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Seattle, Washington (206) 623-9372

Evan C. Reese III

January 20, 2009

VIA Hand Delivery

The Honorable Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First St., NE Washington, DC 20426 SECRETARY OF THE COXT ISSIDE

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FEDERAL CHEROY

Re: Puget Sound Energy, Inc., Docket No. ER10-____-000
Portland General Electric Company, Docket No. ER10-____-000
Avista Corporation, Docket No. ER10-____-000
Open Access Transmission Tariff Revisions To Permit Intra-Hour Scheduling Changes

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act ("FPA"), 16 U.S.C. § 824d, and Part 35 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, 18 C.F.R. Part 35 (2009), Puget Sound Energy, Inc. ("Puget"), Portland General Electric Company ("PGE"), and Avista Corporation ("Avista") (collectively, the "Filing Parties"), each individually, hereby submit for filing an original and five copies of proposed revisions to Sections 13.8 and 14.6 of their respective Open Access Transmission Tariffs ("OATT"). For Puget, the proposed revisions are to be incorporated into its FERC Electric Tariff Eighth Revised Volume No. 7. For PGE, the proposed revisions are to be incorporated into its FERC Electric Tariff Third Revised Volume No. 8. For Avista, the proposed revisions are to be incorporated into its FERC Electric Tariff Fifth Revised Volume No. 8.

I. BACKGROUND

Beginning in mid-2008, several Pacific Northwest electric utility groups, including ColumbiaGrid, Northern Tier Transmission Group, and WestConnect, formed a Joint Initiative ("JI") to explore and possibly pursue high-value, cost-effective regional electric transmission-related projects across the Western Interconnection. The JI's current focus is to facilitate more efficient use of the existing transmission systems of the

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JI members, including greater ease in accessing system flexibility both within and outside of Balancing Authority ("BA") areas. Part of this initiative includes a review of current transmission service scheduling requirements to allow for the more efficient integration of intermittent generation resources, including wind and solar generation.

Since the inception of the JI, the participants have focused on intra-hour transmission scheduling changes and sales. Earlier this year, the JI recommended that Western Interconnection Transmission Service Providers ("TSP") and BAs implement intra-hour scheduling changes of transmission service to the extent a TSP or BA is able to accept such schedules (and corresponding e-Tags) within its existing infrastructure and so long as such schedules would not negatively impact the reliability of its system. (The recommendation is posted at http://www.columbiagrid.org/ji-nttg-wc-documents.cfm under 02/17/2009 Within-Hour Business Practices Recommendation (2.3.09)-1 (v: 1).) It was the intent of the JI participants that multiple TSPs and BAs would adopt this recommendation so that intra-hour scheduling could be available for transactions across multiple systems.

II. PURPOSE AND DESCRIPTION OF AMENDMENTS

The Filing Parties have been active participants in the JI and endorse the intrahour scheduling initiative undertaken by other JI participants. Intra-hour scheduling provides a mechanism to address unanticipated generation patterns — a valuable tool to mitigate the intra-hour fluctuations common to intermittent, variable generation resources. Intra-hour schedules also provide for greater access to generation capacity across multiple transmission systems on posted paths because it allows shorter timeframes for scheduling. Intra-hour scheduling not only assists both the purchaser and seller of variable generation resources by facilitating the flexibility needed to maximize the efficient use of those resources, it also increases the BA's ability to accommodate those resources on a real-time basis.

The need for the amendments to the Filing Parties' respective OATTs, and proposed in this filing, results from the Bonneville Power Administration's ("BPA") pilot project that permits intra-hour scheduling flexibility. Specifically, the BPA pilot project was introduced on December 1, 2009 and allows the scheduling of renewable wind generation resources in half-hour increments only on exports from the BPA transmission system. In order to allow the Filing Parties to participate in this endeavor and accommodate intra-hour scheduling changes, it is necessary to slightly amend the OATTs of each of the Filing Parties.

In this filing, the Filing Parties propose to revise Sections 13.8 (Scheduling of Firm Point-To-Point Transmission Service) and 14.6 (Scheduling of Non-Firm Point-To-Point Transmission Service) of their OATTs to permit intra-hour scheduling. Specifically, the language to be included within the existing OATT Sections would state:

Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling

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changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification.

The proposed amendment will allow the Filing Parties to immediately participate in the pilot project and facilitate the efficient scheduling of intermittent resources throughout the region. The Filing Parties and the other participants in the pilot project hope to generate valuable information and data as to the efficacy of intra-hour scheduling changes and it is the expectation of the participants to continue the pilot project beyond its test period and possibly expand the parameters around which intra-hour scheduling can be accommodated. The proposed amendments to the Filing Parties' OATTs provide the greatest flexibility for the Filing Parties to not only participate in the pilot project, but also continue with the effort going forward.

In addition to the tariff revision, the Filing Parties will each develop and post on their respective Open Access Same-Time Information System ("OASIS") sites a business practice that sets forth the terms and conditions under which a transmission customer may execute intra-hour scheduling changes and that specifies the timeline the transmission customer must follow. As information is gathered during the pilot project period, the Filing Parties expect to expand and refine their respective business practices which will be continuously updated, revised and posted on the Filing Parties' respective OASIS sites for all transmission customers.

The Commission will permit revisions to the *pro forma* OATT if the proposed revisions are consistent with, or superior to, the *pro forma* OATT. As described above, the changes to the Filing Parties' OATTs proposed here are superior to the *pro forma* OATT because permitting intra-hour scheduling changes will (1) provide the flexibility to address the unanticipated generation patterns inherent in intermittent generation resources; (2) provide greater access to capacity across multiple transmission systems on posted paths by allowing shorter timeframes for scheduling; (3) provide the flexibility needed for transmission customers to maximize the efficient use of intermittent generation resources; and, (4) maximize the BA's ability to accommodate intermittent generation resources on a real-time basis.

III. INFORMATION REQUIRED BY 18 C.F.R. §35.13(b)

A. Contents of Filing

The Filing Parties respectfully tender the following for filing:

This transmittal letter; and

¹ Preventing Undue Discrimination and Preference in Transmission Service, Order No. 890, 72 FR 12266 (March 15, 2007), FERC Stats. & Regs. ¶ 31,241 at P 135 (2007).

 Clean and redlined versions of each of the Filing Parties' tariff sheets modified in this filing, attached hereto as Attachment A for Puget, Attachment B for PGE, and Attachment C for Avista.

B. Proposed Effective Date

The Filing Parties seek an effective date of February 1, 2010 to coincide with the earliest possible date to correspond to BPA's implementation of intra-hour scheduling changes on its system. The Filing Parties respectfully request waiver of the Commission's regulations to permit an effective date of February 1, 2010. The Commission will generally permit waiver of its advance notice requirements for filings that propose changes to non-rate terms and conditions.² The changes proposed in the instant filing do not pertain to any rate included in any of the Filing Parties' OATTs and are limited to non-rate terms.

C. Brief Description of Changes

See discussion under Section II of this transmittal letter.

D. Reasons for the Rate Schedule Changes

See discussion under Section I of this transmittal letter.

E. Showing that All Requisite Agreements have been Obtained

No agreements of other parties are necessary.

F. Statement Regarding Illegal, Duplicative or Unnecessary Costs

None of the costs included in the attached tariff sheets 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.

G. Federal Register Notice

In accordance with the Commission's April 6, 2007 Notice of Electronic Filing Guidelines for Open Access Transmission Tariffs and Related Filings Pursuant to Commission Order 890 and 18 C.F.R. Part 35 and 37, the Filing Parties have not included a Form Notice with this filing.

² Central Hudson Gas & Electric Corporation, 60 FERC ¶ 61,106 at 61,338 (1992).

Kimberly D. Bose, Secretary January 20, 2009 Page 5 of 6

H. Communications

The Filing Parties request that any communications regarding this filing be sent to the following individuals:

For Puget Sound Energy, Inc.:

Tom DeBoer Christine Philipps Puget Sound Energy, Inc. 10885 NE 4th Street Bellevue, WA 98005 425.462.3653 (telephone) 425.462.3414 (facsimile) Tom.Deboer@pse.com Christine.Philipps@pse.com Gary D. Bachman Evan C. Reese Van Ness Feldman, P.C. 1050 Thomas Jefferson Street, N.W. Washington, D.C. 20007 202.298.1800 (telephone) 202.338.2416 (facsimile)

Daniel J. Neilsen Van Ness Feldman, P.C. 719 Second Avenue, Suite 1150 Seattle, WA 98104 206.623.9372 (telephone) 206.623.4986 (facsimile) djn@vnf.com

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IV. CONCLUSION

For all the foregoing reasons, the Filing Parties respectfully request that the Commission accept the proposed tariff revisions to their respective OATTs as described above and permit the revisions to become effective on February 1, 2010.

Respectfully submitted,

Evan C. Reese

Attachments

ATTACHMENT A

PUGET SOUND ENERGY, INC. TARIFF SHEETS



Effective Date: February 1, 2010

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within the Transmission Provider's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common point of receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes for a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider] before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

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Issued by: Thomas A. DeBoer

Director of Rates and Regulatory Affairs

Issue Date: January 20, 2010

Filed in compliance with Order No. 890, Preventing Undue Discrimination and Preference in Transmission Service, 72 Fed. Reg. 12,266 (Mar. 15, 2007).

14 Nature of Non-Firm Point-To-Point Transmission Service

14.1 Term

Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to

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Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14.7 Curtailment or Interruption of Service

The Transmission Provider reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System or the systems directly and indirectly interconnected with Transmission Provider's Transmission System. The Transmission Provider reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (1) a request for Firm Transmission

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Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, (4) transmission service for Network Customers from non-designated resources, or (5) transmission service for Firm

Thomas A. DeBoer Director of Rates and Regulatory Affairs Effective Date: February 1, 2010 Issued by:

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72 Fed. Reg. 12,266 (Mar. 15, 2007).

CLEAN TARIFF SHEETS

Effective Date: February 1, 2010

within the Transmission Provider's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common point of receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes [or a reasonable time that is generally accepted in the region and is consistently adhered to by the Transmission Provider before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator. hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

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14 Nature of Non-Firm Point-To-Point Transmission Service

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Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to

Effective Date: February 1, 2010

Delivering Party and Receiving Party also agree to the schedule modification.

The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

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Effective Date: February 1, 2010

Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm Point-To-Point Transmission Service of equal duration with a higher price, (4) transmission service for Network Customers from non-designated resources, or (5) transmission service for Firm

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ATTACHMENT B

PORTLAND GENERAL ELECTRIC COMPANY

TARIFF SHEETS

REDLINED TARIFF SHEETS

Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

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Non-Firm Point-To-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-To-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

14.2 Reservation Priority:

Non-Firm Point-To-Point Transmission Service shall be available from transfer capability in excess of that needed for reliable service to Native Load Customers,

Issued by: J. Jeffrey DudleyPamela Grace Lesh

Vice President & General Counsel, Regulatory Affairs

& Strategic Planning

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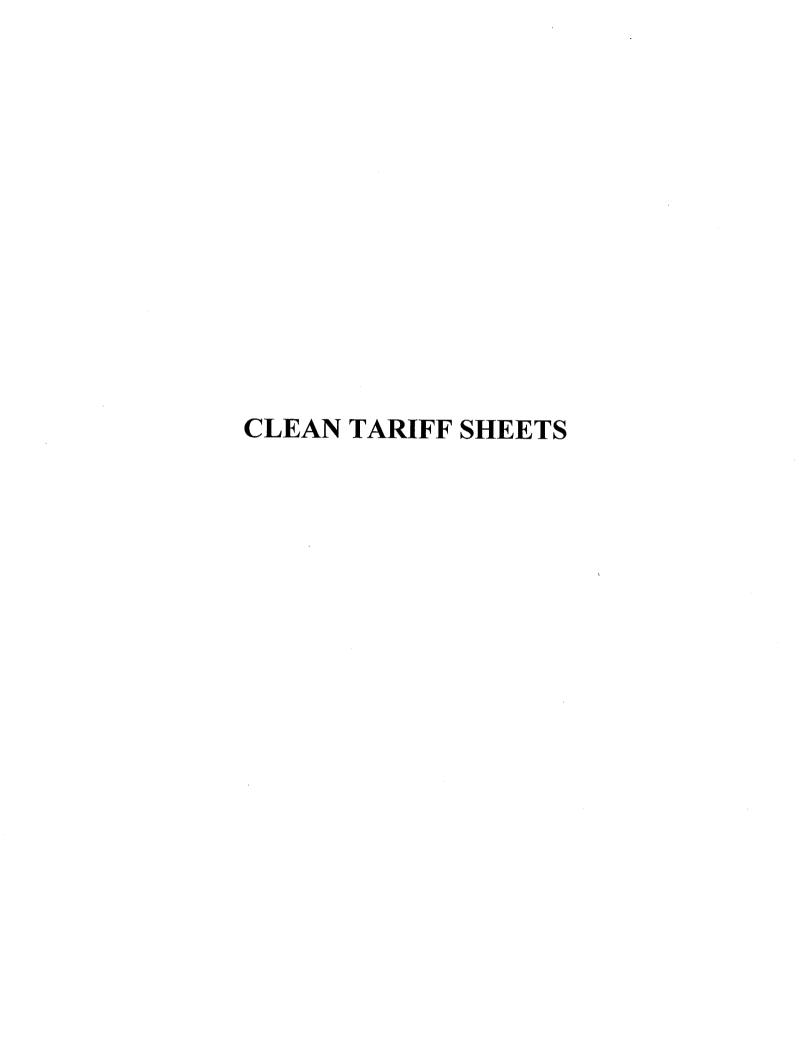
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changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

14.7 Curtailment or Interruption of Service:

The Transmission Provider reserves the right to Curtail, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System or the systems directly and indirectly interconnected with Transmission Provider's Transmission System. Transmission Provider may elect to implement such Curtailments pursuant to the Procedures Addressing Parallel Flows specified in Attachment J. The Transmission Provider reserves the right to Interrupt, in whole or in part, Non-Firm Point-To-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (1) a request for Firm Transmission Service, (2) a request for Non-Firm Point-To-Point Transmission Service of greater duration, (3) a request for Non-Firm



Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered.

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14.2 Reservation Priority:

Non-Firm Point-To-Point Transmission Service shall be available from transfer capability in excess of that needed for reliable service to Native Load Customers,

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ATTACHMENT C

AVISTA CORPORATION TARIFF SHEETS



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Transmission Customer (including Third-Party Sales by the Transmission Provider) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved.

13.8 Scheduling of Firm Point-to-Point Transmission Service:

Schedules for the Transmission Customer's Firm Point-to-Point Transmission Service must be submitted to the Transmission Provider no later than 10:00 a.m. of the Working Day prior to commencement of such service. submitted after 10:00 a.m. will be accommodated, if practicable. Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of 1,000 kW per hour. Transmission Customers within the Transmission Provider's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common Point of Receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer. Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification.

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Issued by: Jeff Schlect, Manager, Transmission Services

Issued on: January 20, 2010

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minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered. Intrahour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification.

14.7 Curtailment or Interruption of Service:

The Transmission Provider reserves the right to Curtail, in whole or in part, Non-Firm Point-to-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System. The Transmission Provider reserves the right to Interrupt, in whole or in part, Non-Firm Point-to-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (i) a request for Firm Point-to-Point Transmission Service. (ii) a request for Non-Firm Point-to-Point Transmission Service of greater duration, (iii) a request for Non-Firm Point-to-Point Transmission Service of equal duration with a higher price, (iv) transmission service for Network Customers from nondesignated resources, or (v) transmission service for Firm Point-to-Point Transmission Service during conditional curtailment periods as described in Section 15.4. The Transmission Provider also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-to-Point Transmission Service shall be subordinate to Firm Point-to-Point Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments Interruptions will be made to transactions of the shortest term (e.g., hourly nonfirm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-to-Point Transmission Service under the Tariff. Non-Firm Point-to-Point Transmission Service over secondary Points of Receipt and Points of Delivery will have a lower priority than any Non-Firm Point-to-Point Transmission Service under the Tariff. The Transmission Provider will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

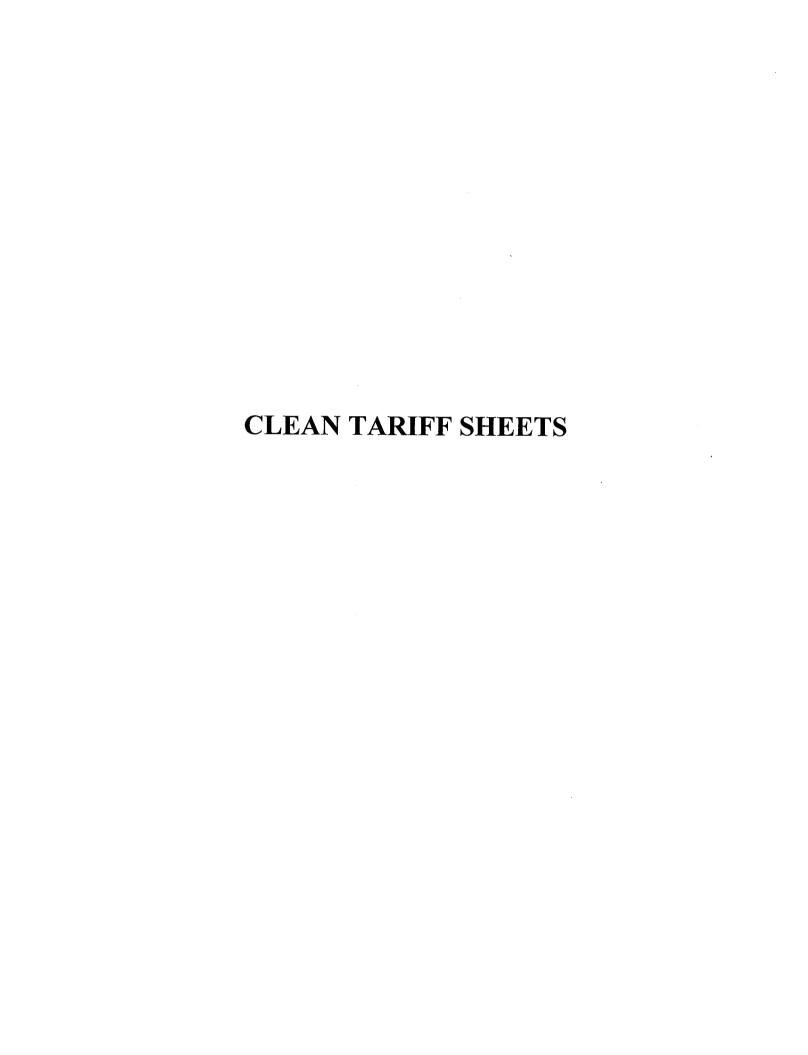
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Transmission Customer (including Third-Party Sales by the Transmission Provider) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery or uses Transmission Service at a Point of Receipt or Point of Delivery that it has not reserved.

13.8 Scheduling of Firm Point-to-Point Transmission Service:

Schedules for the Transmission Customer's Firm Point-to-Point Transmission Service must be submitted to the Transmission Provider no later than 10:00 a.m. of the Working Day prior to commencement of such service. submitted after 10:00 a.m. will be accommodated, if practicable. Hour-to-hour schedules of any capacity and energy that is to be delivered must be stated in increments of 1,000 kW per hour. Transmission Customers within the Transmission Provider's service area with multiple requests for Transmission Service at a Point of Receipt, each of which is under 1,000 kW per hour, may consolidate their service requests at a common Point of Receipt into units of 1,000 kW per hour for scheduling and billing purposes. Scheduling changes will be permitted up to twenty (20) minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered. Intra-hour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification.

14. Nature of Non-Firm Point-to-Point Transmission Service

14.1 Term:

Non-Firm Point-to-Point Transmission Service will be available for periods ranging from one (1) hour to one (1) month. However, a Purchaser of Non-Firm Point-to-Point Transmission Service will be entitled to reserve a sequential term of service (such as a sequential monthly term without having to wait for the initial term to expire before requesting another monthly term) so that the total time period for which the reservation applies is greater than one month, subject to the requirements of Section 18.3.

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minutes before the start of the next clock hour provided that the Delivering Party and Receiving Party also agree to the schedule modification. The Transmission Provider will furnish to the Delivering Party's system operator, hour-to-hour schedules equal to those furnished by the Receiving Party (unless reduced for losses) and shall deliver the capacity and energy provided by such schedules. Should the Transmission Customer, Delivering Party or Receiving Party revise or terminate any schedule, such party shall immediately notify the Transmission Provider, and the Transmission Provider shall have the right to adjust accordingly the schedule for capacity and energy to be received and to be delivered. Intrahour scheduling changes will also be permitted if authorized by the Transmission Provider in a business practice and such intra-hour scheduling changes are made in accordance with the timeline contained in such business practice provided that all parties to the interchange transaction agree to the modification.

14.7 Curtailment or Interruption of Service:

The Transmission Provider reserves the right to Curtail, in whole or in part, Non-Firm Point-to-Point Transmission Service provided under the Tariff for reliability reasons when an emergency or other unforeseen condition threatens to impair or degrade the reliability of its Transmission System. The Transmission Provider reserves the right to Interrupt, in whole or in part, Non-Firm Point-to-Point Transmission Service provided under the Tariff for economic reasons in order to accommodate (i) a request for Firm Point-to-Point Transmission Service, (ii) a request for Non-Firm Point-to-Point Transmission Service of greater duration, (iii) a request for Non-Firm Point-to-Point Transmission Service of equal duration with a higher price, (iv) transmission service for Network Customers from nondesignated resources, or (v) transmission service for Firm Point-to-Point Transmission Service during conditional curtailment periods as described in Section 15.4. The Transmission Provider also will discontinue or reduce service to the Transmission Customer to the extent that deliveries for transmission are discontinued or reduced at the Point(s) of Receipt. Where required, Curtailments or Interruptions will be made on a non-discriminatory basis to the transaction(s) that effectively relieve the constraint, however, Non-Firm Point-to-Point Transmission Service shall be subordinate to Firm Point-to-Point Transmission Service. If multiple transactions require Curtailment or Interruption, to the extent practicable and consistent with Good Utility Practice, Curtailments or Interruptions will be made to transactions of the shortest term (e.g., hourly nonfirm transactions will be Curtailed or Interrupted before daily non-firm transactions and daily non-firm transactions will be Curtailed or Interrupted before weekly non-firm transactions). Transmission service for Network Customers from resources other than designated Network Resources will have a higher priority than any Non-Firm Point-to-Point Transmission Service under the Tariff. Non-Firm Point-to-Point Transmission Service over secondary Points of Receipt and Points of Delivery will have a lower priority than any Non-Firm Point-to-Point Transmission Service under the Tariff. The Transmission Provider will provide advance notice of Curtailment or Interruption where such notice can be provided consistent with Good Utility Practice.

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