UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY

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Electricity Delivery and OFFICE OF ELECTRICITY DELIVERY AND ENERGY REMARKATIVE III

Emera Maine

Docket No. EA-427

APPLICATION OF EMERA MAINE TO RESCIND E-6751 AND FOR THE COINCIDENT ISSUANCE OF AN AUTHORIZATION TO TRANSMIT ELECRIC ENERGY TO CANADA

Pursuant to Section 202(e) of the Federal Power Act ("FPA"), 16 U.S.C. § 824a(e), and 10 C.F.R. §§ 205.300 et seq., Emera Maine hereby files with the Department of Energy ("DOE" or the "Department") an original and five (5) copies of the instant application ("Application") to rescind Export Authorization E-6751 and for blanket authority to transmit electric energy from the United States to Canada. Export Authorization E-6751 had originally been issued to Maine Public Service Company ("Maine Public"). Maine Public has merged with Bangor Hydro Electric Company ("Bangor Hydro") to form Emera Maine. Accordingly, Emera Maine seeks to rescind Export Authorization E-6751 and have the authorization to transmit electric energy to Canada, including over the transmission facilities referenced in E-6751, issued to Emera Maine. In addition, Emera Maine seeks to eliminate the annual export limits from the Export Authorization and to increase the maximum coincident, instantaneous transmission rate across the relevant transmission facilities to 97.8 MW.

I. DESCRIPTION OF THE APPLICANT

The exact legal name of the applicant is Emera Maine. Emera Maine is a Maine Corporation formed under Maine law with its principal place of business at 970 Illinois Ave. Bangor, Maine. Emera Maine is an indirect wholly owned subsidiary of Emera, Inc. ("Emera"). Emera Maine is the surviving corporation following the merger of Bangor Hydro Electric

Company ("Bangor Hydro") and Maine Public Service Company ("Maine Public") on January 1, 2014. Emera Maine is primarily engaged in the transmission and distribution of electric energy and related services in eastern and coastal Maine and in northern Maine. The Maine Public District of Emera Maine (originally Maine Public's facilities) is comprised of approximately 390 miles of transmission lines and includes the United States portion of four transmission lines that run from Aroostook County to New Brunswick, Canada. The Bangor Hydro District of Emera Maine (originally Bangor Hydro's facilities) is comprised of approximately 827 miles of transmission lines and includes the United States portion of the Northeast Reliability Interconnect, a 345 kV transmission line, which runs from the Bangor area to New Brunswick, Canada. Emera Maine has received market-based rate authority from the Federal Energy Regulatory Commission ("FERC" or "Commission").²

Emera Maine holds an interest in Maine Electric Power Company, Inc. ("MEPCO").

MEPCO owns and operates a 345 kV interconnection between New Brunswick, Canada and

Wiscasset, Maine, along with related facilities. MEPCO transmits power under the ISO New

England Open Access Transmission Tariff approved by FERC. Central Maine Power Company

("CMP"), which is not affiliated with any Emera entity, holds the majority interest in MEPCO of

78.31%, with Emera Maine holding the remaining interest.

Emera Maine, along with Eastern Maine Electric Cooperative, Inc. ("EMEC"), is a transmission-owning member of the Northern Maine ISA (which is not considered a tight power pool). The Northern Maine ISA provides for the impartial administration of the reservation, scheduling, and dispatch of the Northern Maine transmission systems, as well as the

¹ On December 30, 2013, Maine Public and Bangor Hydro submitted joint applications for the reissuance of four Presidential Permits to Emera Maine: PP-12, PP-29-1, PP-81, and PP-89-1 (2).

² Bangor Hydro Elec, Co., Docket No. ER14-264-000, Letter Order dated Dec. 19, 2013.

administration of certain Northern Maine markets, including markets for energy, ancillary, and related services. By order issued on November 15, 1999, the Northern Maine ISA was accepted by FERC as an Independent System Administrator and a Regional Transmission Group for the Northern Maine region.

Chester SVC Partnership owns a static VAR compensator facility in Chester, Maine, which provides transmission system reinforcement allowing the Hydro-Quebec Phase II transmission line in New Hampshire and the MEPCO line to operate at full capability simultaneously. Bangor Var Company, Inc., a wholly-owned subsidiary of Emera Maine, is a general partner holding a 50% interest in Chester. CMP holds the other 50% interest.

Emera owns other energy concerns. Emera Energy Inc. is a wholly-owned subsidiary of Emera and is incorporated under the laws of Nova Scotia. Emera Energy Inc. provides energy management services to Canadian clients and customers, as well as conducting proprietary natural gas and electricity trading and marketing in the Canadian marketplace. Nova Scotia Power Inc. is a wholly owned subsidiary of Emera that provides service to customers located in Nova Scotia, Canada. Emera has a 12.92% ownership in the Maritimes and Northeast Pipeline, a natural gas pipeline that originates in Goldboro, Nova Scotia, and terminates at a point of interconnection with the United States pipeline grid at Dracut, Massachusetts. Emera owns a subsidiary, Emera Utility Services Incorporated, which is one of Atlantic Canada's largest utility services contractors. Emera Energy Services, Inc. ("EES") is a Delaware corporation, and has received market-based rate authority from FERC.³ EES has DOE authorization to transmit electric energy from the United States to Canada.⁴ Emera Energy U.S. Subsidiary No. 1, Inc.

³ Emera Energy Services.. Inc., Letter Order, Docket No. ER02-723-000 (Mar. 1, 2002).

⁴ Order No. EA-257-D.

("EE US No. 1") is a wholly-owned subsidiary of Emera Energy Inc. and is involved in the trading and marketing of natural gas and electricity in the United States. EE US No. 1 is a licensed competitive electricity provider in Maine, subject to restrictions. EE US No. 1 has received market-based rate authority from the Federal Energy Regulatory Commission ("FERC" or "Commission").⁵ Emera Energy U.S. Subsidiary No. 2, Inc. ("EE US No. 2") is a Delaware corporation. EE US No. 2 has received market-based rate authority from FERC. 6 EE US No. 2 has DOE authorization to transmit electric energy from the United States to Canada.⁷ Emera Energy Services Subsidiary Nos. 1 through 10 are each limited liability companies created under the laws of Delaware. Emera Energy Services Subsidiary Nos. 1 through 10 engage or anticipate engaging in energy transactions in the eastern United States and have each received marketbased rate authority from the Commission. 8 Emera Energy Services Subsidiary Nos. 1 through 5 are also authorized to export electric energy from the United States to Canada.9 Emera Energy Services Subsidiary Nos. 6 through 8 engage or anticipate engaging in energy transactions in the eastern United States and have each received market-based rate authority from the Commission.¹⁰

Emera has an indirect subsidiary, Emera Brunswick Pipeline Company Ltd., which owns the Brunswick Pipeline, a 145 kilometer pipeline which connects the Canaport LNG (liquefied

⁵ Emera Energy U.S. Subsidiary No. 1, Inc., Letter Order, Docket No. ER04-359-000 (Feb. 24, 2004).

⁶ Emera Energy U.S. Subsidiary No. 2, Inc., Letter Order, Docket Nos. ER06-796-000, et al. (June 20, 2006).

⁷ Order No. EA-312-A.

⁸ Emera Energy Servs. Subsidiary No. 1, LLC, Letter Order, Docket Nos. ER07-553-000, et al. (Mar. 21, 2007) (accepting market based rate tariffs of EES Nos. 1 to 5); Emera Energy Servs. Subsidiary No. 6, LLC, Letter Order, Docket Nos. ER12-2492-000, et al. (Dec. 19, 2012) (accepting market-based rate tariffs of EES Nos. 6 to 10).

⁹ Orders EA-321-A, EA-322-A, EA-323-A, EA-324-A, and EA-325-A, effective on October 1, 2013.

¹⁰ Emera Energy Servs. Subsidiary No. 6, LLC, Letter Order, Docket Nos. ER12-2492-000, et al. (Dec. 19, 2012) (accepting market-based rate tariffs of EES Nos. 6 to 10). Emera Energy Services Subsidiary Nos. 6 through 8 hold EA-391, EA-392, and EA-393, respectively.

natural gas) terminal in Saint John, New Brunswick, Canada to the United States portion of the Maritimes and Northeast Pipeline near St. Stephen, New Brunswick, Canada.

Emera indirectly owns Emera (Caribbean) Inc. (formerly Light & Power Holdings Ltd.), which in turn owns 100% of the Barbados Light & Power Company Limited ("BLPC"), a 20% indirect interest in St. Lucia Electricity Services Limited ("Lucelec") and a 51.9% indirect interest in Dominica Electricity Services Limited ("Domlec"). BLPC is the sole electricity provider on the island of Barbados and has been granted a franchise to produce, transmit and distribute electricity on the island until 2028. Lucelec is an electric utility with exclusive license to generate, transmit and distribute electricity on the island of St. Lucia until 2045. Domlec is the sole electricity provider in the Commonwealth of Dominica and has been granted a nonexclusive generation license and an exclusive license to transmit, distribute and supply electricity within Dominica. Emera also owns a 50% direct and a 30.4% indirect interest in Grand Bahama Power Company Limited ("GBPC"). GBPC is the sole licensed and regulated utility operator on Grand Bahama Island with an exclusive franchise to produce, transmit and distribute electricity on Grand Bahama Island until 2054. Emera also owns an 3.3 % interest in OpenHydro Group Limited, an Irish technology business that designs and manufactures marine turbines to generate renewable energy from tidal streams.

Emera owns a 50% indirect interest in Bear Swamp Power Company LLC, a Delaware limited liability company which owns and operates the 600 MW Bear Swamp Pumped Storage Hydroelectric Facility located on the Deerfield River in northern Massachusetts and the nearby 10 MW Fife Brook run-of-river hydroelectric facility. Bear Swamp holds authorization to sell power at market-based rates from FERC.¹¹

¹¹ Bear Swamp Power Co., LLC, 110 FERC ¶ 61,208 at P 23 (2005).

Bayside Power, L.P. is a wholly-owned indirect subsidiary of Emera and is the owner of the 290 MW gas-fired Bayside Power plant in Saint John, New Brunswick.

Emera also has 100% indirect equity interests in three gas-fired generation facilities in New England. Bridgeport Energy LLC ("Bridgeport") is an exempt wholesale generator that owns and operates an approximate 454 MW (summer rating), 534 MW (winter rating) gas-fired, combined cycle electric generating facility in Bridgeport, Connecticut. Bridgeport is authorized to sell energy, capacity, and certain ancillary services at market-based rates. Tiverton Energy LLC ("Tiverton") owns and operates a 244 MW (summer rating), 279 MW (winter rating) gas-fired combined cycle electric generating facility in Tiverton, Rhode Island. Rumford Power Inc. owns and operates a 244 MW (summer rating), 269 MW (winter rating) gas-fired combined cycle electric generating facility in Rumford, Maine. Tiverton and Rumford are exempt wholesale generators with market-based rate authority from FERC. 14

Algonquin Power & Utilities Corp. ("APUC") is a diversified electrical power generation and utility infrastructure company with its principal place of business in Oakville, Ontario, Canada. Through its distinct operating subsidiaries, APUC owns and operates a diversified portfolio of renewable electric generation and sustainable utility businesses throughout North America. Emera presently holds an approximately 22 percent interest in APUC. Other than Emera, no single investor or affiliated group of investors owns directly or indirectly more than

 $^{^{12}}$ Bridgeport Energy LLC, 84 FERC \P 62,131 (1998).

¹³ Bridgeport Energy LLC, 83 FERC ¶ 61,307 (1998).

Rumford Power LLC and Tiverton Power LLC, Docket Nos. ER07-958-000 and ER07- 936-000 (unpublished letter order accepting application for market-based rates, issued July 18, 2007); Rumford Power Inc. and Tiverton Power Inc., Docket Nos. ER07-958- 001 and ER07-936-001 (unpublished letter order accepting most recent Updated Market Power Analysis for market-based rates, issued Oct. 2, 2008); Notice of Self-Certification of Exempt Wholesale Generator Status of Tiverton Power LLC and Rumford Power LLC, Docket No. EG07-56-000 (filed May

ten percent of APUC (based on the most current, publicly-available information).

II. COMMUNICATIONS.

Communications regarding this Application should be addressed to the following persons:

Eme<u>ra Maine</u>

Tim Pease Director, Legal & Regulatory Affairs Chad Wilcox Manager, Rates Emera Maine P.O. Box 932 Bangor, ME 04401-0932

Suchman Law LLC

Bonnie A. Suchman Suchman Law LLC 8104 Paisley Place Potomac, Maryland 20854 (202) 236-8859 bonnie@suchmanlawllc.com

III. JURISDICTION.

Under Section 202(e) of the FPA, 16 U.S.C. § 824a(e), and DOE's regulations, 10 C.F.R. § 205.300 *et seq.*, any person seeking to transmit electric energy from the United States to a foreign country must first secure an order from DOE authorizing the export. No other known federal, state or local government has jurisdiction over the actions to be taken under the authority set out in this application.

IV. TECHNICAL DISCUSSION OF PROPOSAL.

On December 5, 1963, Maine Public was issued an order (E-6751) authorizing Maine

Public to transmit electric energy from the United States to the Maine and New Brunswick

Electrical Power Company¹⁵ in an amount not to exceed 8,200,000 kwh per year at a maximum

^{24, 2007);} Tiverton Power LLC and Rumford Power LLC, et al., Docket Nos. EG07-56-000, et al., Notice of Effectiveness of Exempt Wholesale Generator Status (issued Sept. 24. 2007).

¹⁵ Maine & New Brunswick Electrical Power Company, Limited is an inactive Canadian subsidiary of Maine Public, which, prior to deregulation and generation divestiture, owned Maine Public's Canadian electric generation assets. In 2003, the Maine Public Utility Commission ("MPUC") authorized the dissolution of Maine & New Brunswick Power Co., Ltd. In a letter dated September 3, 2008, Maine Public notified the MPUC that it had substantially wound-up the business of Maine & New Brunswick Power Co., Ltd., but it had not yet dissolved the corporation.

rate of transmission of 2,200 kW over facilities covered by Presidential Permit IT-6027 (now Presidential Permit PP-12) and in an amount not to exceed 30,000,000 kWh per year at a maximum rate of transmission of 20,000 kW to the New Brunswick Electric Power Company 16 over facilities covered by Presidential Permit E-6752 (now Presidential Permit PP-29-1). On March 26, 1968, the amount of electric energy authorized to be transmitted to the Maine and New Brunswick Electrical Power Company increased to 12,600,000 kWh per year at a maximum rate of transmission of 3,100 kW and to redeliver energy to the New Brunswick Electric Power Commission in Canada at an amount not to exceed 100,000,000 kWh per year at a maximum rate of transmission of 40,000 kW. On March 20, 1979, the amount of electric energy authorized to be transmitted to the Maine and New Brunswick Electrical Power Company increased to 40,000,000 kWh per year at a transmission rate not to exceed 9800 kW and the amount redelivered to New Brunswick Electrical Power Company increased to an amount not to exceed 250,000,000 kWh per year at a transmission rate not to exceed 50,000 kW.

In connection with the Maine Restructuring Act, Maine Public divested all of its generation assets. Accordingly, Emera Maine owns substantially no generation and only engages in the wholesale marketing of generation pursuant to the resale of long term contracts for power pursuant to Maine state law and as directed by Maine Public Utility Commission rule Chapter 307. These sales are made in the ISO New England Balancing Area and are not transmitted over facilities governed by the authorizations that are the subject of this request. There are no sales and transmission of electricity into New Brunswick is from generators located in the Emera Maine - Maine Public District pursuant to the EM-MPD OATT.

As part of the merger of Maine Public and Bangor Hydro, Maine & New Brunswick was dissolved and any assets of Maine & New Brunswick were distributed to Maine Public, its sole shareholder, which was subsequently merged into Bangor Hydro to form Emera Maine.

¹⁶ The New Brunswick Electric Power Company (or Commission) is now New Brunswick Power Corporation.

Emera Maine is seeking to eliminate the annual export limits of 40,000 kWh and 250,000 kWh upon the issuance of the export authorization for Emera Maine. Emera Maine follows the requirements of the Northern Maine Independent System Administrator ("NMISA"), which administers the facilities subject to PP-12 and PP-29-1. Moreover, Emera Maine will provide the necessary transmission access and its customers schedule each transaction over the applicable transmission facilities with NMISA. Both Emera Maine and the NMISA must follow the relevant reliability standards criteria. Accordingly, the annual export limits are unnecessary and Emera Maine is requesting their removal from the Export Authorization.

Emera Maine, as the holder of PP-12 and PP-29-1, accepts the inclusion of a maximum rate of transmission into its Export Authorization. Currently, E-6751 has maximum rates of transmission of 9.8 MW for delivery to what had been the Maine & New Brunswick Electrical Power Company (now Algonquin Power, serving the Perth Andover community in New Brunswick) and 50 MW to NB Power. This rating was based on studies relied upon to justify increasing the maximum rate of transmission in 1979. DOE has relied upon more recent studies to authorize exports over those same transmission lines to not exceed a coincident, instantaneous transmission rate of 97.8 MW. Emera Maine respectfully requests that the Export Authorization issued to it provide that the maximum rates of transmission on the combination of facilities referenced in Presidential Permits PP-12 and PP-29-1 not exceed a coincident, instantaneous transmission rate of 97.8 MW.

Emera Maine intends to export power over existing transmission interconnections between the United States and Canada, including those facilities referenced in PP-12 and PP-29-1. Exhibit C to this Application provides the location and description of the transmission

¹⁷ EPCOR Energy Marketing (US) Inc., Order Authorizing Electricity Exports to Canada, Order No. EA-260-C (April 8, 2009).

facilities through which the electric energy may be delivered into Canada. Emera Maine is regulated by the Maine Public Utility Commission ("MPUC"). Moreover, Emera Maine is primarily a transmission and distribution utility. Thus, any sales of electric energy will be surplus to the needs of the customers within Emera Maine's service territory, so that the export of power will not impair the sufficiency of electric power supply in the U.S.

Emera Maine will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required in order to effect any power exports. This will include:

(1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability

Corporation ("NERC") and applicable Regional Entities in effect at the time of export; (2) obtaining all necessary transmission access over the existing facilities listed in Exhibit C; and (3) providing evidence of the agreements with transmission owners to DOE.

Consistent with past DOE precedent, Emera Maine requests that DOE use the reliability analyses performed in the most recent export authorization proceedings that rely upon the border transmission facilities referenced in Exhibit C. Emera Maine agrees to abide by the export limits of these transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by DOE on the referenced transmission facilities are sufficient to ensure that exports by Emera Maine will not impede or tend to impede the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

V. PROCEDURES

Emera Maine seeks to obtain authority to deliver the power it transmits into Canada over existing cross-border transmission lines, as well as any additional cross-border facilities that

Emera Maine may secure the rights to use. ¹⁸ Emera Maine is willing to accept all conditions imposed by the Department of Energy on its authorization to export power. In particular, if required by DOE, exports made by Emera Maine will not exceed the export limits for the transmission facilities utilized by Emera Maine, or otherwise cause a violation of the terms and conditions set forth in the export authorization. When scheduling the delivery of power, Emera Maine will comply with the applicable NERC reliability criteria, standards, and guidelines. Emera Maine will comply with all reporting requirements.

VI. SERVICE AND FEE.

In accordance with the requirements of 10 C.F.R. § 205.309, copies of this application will be provided to the following:

Ms. Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, N.W. Washington, D.C. 20426 Maine Public Utilities Commission 242 State Street 18 State House Station Augusta, Maine 04333-0018

Maine Public Advocate Office 112 State House Station Augusta, Maine 04333-0112

A check in the amount of \$500.00 made payable to the Treasurer of the United States is enclosed in payment of the fee specified in 10 C.F.R. § 205.309.

VI. VERIFICATION.

Verification executed by Applicant's authorized representative, Alan Richardson, in accordance with 10 C.F.R. § 205.302(h) is enclosed with this Application.

VII. EXHIBITS.

In accordance with the requirements of 10 C.F.R. § 205.303, the following exhibits are attached hereto:

¹⁸ Since the exports under this Authorization will take place over existing transmission lines, an environmental

Exhibit A Transmission Agreements

Exhibit B Opinion of Counsel

Exhibit C International Transmission Facilities (Submitted in lieu of Maps)

Exhibit D Power of Attorney

Exhibit E Statement of Any Corporate Relationship or Existing Contract

Exhibit F Operating Procedures

VIII. CONCLUSION.

WHEREFORE, Emera Maine respectfully requests that this Application of Emera Maine to Rescind E-6751 and for the Coincident Issuance of an Authorization to Transmit Electric Energy to Canada be considered and approved.

Respectfully Submitted,

Bonnie A. Suchman, Esq.

Suchman Law LLC 8104 Paisley Place

Potomac, Maryland 20854

(202) 236-8859

Attorney for Emera Maine

Dated: March 31, 2016

VERIFICATION

I, Alan Richardson, having knowledge of the matters set forth in the above Application of Emera Maine to Rescind E-6751 and for the Coincident Issuance of an Authorization to Transmit Electric Energy to Canada, hereby verify that the contents thereof are true and correct to the best of my knowledge and belief.

SUBSCRIBED AND SWORN before me, a notary public this 25 day of MM., 2016.

Notary Public

My Commission Expires:

KAREN A. BELL
Notary Public • State of Maine
My Commission Expires July 6, 2019

EXHIBIT A -- TRANSMISSION AGREEMENTS

FERC rendition of the electronically filed tariff records in Docket No. ER14-00656-000 Filing Data:
CID: C001643
Filing Title: Filing to Effect Cancellation of Existing eTariff Database Company Filing Identifier: 361
Type of Filing Code: 410
Associated Filing Identifier:
Tariff Title: Tariff Database
Tariff (ID: 20
Payment Confirmation:
Suspension Motion:

Tariff Record Data:
Record Content Description, Tariff Record Title, Record Version Number, Option Code:
OATT, FERC Electric Tariff, Second Revised Volume No. 4, 1,0,0, A
Record Narative Name: FERC Electric Tariff, Second Revised Volume No. 4
Tariff Record ID: 1
Tariff Record Collation Value: 1000000 Tariff Record Parent Identifier: 0
Proposed Date: 2014-01-01
Priority Order: 500
Record Change Type: CANCEL
Record Content Type: 1
Associated Filing Identifier:

MAINE PUBLIC SERVICE COMPANY

PRO FORMA OPEN ACCESS

TRANSMISSION TARIFF

FERC ELECTRIC TARIFF SECOND REVISED VOLUME NO. 4

SUPERSEDING FIRST REVISED VOLUME NO. 4

Record Content Description, Tariff Record Title, Record Version Number, Option Code: Amended IA No. 42, First Revised Service Agreement No. 42, 1.0.0, A Record Narative Name: First Revised Service Agreement No. 42
Tariff Record ID: 81
Tariff Record Collation Value: 1573691800 Tariff Record Parent Identifier: 0
Proposed Date: 2014-01-01
Priority Order: 650
Record Change Type: CANCEL
Record Content Type: 1
Associated Filing Identifier:

First Revised Service Agreement No. 42 Superseding Original Service Agreement No. 42

INTERCONNECTION AGREEMENT

MAINE PUBLIC SERVICE COMPANY - THE NEW BRUNSWICK ELECTRIC POWER COMMISSION

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INTERCONNECTION AGREEMENT BETWEEN THE NEW BRUNSWICK ELECTRIC POWER COMMISSION AND MAINE PUBLIC SERVICE COMPANY

this Fourth day of February 1957 between the Maine Public Service
Company a State of Maine (U.S.A.) Corporation, hereinafter called "The Company"
and The New Brunswick Electric Power Commission, a Statutory Body created by
an Act of Legislature of the Province of New Brunswick, Canada, hereinafter
called "The Commission", both of which are hereinafter sometimes referred to
as the parties hereto:

WHEREAS, the parties hereto are engaged in the generation, transmission, and supply of electric energy to customers in their respective service areas, and

WHEREAS, the parties hereto desire to interconnect their respective electric transmission systems for their mutual advantage in order to attain the following objectives:

- (a) Rendering mutual assistance during emergencies affecting defense or peace-time service to customers in either or both of their service areas;
- (b) Providing means for possible economy by the exchange of any surplus electric energy which may from time to time be available from either system, beyond the needs of its own area, and

WHEREAS, the parties hereto now desire to establish such an interconnection by means of a transmission tie from The Company's Substation in Maine to the Beechwood Substation in New Brunswick.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants herein set forth, the parties hereto agree as follows:

ARTICLE I

Construction and Ownership of Interconnection

(1) The Company and The Commission will install an interconnection: with a normal continuous capability of 20,000 KVA between the Company's Substation located near Presque Isle, Maine at the junction of the Fort Fairfield and East Caribou roads, and The Commission's Beechwood Substation in New Brunswick. This will be known as the "No. 1 Maine - New Brunswick Interconnection". It will be done as follows:

The Company at its own expense will install and own a 69,000-Volt wood pole transmission line from The Company's Substation to the International Boundary. This will include structures, conductors and all the necessary appurtenances and also adequate switching facilities at said station.

The Commission, at its own expense, will install and own a 69,000-Volt wood pole transmission line from its_Beechwood Substation to the same point at the International Boundary. This will include structures, conductors, and all the necessary appurtenance, and also adequate switching and metering facilities at said station.

(2) Relaying, Control, Operating Equipment

All relaying equipment, control equipment and operating equipment which, by mutual agreement between the parties hereto, is considered necessary for the adequate operation of the interconnection, shall be installed by the parties hereto, each party installing and owning the part of such equipment located on its own side of the International Boundary.

(3) Expense Responsibility

Each of the parties hereto will be responsible for the operation, maintenance, and repair of the facilities owned by it.

Any expense for leased facilities used jointly by the parties hereto shall be shared in such proportion as shall be agreed upon by the Administrative Committee to be established as hereinafter provided in Article III.

(4) Date of Availability

Unless otherwise mutually agreed, each of the parties hereto will use its best efforts to have the facilities provided for in this Article installed or constructed and in operation on or before November 1st, 1957. It is recognized that circumstances beyond the control of either party might prevent the completion of these facilities by that date. Each of the parties nereto will keep the other party hereto advised as to any contingencies which might cause delays.

ARTICLE II

General Obligations

(1) Character of Energy

All electric energy delivered and received hereunder shall be in the form of 3-phase, 60-cycle, alternating current at operating voltages mutually agreeable to both of the parties hereto.

(2) Sharing Reserves in Emergency

Each of the parties hereto will, to the maximum extent it deems consistent with the safe and proper operation of its own system, with the furnishing of economical, dependable, and satisfactory service to its own load, and with its obligations to parties other than the parties hereto with whom it is interconnected, make available to the other party hereto in emergencies on the latter's system, its available generating capability in excess of its load requirements up to the limit of the capability of the interconnection.

(3) Exchange of Electric Energy

Each of the parties hereto will, at its own option, subject to the terms hereinafter provided, make available to the other party hereto such surplus electric energy as it may from time to time have available to the interconnection described in Article I from its own generators and which the said other party desires to purchase. Neither party shall be under any obligation to sell nor to buy such surplus electric energy at any time.

(4) Export Restrictions

The supply of surplus electric energy by either of the parties hereto to the other shall be subject to any restrictions or conditions imposed thereon by governmental license, permit, law, edict, regulation or other legal action.

Each of the parties hereto shall use its best efforts to obtain any licenses or permits which are necessary to allow it to deliver or to receive such electric energy.

(5) Maintenance Schedule

Both parties hereto agree to co-operate to whatever extent is feasible or desirable in co-ordinating their maintenance schedules for generating or transmission facilities for the purpose of making the value of the interconnection to both parties as great as practicable.

ARTICLE III

Administrative and Scheduling Committees

(1) Adminstrative Committee

Each of the parties hereto shall designate, in writing, a representative to act in its behalf in matters concerned with carrying out the objectives of this Agreement. These two representatives shall constitute the Administrative Committee with the following general responsibilities:

- (a) Considering any matters in connection with the Administration of this Agreement or of the interconnection as may from time to time arise, such as interpretation of the Agreement, possible amendments or alterations thereto, Supplementary Agreements desirable or necessary in carrying out the general provisions of this Agreement, and related matters not specifically covered by this Agreement.
- (b) Making recommendations to the respective parties hereto in regard to those matters in which official action is required.
- (c) General supervision over the Scheduling Committee hereinafter provided.

(2) Scheduling Committee

Each of the parties hereto shall designate, in writing, a representative and an alternate to act on its behalf as members of a Scheduling Committee under the general supervision of the Administrative Committee, with the following general responsibilities:

- (a) All matters pertaining to the day by day scheduling and placing of orders for interchange of kilowatthours of electric energy pursuant to the terms of this Agreement, and all other operational objectives covered by Article V hereof.
- (b) Determination of the amount of monthly charges under various conditions of interchange in accordance with Article VII hereof.
- (c) All matters pertaining to the co-ordination of maintenance schedules in accordance with Article II. Section 5 of the Agreement.
- (d) Such other matters as are specifically delegated to it elsewhere in this Agreement or as may, from time to time, be referred to it by the Administrative Committee.

(3) Decisions

All decisions or recommendations of the Administrative Committee and of the Scheduling Committee in respect to matters within their respective authority shall be unanimous.

(4) Agreements

- (a) Supplementary Agreements, arising out of recommendations made by the Administrative Committee regarding matters related to the Administration of this Agreement, or its amendment or alteration, shall be made in writing and executed by the duly authorized corporate officers of the parties hereto.
- (b) Mutual arrangements concerning operating procedures or the scheduling of interchange of kilowatthours, or practices to be followed in carrying out the terms of this Agreement, which do not in any way alter the terms of this Agreement, may be made by the Scheduling Committee, subject to the approval of the Administrative Committee. Such arrangements shall be confirmed in writing.

(5) Orders

Any intentional delivery of pre-arranged kilowatthours, by either of the parties hereto to the other party hereto, shall be covered by a confirming order executed by the receiving party's representative on the Scheduling Committee or his alternate. The Order shall state the period or periods during which kilowatthours are desired and in what amounts.

ARTICLE IV

Co-ordinated Planning

The Administrative Committee shall meet at least once during each calendar year, and at such other times as appear necessary or desirable for the effective administration of this Agreement. It will consider the load forecasts and future system expansion programs of both parties, possibilities of

availability of surplus electric energy during the several seasons of the year, the effect on maintenance programs, and other matters of similar nature having a bearing on the most effective use of the interconnection to the greatest possible mutual benefit to the parties hereto.

ARTICLE V

Co-ordinated Operation

Each of the parties hereto will, to the maximum extent it deems consistent with the safe and proper operation of its system and the furnishing of economical, dependable, and satisfactory service to its own load, and also with the General Obligations and limitations set forth in Article II of this Agreement, operate its system in accordance with the following procedures and principles:

(1) Parallel Operation

The two systems will ordinarily be operated in parallel whether or not there is an international interchange of power.

(2) Frequency Regulation

The parties hereto will collaborate and agree upon a plan for regulating the frequency of the two systems so as to maintain at all times, in so far as may be practicable, a frequency of 60 cycles per second, and to minimize large power swings between the two systems.

(3) Normal Flow of Energy

The parties hereto will collaborate and agree upon a plan for controlling the flow of energy so that the net amount of kilowatthours passing from one system to the other over the interconnection will, under normal operating conditions, be as close as practicable to zero, except when the delivery of electric energy by one party to the other has been prearranged in which case the net amount of kilowatthous shall be held as close as practicable to the prearranged schedule of interchange.

(4) Normal Flow of Kilovars

The parties hereto will endeavor to control the supply of kilovars so that the flow passing between systems over the interconnection will, under normal operating conditions, be as close as practicable to any prearranged schedule of interchange. It is anticipated that ordinarily there will be zero net interchange of kilovars, but an interchange may be scheduled, if required by either party and if available from the other party, under such terms and conditions as may be agreed upon by the Scheduling Committee.

(5) Classification of Energy Deliveries

Kilowatthours of electric energy may be delivered by either of the parties hereto to the other over the interconnection, subject to the General Obligations set forth in Article II, Sections 3 and 4 of this Agreement, under any of the following classifications:

(a) Prearranged Kilowatthours

Prearranged kilowatthours may be delivered by either of the parties hereto to the other by agreement of the Scheduling Committee. All prearranged kilowatthours shall be covered by an Order as stipulated in Article III, Section 5 of this Agreement. Such kilowatthours may be either:

(1) Scheduled Kilowatthours

Energy delivered at the request of the receiving party in order to supplement its own generating capability at times of temporary deficiency. It is understood that the supply of Scheduled Kilowatthours will be maintained by the delivering party unless prevented by an unusual emergency or other unforeseen conditions.

(2) Displacement Kilowatthours

Energy delivered in order to effect a saving in the cost of generation when the receiving party has adequate generating capability available to carry its own load. Either party may terminate or suspend the supply of displacement kilowatthours at its own option and convenience upon reasonable notice to the other party.

(b) Incidental Kilowatthours

Any flow of kilowatthours from the system of either of the parties hereto to the other over the interconnection, incidental to the parallel operation of the systems and not identified as Prearranged Kilowatthours, shall be balanced by the return of an equal number of kilowatthours at the convenience of both parties as may be agreed upon by the Scheduling Committee. Ordinarily such a balance should, if practicable, be made within each calendar month, but any net differences remaining at the end of the month will be billed and paid for at the same rate as for scheduled kilowatthours.

(c) Emergency Kilowatthours

Subject to its own load requirements and to the General Obligations and limitations set forth in Article II of this Agreement, assistance will be rendered by either of the parties hereto to the other in cases of emergency outage of generating units, transmission lines, or other equipment. Emergency outages include tripouts and failures of lines and equipment, and also shut-downs of defective equipment for the purpose of preventing impending damage and subsequent failure. The party receiving such emergency assistance shall

restore its facilities to normal operation as rapidly as possible. If such emergency flow of kilowatthours persists for 30 minutes or longer, it shall be classed as Scheduled Kilowatthours and covered by an Order, as provided for in Article III, Section 5 of this Agreement. If the flow is for less than 30 minutes, it shall be classed as Incidental Kilowatthours.

(6) Spinning Reserve

Each of the parties hereto will normally maintain such spinning reserve as it deems necessary for its own system. Either of the parties hereto may, however, if it finds it necessary or desirable, arrange to obtain spinning reserve from the other party if it is available, under such terms and conditions as may be agreed upon by the Scheduling Committee.

ARTICLE VI

Measurement of Power Interchange

(1) Point of Delivery

The point of delivery of energy under this Agreement shall be at the point where the conductors of the interconnecting line cross the International Boundary.

(2) Location and Ownership of Meters

For the purpose of metering for billing requirements, suitable "in" and "out" meters shall be installed by The Commission on the interconnection at the takeoff from the Beechwood Substation. For the purpose of billing, these meters shall be compensated to register the energy interchange at the point of delivery specified in Section (1) immediately preceeding, unless otherwise mutually agreed upon by the parties hereto.

(3) Kilowatthour Flow

The flow of kilowatthours from one system to the other over a period of time shall be the net sum of all kilowatthours delivered during that period over the interconnection line covered by this Agreement, taking due account of any reverse flow which may take place during that period.

(4) Availability of Meter Circuits

The Commission shall make available to The Company the circuits of the metering transformers owned by The Commission, so that The Company may apply telemetering and control equipment as may be mutually agreed upon by both parties, and shall provide space for and access to the location of such equipment. The equipment shall be maintained by The Company.

(5) Inspecting and Testing

Any properly designated representative of either of the parties hereto shall have access at all times to all of the billing meters for the purpose of reading the same. The accuracy of the meters shall be verified by proper tests at any time upon reasonable notice given by either of the parties hereto to the other, and each party shall be entitled to have a representative present at such verification. The work of testing and adjusting any meter shall be performed by and at the expense of the party owning said meter, provided that such test shall not be called for by the other party more often than once in aix months. If either party shall require more than one verification of the other party's meters in any six months' period, said additional verification shall be at the expense of the party requiring it.

(6) Meters Out of Service

When the billing meters are out of service for testing or repair, kilowatthour flow during the period of outage shall be determined from other

available meter readings.

ARTICLE VII

Rates and Charges

(1) Charges

Unless otherwise mutually agreed upon between the parties hereto, the rates to be used in calculating the charges made by either of the parties to the other under this Agreement shall be as follows:

(a) For Scheduled Kilowatthours delivered in accordance with Article V, Section 5, (a) (1) of this Agreement, the charge per kilowatthour by the Company to the Commission for energy generated on the Company System shall be \$0.015 in currency of the United States of America plus any Export Tax which may be payable.

For Scheduled Kilowatthours delivered in accordance with Article V, Section 5 (a) (1) of this Agreement, the charge per kilowatthour by the Commission to the Company for energy generated on the Commission System shall be \$0.015 in currency of Canada, plus any Export Tax which may be payable.

If, in order to satisfy the requirements of the receiving party it is necessary for the delivering party to furnish such power from its own equipment at a cost which would exceed the price hereinbefore stated, or to purchase energy from a third party, the delivering party may charge the receiving party more than the price per kilowatthour hereinbefore stated, in order to cover the purchase cost or the generation cost and the cost of transmission losses and of handling, but, before delivering such energy, shall notify the receiving party of the source of such energy and the rate to be charged. The latter shall have the option of accepting or declining to accept such energy.

In case a certain amount of Scheduled Kilowatthours have been requested in advance by one of the parties hereto from the other, and before receiving them the receiving party wishes to cancel any part or all of the Order, it may do so whether or not a formal Order has been exchanged.

A cancellation charge may, however, be made by
the delivering party, based on any cost incurred in
preparing to deliver the energy, the amount of the charge
being subject to mutual agreement between the parties hereto.

- (b) For Displacement Kilowatthours delivered in accordance with Article V, Section 5 (a) (2) of this Agreement, the charge per kilowatthour by either of the parties hereto to the other shall be equal to a cost which shall be agreed upon by the Scheduling Committee. The agreed kilowatthour cost shall include the cost of fuel, the cost of incremental transmission losses, and other costs incidental to the generating and transmitting of energy. It shall also include any Export Tax.
- (c) For Spinning Reserve or Kilovars the charge will be as agreed upon by the Scheduling Committee based on reimbursing the seller for all added expense incurred in providing that reserve or those kilovars.

ARTICLE VIII

Billing

Promptly after the beginning of each calendar month, each of the parties hereto shall render a bill to the other party for any service provided under the terms of this Agreement during the previous month. Payment of bills rendered by The Company to The Commission shall be made at Presque Isle, Maine, U.S.A., in funds of the United States of America and payment of

bills rendered by the Commission to The Company shall be made at Fredericton, New Brunswick, Canada, in funds of Canada. Such bills shall be paid within fifteen (15) days of the date of rendering.

ARTICLE IX

Due Diligence, Continuity of Service, Liability

(1) Due Diligence

Each of the parties hereto shall exercise due diligence and reasonable care and foresight in maintaining continuity of service in the delivery and receipt of electric energy as provided for in this Agreement, and in restoring the service if for any cause, it shall be interrupted, but neither party shall be liable to the other for any penalty nor for any damages resulting from any interruptions of services.

(2) Liability

The Commission shall indemnify and save The Company harmless from loss or damage to person or property sustained by any third person or persons including employees of The Company, arising from The Commission's transmission line or equipment or from the electric energy transmitted up to the point of interconnection with The Company, unless such loss or damage is caused by the gross or sole negligence of The Company, its agents, servants, or employes.

Similarly, The Company shall indemnify and save The Commission harmless from loss or damage to person or property sustained by any third person or
persons including employes of The Commission, arising from The Company's
transmission line or equipment or from the electric energy transmitted up to the
point of interconnection with The Commission, unless such loss or damage is caus
by the gross or sole negligence of The Commission, its agents, servants, or
employes.

ARTICLE X

Licenses and Governmental Authority

The agreements and obligations expressed herein are subject to (a) the initial and continuing governmental permission to both parties hereto to establish and maintain the connection and to export electric energy under the terms of this Agreement, and (b) the condition that The Company shall not, under the terms of any existing or subsequent legislation by the Congress of the United States of America, or by reason of rules and regulations of the Federal Power Commission, become subject to the jurisdiction of the Federal Power Commission in any respect, other than that relating to the grant by the Federal Power Commission of a license to export electric energy.

It is expressly understood that all the terms of this Agreement in so far as The Company is affected thereby, are subject to the jurisdiction, if any, of the Maine Public Utilities Commission.

ARTICLE XI

Waivers

Any waiver at any time, by either party hereto, of its rights with respect to the other party, or with respect to any other matter arising in connection with this Agreement, shall not be considered a waiver with respect to any subsequent default or matter.

ARTICLE XII

Successors of Parties

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto, respectively.

ARTICLE XIII

Defaults

Neither of the parties hereto shall be liable for any default under the terms of this Agreement if such default results from any fact or circumstance beyond its control.

ARTICLE XIV

Effective Date and Term

Subject to the provisions of Article X and completion of required facilities, this Agreement shall take effect on September 1, 1957, or at the earliest possible date thereafter. It shall continue in force for a period of five (5) years commencing September 1, 1957, and shall continue in force after the said period of five (5) years as an Agreement from year to year, but it may be terminated at the expiration of the said period of five (5) years, or on September first of any year upon the expiration of 24 months prior written notice from either party to the other. Notwithstanding anything in this Agreement, it may be terminated at any time by the mutual consent of the parties hereto in case any governmental statute, directive, regulation, rule, order or change in the permits or orders relating to the interconnection covered by this Agreement shall at any time be issued which would impose hardship or undue burden on that party if the existence or operation of the interconnection were continued.

This Agreement shall terminate if at any time any of the conditions in Article X shall cease to be satisfied.

It is understood that in case of war or other emergency, as provided in Section 202 of the Federal Power Act of the U.S.A. this Agreement is terminable upon the order of the Federal Power Commission.

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ARTICLE XV

Review and Amendment

The terms of this Agreement are subject to review at the request of either party. If, consequent upon such review, and subject always to the provisions of Article XIV, the parties hereto agree that any of the provisions hereof, or the practices or conduct of either of the parties impose an inequity, or hardship, or an undue burden upon the other party, the parties hereto shall amend or supplement this Agreement in such manner or form as will remove such inequity, hardship, or undue burden, subject, however, to the conditions and limitations expressed in Article X hereof.

Amendments to this Agreement which may appear advisable to the parties hereto, as a result of such review, shall be effected by Supplemental Agreement in writing, which, upon execution by the duly authorized corporate officers of the parties hereto, shall thereh become a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by the affixing of their Corporate Seals attested by the signatures of their proper officers, duly authorized in their behalf.

Witness	MAINE PUBLIC SERVICE COMPANY
Marion V. White	By C. H. Stetson its Executive Vice President
ATTEST:	
L. A. Brown Secretary	
THE NEW BRUNSWICK ELECTRIC POV	VER COMMISSION OF NEW BRUNSWICK
Edith Cass	C. H. Forbes Chairman

P. O. Beaton

Secretary

AMENDMENT

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INTERCONNECTION AGREEMENT

MEMORANDUM OF AGREEMENT made this 20th day of June, 1963,

BETWEEN: THE NEW BRUNSWICK ELECTRIC POWER COMMISSION.

hereinafter called "the Commission" of the

first part,

AND: MAINE PUBLIC SERVICE COMPANY

hereinafter called "the Company" of the

second part,

WHEREAS, the parties hereto have entered into an Interconnection Agreement dated February 4, 1957, and

WHEREAS, in Article VII, Section 1 of said Interconnection Agreement, it was implied that charges could be changed by mutual agreement, and

WHEREAS, in Article VII Section 1 (a) of such Interconnection Agreement, the charges for Scheduled Kilowatthours to either party hereof have been \$0.015 per kilowatthour plus any Export Tax which may be payable,

NOW THEREFORE, the parties hereto agree that the charges for Scheduled Kilowatthours shall be amended, starting January 1, 1963, by deleting 1 (a) of Article VII, and substituting the following:

"1. (a) The charges by the Company to the Commission, in currency of the United States of America, for

Scheduled Kilowatthours delivered in accordance with Article V, Section 5, (a) (1) of said Interconnection Agreement shall be the actual cost of generating and transmitting said Scheduled Kilowatthours, plus two (2) mills per kilowatthour, plus any export tax which may be payable.

The charges by the Commission to the Company, in currency of Canada, for Scheduled Kilowatthours delivered in accordance with Article V, Section 5

(a) (1) of said Interconnection Agreement shall be the actual cost of generating and transmitting said Scheduled Kilowatthours, plus two (2) mills per Kilowatthour, plus any export tax which may be payable.

In case a certain amount of Scheduled Kilowatthours have been requested in advance by one of the parties hereto from the other, and before receiving them the receiving party wishes to cancel any part or all of the Order, it may do so whether or not a formal Order has been exchanged.

A cancellation charge may, however, be made by the delivering party, based on any cost incurred in preparing to deliver the energy, the amount of the charge being subject to mutual agreement between the parties hereto".

The agreements and obligations expressed herein are subject to the initial and continuing permission to the parties hereto to establish and maintain the connection and to export electric energy under this Agreement which is subject to regulations and approval of the National Energy Board of Canada, and any other

regulatory body having jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the said Interconnection Agreement to be executed in duplicate by the affixing of their Corporate Seals attested by the signature of their proper officers, duly authorized in their behalf.

Witness

/s/ Glenna M. Briggs

By /s/ C. H. Stetson

President

Attest

/s/ R. A. Brown

Secretary

THE NEW BRUNSWICK ELECTRIC POWER

COMMISSION

By/s/ Donald C. Harper

Chairman

Witness

/s/ E. A. Matthews

/s/ P. F. Burns

Secretary ·

SURPLUS CAPACITY AGREMENT Supplement to INTERCONNECTION AGREEMENT Hetween THE NEW BRUNSWICK ELECTRIC FOWER COMMISSION

MAINE PUBLIC SERVICE COMPANY

Articles of Agreement, entered into at Fredericton, New Brunswick this lith day of October, 1960 between Maine Public Service Company, a State of Maine (U.S.A.) Corporation, hereinafter called "The Company" and the New Brunswick Electric Power Commission, a Statutory Body created by an Act of the Legislature of the Province of New Brunswick, Canada, hereinafter called "The Commission", both of which are hereinafter sometimes referred to as "the parties hereto".

WHEREAS, the parties hereto are engaged in the generation, transmission and supply of electric energy to customers in their respective service areas; and

WHEREAS, the parties hereto are also the parties to an Interconnection Agreement entered into under date of February 4, 1957, herein referred to as "The Interconnection Agreement", pursuant to which the parties hereto have interconnected their respective electric transmission systems by means of a 69,000 volt wood pole transmission line from the Company's substation located near Presque Isle, Maine at the junction of the Fort Fairfield and East Caribou roads to The Commission's Beachwood substation in New Brunswick, Canada, complete with structures, conductors, and all the necessary appurtenances and adequate switching and metering facilities at each of said substations, and are presently operating their respective electric transmission systems in parallel for their mutual advantage in order to attain the following objectives:

- (a) Rendering mutual assistance during emargencies affecting defense or peace-time service to customers in either or both of their service areas;
- (b) Providing means for possible economy by the exchange of any surplus energy which may from time to time be available from either system, beyond the needs of its own area; and

WHEREAS, the parties hereto have determined that it would be to their mutual advantage to assist each other whenever one of such parties has surplus capacity at a time when the other has a capacity deficiency; and

WHEREAS, the parties desire to supplement and amend The Interconnection Agreement to provide that to the extent either party hereto may from time to time to time have a capacity deficiency as hereinafter defined and the other party has available surplus capacity as hereinafter defined, the other party may sell and deliver to the party having such capacity deficiency surplus electric capacity to the axtent of such capacity deficiency up to the amount of the other's surplus capacity thereby making it possible for the parties;

- (a) to plan the installation of additional generating capacity on a more economical basis as to timing, location and size of units;
- (b) to enable the parties adequately to supply the demands of the customers of their combined systems with less aggregate installed generating capacity and with consequent net savings in investment and expense; and

WHEREAS, the parties hereto desire in all other respects to confirm The Interconnection Agreement:

NOW THEREFORE, in consideration of the premises and of the matual coverants herein set forth, the parties hereto agree as follows:

I EXCHANGE OF INFORMATION

(1) The parties hereto will appoint representatives to meet at least once a year to exchange information concerning past peak loads and load forecasts on their respective systems, to establish the Accredited Capacity of each party as herein defined, to estimate the changes in Accredited Capacity to be brought about by generating facilities under construction or committed for and future contemplated purchased power sources, to estimate the Surplus Capacity as herein defined, which either party may have or the Capacity Deficiency as herein defined which either

party may have, all in view of ascertaining if it would be to the mutual benefit of the parties hereto to have one party supply Surplus Capacity to the other party in amounts sufficient to make up its Capacity Deficiency.

(2) Each calendar month during the term of this Surplus Capacity Agreement the Scheduling Committee provided for in The Interconnection Agreement shall determine the Maximum Hourly Damand as herein defined, expressed in kilowatt-hours per clock hour, for each of the parties hereto.

II DEFINITION OF TERMS

The following terms, where used herein, shall have the meanings set forth in the following definitions:

(1) Accredited Capacity

- (a) In respect to an electric generating station the Accredited Capacity is intended to represent the net power output in Rilowatts which can be obtained from the generating station with all equipment in an average state of maintenance subject to limitations, if any, upon the amount of power output from the generating station which can be effectively utilized in the interconnected system.
- (b) In respect to a purchased power source the Accredited Capacity is intended to represent an amount of power, the receipt of which can be depended upon with a degree of assurance as high as that expected from generating facilities, exclusive of Surplus Capacity available to either party under this Agreement.
- (c) No reduction in Accredited Capacity shall be made for generating units that may be out of service for maintenance or because of emergency breakdown.

(2) Reserve Capacity

The parties hereto agree to maintain at all times Reserve Capacity equal to at least 10% of their respective Maximum Hourly Demands unless mutually agreed otherwise.

(3) Maximum Hourly Demand

The Maximum Hourly Demand in kilowatts upon The Commission and upon The Company and its Canadian subsidiary to meet the firm electric energy requirements of their respective customers shall have excluded, for this purpose, from such demands (a) demands upon The Commission served from its Grand Falls Hydro Plant, (b) demands by The Commission under this Surplus Capacity Agreement, (c) demands upon The Company's Canadian subsidiary of its customers in Carleton County, New Brunswick, (d) demands by The Company under this Surplus Capacity Agreement, (e) any simultaneous sales and deliveries of electric energy by The Commission or by The Company and its madian subsidiary which are contracted for on an interruptible basis.

(4) Capacity Deficiency

The Capacity Deficiency of a party hereto shall be the extent to which, in any calendar month during the term of this Surplus Capacity Agreement, its Accredited Capacity does not exceed its Maximum Hourly Demand plus its agreed upon Reserve Capacity.

(5) Surplus Capacity

The Surplus Capacity of a party hereto shall be the extent to which in any calendar month during the term of a Supplemental Capacity Agreement, as hereinafter defined, its Accredited Capacity exceeds its Maximum Hourly Demand plus its agreed upon Reserve Capacity.

III SUPPLEMENTAL CAPACITY AGREEMENTS

Supplemental Capacity Agreements may be made, at the mutual consent of he parties hereto, if it has been determined that one party will have Surplus Capacity at a time when the other party has a deficiency. Such Supplemental Cap-

acity Agreements shall define the buyer and the seller of Surplus Capacity, and shall conform to the following conditions.

IV DURATION

Supplemental Capacity Agreements shall be made by the parties hereto for periods not exceeding four years terminating on November 30th of any year, and the signing of such Supplemental Capacity Agreements shall automatically prevent the expiration of the Interconnection Agreement during the term of the Supplemental Capacity Agreement.

V SURPLUS CAPACITY TO BE PURCHASED AND SOLD

- (1) The buyer of Surplus Capacity shall state the estimated amounts in kilowatts and the estimated time schedule of its Capacity Deficiency for the term of the Supplemental Capacity Agreement, and shall state its willingness to purchase such Surplus Capacity in accordance with said time schedule. Such amounts of Surplus Capacity shall not exceed 20,000 kilowatts.
- (2) The seller shall state its willingness to reserve for the buyer such amounts of Surplus Capacity for the specified time schedule. Such amounts of Surplus Capacity shall not exceed 20,000 kilowatts.
- (3) If the Supplemental Capacity Agreement is for a longer term than one year the buyer, on twelve months prior notice effective November 30th of any year, shall have the option, if the load growth on the buyer's system has not come up to expectation, to decrease the amount of Surplus Capacity contracted for.
- (4) The parties hereto agree to maintain at all times a reserve capacity of at least 10%, unless mutually agreed otherwise, and should the buyer of surplus Capacity find that it has purchased insufficient Surplus Capacity to provide at least 10% Reserve Capacity during the term of the Supplemental Capacity Agreement, the amount of Surplus Capacity contracted for by the buyer shall be increased to a value sufficient to bring its Reserve Capacity to 10% or to the amount agreed upon, and the buyer shall be obligated to pay for the increased Surplus Capacity provided always, and to the extent only, that the seller is able to supply such increased Surplus Capacity and maintain its own reserve capacity to at least 10%.

- (5) In the event of the transfer of any customers or loads from one party hereto to the other party hereto, the Capacity Deficiency and Surplus Capacity being purchased by the party with the decreased load shall be reduced immediately by the amount the transferred loads plus the related reserve capacity contributes to the Capacity Deficiency of that party and conversely the Surplus Capacity of the party acquiring the load shall be correspondingly decreased, such changes in Surplus Capacity being purchased and sold shall become effective the first of the month following the transfer of customers or loads.
- (6) If the Supplemental Capacity Agreement is for a longer term than one year, the buyer on twelve months prior notice effective on November 30th of any year, shall have the option, if generating capacity located within that party's service area is offered for sale and that party purchases said generating capacity, to decrease the amount of Surplus Capacity contracted for by the amount of the purchased generating capacity.

VI PRICE FOR SURPLUS CAPACITY

The buyer of Surplus Capacity agrees to pay the seller at the rate of \$1.67 per kilowatt per month of Surplus Capacity contracted for, plus an energy charge hereinafter defined.

VII PRICE FOR ENERGY ASSOCIATED WITH SURPLUS CAPACITY

The seller agrees to reserve for the buyer 438 kilowatt hours per month for each kilowatt of Surplus Capacity purchased, and the buyer agrees to pay the seller for each kilowatt hour actually taken at a rate equal to the cost as per Appendix "A", of generating and delivering such energy by the seller plus 10%, plus any export tax applicable. The hour to hour price for energy associated with Surplus Capacity shall be determined after all other energy requirements of the buyer have been generated, purchased, and purchased from a party hereto in accordance with the Interconnection Agreement.

VIII AMENDMENT AND CONFIRMATION OF THE INTERCONNECTION AGREEMENT

This Surplus Capacity Agreement shall be deemed to amend and supplement

The Interconnection Agreement and to be a part thereof, but all of the other terms and provisions of the Interconnection Agreement, as the same were in effect prior to the date of this Surplus Capacity Agreement, are hereby confirmed and shall continue in full force and effect and all of the terms and provisions of the Interconnection Agreement shall be deemed to be incorporated into and made a part of this Surplus Capacity Agreement.

This Surplus Capacity Agreement shall continue in full force and effect, subject to all of the provisions hereof, from the date all initial governmental permission is obtained for the export and import of electric energy under the terms of this Surplus Capacity Agreement and the use of the facilities of the parties hereto-as herein provided, until such time as The Interconnection Agreement shall terminate.

The signing of Supplemental Capacity Agreements provided for in this Surplus Capacity Agreement shall automatically prevent the expiration of the Interconnection Agreement, and this Surplus Capacity Agreement during the term of the Supplemental Capacity Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Surplus Capacity
Agreement to be executed in duplicate by the affixing of their Corporate Seals
attested by the signature of their proper officers, duly authorized in their behalf.

MAINE PUBLIC SERVICE COMPANY

By /s/ C. H. Stetson

President

Witness

/s/ T. H. Grant

Attest

/s/ R. A. Brown

Secretary

THE NEW BRUNSWICK ELECTRIC POWER COMMISSION OF NEW BRUNSWICK

By /s/ Donald Harper

Chairman

Witness

/s/ B. L. Forbes

Attest

/s/ P. O. Beaton

Secretary

APPENDIX "A"

SURPLUS CAPACITY AGREEMENT

Factors to be considered in arriving at the cost of Energy.

Account Number		Incremental Prices
726	t all	Coal Handling (Labour)
727	t-to-	Cost of Water
732		Boiler Maintenance
733	-	Turbine Maintenance
737		Maintenance of Coal Handling Equipment before Bunkers
738	146	Maintenance of Coal Handling Equipment after Bunkers
739	yak	Maintenance of Miscellaneous Power Plant Equipment
		Intercept Prices
721	<u></u>	Boiler Operation
722		Turbine Operation
723	~	Switchboard and Substation Operation
731	v =	Maintenance of Railway Sidings
736		Maintenance of Water Intake and Discharge Canals

In both types of energy pricing, the fuel costs will be included and will be made up as follows:

Cost f.o.b. at mine Loss in transit from mine to plant Storage deterioration in stockpile at plant Refuse cartage from plant

Additional charges of transmission losses and export duty are applicable.

SUPPLEMENTAL CAPACITY AGREEMENT

MEMORANDUM OF AGREEMENT made this 16th day of August 1962.

BETWEEN: The New Brunswick Electric Power Commission,

hereinafter called "The Commission" of the

first part,

AND: Maine Public Service Company,

hereinafter called "The Company" of the

second part,

WHEREAS, the parties hereto have entered into a Surplus Capacity

Agreement dated October 11, 1960, and

WHEREAS, in ARTICLE III of such Surplus Capacity Agreement,

Supplemental Capacity Agreements may be made at the mutual consent of the parties hereto,

NOW THEREFORE, The Company hereby agrees to purchase Surplus Capacity from The Commission and The Commission agrees to sell same during a period of four years starting December 1, 1961 and terminating November 30, 1965, in amounts estimated to be as follows:

KW	180	1961
KW	6,200	1962
KW	10,100	1963
KW	14,300	1964

above figures being subject to adjustments in accordance with ARTICLE V, Sections (3), (5) and (6) of said Surplus Capacity Agreement.

In witness whereof, the parties hereto have caused this Supplemental Capacity Agreement to be executed in duplicate by the affixing of their Corporate Seals attested by the signature of their proper officers, duly authorized in their behalf.

	MAINE PUBLIC SERVICE COMPANY
Witness	
/s/DEGalennie	BY ./9/CH. Stetson
(SEAL)	Attest
	/s/ R. A. Brown Secretary
	THE NEW BRUNSWICK ELECTRIC POWER COMMISSION
Witness	BY ./s/ Donald C. Harper
/s/ E. O. Mathews	Attest
	/s/ P. J. Burns Secretary
	(SEAL)

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SUPPLEMENTAL CAPACITY AGREEMENT

MEMORANDUM OF AGREEMENT made this sixth day of June, 1963.

BETWEEN: THE NEW BRUNSWICK ELECTRIC POWER COMMISSION, hereinafter called "The Commission" of the first part,

AND: MAINE PUBLIC SERVICE COMPANY,
hereinafter balled "The Company" of the
second part,

WHEREAS, the parties hereto have entered into a Surplus Capacity

Agreement dated October 11, 1960, and

WHEREAS, in ARTICLE III of such Surplus Capacity Agreement,

Supplemental Capacity Agreements may be made at the mutual

consent of the parties hereto,

NOW THEREFORE, The Company hereby agrees to purchase Surplus Capacity from The Commission and The Commission agrees to sell same during a period of four years starting December 1, 1962 and terminating November 30, 1965, in amounts estimated to be as follows:

December 1, 1962 to December 31, 1962 (Actual) 3,700 KW

December 1, 1962 to December 31, 1962 (Contract) 6,200 KW

January 1, 1963 to November 30, 1963 (Adjusted) 3,100 KW

December 1, 1963 to November 30, 1964 1,900 KW

December 1, 1964 to November 30, 1965 4,600 KW

above figures being subject to adjustments in accordance with

ARTICLE V, Sections (3), (5) and (6) of said Surplus Capacity

Agreement.

This Agreement supersedes previous Supplemental Capacity
Agreement dated August 16, 1962.

In witness whereof, the parties hereto have caused this Supplemental Capacity Agreement to be executed in duplicate by the affixing of their Corporate Seals attested by the signature of their proper officers, duly authorized in their behalf.

MAINE PUBLIC SERVICE COMPANY

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/s/ T. H. Grant	By President
	Attest /s/ R. A. Brown
	Secretary THE NEW BRUNSWICK ELECTRIC POWER COMMISSION
	/s/ Donald G. Harper By Chairman
Witness /s/ E. A. Matthews	Attest /s/ P. F. Burns Secretary

SUPPLEMENTAL CAPACITY AGREEMENT

MEMORANDUM OF AGREEMENT made this fifteenth day of April, 1965.

BETWEEN: THE NEW BRUNSWICK ELECTRIC POWER COMMISSION, hereinafter called "The Commission" of the first part,

AND:

MATNE PUBLIC SERVICE COMPANY,

heretnafter called "The Company" of the second part,

WHEREAS, the parties hereto have entered into a Surplus Capacity

Agreement dated October 11, 1960, and

WHEREAS, in ARTICLE III of such Surplus Capacity Agreement,

Supplemental Capacity Agreements may be made at the mutual consent of the parties hereto,

NOW THEREFORE, The Company hereby agrees to purchase Surplus Capacity from The Commission and The Commission agrees to sell same during a period of three years starting December 1, 1964 and terminating November 30, 1967, in amounts estimated to be as follows:

December 1, 1964 to November 30, 1965 (Actual) 5,100 KW

December 1, 1965 to November 30, 1966 -0
December 1, 1966 to November 30, 1967 -0-

above figures being subject to adjustments in accordance with ARTICLE V, Sections (3), (5) and (6) of said Surplus Capacity Agreement.

This Agreement supersedes previous Supplemental Capacity Agreement dated February 20, 1964.

In witness whereof, the parties hereto have caused this Supplemental Capacity Agreement to be executed in duplicate by the affixing of their Corporate Seals attested by the signature of their proper officers, duly authorized in their behalf.

MAINE PUBLIC SERVICE COMPANY

idi tangg

Witness

III Jant

By CASCOCK

Attest

Axawa Secretary

THE NEW BRUNSWICK ELECTRIC POWER COMMISSION

Mlb rocher Chairman

Αrr

Attest

Secretary

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SUPPLEMENTAL CAPACITY AGREEMENT

MEMORANDUM OF AGREEMENT made this sixth day of June 1963.

BETWEEN: THE NEW BRUNSWICK ELECTRIC POWER COMMISSION,

hereinafter called "The Commission" of the

first part,

AND: MAINE PUBLIC SERVICE COMPANY,

hereinafter called, "The Company" of the

second part,

WHEREAS, the parties hereto have entered into a Surplus

Capacity Agreement dated October 11, 1960, and

WHEREAS, in ARTICLE III of such Surplus Capacity Agreement,

Supplemental Capacity Agreements may be made at the

mutual consent of the partieschereto,,

NOW THEREFORE, The Company hereby agrees to purchase Surplus Capacity

from The Commission and The Commission agrees to sell same

from The Commission and the Commission agrees to sell same

during a period of four years starting December 1, 1962

and terminating November 30, 1965, in amounts estimated to

be as follows:

December 1, 1962 to December 31, 1962 (Actual) 3,700 KW

December 1, 1962 to December 31, 1962 (Contract) 6,200 KW

January 1, 1963 to November 30, 1963 (Adjusted) 3,100 KW

December 1, 1963 to November 30, 1964 1,900 KW

December 1, 1964 to November 30, 1965 4,600 KW

above figures being subject to adjustments in accordance with

ARTICLE V, Sections (3), (5) and (6) of said Surplus Capacity

Agreement.

This Agreement supersedes previous Supplemental Capacity
Agreement dated August 16, 1962.

In witness whereof, the parties hereto have caused this Supplemental Capacity Agreement to be executed in duplicate by the affixing of their Corporate Seals attested by the signature of their proper officers, duly authorized in their behalf.

	MAINE PUBLIC SERVICE COMPANY
Witness	
/s/ T H Grant	By ./\$/.C. H. Stetson
	Attest
	/s/ R. A. Brown Secretary
	THE NEW BRUNSWICK ELECTRIC POWER COMMISSION
	By ./s/. Donald.C. Harper
Witness	Attest
/s/ E, A. Matthews	/s/ P. T. Burns

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DUPLICATE OF SIGNED COPY

AMENDMENT TO INTERCONNECTION AGREEMENT BETWEEN

THE NEW BRUNSWICK ELECTRIC POWER COMMISSION

VHD

MAINE PUBLIC SERVICE COMPANY

Memorandum of Agreement made this <u>John</u> day of <u>January</u>, 4007 at Fredericton, New Brunswick, Canada between the New Brunswick Electric Power Commission, a statutory body created by an Act of the Legislature of the Province of New Brunswick, Canada, hereinafter called "The Commission", and the Maine Public: Service Company, a Corporation organized and existing under the laws of the State of Maine, one of the United States of America, hereinafter called "The Company", both of which are hereinafter sometimes referred to as "The Parties Hereto";

WHEREAS the Company and the Commission have entered into an Interconnection Agreement dated February 4, 1957, to interconnect their respective transmission systems between the Company's substation near Presque Isle and the Commission's Beechwood terminal station.

WHEREAS the parties hereto desire to supplement and amend the said Interconnection Agreement to provide for an additional point of interconnection to be known as the Edmundston-Madawaska International Power Line. NOW THEREFORE this Agreement witnesseth that subject to approval by the appropriate governmental boards or agencies, the parties hereto in consideration of the mutual covenants and agreements contained herein do covenant and agree with each other as follows:

A. FACILITIES

The Commission will install and own a 69 K.V. terminal station at Edmundston, N. B., and from this station build that portion of the transmission line, consisting of 2-69 K.V. circuits, to the point where the transmission line crosses the international boundary.

The Company will build and own that portion of the transmission line, consisting of 2 - 69 K.V. circuits, from Madawaska, Maine, to the point where the transmission line crosses the international boundary.

B. RATES AND CHARGES

- 1. Commencing on the date that the $2\sim69$ K.V. circuits are connected to the Commission's system as described in Section A, the Company shall pay the Commission the following charges in Capadian Currency for installation, maintenance and operation by the Commission of such facilities.
 - (a) A monthly sum equal to one percent (1%) of the actual total installed cost of the Edmundston terminal station multiplied by the ratio of one breaker position to the total number of breaker positions in the terminal station, but the monthly charge shall in no case exceed elx hundred and twenty-three dollars (\$623.00).

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- (b) A monthly sum equal to one percent (1%) of one half the actual total installed cost of the transmission line from the Edmundston terminal to the point where the transmission line crosses the international boundary, but the monthly charge shall in no case exceed three hundred dollars (\$300.00).
- The rates and charges above provided for shall continue in force until such time as one or both of the circuits of the Edmundston-Madawaska International Power Line are, on one year's notice in writing, given by the Company to the Commission, declared to be no longer required and are taken out of service. Notwithstanding the discontinuance of use of one or both circuits of the line, or the termination of the Interconnection Agreement under the provisions of Article XIV thereof, payment under B 1(a) shall be made for a minimum period of five years and under B 1(b) for a minimum period of ten years from the initial date of fully energizing both circuits of the line and its associated equipment in the Edmundston Terminal.

IN WITHESS WHEREOF, the parties hereto have caused their corporate seals to be hereto affixed and these presents to be executed by their duly authorized officers respectively.

> THE NEW DRUNSWICK ELECTRIC POWER COMMISSION

SEAL

Chairman Secretary

MAINE PUBLIC SERVICE COMPANY

SEAL

President

Secretary



THE NEW BRUNSWICK ELECTRIC POWER COMMISSION LA COMMISSION D'ÉNERGIE ÉLECTRIQUE DU NOUVEAU-BRUNSWICK 527 King Street, Fredericton, N.B. E3B 4X1

1980-11-10

Nr. Mel Hovey
Vice President
Operations & Engineering
Maine Public Service Company
209 State Street
Presque Isle, Maine
U.S.A. 04769

Dear Mel:

The Interconnection Agreement of February 4th, 1957 between The New Brunswick Electric Power Commission and Maine Public Service has been amended several times over the intervening years in order to increase its effectiveness.

Following out of discussions we have had it is proposed that a further change be made to facilitate energy transactions between NB Power and MPS - the addition of "Other Energy" under the "Prearranged Kilowatthours" type of energy delivery classification:

Interconnection Agreement Article V

- 5) Classification of Energy Deliveries
 - a) Prearranged Kilowatthours
 - i) Scheduled Kilowatthours
 - 11) Displacement Kilowatthours (Economy and Assured Economy)
 - iii) Other Energy

"Other Energy" is energy not otherwise classified or defined in this Article and which is available to the Seller over and above its commitments or requirements. The conditions for the supply of Other Energy shall be agreed upon by the Administrative Committee.

There are currently two classifications of Other Energy which need be included at this time. These are as defined in the attached Appendices: "Other Energy Classification No. 2" and "Other Energy Classification No. 3". (The Classification numbering of Other Energy follows the standard established and being utilized with all our interconnection agreements in which the category "Other Energy" exists.)

This Agreement shall be in effect from January 1, 1981 through December 31, 1981. Thereafter the Agreement may continue in effect subject to the cancellation by either party on giving notice to the other party thirty or more days in advance of the date of cancellation.

The Terms of this Agreement shall be reviewed annually by the Administration Committee.

F. /C. MacLoon

Assistant General Manager - Operations The New Brunswick Electric Power Commission

G. M. Hovey

Vice President - Operations & Engineering

Maine Public Service Company

Date:

December 3, 1980

ATTACHMENT A

Other Energy - Classification 2

Definition:

Fuel Replacement Energy is from time to time available to NB Power from Hydro-Québec. This energy may at times be surplus to the needs of NB Power and may be made available for delivery to MPS to allow cost savings through load reductions on thermal generation.

Conditions of Supply:

This classification of energy may be offered by NB Power to MPS on an hourly basis as it is made available by Hydro-Québec and is surplus to NB Power's needs.

Rate:

MPS shall pay NB Power 80% of the MPS decrement per MWh of energy purchased under this classification.

This Agreement shall be in effect from January 1, 1981 through December 31, 1981. Thereafter the Agreement may continue in effect subject to the cancellation by either party on giving notice to the other party thirty or more days in advance of the date of cancellation,

The Terms of this Agreement shall be reviewed annually by the Administration Committee.

F. E. MacLoon

Assistant General Manager - Operations The New Brunswick Electric Power Commission

G. M. Hovey

Vice President 2 Operations & Engineering

Maine Public Service Company

Date: December 3, 1980

ATTACHMENT B

Other Energy - Classification 3

Definition:

Energy delivered by one party to the other for a stated period, not shorter than 36 hours nor longer than 168 hours, to supplement generation sources on the purchaser's system. This energy shall be delivered at a scheduled rate which shall be mutually agreed upon prior to commencing the delivery.

Condition of Supply:

The delivery by the supplier of this Classification of energy may be contingent upon having a stated minimum capacity available from a specified unit or plant.

Transactions shall be scheduled on the applicable Eastern Standard Time or Eastern Daylight Time.

The purchasing party shall pay the supplying party for the total amount of energy contracted for, at the agreed upon rate for that period of schedule whether or not the energy was actually taken. Cessation or a reduction in delivered quantities caused by the supplying party shall result in payment being based on the amount of energy actually delivered.

Rate:

The rate for this Classification of energy shall be agreed upon by the parties on a transaction by transaction basis and the rate quoted shall remain in effect for the term of the transaction.

Amount:

The maximum amount of energy to be delivered in a week shall not exceed $11,760\,$ MWh. The rate of delivery to be as scheduled, up to $70\,$ MW per hour.

PHEDERIČTCH, N.S.

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If Maine Public Service agrees to the terms and conditions outlined above for Other Energy, please confirm your approval by signing in the space provided below and return one original to the undersigned.

Sincerely,

F./C. MacLoon
Assistant General Manager - Operations
The New Brunswick Electric Power Commission

Vice President - Operations & Engineering

Maine Public Service Company

Att. (2)

63

515 King Street Fredericton, N.B. E3B 4X1

October 25, 1983

Mr. Frederick C. Bustard, Vice President Maine Public Service Company 209 State Street Presque Isle, Maine U.S.A. 04769

RECT NOV 7 1983 PASS

Dear Fred:

In follow-up to my recent discussions with Peter Louridas concerning the pricing of "Scheduled Kilowatthours" I am attaching a proposed Agreement entitled Attachment "C" which will supercede the Letter of Agreement of 1979-08-27.

JANUARYI, ISE'T MITT.

Effective December 1, 1983, the charges to either party for Scheduled Kilowatthours shall be as detailed in this Agreement, subject to the approval of the National Energy Board of Canada.

If you concur, please sign and return one copy for our records.

Yours truly,

Walter Patterson

Manager - System Operations

CC P. Farris 11-7



MAINE PUBLIC SERVICE COMPANY

209 STATE STREET P.O. BOX 1209 PRESQUE ISLE, MAINE 04769 207-768-5811

FREDERICK C. BUSTARD VICE PRESIDENT ENGINEERING & OPERATIONS

December 5, 1983

Mr. Walter Patterson Manager, System Operations The New Brunswick Electric Power Commission

515 King Street Fredericton, New Brunswick Canada E3B 4X1

Dear Walter:

Enclosed please find a signed copy of Attachment "C" - Scheduled Kilowatthours as well as a copy of your letter indicating a January 1, 1984, effective date, subject to the approval of the National Energy Board of Canada.

Very truly yours,

Frederick C. Bustard

Vice President

Engineering & Operations

FCB: 1ms

Enclosure

cc P. C. Louridas DEC 06 1983 P.C.

L. S. Cronkite

ESH Contracts Book "Scheduled Energy" File (in B4)

ATTACHMENT "C"

MAINE PUBLIC SERVICE COMPANY - NB POWER SCHEDULED KILOWATTHOURS

In accordance with the Interconnection Agreement dated the 4th day of February, 1957 between Maine Public Service Company and The New Brunswick Electric Power Commission with respect to Article VII, the Administrative Committee agrees to the following:

Definition

Energy delivered at the request of the receiving party in order to supplement its own generating capability at times of temporary deficiency.

Condition of Supply

This classification of energy will be maintained by the delivering party unless prevented by an unusual emergency or other unforseen conditions.

Rate

The greater of the following:

- Cost of generating and transmitting such energy times 1) 1.10 plus \$4.00 (Cdn.)/MWh.
- A rate equivalent to the rate for Economy Energy 2) purchased for the hour plus \$4.00(Cdn.)/MWh.

The terms of this agreement shall be reviewed annually or more frequently as required by the Administrative Committee.

Walter A. Patterson, Manager

System Operations

Vice President



THE NEW BRUNSWICK ELECTRIC POWER COMMISSION LA COMMISSION D'ÉNERGIE ÉLECTRIQUE DU NOUVEAU-BRUNSWICK

P.O. Box 2000 Fredericton, N.B. E3B 4X1

File: 3-317 MPS

1985-01-30

Mr. Frederick C. Bustard Vice President, Engineering and Operations Maine Public Service Company P.O. Box 1209 Presque Isle, Maine U.S.A. 04769

Dear Mr. Bustard:

Whereas Maine Public Service Company has provided the technical changes on its power system, the net effect of which will permit NB Power to purchase, from time to time, additional energy from Hydro Quebec and reduce the quantity of energy otherwise required to be generated by NB Power's more expensive thermal generating sources, and in consideration of Maine Public Service Company continuing to maintain these technical changes on its system, NB Power agrees as follows:

- 1. That NB Power will pay to Maine Public Service Company a sum equal to one half (½) of the savings that NB Power realizes from the aforesaid action of Maine Public Service Company which permits NB Power to purchase additional energy from Hydro Quebec and decrease the quantity of energy otherwise required to be generated by NB Power's more expensive thermal generating sources.
- 2. That N.B. Power will determine the savings by use of NB Power's production modelling program having input N.B. Power's prevailing production forecast information together with information provided by the Scheduling Committee, as set out in Article III of the Interconnection Agreement dated February 4, 1957. The savings will be determined semi-annually prior to November 1 and May 1 of each year for each month of the ensuing 6 month periods; except that the savings realized by N.B. Power for each month of the period between December 1, 1984 and May 1, 1985 will be determined between the date of signing of this Agreement and May 1, 1985. The savings for the period between December 1, 1984 and May 1, 1985 will be determined using actual information between December 1, 1984 and the date of National Energy Board approval; and using prevailing forecast information between the date of National Energy Board Approval and May 1, 1985.

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- 3. That if in any period either NB Power or Maine Public Service Company considers that the actual operating conditions are sufficiently different, from the forecast conditions for that period, to have resulted in an error of approximately 20% or more in the aforesaid savings to NB Power, then either NB Power or Maine Public Service Company may require that the production modelling program be re-run using actual operating information. In the event that an error of more than 10% is found between the forecast and actual savings, an adjustment without interest will be made in the next payment.
- 4. That payments to Maine Public Service Company shall be made monthly and shall be made in accordance with the provisions of Article VIII (Billing) of the Interconnection Agreement dated February 4, 1957.
- That the Scheduling Committee shall review the results of the production modelling studies used to determine the aforesaid savings to NB Power and payments to Maine Public Service Company.
- 6. That the cost of determining, and re-determining, the aforesaid saving to NB Power and resulting payments to Maine Public Service Company shall be borne equally by NB Power and Maine Public Service Company.
- 7. That this Agreement shall be reviewed annually by the Scheduling Committee.
- 8. That this agreement may be cancelled by either NB Power or Maine Public Service Company having first given at least twelve months prior written notice to the other party, or at any time by mutual agreement of both parties.

You will understand, of course, that NB Power's obligations as set out herein are subject to initial and continuing approval by the National Energy Board. As soon as the National Energy Board has advised NB Power in this regard, NB Power will inform you, and if approval is obtained, NB Power will make the payments as set out herein. If approval is not obtained, then neither NB Power nor Maine Public Service Company shall have any obligation or liability under this Agreement.

Should this agreement be satisfactory to Maine Public Service Company, please return a countersigned copy of this letter for our file.

Yours truly,

Gh Titus

G.L.Titus

Assistant General Manager Planning and Development

GLT/eso

Maine Public Service Company agrees with the provisions as set out in the above letter.

Frederick C. Bustard

dated

3/ January, 1985.

Vice President, Engineering and Operations

Maine Public Service Company

ATTACHMENT A

Form Of Service Agreement For Firm Point-To-Point Transmission Service

- 1.0 This Service Agreement, dated as of <u>September 1, 2013</u>, is entered into, by and between <u>Maine Public Service Company</u> (the Transmission Provider), and <u>ReEnergy Holdings LLC</u>, parent of <u>ReEnergy Fort Fairfield LLC and ReEnergy Stratton LLC</u> ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (1) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Maine Public Service Company P.O. Box 1209 10 Parkhurst Siding Road Presque Isle, ME 04769

Transmission Customer:

ReEnergy Holdings LLC

Contact: Nathan Hebel

Address: 30 Century Hill Drive, Suite 101

Latham, NY 12110

Telephone: (518) 810-0200

Fax: (518) 640-9323

Email: nhebel@reenergyholdings.com

7.0 The Tariff is incorporated herein and made a part hereof.

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

Transmission Provider:

Name Gerard R. Chasse

President & C.O.O.

Title

Transmission Customer:

By: _ Z

Chief Risk Officer

Date

30 July 17

William H. Ralston

Specifications For Long-Term Firm Point-To-Point Transmission Service

1.0 Term of Transaction: 13 months (OASIS Transmission Reservation #78576713)

Start Date: September 1, 2013

Termination Date: September 30, 2014

2.0 Description of capacity and energy to be transmitted by Transmission Provider including the electric Control Area in which the transaction originates.

The electrical capacity and energy is produced in the MPS service area, which is part of the NMISA region. The POR is Boralex FF. The POD in NBP interface.

3.0 Point(s) of Receipt: Boralex FF NKA ReEenrgy Fort Fairfield

Delivering Party: ReEnergy Fort Fairfield LLC

4.0 Point(s) of Delivery: NBP

Receiving Party: ReEnergy Fort Fairfield LLC

- 5.0 Maximum amount of capacity and energy to be transmitted (Reserved Capacity): 21 MW
- 6.0 Designation of party(ies) subject to reciprocal service obligation: N/A
- 7.0 Name(s) of any Intervening Systems providing transmission service: N/A
- 8.0 Service under this 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 the Tariff.)
 - 8.1 Transmission Charge: "Rates Effective per Tariff"; currently \$41.07/kW-yr.
 - 8.2 System Impact and/or Facilities Study Charge(s): N/A
 - 8.3 Direct Assignment Facilities Charge: N/A

ATTACHMENT A

Form Of Service Agreement For Firm Point-To-Point Transmission Service

- 1.0 This Service Agreement, dated as of <u>April 11, 2013</u>, is entered into, by and between <u>Maine Public Service Company</u> (the Transmission Provider), and <u>ReEnergy Holdings LLC</u>, <u>parent of ReEnergy Fort Fairfield LLC and ReEnergy Stratton LLC</u> ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (I) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Maine Public Service Company P.O. Box 1209 10 Parkhurst Siding Road Presque Isle, ME 04769

Transmission Customer:

ReEnergy Holdings LLC
30 Century Hill Drive, Suite 101
Latham, NY 12110

7.0 The Tariff is incorporated herein and made a part hereof.

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

Transmission Provider:

By: Italer E. Lawas SUP+Treasurer \$11/13
Name Title Date

Transmission Customer:

By: CHIEF RISK OFFICER 11 April 13

Name Title Date

ATTACHMENT B

Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service

- 1.0 This Service Agreement, dated as of <u>April 11, 2013</u>, is entered into, by and between <u>Maine Public Service Company</u> (the Transmission Provider), and <u>ReEnergy Holdings</u>
 <u>LLC</u>, parent of <u>ReEnergy Fort Fairfield LLC</u> and <u>ReEnergy Stratton LLC</u> (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Transmission Provider to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
- 3.0 Service under this Agreement shall be provided by the Transmission Provider upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Maine Public Service Company P.O. Box 1209 10 Parkhurst Siding Road Presque Isle, ME 04769

Transmission Customer:

ReEnergy Holdings LLC
30 Century Hill Drive, Suite 101
Latham, NY 12110

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEROF, the parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: fetter & Lower

Tiela

Date

Transmission Customer:

By: 712 2/20

HIEFRISK OFFICE Title

Date

Effective: September 15, 2000

ATTACHMENT B

Form Of Service Agreement For Non-Firm Point-To-Point Transmission Service

- This Service Agreement, dated as of February 22, 2006, is entered into, by and between Maine 1.0 Public Service Company (the Transmission Provider), and Evergreen Wind Power, LLC (Transmission Customer).
- 2.0 The Transmission Customer has been determined by the Transmission Provider to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 18.2 of the Tariff.
- 3.0 Service under this Agreement shall be provided by the Transmission Provider upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- Any notice or request made to or by either Party regarding this Service Agreement shall be 6.0 made to the representative of the other Party as indicated below.

Transmission Provider:

Transmission Services Maine Public Service Company P.O. Box 1209 Presque Isle, Maine 04769

Issued by: William L. Cyr

Vice President, Power Delivery Transmission Services

Issued on: October 13, 2000

Maine Public Service Company FERC Electric Tariff 1st Revised Volume No. 4

Transmission Customer:

Evergreen Wind Power, LLC c/o UPC Wind Management, LLC 100 Wells Ave. Suite 201 Newton, MA 02459

7.0 The Tariff is incorporated herein and made a part hereof.

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

By: President Ob Mar Ob
Brent M. Boyles Title Date

Transmission Customer:

Transmission Provider:

Paul Glynor Title Date

Issued by: William L. Cyr

Vice President, Power Delivery Transmission Services

Issued on: October 13, 2000

Effective: September 15, 2000

Original Sheet No. 156

Maine Public Service Company FERC Electric Tariff 1st Revised Volume No. 4

ATTACHMENT A

Form Of Service Agreement For Firm Point-To-Point Transmission Service

- 1.0 This Service Agreement, dated as of March 21, 2006 is entered into, by and between Maine Public Service Company (the Transmission Provider), and Evergreen Wind Power, LLC ("Transmission Customer").
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this agreement shall commence on the later of (I) the requested service commencement date, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Transmission Services Maine Public Service Company P.O. Box 1209 Presque Isle, ME 04769

Issued by: William L. Cyr

Issued on: October 13, 2000

Vice President, Power Delivery Transmission Services

Effective: September 15, 2000

Maine Public Service Company FERC Electric Tariff 1st Revised Volume No. 4

Transmission Customer:

Evergreen Wind Power, LLC c/o UPC Wind Management, LLC 100 Wells Ave. Suite 201 Newton, MA 02459

7.0 • The Tariff is incorporated herein and made a part hereof.

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

Transmission Provider:

By: Brent M. Royles

President

3-23-06

Date

Transmission Customer:

By: Van H

PRESIDENT

Doto

Issued by: William L. Cyr

Vice President, Power Delivery Transmission Services

Issued on: October 13, 2000

Effective: September 15, 2000

EXHIBIT B

Statement of Opinion of Counsel

This opinion is rendered in connection with the Application of Emera Maine for

Authorization to Transmit Electric Energy to Canada, dated March 31, 2016, and pursuant to 10

C.F.R. Section 205.303(b).

Based on my understanding and review of Emera Maine, my knowledge of the corporate

powers of Emera Maine, and my examination of such documents, records and matters of laws as

I have considered to be relevant, it is my opinion that:

1. The proposed exports of electrical power described in the Application are within the

corporate powers of Emera Maine; and

2. Emera Maine has complied and will comply with all pertinent Federal and State laws.

I am opining herein only as to federal laws of the United States and laws of relevant

States within the United States, and I express no opinion as to the laws of any other jurisdiction.

I am not assuming any obligation to review or update this opinion should the law or existing

facts or circumstances change. This opinion is provided by me as counsel for Emera Maine

solely to you for your exclusive use and is not to be made available to or relied upon by any

other person or entity without my prior written consent.

Respectfully Submitted,

Bonnie A. Suchman

Dated: March 31, 2016

EXHIBIT C

International Transmission Facilities At the U.S.-Canada Authorized for Use by Third-Party Transmitters

Present Owner	Location	Voltage	Presidential
			Permit No
Bangor Hydro Electric Company	Baileyville, ME	345-kV	PP-89-2
Basin Electric Power Cooperative	Tioga, ND	230-kV	PP-64
Bonneville Power Administration	Blaine, WA	2-500-kV	PP-10
Booviiio x ovioi x addinates	Nelway, WA	230kV	PP-36
	Nelway, WA	230-kV	PP-46
Eastern Maine Electric Cooperative	Calais, ME	69-kV	PP-32
International Transmission Company	Detroit, MI	230-kV	PP-230
	Marysville, MI	230-kV	PP-230
	St. Claire, MI	230-kV	PP-230
	St. Claire, MI	345-kV	PP-230
Joint Owners of the Highgate Project	Highgate, VT	120-kV	PP-82
Long Sault, Inc	Massena, NY	2-115-kV	PP-24
Maine Electric Power Company	Houlton, ME	345-kV	PP-43
Maine Public Service Company	Limestone, ME	69-kV	PP-12
1	Fort Fairfield, ME	69-kV	PP-12
	Easton, ME	138-kV	PP-29-1
	Madawaska, ME	2-69-kV	PP-29-1
Minnesota Power Inc	International Falls, MN	115-kV	PP-78
Minnkota Power Cooperative	Roseau County, MN	230-kV	PP-61
Montana Alberta Tie Ltd.	Cut Bank, MT	230-kV	PP-305
New York Power Authority	Massena, NY	765-kV	PP-56
•	Massena, NY	2-230-kV	PP-25
	Niagara Falls, NY	2-345-kV	PP-74
	Devil's Hole, NY	230-kV	PP-30
Niagara Mohawk Power Corp.	Devil's Hole, NY	230-kV	PP-190
Northern States Power Company	Red River, ND	230-kV	PP-45
	Roseau County, MN	500-kV	PP-63
	Rugby, ND	230-kV	PP-231
Sea Breeze Olympic Converter LP	Port Angeles, WA	±450-kV DC	PP-299
Vermont Electric Power Co.	Derby Line, VT	120-kV	PP-66

Vermont Electric Transmission Co.	Norton, VT	±450-kV DC	PP-76
	Millbury, MA Medway, MA	345-kV 345-kV	
	Imperial Valley, CA	230-kV	PP-79

EXHIBIT E

Statement of Any Corporate Relationship or Existing Contract

Not Applicable.

EXHIBIT F -- OPERATING PROCEDURES

Not Applicable