

NESL

**Form of Network Operating Agreement for  
Network Integration Transmission Service**

- 1.0 This Network Operating Agreement (“Operating Agreement”), dated as of July 13, 2011, is entered into, by and between the Midwest ISO and Nordic Energy Services LLC. (“Network Customer”).
- 2.0 The purpose of this Operating Agreement is to provide the terms and conditions of the exchange of information between the Parties concerning the technical and operational matters in order to plan, design, build, operate and maintain their respective systems and specify the equipment that will be installed, maintained and operated consistent with Good Utility Practice.
- 3.0 Service under this Operating Agreement for a transaction shall commence on the later of: (1) the requested service commencement date, (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this Operating Agreement shall terminate on such date as mutually agreed upon by the Parties or the termination date of the transaction.
- 4.0 In order to coordinate and implement, on an ongoing basis, the terms and conditions of this Operating Agreement and the Provisions of Network Integration Transmission Service under the Tariff, including, but not limited to planning, operating, scheduling, redispatching, curtailments, control requirements, technical and operating provisions, integrations of equipment, hardware and software and other operating considerations, the Network Customer and Midwest ISO shall each appoint a representative, including an alternate, to a Coordination Committee to administer this Operating Agreement with the Midwest ISO representative being the chair. If the Network Customer has either Network Resources or Network Load within an ITC Control Area, the ITC may also appoint a representative, including an alternate, to the Coordination Committee. Said committee shall meet, or otherwise concur, as necessary before the service commencement date, but not less than annually after the service commencement date. The committee shall establish and keep clear records of the meetings and decisions made by the committee. The expenses of the representatives shall be paid by the respective Parties.
- 5.0 The Network Customer shall either: (1) operate as a Local Balancing Authority Area under applicable guidelines of the North American Electric Reliability Council (“NERC”) and the applicable regional reliability council, (2) satisfy its Local Balancing Authority Area requirements, including all necessary Ancillary Services, by contracting with the Midwest ISO or ITC, as applicable, or (3) satisfy its Local Balancing Authority Area requirements, including all necessary Ancillary Services, by contracting with another entity, consistent with Good Utility Practice, which satisfies NERC and the applicable regional reliability council requirements. The Midwest ISO shall not unreasonably refuse to accept contractual arrangements with another entity for Ancillary Services.

6.0 The following Exhibits addressing certain needs concerning equipment, data, software, and long-term planning requirements are attached and incorporated hereto:


<u>Exhibit</u>	<u>Title</u>
A	Equipment to Integrate the Network Customer into the Transmission System
B	Data Transfer
C	Software
D	Long-Term Planning
E	Local Balancing Authority Area Requirements

7.0 The Tariff, Application, Service Agreement, Transaction Specifications and Exhibit WDS are incorporated herein and made a part hereof.

8.0 If the Network Customer has either Network Resources or Network Load within an ITC Balancing Authority Area, Network Customer shall, if required by ITC, enter into a Control Area Services Agreement with ITC pursuant to ITC's Control Area Services and Operations Tariff or other applicable tariff on file with the Commission.

IN WITNESS WHEREOF, the Parties have caused this Operating Agreement to be executed by their respective authorized officials.

Midwest ISO

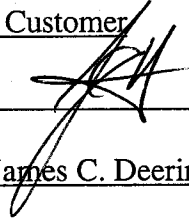
By:   
Executive Director Forward  
Operations

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: 7-19-11 MA

Network Customer

By: 

Name: James C. Deering, JD

Title: President

Date: July 13, 2011

Planning Concurrence

By: \_\_\_\_\_

Date: \_\_\_\_\_

Operations Concurrence

By: \_\_\_\_\_

Date: \_\_\_\_\_

Transaction Accepted AREF# \_\_\_\_\_

**EQUIPMENT TO INTEGRATE THE NETWORK CUSTOMER INTO THE  
TRANSMISSION SYSTEM**

Note: The equipment needed to integrate the Customer into the Transmission Provider's transmission system includes, but is not limited to remote terminal units ("RTU"), metering points and equipment, and any relaying equipment and settings. This listing should include the interconnection points and the necessary equipment and data needed to integrate the Transmission Provider and the Network Customer consistent with Good Utility Practice and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Transmission System.

**DATA TRANSFER**

Note: Each Party shall furnish to the other Party data available to it on such time bases as are established by the Parties when such data are needed for settlement, operating records, or other purposes consistent with the objectives thereof. As promptly as reasonably practicable, each Party shall render to the other Party statements setting forth data from sources available to it in such detail and with such segregation as may be needed for the transmission service provided under the Network Integration Transmission Service provisions of the Tariff. The data shall include, but not be limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside the Transmission Provider's Transmission System, interchange schedules, unit outputs for redispatch, voltage schedules, loss factors, and other real-time data.

**SOFTWARE SYSTEMS**

Note: The Parties shall provide the software needed for data links and constraint dispatching.

## **LONG-TERM PLANNING**

Note: The Network Customer shall provide 10 year load and resource forecasts to allow the long-term planning of the integrated systems. Also included shall be any future changes in the transmission systems of either party, which will affect the operation, or reliability of the Transmission System.

**LOCAL BALANCING AUTHORITY AREA REQUIREMENTS**

<u>SERVICE</u>	<u>FROM TRANSMISSION PROVIDER</u>	<u>CUSTOMER AS CONTROL AREA</u>	<u>FROM THIRD PARTY</u>
Scheduling, System Control and Redispatch	X		
Reactive Supply and Voltage Control	X		
Regulation and Frequency Response	X		
Energy Imbalance	X		
Operating Reserve-Spinning	X		
Operating Reserve-Supplemental	X		

Note: The Network Customer shall arrange for all Local Balancing Authority Area requirements including necessary Ancillary Services. These requirements can be met by operating as a Local Balancing Authority Area, contracting with the Transmission Provider, or by contracting with a Third Party. The elections of the Network Customer shall be noted above.