

BY ELECTRONIC MAIL

October 1, 2007

To: General Counsel, ISO New England

From: Kristine L. Mespelli, Chair Schedule 20A Service Provider Administrative Committee ("SSPAC")

Cc: Eric K. Runge, Counsel for IRH Management Committee
Schedule 20A Service Provider Administrative Committee Members

Re: Notice of Proposed Modifications to Schedule 20A

On February 9, pursuant to Section 3.12 of the Phase I/II HVDC-TF Transmission Service Administration Agreement ("TSAA"), SSPAC provided written notification of amendment to Schedule 20A in Section II of the ISO New England, Inc. Transmission, Markets and Services Tariff ("Schedule 20A"). Such notice stated that SSPAC is planning to amend Schedule 20A to address retention of the Hydro-Quebec Interconnection Capability Credits ("HQICCs"). SSPAC hereby clarifies this prior notice by specifying that the contemplated tariff amendment will permit recovery of lost opportunity costs arising from reduction of HQICCs during the FCM transition period. In addition, SSPAC provides written notification of further amendment to Schedule 20A. SSPAC is considering clarification of reservation requirements for capacity and energy imports/exports over the Phase I/II HVDC-TF in light of the ISO's recent dispatchable import proposal.

This notification satisfies all TSAA requirements, thus no further action by SSPAC is necessary. Please contact Kristine Mespelli, Chair of SSPAC, with any questions.

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