



NEW ENGLAND POWER POOL

David T. Doot
Secretary

August 5, 2015

VIA ELECTRONIC DELIVERY

TO: MEMBERS OF THE NEPOOL BUDGET & FINANCE SUBCOMMITTEE

RE: Removal of the NEPOOL Review Board

The attached proposed 129th Agreement Amending the New England Power Pool Agreement, and Amendment No. 9 to Participants Agreement (the "Amendments"), are designed to eliminate the NEPOOL Review Board from the relevant provisions of each respective agreement. The operative provisions for the establishment and responsibilities of the NEPOOL Review Board are generally found in Section 11 of the Second Restated NEPOOL Agreement (the "RNA"), and in a single section (11.6) of the Participants Agreement relating to ISO-NE's obligation to respond in writing to a recommendation from the Review Board. If the Amendments are passed, the only reference to the NEPOOL Review Board will be with regard to continuing protection against liability for which Review Board Members would be entitled to indemnification. Other than such continuing protection, the Review Board will have no role within NEPOOL if these Amendments take effect.

We are targeting the Amendments to make their way through the NEPOOL process in order to be effective on January 1, 2016. Amendments to the RNA can only be achieved through written ballot at the direction of the Participants Committee. Such amendments can pass only with a two-thirds NEPOOL Vote, as long as a specified number of Participants have submitted ballots. If an amendment is approved by NEPOOL, it must then be filed with the Federal Energy Regulatory Commission ("FERC") for acceptance or approval at least 60 days before the changes are to become effective.


An amendment to the Participants Agreement also requires written ballots and approval by the NEPOOL Members, which approval requires a 70% NEPOOL Vote by a minimum number of Participants. Any approved amendment must then be filed with and approved by the FERC. Once filed and approved, changes to the Participants Agreement and the RNA are binding on all members, whether or not they signed or supported the changes.

Please review the attached Amendments for discussion at the August 13, 2015 meeting of the NEPOOL Budget & Finance Subcommittee. These Amendments will be presented to the Participants Committee at its September 11, 2015 meeting, along with a resolution to approve the balloting and filing of same if approved. The Amendments are concurrently being circulated to the Review Board Liaison Committee and NEPOOL officers for comment.

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Please let us know if you have questions.

Very truly yours,


David T. Doot, Secretary

cc: Patrick M. Gerity

**ONE HUNDRED TWENTY-NINTH AGREEMENT AMENDING
NEW ENGLAND POWER POOL AGREEMENT
(Removal of NEPOOL Review Board)**

THIS ONE HUNDRED TWENTY-NINTH AGREEMENT AMENDING NEW ENGLAND POWER POOL AGREEMENT, dated as of September 11, 2015 (“One Hundred Twenty-Ninth Agreement”), amends the New England Power Pool Agreement (the “NEPOOL Agreement”).

WHEREAS, effective February 1, 2005 the NEPOOL Agreement was amended by the One Hundred Seventh Agreement Amending New England Power Pool Agreement and restated as the Second Restated NEPOOL Agreement, and has subsequently been amended numerous times; and

WHEREAS, the Participants desire to amend further the Second Restated NEPOOL Agreement to reflect the revision detailed herein.

NOW, THEREFORE, upon approval of this One Hundred Twenty-Ninth Agreement by the NEPOOL Participants Committee in accordance with the procedures set forth in the Second Restated NEPOOL Agreement, the Participants agree as follows:

**SECTION 1
AMENDMENTS**

1.1 Amendment to Section 1.78. Section 1.78 (Review Board) is amended to read as follows:

1.78 Review Board is the board ~~whose responsibilities that was responsible for ruling on appeals taken from actions (or the failure to take action) of the Participants Committee and for advising the Participants Committee as to the issues raised on any appeals before it. The Review Board was disbanded by agreement of the Participants Committee effective as of January 1, 2016~~ are specified in Section 11.

1.2 Deletion of Sub-section 6.10(d). Sub-section 6.10(d) (appeal to Review Board of a proposed amendment for which ballots have been circulated) is deleted in its entirety and sub-section 6.10(e) re-numbered to reflect that deletion.

1.3 Deletion of Section 7.5. Section 7.5 (Appeal of Actions to Review Board) is deleted in its entirety.

1.4 Deletion of Sections 11.1-11.9. Sections 11.1 through 11.9 (Review Board provisions other than Protection Against Liability; Participant Waiver) are deleted in their entirety.

1.5 Amendment to Section 11.10. Section 11.10 is re-numbered to 11.1 to reflect the deletion of Section 11.1 through 11.9 and is amended to read as follows:

Protection Against Liability; Participant Waiver. No ~~member or~~ former member of the Review Board shall be personally liable to any Participant for any action taken, or any failure to have taken any action, as a Review Board member, except to the extent such action (a) involved a knowing and culpable violation of law by the Review Board member or (b) enabled the Review Board member to receive an improper personal economic gain, and each Participant shall be deemed to waive any right to pursue any legal or equitable remedy that seeks to impose any such liability against the Review Board, or against any ~~current or~~ former individual member. NEPOOL shall indemnify, defend and save harmless the ~~current and~~ former members of the Review Board in accordance with the provisions of Appendix A hereto from any and all damages, losses, claims and liabilities by or to third parties for any action taken, or any failure to have taken any action, as a Review Board member, except liability that (a) involved a knowing and culpable violation of law by the Review Board member or (b) enabled the Review Board member to receive an improper personal economic gain. All payments made and expenses and costs incurred pursuant to this Section 11.10 shall be Participant Expenses.

1.6 Deletion of Sub-section 16.11(c). Sub-section 16.11(c) (notices to Review Board) is deleted in its entirety and a place keeper added indicating that the text in this Sub-Section is “[Reserved]”.

1.7 Amendment to Appendix A (Liability Protection for Review Board Members). The definition of “Professional Services” in Section II of Appendix A is amended to read as follows:

(E) “Professional Services” means the services performed pursuant to Section 11 of the NEPOOL Agreement, the Review Board Bylaws, and Review Board Rules of Procedure then in effect, and prior to January 1, 2016.

1.8 Amendment to Appendix A (Liability Protection for Review Board Members). The definition of “Review Board Members” in Section II of Appendix A is amended to read as follows:

(G) “Review Board Members” means the ~~current and~~ former members of the NEPOOL Review Board (individually and collectively) and its administrators, ~~as those individuals may change from time to time.~~

**SECTION 2
MISCELLANEOUS**

- 2.1 This One Hundred Twenty-Ninth Agreement shall become effective January 1, 2016, or on such other date as the Commission shall provide that the amendment reflected herein shall become effective.
- 2.2 Capitalized terms used in this One Hundred Twenty-Ninth Agreement that are not defined herein shall have the meanings ascribed to them in the Second Restated NEPOOL Agreement.

**AMENDMENT NO. 9 TO
PARTICIPANTS AGREEMENT
(Removal of NEPOOL Review Board)**

THIS AMENDMENT NO. 9 TO PARTICIPANTS AGREEMENT (“Amendment No. 9”) is made and entered into as of this 11th day of September, 2015 by and between ISO New England Inc. (the “ISO”) and the New England Power Pool, an unincorporated association created pursuant to the New England Power Agreement dated as of September 1, 1971, as amended and restated, acting herein by and through the NEPOOL Participants Committee (“NEPOOL”).

WHEREAS, the Participants Agreement by and among the ISO and NEPOOL became effective as of February 1, 2005 and has subsequently been amended eight times.

WHEREAS, the ISO and NEPOOL desire to amend the Participants Agreement to reflect the revisions detailed herein.

NOW, THEREFORE, upon approval of this Amendment No. 9 by the ISO and by the NEPOOL Participants Committee in accordance with the procedures set forth in the Participants Agreement, the ISO and NEPOOL agree as follows:

1. Deletion of Section 11.6 (NEPOOL Review Board).

1.1 Deletion of Section 11.6. Section 11.6 is deleted in its entirety.

2. Effective Date. This Amendment No. 9 shall become effective on January 1, 2016 or on such other date as the Commission shall provide that the amendments reflected herein shall become effective.

3. Counterparts. Counterparts of this Amendment No. 9 may be signed by the parties, each of which shall be an original but both of which together shall constitute one and the same instrument.

4. Governing Law. This Amendment No. 9 shall be governed by and enforced in accordance with the laws of the State of Delaware.

5. Miscellaneous. Terms used in this Amendment No. 9 that are not defined herein shall have the meanings ascribed to them in the Participants Agreement, the Second Restated NEPOOL Agreement, or the ISO’s Transmission, Markets and Services Tariff.

[The next page is the signature page.]

IN WITNESS WHEREOF, the ISO and NEPOOL have caused this Amendment No. 9 to be executed by their duly authorized representatives as of the date first written above.

ISO NEW ENGLAND INC.

NEW ENGLAND POWER POOL
acting through the NEPOOL Participants
Committee

By: _____
Name: Gordon van Welie
Title: President and Chief Executive Officer

By: _____
Name: Joel Gordon
Title: Chair, NEPOOL Participants
Committee