

SECTION III

MARKET RULE 1

APPENDIX G

REPAIR AND MAINTENANCE OF TRANSMISSION FACILITIES

APPENDIX G
REPAIR AND MAINTENANCE
OF TRANSMISSION FACILITIES

Table of Contents

	Page
III.G.1 Planning, Scheduling, and Approval of Transmission Facility Outages.....	8102
III.G.2 Authority of ISO to Require the Repositioning of Transmission Outages.....	8109
III.G.3 Annual Assessment of Outage Coordination Efforts.....	8112
III.G.4. Market Monitoring of Outage Scheduling.....	8113

This Appendix uses capitalized terms that are defined in the ISO's Transmission, Markets and Services Tariff and in the Transmission Operating Agreement.

III.G.1 Planning, Scheduling, and Approval of Transmission Facility Outages.

Throughout this Appendix G, in every instance in which the ISO is called upon to approve, schedule or reschedule transmission outages, it shall consider the generation outages proposed for the same time period for which proposed transmission outages are being considered and undertake the coordination procedures specified in the ISO New England Operating Procedures. In addition, Appendix G is to be construed throughout as reflecting that the ISO possesses the ultimate authority for approval, scheduling and rescheduling of transmission outages based on either reliability or market efficiency considerations (including any estimated or actual impacts on congestion or reliability-must-run costs in financial, day-ahead markets). The processes described in Sections III.G.1.1 through III.G.1.6 are those that the ISO will generally use to consider outage approval, scheduling and rescheduling, but shall not diminish or limit the ISO's ultimate authority as described in the preceding sentence.

III.G.1.1 Submittal of Long-Term Transmission Outages. Each Transmission Owner shall submit to the ISO and the Local Control Centers for such Transmission Owner a projected, 12month schedule for the planned outages of such Transmission Owner's Category "A" Facilities, Other Transmission Facilities or Merchant Transmission Facilities. Each Transmission Owner shall also

submit to the ISO and the Local Control Centers for such Transmission Owner a projected, 12month schedule for the planned outages of such Transmission Owner's Category "B" Facilities and Local Area Facilities, if any, if generator output could be affected by a planned outage of such transmission facilities. Outages planned by Transmission Owners may be submitted to the ISO and the Local Control Center in the form of a preliminary transmission outage request as soon as the need for an outage is identified, even if the specific details of the outage are yet to be confirmed. A Transmission Owner may change the specific details of a preliminary outage request as necessary to reflect the Transmission Owner's current expectations. When a Transmission Owner is ready to confirm the specific details of a preliminary transmission outage request, the Transmission Owner will notify the Local Control Center. The Local Control Center will then study and coordinate the outage request in accordance with applicable ISO New England Operating Procedures. Upon approving a transmission outage request, the Local Control Center will change the status of the request from preliminary to submitted. The timestamp associated with the changing the status of a transmission outage request to submitted will determine the scheduling priority of the request. The ISO will then study and coordinate the outage request in accordance with applicable ISO New England Operating Procedures and Section III G.2 of this Market Rule. Outage requests that are submitted no later than 21 days in advance and are determined to be acceptable by the ISO, Local Control Center and the Transmission Owner will be designated as interim approved outages.

III.G.1.2 Scheduling of Major Transmission Outages. A major transmission outage is a planned transmission outage of those transmission facilities that are reasonably necessary to be modeled as a significant outage for purposes of an FTR auction, in accordance with the criteria for the modeling of such outages set forth in applicable ISO New

England Operating Procedures. The ISO shall notify the Transmission Owners and the Local Control Centers of those interim approved outages that satisfy the criteria for a major transmission outage. To the extent that a Transmission Owner no longer intends to take an interim approved outage which satisfies the criteria for a major transmission outage in the time frame specified, the Transmission Owner shall notify the Local Control Center and the ISO as soon as practical and the outage will be cancelled.

III.G.1.3 Long Term Economic Approval of Transmission Outages.

Transmission Outages that are submitted to the ISO no later than 90 days prior to the start of the outage and receive interim approved status shall also receive long-term economic approval status, in which case the request may be denied or cancelled only for reliability reasons or due to unforeseen and extreme economic conditions.

III.G.1.4 Short-Term Approval of Transmission Outages. The ISO shall confirm approval of all interim approved outages. Each Transmission Owner shall request planned outages of transmission facilities that have not been previously scheduled pursuant to Subsection III.G.1.1 by submitting requests for such approval to the Local Control Centers for such Transmission Owner, in accordance with applicable Local Control Center procedures and in time for submittal to the ISO: (A) by no later than 120 hours prior to hour 0001 of the day of the beginning of the outage for outages of Category “A” Facilities, Other Transmission Facilities and Merchant Transmission Facilities, and outages of Category “B” Facilities or Local Area Facilities (subject to exceptions specified in the ISO New England System Rules) if generator output could be affected by the outage of such Category “B” Facilities or Local Area Facilities; and (B) by no later than 24 hours prior to hour 0001 of the day of the

beginning of the outage for all other Category “B” Facilities (subject to exceptions specified in the ISO New England System Rules). The ISO shall either approve such outages or, in the event the ISO determines that an outage should be repositioned, shall coordinate with each Transmission Owner and the applicable Local Control Centers for such Transmission Owner to reposition such outage to a time acceptable to the ISO, Local Control Center and the Transmission Owner, provided that the ISO shall have the authority to require the Transmission Owner to reposition an outage in accordance with Section III.G.2. All outages of transmission facilities that are approved by the ISO within this time frame shall be considered approved outages.

III.G.1.5 Real-Time Authorization to Commence Approved Outage. Each Transmission Owner shall notify the ISO of such Transmission Owner’s intent to commence or conclude an approved outage of a Category “A” Facility, Other Transmission Facility or Merchant Transmission Facility or an approved outage of a Category “B” Facility or Local Area Facility if generator output could be affected by the outage of such Category “B” Facility or Local Area Facility by submitting notification to the Local Control Centers for such Transmission Owner prior to the Transmission Owner’s initiation of switching and tagging procedures to take the transmission facility out of service or place it back into service. The ISO shall either authorize such switching and tagging procedures or, in the event the ISO believes such outage should be repositioned, shall coordinate with each Transmission Owner and the applicable Local

Control Centers for such Transmission Owner to reposition such outages to a time acceptable to the ISO and the Transmission Owner, provided that the ISO shall have the authority to require the Transmission Owner to reposition an outage in accordance with Section III.G.2.

III.G.1.6 A Transmission Owner may propose to modify the timing of any interim approved or approved outage of its transmission facilities at any time. In the event a Transmission Owner proposes such a modification, the Transmission Owner must notify the ISO of the modified timing for such outage by submitting the notification to the applicable Local Control Centers for such Transmission Owner promptly after the circumstances have arisen that necessitate the modified timing. The Transmission Owner shall identify in such submission the generic category of circumstances giving rise to the modification, such categories to be determined by the Transmission Owners in consultation with the ISO. The ISO shall either accept the modified timing of an outage or coordinate with each Transmission Owner and the applicable Local Control Centers for such Transmission Owner to arrive at specific dates for each such outage acceptable to the ISO and the Transmission Owner in accordance with the following time frames: (a) within 30 calendar days of the Transmission Owner's submission of the change for interim approved outages; (b) within five Business Days for major transmission outages; and (c) as soon as possible for approved outages.

III.G.2 Authority of the ISO to Require the Repositioning of Transmission Outages.

The ISO possesses the ultimate authority for approval, scheduling and rescheduling of transmission outages based on either reliability or market efficiency considerations (including any estimated or actual impacts on congestion or reliability-must-run costs in financial, day-ahead markets). The processes described in Sections III.G.2.1 through III.G.2.4 are those that the ISO will generally use to consider outage rescheduling, but shall not diminish or limit the ISO's ultimate authority as described in the preceding sentence.

III.G.2.1 The ISO shall have the authority, at any time, to direct that an interim approved outage of a Transmission Owner's transmission facilities be repositioned or to revoke the approval of an approved outage of a Transmission Owner's transmission facilities if the outage reasonably could be expected to result in a violation of reliability criteria for the New England Transmission System and repositioning of the outage reasonably could be expected to improve reliability. The ISO shall notify the Transmission Owners whose transmission facilities are affected by the exercise of such authority of the ISO's decision to require the repositioning or revoke approval of the outage as soon as possible after the circumstances arise that create the need for the repositioning or revocation.

III.G.2.2 The ISO shall have the authority to direct that a Participating Transmission Owner outage be repositioned if repositioning the outage or revoking its approval reasonably could be expected to result in

Significantly Reduced Congestion Costs for use of the New England Transmission System, where “Significantly Reduced Congestion Costs” means a reduction in the ISO’s reasonable estimate of overall congestion and RMR costs for use of the New England Transmission System (net of the incremental cost to the Participating Transmission Owner) attributable to the outage in question of at least \$200,000 for each week of an outage or any portion of a week. The ISO shall notify the Participating Transmission Owners whose transmission facilities are affected by the exercise of such authority of the ISO’s decision to require the repositioning of the outage as soon as possible after the ISO determines that the criteria for requiring repositioning have been satisfied.

III.G.2.3 In exercising its authority under this Section III.G.2, the ISO shall consider the impact of directing the repositioning of interim approved and approved outages on the long term flexibility of operation of the transmission facilities and the New England Transmission System and the impact on system expansion needs in addition to any short term market impacts associated with the exercise of such authority.

III.G.2.4 The ISO shall coordinate with each Transmission Owner to determine mutually acceptable dates for the repositioning of any outage that must be repositioned due to the ISO’s exercise of its authority under this Section III.G.2, provided that: (1) unless a Transmission Owner agrees otherwise, the ISO will generally allow the repositioning of any such

outages within 90 days of the date the outage was originally scheduled, or, in the event that the 90-day period falls between June 1 and October 1, the ISO will generally allow the repositioning of any such outages during a period that begins no later than October 31; and (2) the requirement to allow the repositioning of such outages shall not limit the ISO's authority to require a further repositioning of the outage for reliability reasons in accordance with Subsection III.G.2.1 or for market efficiency reasons in accordance with Subsection III.G.2.2.

III.G.2.5 Upon request, the ISO shall provide the affected Transmission Owners with reasonable documentation and data supporting each exercise by the ISO of its authority to require the repositioning of outages or revoke the approval of outages in accordance with Section III.G.2, subject to any applicable restrictions set forth in the ISO New England Information Policy on file with the Commission.

III.G.2.6 Notwithstanding any of the foregoing, nothing in this Section III.G.2 shall be construed to require a Transmission Owner to reposition an outage of a transmission facility or to require a Transmission Owner to refrain from initiating switching and tagging procedures to take a transmission facility out of service or place it back into service to the extent a Transmission Owner determines that such outage or actions are necessary to prevent injury or damage to persons or property or to protect its facilities from physical damage.

III.G.3 Annual Assessment of Outage Coordination Efforts.

The ISO shall prepare and issue annual public reports on the scheduling and coordination of transmission outages. Each such annual report shall: (i) assess the accuracy of the ISO's estimation of congestion and RMR cost impacts and the accuracy of Transmission Owner and other inputs used in such estimation; (ii) assess any long term impacts of the ISO's exercise of its authority to require the repositioning of transmission maintenance outages in accordance with Section III.G.2; and (iii) include analyses and data which could allow a Transmission Owner to identify potential opportunities for incentives based on efficient coordination of outages and other operational measures that will reduce congestion costs or increase operational flexibility. The ISO shall provide a draft of each such annual report to the Transmission Owners and interested stakeholders prior to issuing a final report and shall consider the input of the Transmission Owners and interested stakeholders in preparing such reports, subject to any applicable restrictions set forth in the ISO New England Information Policy on file with the Commission.

III.G.4 Market Monitoring of Outage Scheduling.

The Market Monitoring Unit of the ISO shall monitor the outage scheduling activities of the Transmission Owners. The Market Monitoring Unit of the ISO shall have the right to request that each Transmission Owner provide information to the Market Monitoring Unit concerning the Transmission Owner's scheduling of transmission facility outages, including the repositioning or cancellation of any interim approved or approved outage, and the Transmission Owner shall provide such information to the Market Monitoring Unit in accordance with the ISO New England Information Policy.

Sheet Nos. 8114 through 8499 are reserved for future use.