



WestConnect Regional Transmission Service Business Practices

The following are the Current Business Practices and requirements for the WestConnect Regional Transmission Service Experiment. All business practices are considered currently effective unless otherwise noted. This document provides clarification and requirements in connection with the transmission reservation and energy scheduling processes.

Credit Policies for Curtailments and Displacements

No credit will be given to the Transmission Customer under any of the following circumstances:

- Any curtailment of transmission service by a single Regional Transmission Provider or multiple Regional Transmission Providers, whether the curtailment is on one section, multiple sections, or on all sections of the purchased path.
- WestConnect Regional transmission service may be displaced by a higher priority product type or service of greater duration on any segment of a purchased path in accordance with the rules established in the OATT of the Regional Transmission Provider(s) that displace(s) the transaction. No credit is given for a displacement regardless of whether the displacement occurs on a single Regional Transmission Provider's or multiple Regional Transmission Providers' system(s).

Policies for Annulment of a TSR by Regional Transmission Provider(s)

- The Transmission Customer will not be charged for a TSR obtained under the Experiment if all the Regional Transmission Providers participating in the Regional Transaction ("Participants") agree to annul the Regional Transaction.

Policy Regarding a Transmission Customer Tagging Only a Portion of the WestConnect Regional Transmission Service Purchased

The WestConnect Regional Transmission Service was designed to be tagged and utilized across all of the Regional Transmission Providers in the path purchased. As such, WestConnect Regional Transmission Service should be tagged, via an E-Tag, to fully represent all segments purchased from each Regional Transmission Provider. For example, if a Regional Transmission Customer purchases Craig to PaloVerde 500, and TSGT, PNM, and AZPS are the Regional Transmission Providers, then any E-Tag using the Regional Transmission TSR should include all segments, all Regional Transmission Providers, and all appropriate Balancing Authorities involved.

If a Regional Transmission Customer tags only one of the segments in the entire path from Craig to PaloVerde 500, the E-Tag is no longer considered a WestConnect Regional Transmission Service tag, and will be processed in accordance with the individual Transmission Provider's OATT, with appropriate Ancillary Service charges and losses being assessed.

Policy on Redirect, Resell, Rollover, and Annulment of WestConnect Regional TSRs

A Transmission Customer will not be permitted to redirect, resell, rollover or convert Regional Transmission Service obtained under the Experiment. Regional Transactions under the Regional Tariff can be annulled at the request of a Transmission Customer only if all the Participants on the transaction path agree to annul the Regional Transaction.

Deal Wizard Processing of Certain TSRs

If the WestConnect Deal Wizard indicates that a proposed transaction on the transmission systems of multiple Regional Transmission Providers is more expensive under the Regional Rate than under the pancaked OATT rates of those Regional Transmission Providers – i.e., if the “WC Regional Savings” column shows a negative amount – the Transmission Customer may still submit the request. If the request is submitted, each segment of the path will be processed as an individual transaction under the relevant Regional Transmission Provider's individual OATT. A new submission of TSRs for the

transaction to each of the relevant Regional Transmission Providers will not be required. In such cases, each segment of the transaction will be billed by the relevant individual Regional Transmission Provider in accordance with that Regional Transmission Provider's OATT, and will not be billed under the Regional Tariff.