donner des notifications écrites conformément à l'Article 15.4;</p> | <p>(a) amending, adding or canceling <i>Schedules</i>, or <i>Operating Instructions</i> and providing written notice in accordance with Article 15.4;</p> |
| <p>b) déterminer s'il y a non-respect des dispositions de la présente <i>Convention</i> et, sous réserve de l'Article 10, prendre toute mesure appropriée à cet égard;</p> | <p>(b) assessment of non-compliance with this <i>Agreement</i> and, subject to Article 10, the taking of appropriate action in respect thereof;</p> |
| <p>c) préparer, documenter, conserver et distribuer les procès-verbaux et ordres du jour des réunions du <i>Comité d'interconnexion</i>; et</p> | <p>(c) preparation, documentation, retention and distribution of <i>Interconnection Committee</i> meeting minutes and agendas; and</p> |
| <p>d) élaborer et mettre en œuvre conjointement des décisions portant, entre autres, sur les activités de travail suivantes :</p> | <p>(d) joint development and implementation of decisions involving but not limited to the following work activities:</p> |
| <p style="padding-left: 40px;">i) l'élaboration et l'entretien de procédures concernant la comptabilisation de la puissance active et de la puissance réactive, y compris, entre autres, des méthodes de compensation d'énergie;</p> | <p style="padding-left: 40px;">(i) development and maintenance of procedures for active power and reactive power accounting, including but not limited to methods of energy balancing;</p> |
| <p style="padding-left: 40px;">ii) l'approbation des coûts et de l'étendue de l'échange d'informations et de données;</p> | <p style="padding-left: 40px;">(ii) approval of information and data exchange costs and scope;</p> |
| <p style="padding-left: 40px;">iii) la documentation des points de données d'exploitation, tel que requis de façon conjointe par les <i>Parties</i>;</p> | <p style="padding-left: 40px;">(iii) documented points of operational data, as required by mutual agreement;</p> |
| <p style="padding-left: 40px;">iv) l'élaboration et entretien de procédures d'établissement de programmes visant les indisponibilités et de coordination de celles-ci relativement à l'exploitation fiable des <i>Installations d'interconnexion</i>;</p> | <p style="padding-left: 40px;">(iv) development and maintenance of outage scheduling and coordination procedures with respect to the reliable operation of the <i>Interconnection Facilities</i>;</p> |
| <p style="padding-left: 40px;">v) la coordination des essais de réseau; et</p> | <p style="padding-left: 40px;">(v) coordination of system tests; and</p> |

vi) l'élaboration de procédures de restauration du système du réseau et d'assistance mutuelle.

(vi) development of system restoration and mutual assistance procedures.

8.5 Décisions

Toutes les décisions du *Comité d'interconnexion* sont prises à l'unanimité et sont opposables aux deux *Parties*. Plus précisément, les décisions peuvent être unanimement favorables ou défavorables; toutefois, une impasse entre les membres du *Comité d'interconnexion* doit être interprétée comme une décision défavorable. En outre, toutes les décisions du *Comité d'interconnexion* sont définitives et ne peuvent faire l'objet d'une procédure de règlement des différends en vertu de l'Article 10.

8.5 Decisions

All decisions of the *Interconnection Committee* shall be unanimous and are binding on both *Parties*. More specifically, the decisions may be unanimously affirmative or negative, however, a deadlock between the members of the *Interconnection Committee* shall be interpreted as a negative decision. Furthermore, all decisions of the *Interconnection Committee* shall be final and shall not be subject to dispute resolution procedures of Section 10.

9.0 MESURAGE ET DONNÉES D'EXPLOITATION

9.0 METERING AND OPERATIONAL INFORMATION

9.1 Obligation de fournir le mesurage

Des *Équipements de mesurage* doivent être présents conformément aux normes de mesurage de chaque *Partie* et selon les besoins pour fournir aux deux *Parties* des mesures de quantités d'énergie électrique suffisantes pour permettre de surveiller le respect des *Limites de sécurité* et de contrôler les *Transferts involontaires* conformément à l'Article 4.6 de la présente *Convention*. Les quantités mesurées d'énergie échangée doivent être ajustées selon les pertes réelles au point de livraison entre la *Zone d'équilibrage* de New York et la *Zone d'équilibrage* du Québec conformément aux procédures de mesurage des *Parties*.

9.1 Obligation to Provide Metering

Metering Equipment shall exist, in accordance with each *Party's* metering standards as required to provide to both *Parties* electric power metered quantities to enable monitoring of *Security Limits* compliance and control of *Inadvertent Transfers* as per Section 4.6 of this *Agreement*. The metered amounts for energy interchanged shall be adjusted for actual losses to the delivery point between the New York *Control Area* and the Québec *Control Area* in accordance with the *Parties'* metering procedures.

9.2 Vérification des compteurs

Tout représentant dûment désigné de l'une ou l'autre des *Parties* aux présentes aura accès, moyennant coordination avec le Propriétaire du compteur, pendant les heures d'ouverture normales, à tout compteur de facturation utilisé pour déterminer l'énergie involontaire en vue de la lecture du compteur en question. L'exactitude des compteurs peut être vérifiée périodiquement au moyen d'essais appropriés et à tout autre moment moyennant une

9.2 Meter Verification

Any properly designated representative of either of the *Parties* hereto shall have access, through coordination with the meter Owner, during normal business hours to any billing meter used to determine inadvertent energy for the purpose of reading the same. The accuracy of the meters may be periodically verified by proper tests and at any other time upon reasonable notice given by either of the *Parties* to the other, and each of the *Parties* shall be

notification raisonnable donnée par l'une ou l'autre des *Parties* à l'autre, et chacune des *Parties* a le droit d'avoir un représentant présent à une telle vérification, sous réserve de coordination avec le Propriétaire du compteur.

9.3 Procédures en cas de défectuosité de l'Équipement de mesurage

Lorsqu'un *Équipement de mesurage* est hors service, s'avère défaillant ou défectueux ou s'il est jugé imprécis, les mesures faites pendant la période d'interruption, de défaillance, de défectuosité ou d'imprécision sont déterminées, au besoin, en coordination avec le Propriétaire du compteur, au moyen d'un autre *Équipement de mesurage*, si disponible, ou, dans le cas où cet autre équipement n'est pas disponible, elles sont estimées et approuvées par les *Parties*.

Tout travail de correction effectué sur des *Équipements de mesurage* doit être effectué en coordination entre les *Parties* et le Propriétaire du compteur.

10.0 RÈGLEMENT DES DIFFÉRENDS

10.1 Procédures de règlement des différends

Au cas où un différend découlant de la présente *Convention* ou s'y rapportant ne serait pas résolu par les représentants des *Parties* qui ont été désignés en vertu de l'Article 8.1 de la présente *Convention* dans les 7 jours suivant la soumission du différend en question à ces représentants, chaque *Partie* doit, dans les 14 jours suivant une notification écrite donnée par l'une ou l'autre des *Parties* à l'autre, désigner un dirigeant ayant l'autorité et la responsabilité voulus pour régler le différend et leur soumettre le différend. Le dirigeant désigné par chaque *Partie* a l'autorité voulue pour prendre des décisions pour le compte de la *Partie* en question relativement à ses droits et obligations en vertu de la présente *Convention*. Les dirigeants, une fois désignés, doivent entreprendre rapidement des discussions de bonne foi dans le but de s'entendre sur le règlement du différend. S'ils

entitled to have a representative present at such verification, subject to coordination with the meter Owner.

9.3 Procedures for Metering Equipment Malfunction

When *Metering Equipment* is out of service, has failed or malfunctioned or is deemed inaccurate, metering during the period of outage, failure, malfunction or inaccuracy shall be determined, if required, through coordination with the meter Owner, from other *Metering Equipment*, if available, or, if not available, shall be estimated and agreed to by the *Parties*.

Remedial work on *Metering Equipment* shall be coordinated by the *Parties* with the meter Owner.

10.0 DISPUTE RESOLUTION

10.1 Dispute Resolution Procedures

In the event of a dispute arising out of or relating to this *Agreement* that is not resolved by the representatives of the *Parties* who have been designated under Section 8.1 of this *Agreement* within 7 days of the reference to such representatives of such dispute, each *Party* shall, within 14 days' written notice by either *Party* to the other, designate an officer with authority and responsibility to resolve the dispute and refer the dispute to them. The senior officer designated by each *Party* shall have authority to make decisions on its behalf with respect to that *Party's* rights and obligations under this *Agreement*. The senior officers, once designated, shall promptly begin discussions in a good faith effort to agree upon a resolution of the dispute. If the senior officers do not agree upon a resolution of the dispute within 14 days of its referral to them, or do not within the same 14 day period agree to refer

ne s'entendent pas sur un règlement du différend dans les 14 jours suivant la date à laquelle celui-ci leur a été soumis, ou s'ils ne s'entendent pas dans le même délai de 14 jours pour soumettre la question à une personne ou un organisme en vue d'un règlement extrajudiciaire du différend, alors l'une ou l'autre des *Parties* a le droit d'exercer tout recours dont elle dispose en droit. Ni le fait de donner une notification de différend ni le fait qu'une procédure de résolution d'un différend soit en cours comme il est décrit dans le présent Article ne libèrent une *Partie* de ses obligations en vertu de la présente *Convention*, ne prolongent un délai de notification décrit dans la présente *Convention* ou ne prolongent une période pendant laquelle une *Partie* doit agir comme il est décrit dans la présente *Convention*.

10.2 Questions expressément exclues des procédures de règlement des différends

Nonobstant les exigences de l'Article 10.1, l'une ou l'autre des *Parties* peut résilier la présente *Convention* conformément à ses dispositions. La question de savoir si une telle résiliation est appropriée, par conséquent, n'est pas considérée comme un différend auquel s'appliquent les Procédures de règlement des différends prévues à l'Article 10.1. En outre, toute question examinée par le *Comité d'interconnexion* relativement à la gestion de la mise en œuvre de la présente *Convention* et sur laquelle il y a une impasse entre les représentants ne peut être considérée comme un différend auquel s'appliquent les Procédures de règlement des différends prévues à l'Article 10.1.

11.0 RESPONSABILITÉ ET INDEMNISATION

11.1 Responsabilité entre les *Parties*

Les obligations et les normes de diligence mutuelles des *Parties*, de même que les avantages et les droits conférés par l'une à l'autre, ne peuvent être supérieurs à ce qui est expressément stipulé dans les présentes.

the matter to some individual or organization for alternate dispute resolution, then either *Party* shall have the right to pursue any and all remedies available to it at law. Neither the giving of notice of a dispute, nor the pendency of any dispute resolution process as described in this Section shall relieve a *Party* of its obligations under this *Agreement*, extend any notice period described in this *Agreement* or extend any period in which a *Party* must act as described in this *Agreement*.

10.2 Matters Specifically Exempted From Dispute Resolution Procedures

Notwithstanding the requirements of Section 10.1, either *Party* may terminate this *Agreement* in accordance with its provisions. The issue of whether such a termination is proper, therefore, shall not be considered a dispute to which the Dispute Resolution Procedures of Section 10.1 must be applied. Additionally, any matter under consideration by the *Interconnection Committee* with respect to administering the implementation of this *Agreement* which ends in a deadlocked vote among the representatives shall not be considered a dispute to which the Dispute Resolution Procedures of Section 10.1 must be applied.

11.0 LIABILITY AND INDEMNITY

11.1 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*, nor its directors, officers, trustees,

Aucune des *Parties*, ni leurs administrateurs, dirigeants, fiduciaires, employés ou mandataires ne sont responsables envers l'autre *Partie* à l'égard des pertes, dommages, réclamations, coûts, frais ou dépenses, directs ou indirects, accessoires, punitifs, spéciaux, exemplaires ou dommages intérêts exemplaires ou conséquentiels, découlant de l'exécution ou de la non-exécution par une *Partie* de ses obligations en vertu de la présente *Convention*, sauf dans la mesure où une *Partie* est trouvée responsable pour faute lourde ou de faute délibérée, auquel cas la *Partie* ne sera pas responsable à l'égard des dommages accessoires, conséquentiels, punitifs, spéciaux, exemplaires ou indirects.

11.2 Responsabilité en cas d'interruption

Aucune *Partie* n'est responsable envers l'autre *Partie* relativement à toute réclamation, demande, responsabilité ou perte ou relativement à tout dommage, direct, indirect, accessoire, punitif, spécial, dommage intérêts exemplaires ou conséquentiels, découlant d'un événement survenu sur les circuits et le réseau qui sont sous son *Contrôle d'exploitation* et occasionnent des dommages aux circuits ou au réseau de l'autre *Partie* ou les rendent hors d'usage, ou de la séparation des réseaux en cas d'*Urgence*, ou l'interruption ou la réduction du service, ou des augmentations, diminutions ou avec un effet quelconque et pendant quelque période que ce soit de la tension ou de la fréquence de la puissance et de l'énergie livrées en vertu des présentes à l'autre *Partie*.

11.3 Responsabilité à l'égard des tiers

A l'exception de ce qui est expressément prévu dans les présentes, aucune stipulation de la présente *Convention* ne peut être interprétée ou réputée comme conférant un droit ou un avantage, ou comme créant une obligation ou une norme de diligence par rapport à un tiers quelconque ou encore une responsabilité ou obligation, contractuelle ou autre, des *Parties* à la présente *Convention* à l'égard d'un tiers quelconque.

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 *Party's* performance or non performance under this *Agreement*, except to the extent that a *Party* is found liable for gross negligence or willful misconduct, in which case the *Party* will not be liable for any incidental, consequential, punitive, special, exemplary or indirect damage.

11.2 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 its *Operational Control* and which results in damage to or renders inoperative the circuits or system of the other *Party*, 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*.

11.3 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* to any third party.

Une *Partie* doit rapidement notifier à l'autre *Partie* toute réclamation, demande ou poursuite de la part d'un tiers.

A *Party* shall promptly notify the other *Party* of claims, demands or legal actions made by a third party.

12.0 FORCE MAJEURE

12.0 FORCE MAJEURE

12.1 Définition de Force majeure

Une *Partie* ne peut être considérée comme étant en défaut ou avoir manqué à la présente *Convention*, et elle est excusée de l'exécution ou de la responsabilité à l'égard des dommages envers toute autre *Partie*, si elle subit un retard ou un empêchement dans l'exécution de l'une quelconque des stipulations de la présente *Convention*, découlant ou résultant d'un acte, d'une omission ou de circonstances attribuables à un cas fortuit, un conflit de travail, du sabotage, une omission de la part d'entrepreneurs ou de fournisseurs de matériaux d'exécuter leurs obligations, un acte de l'ennemi public, une guerre, une invasion, une insurrection, une émeute, un incendie, une tempête de nature atmosphérique, électrique ou magnétique, une inondation, de la glace, un tremblement de terre, une explosion, une épidémie ou toute autre cause au-delà du contrôle raisonnable de la *Partie* en question, y compris une interruption, une ordonnance, une réglementation ou une restriction imposées par un gouvernement, une autorité militaire ou une autorité civile licitement établie, ou pour cause de réparations qui sont nécessitées par des circonstances d'*Urgence* non limitées à celles qui sont listées ci-dessus et qui doivent être faites à un bien ou à un équipement de la *Partie* ou à un bien ou à un équipement d'un tiers qui est réputé être sous le *Contrôle d'exploitation* de la *Partie*. La *Partie* qui invoque un cas de *Force majeure* doit rapidement en donner une notification raisonnablement descriptive à l'autre *Partie*, elle doit faire preuve de diligence raisonnable pour corriger la situation qui empêche l'exécution de ses obligations et elle n'a pas le droit de suspendre l'exécution de ses obligations dans une mesure supérieure ou pendant une durée supérieure à ce qui est requis par le cas de *Force majeure*. Chaque

12.1 Force Majeure Defined

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 any of the provisions of this *Agreement*, arising out of or resulting 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 a public enemy, war, invasion, insurrection, riot, fire, storm whether atmospheric, electric or magnetic, flood, ice, earthquake, explosion, epidemic, 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*. Any *Party* claiming a *Force Majeure* event shall promptly give written and reasonably descriptive notification to the other *Party*, shall use reasonable diligence to remove the condition that prevents performance of its obligations 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 its obligations, and resume full performance of its obligations hereunder; provided, however, that a *Party* shall not be obliged to settle a labor disturbance to accomplish the foregoing.

Partie doit faire ses meilleurs efforts pour mitiger les effets d'un tel cas de *Force majeure*, remédier à son incapacité d'exécuter ses obligations et recommencer à exécuter pleinement ses obligations en vertu des présentes; étant entendu, toutefois, qu'une *Partie* n'a pas l'obligation de régler un conflit de travail pour accomplir ce qui précède.

13.0 LÉGISLATION APPLICABLE

13.1 Législation applicable

La présente *Convention* est régie par les lois de l'État de New York et doit être interprétée en conséquence, sauf en ce qui concerne les dispositions s'y trouvant concernant le choix de la loi applicable.

14.0 DATE DE PRISE D'EFFET ET RÉSILIATION

14.1 Date de prise d'effet

La présente *Convention* prend effet à la date inscrite au début des présentes.

14.2 Résiliation

La présente *Convention* peut être résiliée à tout moment par consentement mutuel des *Parties*. Elle peut également être résiliée par l'une ou l'autre des *Parties* en notifiant à l'autre *Partie* par écrit de son intention de résilier les présentes avec préavis de six mois ; toutefois, une telle résiliation unilatérale ne porte nullement atteinte aux obligations contractées en vertu de la présente *Convention* qui n'ont pas encore été exécutées à la date de résiliation.

15.0 DISPOSITIONS GÉNÉRALES

15.1 Force exécutoire de la Convention

La présente *Convention* est opposable à et lie Hydro-Québec et NYISO ainsi que leurs successeurs et ayants droit autorisés respectifs.

13.0 GOVERNING LAW

13.1 Governing Law

This *Agreement* shall be governed by and construed in accordance with the laws of the State of New York, with the exception of any choice of laws provisions therein.

14.0 EFFECTIVE DATE AND TERMINATION

14.1 Effective Date

This *Agreement* shall take effect as of date first above written.

14.2 Termination

This *Agreement* may be terminated at any time by mutual agreement in writing. It may also be terminated by either of the *Parties* with at least six months prior written notice to the other *Party* of its intention to terminate, provided that such unilateral termination shall not prejudice any outstanding obligations entered into under this *Agreement* that have accrued as at the date of termination.

15.0 GENERAL PROVISIONS

15.1 Force of Agreement

This *Agreement* shall be binding upon and shall ensure to the benefit of Hydro-Québec and NYISO, and their respective successors and permitted assigns.

15.2 Convention intégrale

La présente *Convention* et les *Annexes* mentionnées dans les présentes constituent la convention intégrale passée entre les *Parties* concernant la *Fiabilité* de l'exploitation des *Réseaux électriques* et remplacent toutes les conventions, déclarations, informations, tous les arrangements, toutes les ententes et tous les procédés antérieurs, sous formes verbale ou écrite, explicites ou implicites, relatifs à ce qui en fait l'objet. Aucune des *Parties* n'est liée ou tenue pour liée par des contrats, déclarations, promesses, informations, arrangements, ententes ou procédures sous formes verbale ou écrite non expressément indiqués dans la présente *Convention* ou dans les *Annexes*, les documents et les instruments joints aux présentes ou mentionnés dans les présentes. Les *Parties* reconnaissent et conviennent en outre que, pour conclure la présente *Convention*, elles ne se sont fiées ni ne se fieront d'aucune manière à quelque contrat, déclaration, promesse, information, arrangement, entente ou procédé que ce soit, sous forme verbale ou écrite, explicite ou implicite, non expressément mentionné dans la présente *Convention* ou dans lesdites *Annexes* ou lesdits documents ou instruments joints aux présentes ou mentionnés dans les présentes.

15.3 Exigences et restrictions concernant la cession

La présente *Convention* ne peut être cédée par aucune des *Parties* sans le consentement écrit préalable de l'autre *Partie*, qui ne doit pas refuser de donner son consentement ni tarder à le faire de façon déraisonnable. Aucune cession ne constitue une novation ni ne libère la *Partie* cédante de ses obligations en vertu de la présente *Convention* sans le consentement écrit exprès de l'autre *Partie*.

15.4 Notification

Toutes les notifications sont suffisamment données et réputées de façon concluante avoir été livrés :

15.2 Entire Agreement

This *Agreement* and the *Schedules* referred to herein constitute the entire agreement between the *Parties* related to the *Reliability* of the operations of the *Electricity Systems* and supersede all prior agreements, statements, information, arrangements, understandings and procedures, whether oral or written, express or implied, with respect to the subject matter hereof. None of the *Parties* shall be bound or charged with any oral or written agreements, statements, promises, information, arrangements, understandings or procedures not specifically set forth in this *Agreement* or in the *Schedules*, documents and instruments attached hereto or referenced herein. The *Parties* further acknowledge and agree that, in entering into this *Agreement* they have not in any way relied, and will not in any way rely, upon any oral or written agreements, statements, promises, information, arrangements, understandings or procedures, express or implied, not specifically set forth in this *Agreement* or in such *Schedules*, documents or instruments attached hereto or referenced herein.

15.3 Assignment Requirements and Limitation

This *Agreement* shall not be assigned by either *Party* without the prior written consent of the other *Party*, such consent not to be unreasonably withheld or delayed. No assignment shall constitute a novation or release the assigning *Party* from its obligations under this *Agreement* without the express, written agreement of the other *Party*.

15.4 Notices

All notices shall be sufficiently given and conclusively deemed to be delivered:

- a) à la date du transfert, la livraison étant confirmée (la confirmation de réception ne devant pas être refusée de manière déraisonnable par la *Partie* réceptrice), si l'envoi est effectué par courriel avant 16h à tous les membres désignés et suppléants du *Comité d'interconnexion* de la *Partie* réceptrice. Sinon, considéré comme livré le lendemain, pourvu que la livraison soit confirmée;
- b) le cinquième jour ouvrable suivant le jour d'envoi à la poste, si l'avis a été envoyé par la poste; et
- c) au moment de la livraison, si l'avis a été livré en mains propres avant 16h un jour ouvrable, sinon, considéré comme livré le jour ouvrable suivant.

Dans le cas de NYISO, à
New York Independent System Operator, Inc.

10 Krey Boulevard
Rensselaer, New York 12144
A l'attention de: Vice-President Operations
and Reliability
Courriel : à tous les membres désignés et
suppléants du Comité d'interconnexion de
NYISO

Dans le cas d'Hydro-Québec, à
Hydro-Québec
75, boul. René-Lévesque Ouest
Montréal (Québec) H2Z 1A4
À l'attention du trésorier
Courriel : à tous les membres désignés et
suppléants du Comité d'interconnexion de
Hydro-Québec

Chaque *Partie* devra aviser l'autre *Partie* de temps à autre d'un changement dans les informations ci-dessus au moyen d'une notification en ce sens donné conformément aux dispositions du présent Article 15.4.

15.5 Signatures et exemplaires

Cette *Convention* peut être signée en plusieurs

- (a) on the date of transfer, delivery confirmed (confirmation of receipt not to be unreasonably withheld by the receiving *Party*), if by e-mail sent before 4:00 p.m. to all of the receiving *Party's* designated and alternative members of the *Interconnection Committee*. Otherwise, consider as delivered on the next day, so long as delivery is confirmed;
- (b) on the fifth business day after the day of mailing, if by mail; and
- (c) at the time of delivery, if delivered by hand before 4:00 p.m. on a business day, otherwise, treat as delivered on the next business day.

In the case of NYISO to:
New York Independent System Operator,
Inc.

10 Krey Boulevard
Rensselaer, New York 12144
Attention: Vice-President Operations

Email: to all NYISO Interconnection
Committee Members and Alternate
Members

In the case of Hydro-Québec to:
Hydro-Québec
75, boul. René-Levesque Ouest
Montreal (Québec) H2Z 1A4
Attention: Trésorier
Email: to all Hydro-Québec
Interconnection Committee Members and
Alternate Members

Either *Party* shall notify the other *Party* from time to time of a change to the foregoing information by sending a notice to that effect in accordance with the provisions of this Section 15.4.

15.5 Counterparts and Execution

This *Agreement* may be executed in any

exemplaires, chacun pouvant l'être de façon manuscrite ou électronique, et tous ces exemplaires, une fois signés et assemblés, constitueront ensemble un seul et même accord, pleinement contraignant entre les *Parties*.

number of counterparts, each of which may be signed manually or electronically, and all of which together, once signed and assembled, shall constitute a single and binding agreement between the *Parties*.

EN FOI DE QUOI les *Parties* aux présentes
ont fait signer la présente *Convention*, à valoir
à la date inscrite au début des présentes.

IN WITNESS WHEREOF the *Parties* hereto
have caused this *Agreement* to be executed to
become effective on the day and year first
written above.

Pour: **Hydro-Québec**

Maxime Nadeau
Directeur principal Contrôle des mouvements d'énergie et exploitation du réseau
Hydro-Québec

Execution Date: _____

For: **New York Independent System Operator, Inc.**

Aaron D. Markham
Vice-President of Operations
New York Independent System Operator, Inc.

Execution Date: _____

Annexe A : Description des Installations d'interconnexion

La Convention d'interconnexion entre Hydro-Québec et NYISO vise uniquement les interconnexions qui sont communément partagées entre le *Réseau de transport de New York* et le *Réseau de transport du Québec* comme faisant partie du *Réseau électrique* sous le *Contrôle d'exploitation* respectif de chacune des *Parties*. Ils sont constitués de ce qui suit :

L'interconnexion Châteauguay – Massena

Une ligne de transport à un terme de 765 kV, également connue sous la désignation de ligne 7040, qui relie le poste de Châteauguay au Québec au poste de Massena dans l'État de New York.

L'*Énergie d'urgence* peut être fournie sur l'interconnexion Châteauguay-Massena dans la direction concernée.

L'interconnexion Hertel-Astoria

La ligne de transport HVDC +/- 400 kV qui reliera le poste Hertel à La Prairie, au Québec, au poste Astoria à Queens, New York.

L'*Énergie d'urgence* peut être fournie sur l'interconnexion Hertel-Astoria de Hertel au poste Astoria.

Autres installations d'interconnexion

Toute autre interconnexion actuelle ou future qui est communément partagée entre le *Réseau de transport de New York* et le *Réseau de transport du Québec* et qui passe sous le *Contrôle d'exploitation* de chacune des *Parties*.

En outre, d'autres installations effectuent l'interconnexion entre les *Zones d'équilibrage*

Schedule A: Description of Interconnection Facilities

The Hydro-Québec – NYISO Interconnection Agreement covers only the interconnections that are commonly shared between the *New York Transmission System* and the *Québec Transmission System* as part of the *Electricity System* under the respective *Operational Control* of each of the *Parties*. They consist of the following:

The Châteauguay – Massena interconnection

A 765-kV single-circuit transmission line, also known as line 7040 that connects the Châteauguay station in Québec with the Massena station in New York State.

Emergency Energy may be made available over the Châteauguay – Massena interconnection in the relevant direction.

The Hertel – Astoria interconnection

A +/- 400 kV HVDC transmission line, that connects the Hertel station in La Prairie, Québec to the Astoria station in Queens, New York.

Emergency Energy may be made available over the Hertel – Astoria interconnection from Hertel to the Astoria station.

Other Interconnection Facilities

Any other existing or future interconnection that is commonly shared between the *New York Transmission System* and the *Québec Transmission System* and that becomes under the respective *Operational Control* of each of the *parties*.

In addition, other facilities interconnect the Québec and New York *Control Areas*. In

du Québec et de New York. Au Québec, ces installations sont sous le *Contrôle d'exploitation* de Hydro-Québec. Dans l'État de New York, ces installations ne sont pas sous le *Contrôle d'exploitation* de NYISO et elles n'y passeraient que si le *Propriétaire de réseau de transport* concernant ces installations devenait signataire du *ISO Agreement* et du *ISO/TO Agreement* et faisait passer ces installations sous le *Contrôle d'exploitation* de NYISO aux conditions prévues dans lesdites conventions. La Convention d'interconnexion entre Hydro-Québec et NYISO ne vise pas ces installations. Toutefois, les *Parties* ont un intérêt commun dans ces installations, lesquelles sont constituées de ce qui suit :

L'Interconnexion Les Cèdres – Dennison

Une ligne de transport à deux ternes de 120 kV qui relie la centrale Les Cèdres au Québec au poste Dennison dans l'État de New York. Au Québec et en Ontario, cette ligne appartient à La Société de Transmission Électrique de Cedars Rapids Ltée, qui en est également l'exploitant. Dans l'État de New York, cette ligne appartient à Long Sault Division, une société affiliée à Alcoa et est sous le contrôle d'exploitation de Niagara Mohawk Power Corporation. L'exploitation de ces installations dans l'État de New York exige que NYISO en soit tenue informée.

L'*Énergie d'urgence* peut être fournie sur l'interconnexion Cedars-Dennison dans la direction concernée.

Autres installations d'interconnexion

Toutes les installations futures effectuant l'interconnexion entre les *Zones d'équilibrage* de Hydro-Québec et de NYISO qui ne sont pas communément partagée entre le *Réseau de transport de New York* et le *Réseau de transport du Québec* en tant que partie du

Québec, these facilities are under the *Operational Control* of Hydro-Québec. In New York State, these facilities are not under the *Operational Control* of NYISO and would only become under the *Operational Control* of the NYISO if the *Transmission Owner* of those facilities is a signatory to the *ISO Agreement* and to the *ISO/TO Agreement* and places those facilities under the *Operational Control* of the NYISO per terms of those agreements. The Hydro-Québec – NYISO Interconnection Agreement does not cover those facilities. However, the *Parties* share an interest in these facilities. They consist of the following:

The Cedars – Dennison Interconnection

A 120-kV double-circuit transmission line that connects the Cedars generating station in Québec with the Dennison station in New York. In Québec and Ontario, the line is owned and operated by Cedars Rapids Transmission Co. Ltd. In New York, the line is owned by Long Sault Division, a affiliate of Alcoa and is under the operating control of Niagara Mohawk Power Corporation. Operation of these facilities in New York State requires notification to NYISO.

Emergency Energy may be made available over the Cedars – Dennison interconnection in the relevant direction.

Other Interconnection Facilities

Any future facilities that interconnect the Hydro-Québec and NYISO *Control Areas* that are not commonly shared between the *New York Transmission System* and the *Québec Transmission System* as part of the *Electricity System* under the respective

*Réseau électrique sous le Contrôle
d'exploitation respectif de chacune des
Parties.*

Operational Control of each of the Parties.

Annexe B : Procédures d'élaboration et d'autorisation d'Instructions d'exploitation

Aperçu

Les membres du *Comité d'interconnexion* doivent élaborer et approuver conjointement des *Instructions d'exploitation* et les examiner au moins semestriellement. Les membres du *Comité d'interconnexion* doivent se soumettre les projets les uns aux autres à des fins d'examen et d'observations. Les membres du *Comité d'interconnexion* doivent rapidement fournir leurs observations sur les projets soumis et quelles que soient les circonstances dans les 30 jours suivant la date de réception de ses projets. Le *Comité d'interconnexion* doit fournir promptement les informations qui peuvent s'avérer raisonnablement nécessaires pour élaborer ou examiner le matériel.

Si un différend survient ou devient apparent à l'une des *Parties*, la *Partie* qui constate le différend doit le notifier à l'autre *Partie* et faire intervenir le *Comité d'interconnexion* au besoin pour régler le différend en question.

Sont exposés ci-dessous les principes clés et éléments de méthodologie à observer pendant que le *Comité d'interconnexion* procède à l'élaboration et à l'approbation d'*Instructions d'exploitation*, et à la distribution de celles-ci au personnel d'exploitation respectif des *Parties*.

Principes

Compte tenu du fait qu'il est avantageux pour le personnel d'exploitation respectif des *Parties* de suivre une seule instruction visant tous les aspects de leur exécution des opérations interconnectés, il est considéré comme une pratique acceptable de combiner le contenu des instructions d'exploitation afin de créer une seule version des *Instructions d'exploitation* devant être utilisées par le personnel d'exploitation de l'une ou l'autre

Schedule B: Procedures for Development and Authorization of Operating Instructions

Overview

The members of the *Interconnection Committee* shall jointly develop and approve *Operating Instructions* and review them at least semi-annually. The *Interconnection Committee* members shall submit draft materials to one another for review and their comments. The members of the *Interconnection Committee* shall promptly provide their comments on the draft material promptly and in any event within 30 days of the date of receipt of such draft materials. The *Interconnection Committee* shall promptly provide such information as may reasonably be required in connection with establishing, or reviewing, the material.

In the event that any conflicts arise or are made apparent to a *Party*, such *Party* shall notify the other *Party* and engage the *Interconnection Committee* if necessary to resolve such conflicts.

Outlined below are the key principles and items of methodology to be observed while the *Interconnection Committee* is engaged in developing and approving *Operating Instructions*, and issuing them to their respective operations staff of the *Parties*.

Principles

Given that the *Parties'* respective operations staff benefit from following a single instruction for all aspects of their execution of interconnected operations, it is an acceptable practice to combine the content of the operating instructions to create a single version of *Operating Instructions* for use by a respective *Party's* operations staff.

des *Parties*

Chaque *Partie* doit coordonner la distribution interne des *Instructions d'exploitation* élaborées et approuvées par le *Comité d'interconnexion* afin de s'assurer que son propre personnel d'exploitation ait les mêmes *Instructions d'exploitation* en même temps que le personnel d'exploitation de l'autre *Partie*.

Lorsqu'elles sont approuvées par le *Comité d'interconnexion*, les *Instructions d'exploitation* sont opposables aux *Parties* dans la mesure où elles se rapportent aux *Installations d'interconnexion*, et ce, jusqu'à ce qu'elles expirent ou jusqu'à ce qu'elles soient modifiées, supprimées ou remplacées en vertu des pouvoirs du *Comité d'interconnexion*.

Éléments de méthodologie

Chaque page des *Instructions d'exploitation* approuvées doit être identifiée en haut de page ou en bas de page en tant qu'émanant du *Comité d'interconnexion* Hydro-Québec – NYISO, avec la mention de la date de prise d'effet et du numéro de révision. Cette identification doit continuer d'être affichée à l'interne lorsqu'une *Partie* distribue les *Instructions d'exploitation* dans son système de documentation respectif.

Moyennant le consentement mutuel des membres du *Comité d'interconnexion*, une *Partie* contrôle le processus de révision à compter du moment de la rédaction initiale du matériel jusqu'au moment de la conversion de l'*Instruction d'exploitation* en sa version définitive.

Each *Party* shall coordinate the internal distribution of any *Operating Instructions* developed and approved by the *Interconnection Committee* to ensure that their respective operations staff have the same *Operating Instructions* at the same time.

Operating Instructions, when approved by the *Interconnection Committee*, shall be binding on the *Parties* insofar as they relate to the *Interconnection Facilities* and, until they expire, are modified, deleted, or superseded by authority of the *Interconnection Committee*.

Items of Methodology

Each page of the approved *Operating Instructions* shall be identified in the header or footer as being issued by the Hydro-Québec – NYISO *Interconnection Committee* with the effective date and the revision number. This identification shall continue to be displayed internally when a given *Party* issues *Operating Instructions* in their respective company's documentation system.

By mutual agreement of the members of the *Interconnection Committee*, one *Party* shall control the revision process from the initial drafting of material through to the conversion of the *Operating Instruction* into its final form.

**Annexe C : Liste des
Éléments critiques**

Les *Éléments critiques* couverts par la présente *Convention* sont les suivants:

L'interconnexion Châteauguay - Massena

La ligne 7040 à 765 kV du poste Châteauguay au poste Massena

L'interconnexion Hertel-Astoria

La ligne de transport HVDC +/- 400 kV du poste Hertel au poste Astoria

Pour Hydro-Québec:

L'interconnexion Châteauguay-Massena

- a) les transformateurs 765/120 kV au poste Châteauguay;
- b) les compensateurs statiques CLC 101 et 102 à 120 kV au poste Châteauguay;
- c) les groupes convertisseurs GC1 et GC2 au poste Châteauguay;
- d) les filtres F2-101 et F2-102 au poste Châteauguay.

L'interconnexion Hertel-Astoria

Le convertisseur au poste Hertel

Pour NYISO:

L'interconnexion Châteauguay-Massena

La ligne 7040 à 765 kV

L'interconnexion Hertel-Astoria

Le convertisseur au poste Astoria

Schedule C: List of Critical Elements

The *Critical Elements* covered by the present *Agreement* are the following:

The Châteauguay – Massena interconnection

The 765 kV line 7040 from Châteauguay station to Massena station

The Hertel – Astoria interconnection

The +/- 400 kV HVDC transmission line from Hertel station to Astoria station

For Hydro-Québec:

The Châteauguay – Massena interconnection

- a) the 765/120 kV transformers of Châteauguay station;
- b) the 120 kV static var compensators CLC 101 and 102 of Châteauguay station;
- c) the converters units GC1 and GC2 of Châteauguay station;
- d) the filters F2-101 and F2-102 of Châteauguay station

The Hertel – Astoria interconnection

The converter of Hertel station

For NYISO:

The Châteauguay – Massena
interconnection

The 765 kV line 7040

The Hertel – Astoria interconnection

The converter of Astoria station