

SCHEDULE 20A – BHE

**BANGOR HYDRO-ELECTRIC COMPANY
PHASE I/II HVDC-TF SERVICE SCHEDULE**

ATTACHMENT

HVDC Service

Bangor Hydro-Electric Company (“BHE”) offers service hereunder over High Voltage Direct Current Facilities (“HVDC Facilities”) known as the Hydro-Quebec Interconnection as a Schedule 20A Service Provider for a third party Interconnection Rights Holder (“IRH”), PPL EnergyPlus, LLC (“PPL EnergyPlus”). Under the HQ Transfer Agreement (the “HQ Transfer Agreement”), dated December 31, 1998, BHE transferred to PPL Global, LLC (“Global”) BHE’s transmission service rights under the Hydro Quebec Agreements (defined in Exhibit 1 to this Schedule 20A-BHE) and Transmission Support Agreements (defined in Exhibit 1 to this Schedule 20A-BHE). See Bangor Hydro-Electric Co., 86 FERC ¶61,281 (1999) (approving Global’s acquisition of BHE’s entitlement to use the HVDC Facilities). These rights subsequently have been acquired by Global’s affiliate, PPL EnergyPlus. Therefore, transmission service rights made available under this Schedule 20A-BHE represent the portion of the PPL EnergyPlus entitlement that PPL EnergyPlus voluntarily makes available for posting and sale pursuant to this Schedule 20A-BHE from time to time. All capitalized terms used in this Schedule 20A-BHE but not defined herein shall have the respective meaning assigned thereto in Schedule 20A.

Based on the terms of the HQ Transfer Agreement and as defined in Section 1.1 of Schedule 20A, PPL EnergyPlus is an Indirect IRH. Through this Schedule 20A-BHE and based on protocols established between BHE and PPL EnergyPlus, as such may be amended from time to time, BHE offers Point-to-Point service over Phase I/II HVDC-TF using the transmission capacity associated with PPL EnergyPlus’ Use Rights to the extent that PPL EnergyPlus offers such transmission capacity for sale hereunder. Such service shall be provided in accordance with Part I of Schedule 20A and the rates and terms set forth below. In the event of a conflict between the terms and conditions of Part I of Schedule 20A and this Schedule 20A-BHE, the terms and conditions of this Schedule 20A-BHE shall govern.

1 Procedures for Arranging Phase I/II HVDC-TF Service

- 1.1 Application:** Eligible Customers seeking Phase I/II HVDC-TF Service under this Schedule 20A-BHE must submit a Completed Application for Phase I/II HVDC-TF Service to BHE at the following address:

Bangor Hydro-Electric Company

P.O. Box 932
Bangor, Maine 04401

1.2 Deposit: A deposit (each, a “Deposit”) may be required on a non-discriminatory basis pursuant to Section 4.3 of Schedule 20A.

1.3 Execution of Phase I/II HVDC-TF Service Agreement: PPL EnergyPlus may offer all, none or a portion of its use rights for sale hereunder, and does so on a voluntary basis, with availability that may vary from hour to hour, week to week, month to month, or year to year. Whenever BHE determines that the requested service can be provided, BHE will notify the Eligible Customer as soon as practicable but no later than thirty (30) days after receipt of the Completed Application for Phase I/II HVDC-TF Service, and will tender a Phase I/II HVDC-TF Service Agreement to the Eligible Customer.

Failure of an Eligible Customer to execute and return the Phase I/II HVDC-TF Service Agreement or request the filing of an unexecuted Phase I/II HVDC-TF Service Agreement, within fifteen (15) days after it is tendered by BHE, shall be deemed a withdrawal and termination of the Completed Application for Phase I/II HVDC-TF Service and any Deposit (less the reasonable costs incurred by BHE, the ISO and any affected Transmission Owners in connection with the Completed Application for Phase I/II HVDC-TF Service) submitted by the Eligible Customer will be refunded with interest. Nothing herein limits the right of an Eligible Customer to file another Completed Application for Phase I/II HVDC-TF Service after such withdrawal and termination.

1.4 Term of Phase I/II HVDC-TF Service: Phase I/II HVDC-TF Service made available under this Schedule 20A-BHE shall only be available for the periods in which it is posted. An Eligible Customer may request periods and quantities not posted. Such service may be made available on a voluntary basis.

The Transmission Customer will be required to schedule its Phase I/II HVDC-TF Service consistent with the contractual arrangements between Hydro Quebec and the New England Participants. The Transmission Customer will be responsible for the actual losses associated with service under this Schedule 20A-BHE.

- 1.5 Extensions for Commencement of Firm Phase I/II HVDC-TF Service:** The Transmission Customer can request up to five one-year extensions for the commencement of service, if the period during which the extension would occur has been posted for sale by BHE. In such case, the Transmission Customer may postpone service by paying a non-refundable annual reservation fee equal to one-month's charge for Firm Phase I/II HVDC-TF Service for each year or fraction thereof. If during any extension for the commencement of service an Eligible Customer submits a Completed Application for Firm Phase I/II HVDC-TF Service, and such request can be satisfied only by releasing all or part of the original Transmission Customer's Reserved Capacity over the Phase I/II HVDC-TF, the original Reserved Capacity over the Phase I/II HVDC-TF will be released unless the following condition is satisfied: within thirty (30) days, the original Transmission Customer agrees to pay the applicable rate for Firm Phase I/II HVDC-TF Service for its Reserved Capacity over the Phase I/II HVDC-TF for the period that its reservation overlaps the period covered by such Eligible Customer's Completed Application for Phase I/II HVDC-TF Service. In the event the Transmission Customer elects to release the Reserved Capacity over the Phase I/II HVDC-TF, the reservation fees or portions thereof previously paid will be forfeited.

2 Payment for Phase I/II HVDC-TF Service

- 2.1 Phase I/II HVDC-TF Service Charge:** The Transmission Customer will be billed on a monthly basis for services taken under this Schedule 20A-BHE and shall pay charges for service under this Schedule 20A-BHE at the rates set forth in Exhibit 2 to this Schedule 20A-BHE. Payment shall be made within twenty (20) days following the invoice date of such charges. Payment shall be submitted to an account designated by BHE.
- 2.2 Discounts:** Information regarding any discounts to the Phase I/II HVDC-TF Service Charge shall be offered by the Schedule 20A Service Provider in a not unduly discriminatory manner and posted on its Phase I/II HVDC-TF Transmission Provider Page pursuant to Commission regulations. Three principal requirements apply to discounts for transmission service over the Phase I/II HVDC-TF offered pursuant to Schedule 20A: (1) any offer of a discount made by

a Schedule 20A Service Provider must be announced to all Eligible Customers solely by posting on the OASIS, (2) any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an affiliate's use) must occur solely by a Schedule 20A Service Provider posting on the OASIS, and (3) once a discount is negotiated, details must be immediately posted by the Schedule 20A Service Provider on the OASIS. For any discount agreed upon for service on a path, from Point(s) of Receipt to Point(s) of Delivery, the individual Schedule 20A Service Provider must offer the same discounted Phase I/II HVDC-TF Service rate for the same time period to all of its Eligible Customers. These requirements do not apply to PPL EnergyPlus' own use or to its bilateral arrangements to resell its use rights to others.

- 2.3 Exceeding Capacity Reservation:** In the event that the Transmission Customer exceeds the Capacity Reservation specified in such Transmission Customer's Phase I/II HVDC-TF Service Agreement, as such excess amount is determined by BHE, the Transmission Customer shall be retroactively charged 200% of the charges specified above and set forth in the Phase I/II HVDC-TF Service Agreement for the amount of capacity that exceeds the Capacity Reservation reserved in the Phase I/II HVDC-TF Service Agreement. Such charge will be made without any discount, to the extent a discount is in place at such time, and such charge shall apply for the length of the reservation period, not to exceed one month.
- 2.4 Billing Determinants:** Billing determinants are the Transmission Customer's Reserved Capacity on the HVDC Facilities.
- 2.5 Revision of Charges:** Rates, charges, terms and conditions hereunder may be revised from time to time subject to Commission acceptance or approval of such revisions filed to Schedule 20A-BHE Exhibit 2.
- 2.6 Confidentiality of Information and Standards of Conduct:** The Schedule 20A Service Provider will treat all information included in the Completed Application for Phase I/II HVDC-TF Service as confidential in accordance with the standards of conduct contained in 18 C.F.R. Part 37 of the Commission's regulations except to the extent that disclosure of such information is required by Schedule 20A, by regulatory or judicial order, or for reliability purposes pursuant to Good Utility

Practice. When the Service Request includes periods, quantities or discounts not already posted by BHE, or upon PPL EnergyPlus' request consistent with Commission policies, the Schedule 20A Service Provider shall be permitted to share information contained in the Completed Application for Phase I/II HVDC-TF Service with PPL EnergyPlus, which shall be bound by this confidentiality provision. Transmission Customer agrees that the Phase I/II HVDC-TF Service Provider may, from time-to-time, share information provided by the Transmission Customer with PPL EnergyPlus, in accordance with the Tariff. The Phase I/II HVDC-TF Service Provider shall inform the Transmission Customer of the information to be released to PPL EnergyPlus before such release occurs.

- 2.7 Posting Available Transmission Service:** BHE shall, pursuant to this Schedule 20A-BHE post or withdraw transmission service at any time upon receipt of notice from PPL EnergyPlus.
- 3 Grandfathered Agreements:** Customers receiving Phase I/II HVDC-TF Service under agreements executed prior to the effective date of this Schedule 20A-BHE shall continue to receive Phase I/II HVDC-TF Service under those agreements until such time as those agreements terminate or are modified by the Commission. PPL EnergyPlus' use of its HVDC use rights is not subject to the provisions of Schedule 20A (including Parts I and II).
- 4 Section 205 Filing Rights:** The Section 205 filing rights provided to the Schedule 20A Service Provider in Schedule 20A shall be exercised by (a) the Schedule 20A Service Provider at the direction, or with the consent, of the IRH whose Use Rights are offered pursuant to this Schedule 20A-BHE, or (b) such IRH, in such IRH's sole discretion.

Exhibit 1

“Hydro Quebec Agreements” include the following: Energy Contract dated March 21, 1983 between Hydro-Quebec and the NEPOOL Participants; Interconnection Agreement dated March 21, 1983 between Hydro-Quebec and the NEPOOL Participants; Energy Banking Agreement dated March 21, 1983 between Hydro-Quebec, Vermont Electric Transmission Company, Inc., New England Electric Transmission Corporation, and the NEPOOL Participants; Firm Energy Contract dated October 14, 1985 between Hydro-Quebec and the New England Utilities; Restated Use Agreement.

“HQ Transmission Support Agreements” include the following: Phase I Terminal Facility Support Agreement dated December 1, 1981 between New England Electric Transmission Corporation and the New England Utilities listed in Attachment A thereto (“Participants”), as amended on June 1, 1982, November 1, 1982, and January 1, 1986; Phase I Vermont Transmission Line Support Agreement dated as of December 1, 1981 between Vermont Electric Transmission Company, Inc. and the Participants, as amended on June 1, 1982, November 1, 1982, and January 1, 1986; Phase II Massachusetts Transmission Facilities Support Agreement dated as of June 1, 1985 among New England Hydro-Transmission Electric Company, Inc. and the New England Utilities listed therein, as amended May 1, 1986, February 1, 1987, June 1, 1987, September 1, 1987, October 1, 1987, August 1, 1988, and January 1, 1989; Phase II New Hampshire Transmission Facilities Support Agreement dated as of June 1, 1985 among New England Hydro-Transmission Corporation and the New England Utilities listed therein, as amended May 1, 1986, February 1, 1987, June 1, 1987, September 1, 1987, August 1, 1988, January 1, 1989, and January 1, 1990; Phase II New England Power AC Facilities Support Agreement dated as of June 1, 1985 among New England Power Company and the New England Utilities listed therein, as amended May 1, 1986, February 1, 1987, June 1, 1987, September 1, 1987, and August 1, 1988; Phase II Boston Edison AC Facilities Support Agreement dated as of June 1, 1985 among Boston Edison Company and the New England Utilities listed therein, as amended May 1, 1986, February 1, 1987, June 1, 1987, September 1, 1987, and August 1, 1988.

Exhibit 2
Charges for Phase I/II HVDC-TF Service

Customers taking service for Phase I/II HVDC-TF Service under this Schedule 20A-BHE shall be subject to the following maximum charges for Firm and Non-Firm Point-To-Point Transmission Service:

- 1) **Yearly Service Charge**
The Yearly Service Charge shall be \$ 42,683 per MW-year.
- 2) **Monthly Service Charge**
The Monthly Service Charge shall be \$ 3,557 per MW-month.
- 3) **Weekly Service Charge**
The Weekly Service Charge shall be \$ 821 per MW-week.
- 4) **Daily Service Charge**
The Daily Service Charge shall be \$ 117 per MW-day.
- 5) **Hourly Service Charge**
The Hourly Service Charge shall be \$ 4.87 per MWh.

Sheet nos. 959 through 970 reserved for future use.