



November 16, 2007

VIA HAND DELIVERY

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: ISO New England Inc., Filing of Revised Tariff Sheet for Recovery of Costs for the 2008 Operation of the New England States Committee on Electricity; Docket No. ER08-

Dear Ms. Bose:

ISO New England Inc. (the “ISO” or “ISO-NE”) hereby submits, pursuant to Section 205 of the Federal Power Act (“FPA”), Part 35 of the Rules of Regulations of the Federal Energy Regulatory Commission (the “Commission”), for Commission approval a five year budget and accompanying revised tariff sheet (the “Revised Sheet”) from Section IV.A of the ISO’s Transmission, Markets and Service Tariff (“ISO Tariff”)¹ for the purpose of recovering funding for the operation of the New England States Committee on Electricity (“NESCOE”) for calendar year 2008. The New England Governors Conference (“NEGC”) joins in this filing.

This filing letter explains the proposed 2008-2012 budget for the NESCOE and requests a rate of \$0.00354 per kW of Monthly Network Load to fund that budget for 2008.² The ISO requests waiver of the 60 day notice requirement so that the Commission accept the Revised Sheet as filed, effective **January 1, 2008**.³

¹ Capitalized terms used but not otherwise defined in this filing have the meanings ascribed thereto in the ISO Tariff or the Participants Agreement.

² The five year budget submitted for Commission approval was contemplated in the September 6, 2006 Term Sheet, included as Attachment C to the August 31, 2007 joint filing by the ISO, NESCOE and NEPOOL in Docket No. ER07-1324. As set forth in the term sheet, annual review of NESCOE’s budget by the NEPOOL Participants Committee “will be limited to considerations of accounting and reconciliation, so long as spending remains within the boundaries established by [the] budget frameworks. *See* Term Sheet at 6.

³ As contemplated in the August 31, 2007 filing in Docket No. ER07-1324, revenues collected under Schedule 5 will not be remitted to NESCOE until it is incorporated, has executed a Memorandum of Understanding with the ISO, has developed a Code of Conduct and has executed an operating agreement with NEGC. The August 31, 2007 filing

The ISO believes that the attached annual budget and explanation of NESCOE's budget process establish that this filing is just and reasonable. Six copies of this filing letter and its associated exhibits are filed herewith.

I. DESCRIPTION OF THE FILING PARTIES; COMMUNICATIONS

The ISO is the private, non-profit entity that serves as the regional transmission organization ("RTO") for New England. The ISO operates the New England bulk power system and administers New England's organized wholesale electricity market pursuant to the ISO Tariff and the Transmission Operating Agreement with the New England Participating Transmission Owners. In its capacity as an RTO, the ISO has the responsibility to protect the short-term reliability of the New England Control Area and to operate the system according to reliability standards established by the Northeast Power Coordinating Council ("NPCC") and the North American Electric Reliability Council ("NERC").

The New England Governors' Conference ("NEGC"), an informal alliance since colonial days, was formally established in 1937 by the Governors of the six-state region to promote New England's economic development. In 1981, the Conference incorporated as a non-partisan, non-profit, tax-exempt 501(c)(3) corporation. The region's six governors serve as its Board of Directors. Annually, the governors select a Chairman to oversee the activities of the organization. Governor James Douglas of Vermont chairs the NEGC in 2007. The NEGC's framework permits the Governors to work together, to coordinate and implement policies and programs which are designed to respond to regional issues. The NEGC coordinates regional policy programs in the areas of economic development, transportation, environment, energy, and health, among others. Through these efforts, the Conference seeks to coordinate, effectively and cost-efficiently, regional policies that reflect and benefit the states. The NEGC manages committees of state officials in such areas as energy, the environment, and economic development. The NEGC also serves as the New England Secretariat for the Conference of New England Governors and Eastern Canadian Premiers. The Conference of New England Governors and Eastern Canadian Premiers, which first met in 1973, is a unique, inter-regional, bi-national organization.

also contemplated that the organizational documents just referenced would be submitted to the Commission for informational purposes. NESCOE expects to make that informational filing with the Commission in the next several days.

All correspondence and communications in this proceeding should be addressed to the undersigned for the ISO as follows:

Maria Gulluni, Esq. Assistant General Counsel – Corporate ISO New England Inc. One Sullivan Road Holyoke, MA 01040-2841 Tel: (413) 540-4473 Fax: (413) 535-4379 E-mail: mgulluni@iso-ne.com	Daniel R. Simon, Esq. Ballard Spahr Andrews & Ingersoll, LLP 601 13 th Street, N.W. Washington, D.C. 20005 Tel: (202) 661-2200 Fax: (202) 661-2299 E-mail: simond@ballardspahr.com
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And to NEGC as follows:

Charles C. Tretter, Executive Director New England Governors' Conference, Inc. 76 Summer Street, 2nd floor Boston, MA 02110-1226 tel.: 617-423-6900 fax: 617-423-7327 e-mail: negc@tiac.net	
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II. STANDARD OF REVIEW

The ISO submits these changes to its filed rate schedule pursuant to Section 205 of the FPA, which “gives a utility the right to file rates and terms for services rendered with its assets.”⁴ Under Section 205, the Commission “plays ‘an essentially passive and reactive’ role”⁵ whereby it “can reject [a filing] only if it finds that the changes proposed by the public utility are not ‘just and reasonable.’”⁶ The Commission limits this inquiry “into whether the rates proposed by a utility are reasonable - and [this inquiry does not] extend to determining whether a proposed rate schedule is more or less reasonable than alternative rate designs.”⁷ As a result, even if an

⁴ *Atlantic City Elec. Co. v. FERC*, 295 F.3d 1, 9 (D.C. Cir. 2002).

⁵ *Id.* at 10 (quoting *City of Winnfield v. FERC*, 744 F.2d 871,876 (D.C. Cir. 1984)).

⁶ *Id.*

⁷ *City of Bethany v. FERC*, 272 F.2d 1131,1136 (D.C. Cir. 1984).

intervenor or the Commission develops an alternative proposal, the Commission must accept the ISO's Section 205 filing if it is just and reasonable.⁸

III. DOCUMENTS SUBMITTED WITH THIS FILING

This filing includes the Revised Tariff Sheet identified above, in both clean and red-lined versions. To support and explain this tariff change, the ISO has attached the Prepared Direct Testimony of David O'Brien, Commissioner of the Vermont Department of Public Service. The following documents are submitted with this filing:

- Exhibit 1- Revised Sheet
- Exhibit 2- Blacklined versions of Revised Sheet
- Exhibit 3- Prepared Testimony of David O'Brien
- Exhibit 4- Proposed 2008 Operating Expense Budget for NESCOE
- Exhibit 5- Pro Forma NESCOE Operating Budgets 2008 through 2012
- Exhibit 6- Lists of Transmission Customers that are not NEPOOL Participants, New England Governors, New England electric regulatory agencies, and other New England regional bodies to which the ISO has sent copies of this filing

IV. PROPOSED 2008-2012 BUDGET

Pursuant to the September 8, 2006 Term Sheet attached as Attachment C to ISO New England's August 31, 2007 filing for recovering funding for the operation of NESCOE (Docket No. ER07-1324), enclosed is the five-year pro forma budget for calendar years 2008 through 2012, as well as the proposed budget for fiscal year 2008 for NESCOE.

Consistent with the Term Sheet approved by the NEPOOL Participants Committee, the total amount budgeted for fiscal year 2008 is approximately \$914,000.⁹ In its first year of operation, NESCOE will employ a staff of three, including an Executive Director and two senior staff. The Term Sheet anticipated salary and benefits for these three staff members to be approximately \$430,000 in the first year. The staff is projected to grow to a total of seven individuals in year five and salary and benefits are expected to rise to approximately \$1.2 million in year five.

⁸ Cf. *Southern California Edison Co., et al.*, 73 FERC 11 61,219 at 61,208 n. 73 (1995) ("Having found the Plan to be just and reasonable, there is no need to consider in any detail the alternative plans proposed by the Joint Protesters" (citing *City of Bethany*, 727 F.2d at 1136)).

⁹ This is somewhat less than the \$930,000 contemplated in the Term Sheet.

The Term Sheet also provided that consulting services for economic, financial and engineering analyses along with legal service would average approximately \$350,000 over the first five years of NESCOE's operation. In addition, the Term Sheet provided that operational expenses, including rent, utilities, office equipment leases and the like, would average about \$200,000 over the first five years of NESCOE's operation.

Finally, allowing for a contingency at ten percent of expenses, the Term Sheet provided that the first year annual operating budget of approximately \$930,000 would rise to slightly more than \$2 million in year five but, at no time, would NESCOE seek approval of a budget in excess of \$1.4 million in its first two years of operation or \$2.2 million in its third through fifth years of operation. NESCOE's pro forma budgets for calendar years 2008 through 2012, consistent with the parameters set forth in the Term Sheet, are attached as Exhibit 5.

Pursuant to the recommendation made by the NEPOOL Budget and Finance Subcommittee and the endorsement of the NEPOOL Participants Committee on November 15, 2007, the NESCOE first year operating budget was revised to include a working capital line item, an adjustment was made to the factor used to calculate benefits, and the contingency factor was applied to the subtotal of expenses rather than the overall operating budget. To accommodate the Budget and Finance Subcommittee's recommendations and remain within the parameters of the Term Sheet, proportional adjustments were made in other line items. The revised 2008 Operating Expense Budget of \$914,225 is attached as Exhibit 4.

The development of the NESCOE budget is further described in the attached testimony of David O'Brien, located at Exhibit 3.

V. EFFECTIVE DATE AND REQUEST FOR WAIVER OF 60-DAY NOTICE REQUIREMENT

If NESCOE's proposed budget is adopted without modification, the rate contained in Schedule 5 to Section IV.A of the ISO Tariff would be \$0.00354 per kW of Monthly Network Load. The rate is requested to become effective on **January 1, 2008**. Pursuant to Schedule 5 and the agreements with respect to NESCOE's formation, any funds recovered but not spent in 2008 will be used to reduce 2009 collections.

Waiver of the sixty day prior notice requirement is requested. Good cause exists to grant this limited waiver. As the ISO noted in its October 31, 2007 filing in Docket No. ER08-195-000 to recover its administrative expenses for 2008, it had anticipated making the instant filing by that date as well, but the development and consideration of that budget has taken longer in this first year than originally anticipated. The ISO also noted in its October 31 filing that NESCOE's 2008 proposed budget was to be voted on at the November 15 NEPOOL Participants Committee meeting and that the instant filing would be made shortly thereafter, i.e., with the benefit of the final consideration and advisory vote of NEPOOL. That vote has now taken place,

and NESCOE's budget won the approval of the Committee by a show of hands.¹⁰ Market Participants have known of the proposed budget for far longer than 60 days, with the expectations for this budget first being discussed when the term sheet approved in September 2006 was being negotiated. In fact, the September 2006 Term Sheet expressly contemplated that "[f]or its first year of operation, NESCOE's budget review process may not align exactly with the annual ISO-NE budget review cycle" and that NESCOE would "endeavor to complete each of the steps in the review process outlined above in the most expeditious manner possible."¹¹ As a result, no prejudice to other parties will result if the waiver requested herein is granted; all interested entities were already on notice of the expectation that Schedule 5 charges would be included in billings for service on or after January 1, 2008 and were welcomed and encouraged to participate in the NEPOOL Participant Processes regarding the consideration of these charges.

VI. ADDITIONAL SUPPORTING INFORMATION

The ISO submits the following additional information pursuant to Sections 205 of the FPA and 35.13 of the Code of Federal Regulations:

35.13(b)(1) – The documents submitted with this filing include:

- this transmittal letter;
- a clean copy of the sheet from Section IV.A of the ISO Tariff reflecting the proposed changes (Exhibit 1);
- blackline copy of the sheet from Section IV.A of the ISO Tariff reflecting the proposed changes (Exhibit 2);
- testimony of David O'Brien (Exhibit 3);
- proposed 2008 NESCOE operating budget (Exhibit 4);
- projected NESCOE operating budgets for 2008 through 2012 (Exhibit 5); and
- lists of Transmission Customers that are not NEPOOL Participants, New England Governors, New England electric regulatory agencies, and other New England regional bodies to which the ISO has sent copies of this filing (Exhibit 6).

¹⁰ All but two members of the Publicly Owned Entity Sector presented voted against the measure. The measure also received seven abstentions. The rest of the votes were in favor of the proposal.

¹¹ See September 6, 2006 Term Sheet, *supra*, page 7.

35.13(b)(2) – As set forth in Section VI above, the ISO requests that the proposed changes become effective January 1, 2008.

35.13(b)(3) – Pursuant to Section 17.11(e) of the Participants Agreement, Governance Participants are being served electronically rather than by paper copy. The names and addresses of the Governance Participants are posted on the ISO's website at http://www.isone.com/regulatory/ferc/nepool/gov_ptcpts_eserved.pdf. A paper copy of this transmittal letter and the accompanying materials have also been sent to the governors and electric utility regulatory agencies for the six New England states that comprise the New England Control Area, as well as to Customers that are not NEPOOL Participants. The names and addresses of these governors and regulatory agencies are shown in Exhibit 6. Some of the persons identified in Exhibit 6 are also filing parties. In accordance with Commission rules and practice, there is no need for the Governance Participants or the entities identified on Exhibit 6 that are not filing parties to be included on the Commission's official service list in the captioned proceeding unless such entities become intervenors in this proceeding.

35.13(b)(4) – A description of the materials submitted pursuant to this filing is contained in this transmittal letter.

35.13(b)(5) – A statement of the reasons for this filing is discussed in this transmittal letter.

35.13(b)(6) – The ISO has the sole authority to make this filing.

35.13(b)(7) – The ISO has no knowledge of any relevant expenses or costs of service that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices.

Honorable Kimberly D. Bose
November 16, 2007
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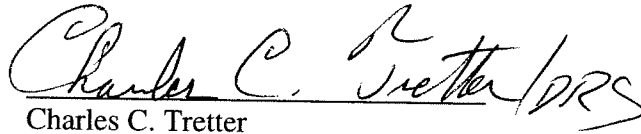
VII. CONCLUSION

The ISO and NEGC request that the Commission approve NESCOE's proposed budget and the Tariff change in Section IV.A Schedule 5 to fund NESCOE operations as submitted and without modification.

Respectfully Submitted,



Maria A. Gulluni
Assistant General Counsel – Corporate
ISO New England Inc.



Charles C. Tretter
Executive Director
New England Governors' Conference, Inc.

Enclosures

Exhibit 1

For the calendar year 2008, the six New England states shall bear NESCOE's budgeted costs as follows. Each Customer that is obligated to pay the Regional Network Service rate shall pay each month, in arrears, an amount equal to the product of \$0.00354 per kilowatt times its Monthly Network Load for that month.

Issued by: Kathleen A. Carrigan
Senior Vice President and General Counsel
Issued on: November 16, 2007

Effective Date: January 1, 2008

Exhibit 2

For the calendar year 2008, the six New England states shall bear NESCOE's budgeted costs as follows. Each Customer that is obligated to pay the Regional Network Service rate shall pay each month, in arrears, an amount equal to the product of ~~[\$0.00354 X.X]~~ per kilowatt times its Monthly Network Load for that month.

Issued by: Kathleen A. Carrigan
Senior Vice President and General Counsel
Issued on: ~~November 16~~ August 31, 2007

Effective Date: ~~January 1, 2008~~ October 31, 2007

Exhibit 3

1 **United States of America**
2 **Before the**
3 **Federal Energy Regulatory Commission**

4 ISO NEW ENGLAND INC.) Docket No. ER08-____-000

5 **Direct Testimony of David O'Brien**

6 **Q. Please state your name and business address.**

7 A. David O'Brien. My business address is 112 State Street Montpelier, Vermont 05620-2601.

8 **Q. What is your occupation?**

9 A. I am Commissioner of the Vermont Department of Public Service. I have served in that role since
10 January of 2003.

11 **Q. Please describe your educational background and professional experience.**

12 A. I hold a Bachelor of Science degree in accounting from the University of Bridgeport and a Master
13 of Arts degree in Finance from Fairfield University. Prior to taking my current position I served as
14 Executive Director of the Rutland Economic Development Corporation (REDC), a private non-profit
15 development organization charged with retaining and attracting investment in Rutland County
16 Vermont. REDC developed industrial property for resale and development as well as a small
17 business commercial loan fund. I also worked as a commercial banker, first as a commercial lender
18 and then as a Commercial Credit Manager.

19 **Q. Have you previously testified before a regulatory commission?**

20 A. No.

21 **Purpose of Testimony**

22 **Q. What is the purpose of your testimony?**
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1 A. I am providing this testimony to support the ISO's proposed rate contained in Schedule 5 to
2 Section IV.A of the ISO's Transmission, Markets and Services Tariff designed for the purpose of
3 recovering funding for the operation of the New England States Committee on Electricity
4 (NESCOE"). I will also explain NESCOE's budget process and provide support for NESCOE's
5 requested 2008 budget.

6 **Q. How will your testimony be organized?**

7 A. (i) I will describe NESCOE and its proposed organizational structure.

8 (ii) I will describe the NESCOE budget development process.

9 (iii) I will describe NESCOE's requested 2008 budget and its five-year budget projections.

10 (iv) I will describe the requested rate for recovery of the NESCOE budget and why that rate
11 in my view is just and reasonable.

12 **NESCOE and its proposed organizational structure**

13 **Q. Please describe the formation of NESCOE.**

14 A. NESCOE is a Regional State Committee (RSC) as contemplated by the Federal Energy
15 Regulatory Commission in its April 28, 2003 SMD White Paper. NESCOE will be a not-for-profit
16 limited liability company and will be directed by a committee representing six New England States
17 (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont), with one or
18 more representatives appointed by each Governor to represent their state. Provided that NESCOE
19 receives support from NEPOOL on its proposed budget it will have a staff sufficient to undertake the
20 research and analysis, communication and consultation, and advocacy necessary to achieve its
21 mission.

22 **Q. What is NESCOE's mission?**

1 A. NESCOE’S mission will be to represent the interests of the citizens of the New England region
2 by advancing polices that will provide electricity at the lowest possible price over the long term,
3 consistent with maintaining reliable service and environmental quality. It will advance policies,
4 which seek to facilitate the efficient development of power generation, demand management and
5 transmission resources needed to reliably serve the electricity requirements of customers. Consistent
6 with the FERC concept of an RSC, NESCOE will provide a means for the New England states to
7 actively engage in the ongoing market development and resource diversity. As the Commission is
8 well aware, there have been times of significant disagreement between the New England states and
9 ISO-NE regarding long-term capacity. It is our fervent hope that NESCOE will provide the means
10 for issues to be identified proactively so that lengthy and costly litigation may be avoided.
11

12 **Q. What will be the scope of NESCOE’s activities?**

13 A. NESCOE will be active, and express its views, in two areas: resource adequacy and system
14 planning and expansion. With respect to resource adequacy, NESCOE will recommend policies and
15 comment on proposed rule and tariff changes related to resource adequacy, demand response and
16 energy efficiency. With respect to system planning and expansion, NESCOE will recommend
17 policies designed to ensure that resources are available to provide regional electric reliability and,
18 where it is feasible and cost-effective, to eliminate persistent and costly congestion over transmission
19 lines and enable inter-connection of generation resources. The ability to fund a full time staff of
20 professionals will allow the states to be engaged at a more granular level with the independent
21 system operator and other market participants. This will include regular committee involvement and
22 therefore proactive problem resolution.
23

24 **Please describe NESCOE’s proposed staffing.**
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1 A. NESCOE is expected to engage staff to undertake the research, analysis, communication,
2 consultation, and advocacy necessary to achieve its mission. A first year staff of three persons will
3 include the Executive Director and most of the senior staff. By its fifth year of operation, NESCOE
4 will likely have a seven member staff. Staffing levels of course will be determined by resource
5 availability. We expect that in order to have budget support from other market participants long
6 term we will need to show a value added contribution to system planning, market development and
7 resource adequacy.

8 **NESCOE's Budget Development Process**

9 **Q. Please describe how NESCOE's budget relates to the ISO.**

10 A. NESCOE will coordinate its budget process with the ISO's budget cycle, and the ISO will file
11 NESCOE's annual budget with the Commission as it has done in this matter. The ISO did not
12 approve NESCOE's proposed budget and NESCOE is responsible for providing the information to
13 this Commission to demonstrate that the annual tariff charges for NESCOE's operations are just and
14 reasonable.

15 **Q. How was NESCOE's 2008 budget developed?**

16 A. NESCOE's budget was driven by a business planning process and vetted by various stakeholders.
17 NESCOE developed its 2008 budget utilizing a five step process:

- 18 1. establish priorities;
- 19 2. define activities, goal and objectives;
- 20 3. determine resource requirements;
- 21 4. develop budget estimates for various functions; and
- 22 5. review to ensure that the priorities are met in cost effective way.

23 The resulting business planning has resulted in the proposed 2008 budget.

1 **Description of the 2008 Operating Expense Budget and five year projections**

2 **Q. Please describe the major components of the operating expense budget.**

3 A. The main components of the operating expense budget are salaries and benefits, consulting
4 services and operational expenses. For 2008 salaries for the three staff members will be
5 approximately \$280,000. This \$280,000 is broken into the following amounts for the three
6 employees: Executive Director \$120,000, Employee 2 \$100,000, Employee 3 \$60,000. Consulting
7 services for 2008 are budgeted for \$200,000 and operating expenses are budgeted for \$125,250. A
8 complete proposed operational expense budget is found in Exhibit 4 to this filing.
9

10 **Q. Please describe the five-year operational expense budget projection.**

11 A. Exhibit 5 to this filing is a graphical depiction of the projected NESCOE Operating Expenses for
12 2008 through 2012. That graph demonstrates that NESCOE expects its budget to increase steadily
13 from 2008 through 2012 as more employees are added and tasks are taken on. To ensure that
14 NESCOE remains fiscally responsible at no time will NESCOE seek approval of a budget in excess
15 of \$1.4 million in its first two years of operation or \$2.2 million in its third through fifth years of
16 operation.
17

18 **Proposed Rate in Schedule 5**

19 **Q. What is the proposed rate to recover the costs for NESCOE's operation?**

20 A. If NESCOE's proposed 2008 budget is adopted without modification, the rate contained in
21 Schedule 5 to Section IV.A of the ISO tariff would be \$0.00354 per kW of Monthly Network Load.
22 This rate is requested to become effective on January 1, 2008. I would note that funds recovered
23 from this rate but not spent in 2008 will be used to reduce 2009 collections pursuant to Schedule 5.

24 **Q. Do you believe that this rate is just and reasonable?**

1 A. Yes I do. NESCOE has taken care in developing its budget to ensure that only needed
2 expenditures are being sought for recovery. Moreover, in my view the benefits that system will see
3 and the potential savings that could be realized through NESCOE's participation in the ISO process
4 justify this modest rate increase.

5 **Q. Does that conclude your testimony?**

6 A. Yes.

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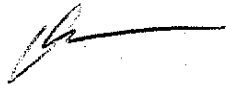
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DECLARATION OF DAVID O'BRIEN

David O'Brien, being subject to the penalties of perjury under the laws of the State of Vermont and the United States of America, hereby declares as follows:

1. That the foregoing direct testimony was prepared by me under my direction. I am familiar with the contents of such testimony and adopt it as my own. Statements of fact made therein on the basis of personal knowledge are true and correct to the best of my knowledge and belief. If asked the same questions as set forth in the foregoing prepared direct testimony I would provide the same answers under oath.
2. The exhibits to the foregoing testimony were prepared by me or under my direction, in which case the information conveyed thereby is true and accurate to the best of my knowledge and information, or are true and correct copies of original documents.
3. This concludes my declaration.



David O'Brien

Dated and executed : November 15, 2007

Exhibit 4

**EXHIBIT 4
2008 BUDGET**

Expense Category	Year 1
Salaries and Benefits	
Salaries	280,000
Benefits @ 35% of Salaries	98,000
Sub-Total Salaries and Benefits	378,000
Consulting	
Technical Consulting	75,000
Legal Services	125,000
Sub-Total Consulting	200,000
Operations	
Rent & Utilities	52,500
Equipment Leasing	22,500
Service Fees	30,000
Travel	20,250
Sub-Total Operations	125,250
Sub-Total Expenses	703,250
Working Capital @ 20%	140,650
Contingency @ 10%	70,325
Total Budget	914,225

Exhibit 5

**EXHIBIT 5
PRO FORMA BUDGET 2008-2012**

Expense Category	Year 1	Year 2	Year 3	Year 4	Year 5
Salaries and Benefits					
Salaries	280,000	510,000	700,000	750,000	800,000
Benefits @ 35% of Salaries	140,000	255,000	350,000	375,000	400,000
Sub-Total Salaries and Benefits	420,000	765,000	1,050,000	1,125,000	1,200,000
Consulting					
Technical Consulting	100,000	200,000	250,000	300,000	350,000
Legal Services	150,000	100,000	100,000	100,000	100,000
Sub-Total Consulting	250,000	300,000	350,000	400,000	450,000
Operations					
Rent & Utilities	70,000	90,000	100,000	110,000	120,000
Equipment Leasing	30,000	30,000	30,000	30,000	30,000
Service Fees	40,000	45,000	50,000	55,000	60,000
Travel	27,000	30,000	40,000	50,000	60,000
Sub-Total Operations	167,000	195,000	220,000	245,000	270,000
Contingency Allowance @ 10%	93,000	140,000	180,000	200,000	220,000
TOTAL EXPENSE	930,000	1,400,000	1,800,000	1,970,000	2,140,000

Exhibit 6

Non-Market Participant Transmission Customers

Miller Hydro Group
P.O. Box 97
Lisbon Falls, ME 04252-0097

Town of Wolfeboro Municipal Electric
Department
84 S. Main St.
Wolfeboro, NH 03894

**New England Governors
and Utility Regulatory
and Related Agencies**

Connecticut

The Honorable M. Jodi Rell
State Capitol
210 Capitol Ave.
Hartford, CT 06106

Connecticut Department of Public Utility Control
10 Franklin Square
New Britain, CT 06051-2605

Maine

The Honorable John E. Baldacci
One State House Station
Rm. 236
Augusta, ME 04333-0001

Maine Public Utilities Commission
State House, Station 18
242 State Street
Augusta, ME 04333-0018

Massachusetts

The Honorable Deval Patrick
Office of the Governor
Rm. 360 State House
Boston, MA 02133

Massachusetts Department of Public Utilities
One South Station
Boston, MA 02110

New Hampshire

The Honorable John H. Lynch
State House
25 Capitol Street
Concord, NH 03301

New Hampshire Public Utilities Commission
21 South Fruit Street
Suite 10
Concord, NH 03301-2429

Rhode Island

The Honorable Donald L. Carcieri
State House Room 115
Providence, RI 02903

Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Vermont

The Honorable James H. Douglas
109 State Street, Pavilion
Montpelier, VT 05609

Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701

**New England Governors
and Utility Regulatory
and Related Agencies**

October 26, 2007

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New England Conference of
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Counsel for New England Conference
of Public Utilities Commissioners, Inc.
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Washington, DC 20036-3816

Power Planning Committee
New England Governors' Conference, Inc.
76 Summer Street, 2nd Floor
Boston, MA 02110-1226