

| Allocation of Load-Based and Other Charges   |   |   |                     |   |                                       |                    |                   |
|--|---|---|---------------------|---|---------------------------------------|--------------------|-------------------|
| Effective March 7, 2025                      |   |   |                     |   |                                       |                    |                   |
| Market                                       | Charges   | Allocation Method   | Standard Settlement | Reference(s)                                    |                                       | RNLCR <sup>1</sup> | WLCR <sup>2</sup> |
| Day-Ahead (DA) Energy                        | Locational DA Energy  | Negative DA Locational Adjusted Net Interchange   | N                   | <a href="#">MR-1, III.3.2.1 (f)</a>             | <a href="#">M-28, 2.1</a>             |                    |                   |
|  | Locational DA Loss  | Negative DA Locational Adjusted Net Interchange   | N                   | <a href="#">MR-1, III.3.2.1 (f)</a>             | <a href="#">M-28, 2.1</a>             |                    |                   |
|  | Locational DA Congestion  | Negative DA Locational Adjusted Net Interchange   | N                   | <a href="#">MR-1, III.3.2.1 (f)</a>             | <a href="#">M-28, 2.1</a>             |                    |                   |
|  | DA Loss Revenue   | Share of Marginal Loss Revenue Load Obligation  | N                   | <a href="#">MR-1, III.3.2.1 (k)</a>             | <a href="#">M-28, 2.5.1</a>           |                    |                   |
|  | Forecast Energy Requirement (FER)                                   | Share of RTLO excluding RTLO associated with Externals Nodes and DARDs  | N                   | <a href="#">MR-1, III.3.2.1(q)(4)(iii)a</a>     |                                       |                    |                   |
|  | DA Cleared External Sale Transactions                               | Forecast Energy Requirement Price   | N                   | <a href="#">MR-1, III.3.2.1(q)(4)(iii)b</a>     |                                       |                    |                   |
| Real-Time (RT) Energy                        | Locational RT Energy  | Negative RT Locational Adjusted Net Interchange Deviation   | N                   | <a href="#">MR-1, III.3.2.1 (g)</a>             | <a href="#">M-28, 2.2</a>             |                    | ✓                 |
|  | Locational RT Loss  | Negative RT Locational Adjusted Net Interchange Deviation   | N                   | <a href="#">MR-1, III.3.2.1 (g)</a>             | <a href="#">M-28, 2.2</a>             |                    | ✓                 |
|  | Locational RT Congestion  | Negative RT Locational Adjusted Net Interchange Deviation   | N                   | <a href="#">MR-1, III.3.2.1 (g)</a>             | <a href="#">M-28, 2.2</a>             |                    | ✓                 |
|  | Locational RT Demand Reduction                                      | Negative RT Locational Demand Reduction Obligation Deviation  | N                   | <a href="#">MR-1, III.3.2.1 (h)</a>             | <a href="#">M-28, 2.2</a>             |                    | ✓                 |
|  | RT Demand Reduction Charge  | Share of RT Load Obligation excluding RTLO at all External Nodes and RTLO incurred by DARDs   | N                   | <a href="#">MR-1, III.3.2.1 (h)</a>             | <a href="#">M-28, 2.2</a>             |                    | ✓                 |
|  | RT Loss Revenue   | Share of Marginal Loss Revenue Load Obligation (excludes Coordinated External Transactions (CETs))  | N                   | <a href="#">MR-1, III.3.2.1 (m)</a>             | <a href="#">M-28, 2.5.1</a>           |                    | ✓                 |
|  | Inadvertent Energy  | Share of RT Generation Obligation plus RT Load Obligation plus Demand Reduction Obligation, measured as absolute values (excludes CETs)   | N                   | <a href="#">MR-1, III.3.2.1 (p)</a>             | <a href="#">M-28, 2.5.2</a>           |                    | ✓                 |
| Regulation                                   | Regulation Service Credit + Regulation Capacity Credit              | Share of RT Load Obligation excluding CETs and Dispatchable Asset Related Demand (DARD) <sup>3</sup>  | N                   | <a href="#">MR-1, III.14.8 (d)</a>              |                                       |                    | ✓                 |
|  | Regulation Make Whole Cost Payment                                  |   | N                   | <a href="#">MR-1, III.14.8 (d)</a>              |                                       |                    | ✓                 |
| Forward Reserve                              | Total pool payments, by product (TMNSR, TMOR)                       | Share of Load Zone RTLO, adjusted for Real-Time Reserve Designations of Dispatchable Asset Related Demand (DARD)  | N                   | <a href="#">MR-1, III.9.9</a>                   |                                       |                    | ✓                 |
| Day-Ahead Ancillary Service                  | Flexible Response Services (FRS) products (TMSR, TMNSR, TMOR)       | Share of RTLO excluding RTLO associated with DARDs and External Nodes (but not excluding CETICZ and FCA RTLO)   | N                   | <a href="#">MR-1, III.3.2.1(q)(3)(i)</a>        |                                       |                    | ✓                 |
|  | FRS Close-Out Charges products (DA TMSR, DA TMNSR, DA TMOR) Credits | Share of RTLO excluding RTLO associated with DARDs and External Nodes (but not excluding CETICZ and FCA RTLO)   | N                   | <a href="#">MR-1, III.3.2.1(q)(3)(ii)</a>       |                                       |                    | ✓                 |
|  | DA Energy Imbalance Reserves (EIR) Net Payment                      | Share of RTLO excluding RTLO associated with Externals Nodes and DARDs  | N                   | <a href="#">MR-1, III.3.2.1(q)(4)(iii)b</a>     |                                       |                    | ✓                 |
|  | DA EIR Close-Out Charges Credits                                    | Share of RTLO excluding RTLO associated with Externals Nodes and DARDs  | N                   | <a href="#">MR-1, III.3.2.1(q)(4)(iv)</a>       |                                       |                    | ✓                 |
| Real-Time Reserve                            | Total pool payments, by product (TMSR, TMNSR, TMOR)                 | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR-1, III.10.3</a>                  |                                       |                    | ✓                 |
| DA Net Commitment Period Compensation (NCPC) | Economic - Generator & Demand Response Resource                     | Share of DA Load Obligation (DALO) excluding CETs   | N                   | <a href="#">MR-1, III.F.3.1.1 (f)</a>           |                                       |                    |                   |
|  | Economic - DARD Pumps   | Share of DA Load Obligation (DALO) excluding CETs and Dispatchable Asset Related Demand Resources   | N                   | <a href="#">MR-1, III.F.3.1.1 (g)</a>           |                                       |                    |                   |
|  | Economic External Purchase Transactions                             | Share of Hourly External Node DALO excluding CETs   | N                   | <a href="#">MR-1, III.F.3.1.1 (d)</a>           |                                       |                    |                   |
|  | Economic External Sale Transactions                                 | Share of Hourly External Node DA Generation Obligation excluding CETs   | N                   | <a href="#">MR-1, III.F.3.1.1 (e)</a>           |                                       |                    |                   |
|  | Local Second Contingency Protection Resource (LSCPR)                | Share of daily sum of Real-Time Load Obligation (excluding CETs and Dispatchable Asset Related Demand Resource operation) plus applicable Emergency energy sales within each affected Reliability Region.             | N                   | <a href="#">MR-1, III.F.3.3</a>                 |                                       |                    | ✓                 |
|  | Voltage Amperes Reactive (VAR)                                      | Share of Monthly Regional Network Load, and Through or Out Service (TOUT) Reserved Capacity excluding CETs  | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a> | <a href="#">MR-1, III.F.3.1.1 (a)</a> | ✓                  |                   |
|  | High-Voltage VAR  | Share of Monthly Regional Network Load in the affected Reliability Region(s)  | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a> |                                       | ✓                  |                   |
| RT NCPC                                      | Economic  | Share of daily deviations <sup>4, 5</sup>   | N                   | <a href="#">MR-1, III.F.3.1.2 (i)</a>           | <a href="#">MR-1, III.F.3.2</a>       |                    | ✓                 |
|  | LSCPR   | Share of daily sum of Real-Time Load Obligation (excluding CETs and Dispatchable Asset Related Demand Resource operation plus applicable Emergency energy sales within each affected Reliability Region. <sup>6</sup> | N                   | <a href="#">MR-1, III.F.3.3</a>                 |                                       |                    | ✓                 |

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|--|---|---|---------------------|--|---------------------------------------|--------------------|-------------------|
| Effective March 7, 2025  |   |   |                     |  |                                       |                    |                   |
| Market   | Charges                                     | Allocation Method   | Standard Settlement | Reference(s)   |                                       | RNLCR <sup>1</sup> | WLCR <sup>2</sup> |
| RT NCPC (Cont.)  | VAR   | Share of Monthly Regional Network Load, and TOUT Reserved Capacity excluding CETs                                   | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a>                        | <a href="#">MR-1, III.F.3.1.2 (a)</a> | ✓                  |                   |
|  | High-Voltage VAR                            | Share of Monthly Regional Network Load in the affected Reliability Region(s)  | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a>                        |                                       | ✓                  |                   |
|  | Special Constraint Resource                 | Transmission Owner/distribution company requesting the commitment   | N                   | <a href="#">OATT Schedule 19</a>                                       | <a href="#">MR-1, III.F.3.1.2(b)</a>  |                    |                   |
| Additional NCPC  | Synchronous Condensers (VAR)                | Share of Monthly Regional Network Load, and TOUT Reserved Capacity excluding CETs                                   | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a>                        | <a href="#">MR-1, III.F.3.1.2 (a)</a> |                    |                   |
|  | Cancelled Starts (non-VAR)                  | Allocated per the RT commitment order for the resource (Economic, LSCPR) <sup>7</sup>                               | N                   | <a href="#">MR-1, III.F.3.1.2</a>                                      |                                       |                    | ✓                 |
|  | Cancelled Starts (VAR)                      | Share of Monthly Regional Network Load, and TOUT Reserved Capacity excluding CETs                                   | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a>                        | <a href="#">MR-1, III.F.3.1.2 (a)</a> | ✓                  |                   |
|  | Posturing (non-VAR)                         | Share of RTLO, excluding RTLO associated with CETs and DARDs  | N                   | <a href="#">MR-1, III.F.3.1.2 (d)</a>                                  |                                       |                    | ✓                 |
|  | Posturing (VAR)                             | Share of Monthly Regional Network Load, and TOUT Reserved Capacity excluding CETs                                   | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a>                        | <a href="#">MR-1, III.F.3.1.2 (a)</a> | ✓                  |                   |
|  | Hourly Shortfall (non-VAR)                  | Allocated per the DA commitment for the resource (Economic, LSCPR) <sup>7</sup>                                     | N                   | <a href="#">MR-1, III.F.3.1.2</a>                                      |                                       |                    | ✓                 |
|  | Hourly Shortfall (VAR)                      | Share of Monthly Regional Network Load, and TOUT Reserved Capacity excluding CETs                                   | N                   | <a href="#">OATT, II., Schedule 2, Sect.III</a>                        | <a href="#">MR-1, III.F.3.1.2 (a)</a> | ✓                  |                   |
|  | RT External Transaction Sales               | Share of daily deviations <sup>4</sup>  | N                   | <a href="#">MR-1, III.F.3.1.2 (i)</a>                                  | <a href="#">MR-1, III.F.3.2</a>       |                    | ✓                 |
|  | Dual Fuel Audit NCPC Adjustment             | Share of RTLO excluding RTLO associated with CETs and DARDs   | Y                   | <a href="#">MR-1, III.F.3.1.2 (c)</a>                                  |                                       |                    | ✓                 |
|  | Generator/Demand Response Performance Audit | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR-1, III.F.3.1.2 (c)</a>                                  |                                       |                    | ✓                 |
|  | Rapid Response Pricing Opportunity Cost     | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR-1, III.F.3.1.2 (e)</a>                                  |                                       |                    | ✓                 |
|  | Dispatch Lost Opportunity Cost              | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR-1, III.F.3.1.2 (h)</a>                                  |                                       |                    | ✓                 |
| Monthly Financial Transmission Right (FTR)                           |   | Negative Target Allocation  | N                   | <a href="#">MR-1, III.5.2.4</a>  | <a href="#">M-6</a>                   |                    | ✓                 |
| Shortage of Congestion Revenue                                       |   | Share of daily deviations <sup>4</sup> ( <i>Bill Adjustment</i> )   | N                   | <a href="#">ISO New England Billing Policy, I. Exhibit ID, 3.3.(g)</a> | <a href="#">M-28, 2.6</a>             |                    |                   |
| Emergency Purchase/Sale  |   | Share of negative deviations from cleared DA amounts excluding deviations from CETs                                 | Y                   | <a href="#">MR-1,III.3.2.6 (a) &amp; (b)</a>                           | <a href="#">M-28, 4.2 &amp; 4.3</a>   |                    | ✓                 |
| Security Energy Purchase   |   | Share of Monthly Regional Network Load or Share of Total Pool Marginal Loss Revenue Load Obligations excluding CETs | Y                   | <a href="#">MR-1, III.3.2.6A</a>                                       | <a href="#">M-28, 4.5</a>             |                    | ✓                 |
| Inventoried Energy Program (IEP)                                     | Base IEP Charge                             | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR-1, III.K.4</a>  |                                       |                    | ✓                 |
|  | Spot IEP Charge                             | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR-1, III.K.4</a>  |                                       |                    | ✓                 |
| Forward Capacity Market (FCM)  | Daily Capacity (credit)                     | Share of Customer Daily Capacity Load Obligation (CLO) by component   | N                   | <a href="#">MR-1, III.13.7.1.</a>                                      |                                       |                    | ✓                 |
|  | Capacity Reliability Payments (credit)      | Share of Monthly Regional Network Load in the affected Reliability Region   | N                   | <a href="#">MR-1, III.13.2.5.2.5.2</a>                                 |                                       | ✓                  |                   |
|  | Failure to Cover (credit)                   | Share of Monthly CLO by component   | N                   | <a href="#">MR-1, III.13.7.5.</a>                                      |                                       |                    | ✓                 |
|  | Pay for Performance (credit)                | Share of Capacity Performance charges <sup>8</sup>  | N                   | <a href="#">MR-1, III.13.7.5.</a>                                      |                                       |                    | ✓                 |
|  | Forfeited Financial Assurance (credit)      | Share of Zonal Capacity Obligation (ZCO) in the Capacity Zone   | N                   | <a href="#">ISO New England Financial Assurance Policy</a>             |                                       |                    | ✓                 |
|  | Non-Commercial Capacity Trading             | Share of ZCO in the Capacity Zone by component  | Y                   | <a href="#">ISO New England Financial Assurance Policy</a>             |                                       |                    | ✓                 |
| Mystic Cost of Service (COS)   | Mystic COS payment (credit)                 | Share of RTLO excluding RTLO associated with CETs and DARDs   | N                   | <a href="#">MR - 1, Sections III.13.2.5.2.5A (h).</a>                  |                                       |                    | ✓                 |
| ISO SFT Schedule 1 - Scheduling, System Control and Dispatch Service | Regional Network Service                    | Monthly Regional Network Load   | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 1</a>               |                                       | ✓                  |                   |
|  | TOUT  | TOUT Reserved Capacity excluding CETs   | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 1</a>               |                                       |                    |                   |

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|--|--|--|---------------------|--|--------------------|-------------------|
| Effective March 7, 2025  |  |  |                     |  |                    |                   |
| Market   | Charges  | Allocation Method  | Standard Settlement | Reference(s)   | RNLCR <sup>1</sup> | WLCR <sup>2</sup> |
| ISO SFT Schedule 2 - Energy Administration Service   | Energy Transaction Units                               | Count of Energy Transaction Units excluding CETs                                       | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 2</a>                       |                    | ✓                 |
|  | Increment Offers and Decrement Bids                    | Count of submitted and cleared Increments Offers and Decrement Bids                    | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 2</a>                       |                    |                   |
|  | FTR Auction Bids                                       | Count of submitted and cleared FTR auction bids  | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 2</a>                       |                    |                   |
|  | Volumetric Measures                                    | Count of Volumetric Measures excluding CETs  | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 2</a>                       |                    | ✓                 |
| ISO SFT Schedule 3 - Reliability Administration Service  | RT Non-Coincident Peak (NCP) Load Obligation           | RT NCP Load Obligation   | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 3</a>                       |                    | ✓                 |
|  | Exports  | Export MWhs excluding CETs   | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 3</a>                       |                    |                   |
|  | Non-Participant TOUT                                   | TOUT Reserved Capacity   | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 3</a>                       |                    |                   |
| ISO SFT Schedule 5 - Collection of NESCOE Budget   | Regional Network Service                               | Monthly Regional Network Load  | N                   | <a href="#">ISO Funding Mechanism, IV.A., Schedule 5</a>                       | ✓                  |                   |
| OATT Schedule 1 - Scheduling, System Control and Dispatch Service  | Regional Network Service                               | Monthly Regional Network Load  | N                   | <a href="#">OATT, II. Schedule 1</a>   | ✓                  |                   |
|  | TOUT   | TOUT Reserved Capacity   | N                   | <a href="#">OATT, II. Schedule 1</a>   | ✓                  |                   |
| OATT Schedule 2 - Reactive Supply and Voltage Control Service (VAR)  | Capacity Cost  | Share of Monthly Regional Network Load and TOUT Reserved Capacity excluding CETs       | N                   | <a href="#">OATT, II. Schedule 2, Sect.III</a> <a href="#">MR-1, III.F.3.1</a> | ✓                  |                   |
| OATT Schedule 8 - Through of Out Service   | TOUT   | TOUT Reserved Capacity   | N                   | <a href="#">OATT, II.25.1</a>  |                    |                   |
| OATT Schedule 9 - Regional Network Service   | Regional Network Service                               | Monthly Regional Network Load excluding charging load from Electric Storage Facilities | N                   | <a href="#">OATT, II.21.1</a>  | ✓                  |                   |
| OATT Schedule 16 - Blackstart Service  | Standard Rate Payment                                  |  | N                   |  |                    |                   |
|  | Blackstart Station-specific Rate Payment               |  | N                   |  |                    |                   |
|  | Non-Designated Blackstart Resource Study Cost Payments | Share of Monthly Regional Network Load <sup>9</sup>                                    | Y                   | <a href="#">OATT, II. Schedule 16, Sect. 6</a>                                 | ✓                  |                   |
|  | Equipment Damage Reimbursement                         |  | Y                   |  |                    |                   |
|  | Lump Sum Blackstart Payment                            |  | Y                   |  |                    |                   |
| OATT Schedule 17 - Recovery of Critical Infrastructure Protection (CIP) Costs by Facilities Critical to the Derivation of Interconnection Reliability Operating Limits | Recovery of CIP IROL Expenses                          | Share of Monthly Regional Network Load and Monthly Average TOUT Reserved Capacity      | N                   | <a href="#">OATT, II. Schedule 17, Sect. 3.2</a>                               | ✓                  |                   |

**Footnotes:**

[1. Charge reflected in the Regional Network Load Cost Report](#)

[2. Charge reflected in the Wholesale Load Cost Report](#)

3. Dispatchable Asset Related Demand (providing regulation) consumption above the Minimum Consumption Limit

4. Daily deviations = Σ[Generator deviations, Demand Reduction deviations, Load Obligation deviations, Generation Obligation deviations at External nodes, Increment offer deviations] Excludes CETs

5. RT NCP Economic Reallocation during Scarcity Event - Share of Load Zone RTLO and Export Load Obligation excluding Postured DARD Load

6. RT NCP LSCPR Monthly Reallocation if trigger conditions are met - Share of Monthly Regional Network Load

7. Allocators exclude CETs

8. The capacity performance payment is calculated by multiplying the Capacity Performance Score (CPS) by the capacity performance payment rate, and dividing by twelve

9. All 5 Blackstart components are summed prior to allocation to Regional Network Load