

# Attachment A

**Service Agreement No. 2649**

**COST REIMBURSEMENT AGREEMENT**

This **COST REIMBURSEMENT AGREEMENT** (this “*Agreement*”), is made and entered into as of August 18, 2021 (the “*Effective Date*”), by and between **NEW YORK STATE ELECTRIC & GAS CORPORATION**, a New York corporation, with offices located at 89 East Avenue, Rochester, NY 14649 (“*Customer*”), and **NIAGARA MOHAWK POWER CORPORATION**, a corporation organized and existing under the laws of the State of New York, having an office and place of business at 300 Erie Boulevard West, Syracuse, New York 13202 (the “*Company*”). Customer and Company may be referred to hereunder, individually, as a “*Party*” or, collectively, as the “*Parties*”.

**WITNESSETH**

**WHEREAS**, Customer is proposing to expand its existing Big Tree Station located in Orchard Park, NY and interconnect such expanded Station with Company’s existing 115 kV Line 151 transmission line (“*Line 151*”); and

**WHEREAS**, Customer has requested that Company perform certain Company Work, as more specifically described below; and

**WHEREAS**, Company is willing to perform the Company Work as contemplated in this Agreement, subject to (i) reimbursement by Customer of all Company costs and expenses incurred in connection therewith, (ii) Customer’s delivery of certain real property interests as contemplated in this Agreement, (iii) Customer’s performance of all other duties, responsibilities, and obligations set forth in this Agreement, including, without limitation, the Customer Required Actions (as defined below), and (iv) receipt of any and all Required Approvals, as set forth in Section 18.1.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth herein, the Parties agree as follows:

**1.0 Certain Definitions**

Wherever used in this Agreement with initial capitalization, whether in the singular or the plural, these terms shall have the following meanings:

“*Affiliate*” means any person or entity controlling, controlled by, or under common control with, any other person or entity; “control” of a person or entity shall mean the ownership of, with right to vote, 50% or more of the outstanding voting securities, equity, membership interests, or equivalent, of such person or entity.

“*Agreement*” means this Cost Reimbursement Agreement, including all annexes, appendices, attachments, schedules, and exhibits and any subsequent written amendments or modifications thereto, as may be mutually agreed to and executed by the Parties.

“Applicable Requirements” shall mean all applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits, licenses, authorizations, approvals and other duly authorized actions of any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction, NYISO, NYSRC and NPCC requirements, and any applicable reliability standards.

“Balance Amount” shall have the meaning set forth in Section 8.1 of this Agreement.

“Big Tree Expansion Project” shall have the meaning set forth in Exhibit A to this Agreement.

“Breaching Party” shall have the meaning set forth in Section 21.1 of this Agreement.

“CEIP” shall have the meaning set forth in Section 25.4 of this Agreement.

“CIP” shall have the meaning set forth in Section 25.4 of this Agreement.

“Company” shall have the meaning set forth in the preamble to this Agreement.

“Company Reimbursable Costs” means the actual costs and expenses incurred by Company and/or its Affiliates in connection with performance of the Company Work or otherwise incurred by Company and/or its Affiliates in connection with the Project or this Agreement, and including, without limitation, any such costs that may have been incurred by Company and/or its Affiliates prior to the Effective Date. These Company Reimbursable Costs shall include, without limitation, the actual expenses for labor (including, without limitation, internal labor), services, materials, subcontracts, equipment or other expenses incurred in the execution of the Company Work or otherwise in connection with the Project, all applicable overhead, overtime costs (subject to Section 5.1), all federal, state and local taxes incurred (including, without limitation, all taxes arising from amounts paid to Company that are deemed to be contributions in aid of construction), all costs of outside experts, consultants, counsel and contractors, all other third-party fees and costs, and all costs of obtaining any required permits, rights, consents, releases, approvals, or authorizations acquired by or on behalf of Company, including, without limitation, the Required Approvals.

“Company Work” means all duties, responsibilities, and obligations to be performed by Company as contemplated by Section 3.1 of this Agreement.

“Convenience Termination Notice” shall have the meaning set forth in Section 7.3 of this Agreement.

“Customer” shall have the meaning set forth in the preamble to this Agreement.

“Customer Grants of Easement” shall have the meaning set forth in Exhibit C to this Agreement.

“Customer Required Actions” means all duties, responsibilities, and obligations to be performed by Customer as contemplated by Section 3.3 of this Agreement.

“Damages” shall have the meaning set forth in Section 12.1 of this Agreement.

“Day” means a calendar day, provided, that, if an obligation under this Agreement falls due on a Saturday, Sunday or legal holiday, the obligation shall be due the next business day worked.

“Defect Notice” shall have the meaning specified in Section 3.2 of this Agreement.

“Detailed Project Plan” shall have the meaning set forth in Exhibit A to this Agreement.

“Disclosing Party” shall mean the Party disclosing Proprietary Information.

“Disputed Payment Amount(s)” shall have the meaning specified in Section 7.4 of this Agreement.

“Dollars” and “\$” mean United States of America dollars.

“Effective Date” shall have the meaning specified in the preamble of this Agreement.

“Environment” shall mean soil, surface waters, groundwaters, land, stream sediments, surface or subsurface strata, and ambient air.

“Environmental Law” shall mean any environmental or health-and-safety-related law, regulation, rule, ordinance, or by-law at the federal, state, or local level, whether existing as of the Effective Date, previously enforced or subsequently enacted, or any judicial or administrative interpretation thereof.

“Existing Facilities” means that portion of the existing Company Gardenville Arcadia 151 transmission line located in Erie County Orchard Park NY, and related facilities.

“FERC” shall mean the Federal Energy Regulatory Commission.

“Force Majeure Event” shall have the meaning set forth in Section 23.1 of this Agreement.

“Good Utility Practice” means any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act, to the exclusion of all others, but rather to refer to acceptable practices, methods, or acts generally accepted in the region in which the Project is located during the relevant time period. Good Utility Practice shall include, but not be limited to, NERC, NPCC

and NYISO, NYSRC criteria, rules, guidelines, and standards, where applicable, and as they may be amended from time to time, including the rules, guidelines, and criteria of any successor organization to the foregoing entities.

“Hazardous Substances” means any pollutant, contaminant, toxic substance, hazardous material, hazardous waste, or hazardous substance, or any oil, petroleum, or petroleum product, as defined in or pursuant to the Federal Clean Water Act, as amended, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, et seq., or any other Environmental Law.

“Indemnified Party” and “Indemnified Parties” shall have the meanings set forth in Section 12.1 of this Agreement.

“Initial Prepayment” shall have the meaning set forth in Section 7.2 of this Agreement.

“Land Use Approvals” shall have the meaning set forth in Exhibit C to this Agreement.

“NERC” shall mean the North American Electric Reliability Corporation or any successor organization.

“New Facilities” shall have the meaning set forth in Exhibit A to this Agreement.

“New Facilities Approvals” shall have the meaning set forth in Exhibit A to this Agreement.

“New Facilities Property Rights” shall have the meaning set forth in Exhibit C of this Agreement.

“Non-Breaching Party” shall have the meaning set forth in Section 21.1 of this Agreement.

“Non-Disclosure Term” shall have the meaning set forth in Section 25.3.4 of this Agreement.

“Notice to Proceed” shall have the meaning set forth in Section 7.3 of this Agreement.

“NPCC” shall mean the Northeast Power Coordinating Council, Inc. (a reliability council under Section 202 of the Federal Power Act) or any successor organization.

“NYISO” shall mean the New York Independent System Operator, Inc. or any successor organization thereto.

“NYPSC” shall mean the New York Public Service Commission.

“NYSRC” shall mean the New York State Reliability Council or any successor organization thereto.

“Party” and “Parties” shall have the meanings set forth in the preamble to this Agreement.

“Phase II Notice” shall have the meaning set forth in Section 7.3 of this Agreement.

“Phase I Portion” shall have the meaning set forth in Exhibit A to this Agreement.

“Phase II Portion” shall have the meaning set forth in Exhibit A to this Agreement.

“Phase II Prepayment” shall have the meaning set forth in Section 7.3 of this Agreement.

“Preliminary Milestone Schedule” shall have the meaning set forth in Section 5.2 of this Agreement.

“Project” shall mean the Company Work to be performed under this Agreement.

“Project Manager” means the respective representatives of each of the Customer and Company appointed pursuant to Section 10.1 of this Agreement.

“Proprietary Information” means (i) all financial, technical and other non-public or proprietary information which is furnished or disclosed by the Disclosing Party or its Affiliates (or its or its Affiliates’ agents, servants, contractors, representatives, or employees) to the Receiving Party or its Representative(s) in connection with this Agreement and that is described or identified (at the time of disclosure) as being non-public, confidential or proprietary, or the non-public or proprietary nature of which is apparent from the context of the disclosure or the contents or nature of the information disclosed, (ii) any market sensitive information (including, without limitation, outages scheduled on generators or transmission lines of Company or any third party), (iii) all CEII and CIP and (iv) all memoranda, notes, reports, files, copies, extracts, inventions, discoveries, improvements or any other thing prepared or derived from any information described in subparts (i) through (iii) preceding.

“Real Property Standards” are set forth in Schedule I to this Agreement.

“Receiving Party” shall mean the Party receiving Proprietary Information.

“Refund Amount” shall have the meaning set forth in Section 8.1 of this Agreement.

“Release” shall mean any releasing, spilling, leaking, contaminating, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping of any Hazardous Substances into the Environment.

“Representatives” shall, for the purposes of Article 25 of this Agreement, mean the Affiliates of a Party and such Party’s and its Affiliates’ officers, directors, employees, contractors, counsel and representatives.

“Required Approvals” shall have the meaning set forth in Section 18.1 of this Agreement.

“Resources” shall have the meaning set forth in Section 23.1 of this Agreement.

“Site” shall mean Customer’s Big Tree Substation.

“Threat of Release” shall mean a substantial likelihood of a Release that requires action to prevent or mitigate damage to the Environment that may result from such Release.

“Total Payments Made” shall have the meaning set forth in Section 8.1 of this Agreement.

“Work” shall mean the Customer Required Actions and/or the Company Work, as applicable.

## **2.0 Term**

2.1 This Agreement shall become effective as of the Effective Date and shall remain in full force and effect until performance has been completed hereunder, or until terminated in accordance with the terms of this Agreement, whichever occurs first, provided, however, that this Agreement shall not expire or terminate until all amounts due and owing hereunder have been paid in full as contemplated by this Agreement.

## **3.0 Scope of Work**

3.1 The Company’s scope of work is set forth in Exhibit A of this Agreement, attached hereto and incorporated herein by reference (the “Company Work”).

3.2 The Company shall use commercially reasonable efforts to perform the Company Work in accordance with Good Utility Practice. Prior to the expiration of one (1) year following completion of the Company Work, Customer shall have the right to notify the Company in writing of the need for correction of defective Company Work that does not meet the standard of this Section 3.2 (each, a “Defect Notice”). If the Company Work is defective within the meaning of the prior sentence, then, following its receipt of a timely Defect Notice with respect thereto, the Company shall, at its sole expense, promptly correct, repair or replace such defective Company Work, as appropriate. The remedy set forth in this Section 3.2 is the sole and exclusive remedy granted or available to Customer for any failure of Company to meet the performance standards or requirements set forth in this Agreement.

3.3 Subject to the terms of this Agreement, Customer shall use reasonable efforts to perform the actions described in Exhibit C attached to this Agreement (the “Customer Required Actions”). All of the Customer Required Actions shall be performed at Customer’s sole cost and expense.

- 3.4 Each Party shall reasonably cooperate and coordinate with the other Party, and with such other Party's contractors, subcontractors and representatives, as needed to facilitate the Work.

#### **4.0 Changes in the Work**

- 4.1 Subject to Section 4.2, below, (a) any Customer requests for material additions, modifications, or changes to the Work shall be communicated in writing, and (b) if the Parties mutually agree to such addition, modification, or change to the applicable Work, such agreement shall be set forth in a written document signed by both Parties specifying such addition, modification or change. Any additional costs arising from such addition, modification or change to the Work shall be paid by Customer as part of Company Reimbursable Costs.
- 4.2 The foregoing notwithstanding, the Company is not required to notify Customer of, or to obtain the consent or agreement of the Customer for, any change to the Company Work that is not material (a "Material Change") as defined below. Company shall provide Customer with not less than fifteen (15) Days advanced written notice of any proposed Material Change, except if legal or regulatory compliance requirements, safety considerations, or other exigent circumstances, make providing such advanced written notice impractical, notice of the Material Change shall be provided by the Company to Customer as soon as reasonably practicable under the circumstances. Notice by the Company shall include a good faith estimate of the impact of the Material Change on the Preliminary Milestone Schedule (as such schedule may be amended to accommodate the Phase II Portion, the "Project Schedule") and an explanation of why such Material Change is being made. A Material Change is any change that may result in a delay in the Project Schedule (as such delay is estimated in good faith by the Company at the time of the notice) greater than one (1) month, any increase of the cost to be reimbursed by the Customer (as estimated in good faith by the Company at the time of the notice) in excess of \$200,000, and any change that requires an additional governmental approval.

#### **5.0 Performance and Preliminary Milestone Schedule; Conditions to Proceed**

- 5.1 The Company shall use commercially reasonable efforts to have any Company Work performed by its direct employees performed during normal working hours. The foregoing notwithstanding, if Company Work is performed outside of normal working hours, Customer shall be responsible for paying all actual costs incurred in connection therewith, including, without limitation, applicable overtime costs, as part of Company Reimbursable Costs, provided, that, with respect to Company Work to be performed by Company's direct employees outside of normal working hours ("Overtime Work"), Company provides at least five (5) Days prior written notice to Customer (each, an "Overtime Notice") when Company schedules such Overtime Work other than at the request of Customer. Upon Customer's written request delivered to Company prior to the scheduled commencement of the



Overtime Work referred to in the applicable Overtime Notice (each, a “Deferral Notice”), Company shall defer the scheduled performance of such Overtime Work and instead perform this Company Work during normal working hours. The foregoing notwithstanding, the Company shall not be required to provide an Overtime Notice, nor shall the Company be required to comply with any Deferral Notice, with respect to any Overtime Work that is reasonably required (i) due to emergency circumstances, (ii) for safety, security or reliability reasons (including, without limitation, to protect any facility from damage or to protect any person from injury), (iii) to return any facility to service in accordance with applicable standards, or (iv) to comply with Good Utility Practice or any Applicable Requirement. For the avoidance of doubt: in no event shall the Company be obligated or required to perform Company Work outside of normal working hours if the Company determines, in its sole discretion, that such performance would be unreasonable, unsafe or otherwise not in compliance with Good Utility Practice.

- 5.2 The preliminary project milestone schedule for the Company Work and the Customer Required Actions is set forth in Exhibit B, attached hereto and incorporated herein by reference (“Preliminary Milestone Schedule”). The Preliminary Milestone Schedule is a projection only and is subject to change with or without a written adjustment to such Schedule. Neither Party shall be liable for failure to meet the Preliminary Milestone Schedule, any milestone, or any other projected or preliminary schedule in connection with this Agreement or the Project.
- 5.3 Commencement of Company Work. Company will proceed with the Phase I Portion of the Company Work promptly following Company’s receipt of the Initial Prepayment.
- 5.4 Construction Commencement. Anything in this Agreement to the contrary notwithstanding, Company shall not be obligated to proceed with any construction in connection with the Company Work unless and until all of the following conditions have been satisfied:
- (i) Customer has delivered, or arranged to deliver, and Company has received, all real property rights necessary for Company to complete the Company Work, including, without limitation, the New Facilities Property Rights,
  - (ii) all Required Approvals for such Company Work (including, without limitation, the New Facilities Approvals and the Land Use Approvals) have been received, are in form and substance satisfactory to the Parties, have become final and non-appealable and commencement of such construction is permitted under the terms and conditions of such Required Approvals, and
  - (iii) all Company Reimbursable Costs invoiced to date have been paid in full to Company.

6.0 **[Reserved]**

7.0 **Customer Obligation to Pay Company Reimbursable Costs; Invoicing; Taxes**

7.1 Customer shall pay or reimburse Company for all Company Reimbursable Costs actually incurred by Company and/or its Affiliates. Any estimates provided under or in connection with this Agreement or the Company Work (including, without limitation, the Initial Prepayment) shall not limit Customer's obligation to pay Company for all Company Reimbursable Costs actually incurred by Company and/or its Affiliates.

Customer shall provide Company with a prepayment of **\$1,300,000** ("Initial Prepayment"), such amount representing Company's current estimate of the Company Reimbursable Costs to perform the Phase I Portion of the Company Work.

7.2 The Company shall invoice Customer for the Initial Prepayment; Customer shall pay such amount to Company within five (5) Days of the invoice due date. Unless it elects to do so in its sole discretion, Company shall not be obligated to commence any Company Work under this Agreement prior to Company's receipt of the Initial Prepayment.

7.3 Following completion of the Phase I Portion of the Company Work, Company shall provide Customer with a written notice (the "Phase II Notice") of the Company's good faith estimate of the additional total Company Reimbursable Costs to perform the Phase II Portion of the Company Work (the "Phase II Prepayment"), which notice will include a reasonable summary of the anticipated work to be performed for the Phase II Portion of the Company Work, and the related costs and expenses, and an invoice for the Phase II Prepayment amount. Upon issuance of the Phase II Notice, Company shall suspend performance of the Company Work pending Company's receipt of a Notice to Proceed (as defined below) from Customer. Promptly following issuance of the Phase II Notice, Customer shall determine whether it wishes to (a) deliver an unconditional written direction to Company to commence and complete performance of the Phase II Portion of the Company Work accompanied by payment in full of the invoiced Phase II Prepayment amount ("Notice to Proceed") or (b) terminate this Agreement for convenience by delivering a written notice thereof to Company ("Convenience Termination Notice"). Following Company's receipt of a Notice to Proceed signed by an authorized representative of Customer, Company will commence performance of the Phase II Portion of the Company Work in accordance with and subject to the terms and conditions of this Agreement. In the event that Customer does not deliver either a Notice to Proceed or a Convenience Termination Notice on or before thirty (30) Days following the date of the Phase II Notice, this Agreement shall be deemed terminated for convenience by Customer. Any costs or expenses incurred by Company as the result of any suspension of Company Work contemplated by this Section 7.3, including, without limitation, demobilization and remobilization costs,

shall be included in the Company Reimbursable Costs to be reimbursed by Customer. Any termination of this Agreement contemplated by this Section 7.3 shall be subject to Sections 21.3 and 21.4 of this Agreement. For the avoidance of doubt: the Phase II Prepayment amount is an estimate only and shall not limit Customer's obligation to pay Company for all Company Reimbursable Costs actually incurred by Company and/or its Affiliates.

- 7.4 Company may invoice Customer, from time to time, for unpaid Company Reimbursable Costs incurred and/or may elect, in its sole discretion, to continue performance hereunder after the depletion of any prepayments and invoice Customer at a later date. Except as otherwise expressly provided for in this Agreement, all amounts reflected on such invoices, other than amounts disputed by Customer in good faith in writing prior to the applicable due date (each, a "Disputed Payment Amount" and, collectively, the "Disputed Payment Amounts"), shall be due and payable thirty (30) Days from date of invoice. All invoices shall contain reasonable detail reasonably substantiating the invoiced Company Reimbursable Costs and shall be accompanied by reasonable supporting documentation; *provided, however*, that Company shall not have any obligation to provide confidential or privileged information as part of any such documentation. Except for Disputed Payment Amounts that have been finally determined (by mutual written agreement of the Parties or by a court or agency with jurisdiction over the dispute) not to be due and payable by Customer, if any payment due to Company under this Agreement is not made when due, Customer shall pay Company interest on the unpaid amount in accordance with Section 9.1 of this Agreement. In addition to any other rights and remedies available to Company, (i) if any payment amount due from Customer under this Agreement is not received within five (5) Days after the applicable invoice due date and such amount is not an unresolved Disputed Payment Amount, then following written notice to Customer, Company may suspend any or all Work pending receipt of all amounts currently due from Customer under this Agreement, or (ii) if the cumulative total of all unpaid Disputed Payment Amounts exceeds \$200,000 at any time, then following written notice to Customer, Company may suspend any or all of its Work pending resolution of such disputes. Any suspension of Company Work by Company shall be without recourse or liability to Company.
- 7.5 Each month during the term of this Agreement, the Company shall provide Customer with a report (each, a "Monthly Report") containing (i) unless invoiced, the Company's current estimate of the Company Reimbursable Costs incurred in the prior calendar month, and (ii) the Company's current forecast (20% to 40% variance) of the Company Reimbursable Costs expected to be incurred in the next calendar month, provided, however, that such Monthly Reports (and any forecasted or estimated amounts reflected therein) shall not limit Customer's obligation to pay Company for all Company Reimbursable Costs actually incurred by Company or its Affiliates.

- 7.6 If Customer claims exemption from sales tax, Customer agrees to provide Company with an appropriate, current and valid tax exemption certificate, in form and substance satisfactory to the Company, relieving the Company from any obligation to collect sales taxes from Customer ("Sales Tax Exemption Certificate"). During the term of this Agreement, Customer shall promptly provide the Company with any modifications, revisions or updates to the Sales Tax Exemption Certificate or to Customer's exemption status. If Customer fails to provide an acceptable Sales Tax Exemption Certificate for a particular transaction, the Company shall add the sales tax to the applicable invoice to be paid by Customer.
- 7.7 Company shall maintain reasonably detailed records to document the Company Reimbursable Costs. So long as a request for access is made within one (1) year of completion of the Work and subject to the Company's safety and security protocols, including, COVID-19 protocols, Customer and its chosen auditor shall, during normal business hours and upon reasonable advanced written notice of not less than ten (10) days, be provided with access to such records for the sole purpose of verification by Customer that the Company Reimbursable Costs have been incurred by Company.
- 7.8 Company's invoices to Customer for all sums owed under this Agreement shall be sent to the individual and address specified below, or to such other individual and address as Customer may designate, from time to time, by written notice to the Company:

Name: Muneeb Sohail, Project Manager  
Address: Avangrid Service Company,  
1300 Scottsville Road  
Rochester, New York 14624

- 7.9 All payments made under this Agreement shall be made in immediately available funds.

Payments to the Company shall be made by wire transfer to the account specified by the Company in the applicable invoice.

## 8.0 **Final Payment**

- 8.1 Not later than one hundred and eighty (180) Days following the earlier of (i) the completion of the Company Work, and (ii) the effective early termination or cancellation date of this Agreement in accordance with any of the provisions hereof, the Company shall perform an overall reconciliation of the total of all Company Reimbursable Costs to the invoiced costs previously paid to Company by Customer under this Agreement ("Total Payments Made"). If the total of all Company Reimbursable Costs is greater than the Total Payments Made, the Company shall provide a final invoice to Customer for the balance due to the Company under this Agreement (the "Balance Amount"); such final invoice shall contain reasonable

detail sufficient to reasonably substantiate the claimed Balance Amount and shall be accompanied by reasonable supporting documentation; *provided, however*, that Company shall not have any obligation to provide confidential or privileged information as part of any such documentation. If the Total Payments Made is greater than the total of all Company Reimbursable Costs, Company shall reimburse the difference to Customer (“*Refund Amount*”). The Refund Amount or Balance Amount, as applicable, shall be due and payable upon final reconciliation but no later than sixty (60) Days after such reconciliation. Any portion of the Balance Amount or Refund Amount, as applicable, remaining unpaid after that time shall be subject to interest as calculated pursuant to Section 9.1 of this Agreement.

## 9.0 **Interest on Overdue Amounts**

9.1 If any payment due under this Agreement is not made when due, the Party obligated to make such payment shall pay to the other Party interest on the unpaid amount calculated in accordance with Section 35.19a of the FERC’s regulations (18 C.F.R. 35.19a) from and including the due date until payment is made in full.

## 10.0 **Project Managers; Meetings**

10.1 Promptly following the Effective Date, each Party shall designate a Project Manager responsible for coordinating the Party’s Work and shall provide the other Party with a written notice containing the name and contact information of such Project Manager (“*Project Manager*”). In no event shall any Project Manager be authorized to amend or modify the provisions of this Agreement. Each Party may change its Project Manager, from time to time, by written notice to the other Party.

10.2 Each Party’s Project Manager shall attend Project meetings at times and places mutually agreed to by the Parties.

## 11.0 **Disclaimer of Warranties, Representations and Guarantees**

11.1 CUSTOMER ACKNOWLEDGES THAT THE COMPANY IS NOT IN THE BUSINESS OF PERFORMING DESIGN, ENGINEERING OR CONSTRUCTION SERVICES FOR PROFIT AND IS NOT RECEIVING ANY FEE OR PROFIT (AS CONTRASTED WITH COST REIMBURSEMENT) FOR ITS PERFORMANCE UNDER OR IN CONNECTION WITH THIS AGREEMENT. THE EXCLUSIVE REMEDY GRANTED TO CUSTOMER FOR ANY ALLEGED FAILURE OF COMPANY TO MEET THE PERFORMANCE STANDARDS OR REQUIREMENTS CONTAINED IN THIS AGREEMENT IS AS SET FORTH IN SECTION 3.2, COMPANY MAKES NO WARRANTIES, REPRESENTATIONS, OR GUARANTEES IN CONNECTION WITH THIS AGREEMENT, THE EXISTING FACILITIES, THE NEW FACILITIES, THE BIG TREE EXPANSION PROJECT, OR ANY COMPANY WORK, WHETHER WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED

WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY EXCLUDED AND DISCLAIMED.

11.2 Notwithstanding any other provision of this Agreement, this Article shall survive the completion, expiration or earlier termination of this Agreement.

## 12.0 **Liability and Indemnification**

12.1 To the fullest extent permitted by applicable law (including, without limitation, the applicable provisions of any governing federal or state law), each Party (the "*Indemnifying Party*") shall indemnify and hold harmless, and defend the other Party, its parents and Affiliates and their respective contractors, officers, directors, servants, agents, representatives, and employees (each, individually, an "*Indemnified Party*" and, collectively, the "*Indemnified Parties*"), from and against any and all liabilities, damages, losses, costs, expenses (including, without limitation, any and all reasonable attorneys' fees and disbursements), causes of action, suits, liens, claims, damages, penalties, obligations, demands or judgments of any nature, including, without limitation, for death, personal injury and property damage, economic damage, and claims brought by third parties for personal injury and/or property damage (collectively, "*Damages*"), incurred by any Indemnified Party to the extent caused by the negligence, unlawful act or omission, or intentional misconduct of the Indemnifying Party, its Affiliates, third-party contractors, or their respective officers, directors, servants, agents, representatives, and employees, arising out of or in connection with this Agreement, the Project, or the Indemnifying Party's Work, except to the extent such Damages are directly caused by the negligence, intentional misconduct or unlawful act of the Indemnified Party or its contractors, officers, directors, servants, agents, representatives, or employees.

12.2 Each Party shall defend, indemnify and save harmless the other Party, its parents and Affiliates and their respective contractors, officers, directors, servants, agents, representatives, and employees, from and against any and all liabilities, losses, costs, counsel fees, expenses, damages, judgments, decrees and appeals resulting from any charge or encumbrance in the nature of a laborer's, mechanic's or materialman's lien (collectively, "*Liens*") asserted by any of the Indemnifying Party's subcontractors or suppliers in connection with the Indemnifying Party's Work or the Project, except to the extent such Liens are directly caused by the negligence, intentional misconduct or unlawful act of the Indemnified Party or its contractors, officers, directors, servants, agents, representatives, or employees. Customer shall defend, indemnify and save harmless Company, its parents and Affiliates and their respective contractors, officers, directors, servants, agents, representatives, and employees, from and against any claim of trespass, or other third party cause of action arising from or are related to reliance upon or use of the New Facilities Property Rights by the Company or any other Indemnified Parties for the purposes contemplated by this Agreement.

- 12.3 Customer shall defend, indemnify and hold harmless Company and its Affiliates from and against the cost consequences of any tax liability imposed against or on Company and/or its Affiliates as the result of payments, and/or real or personal property transfers, made in connection with this Agreement, as well as any related interest and penalties, other than interest and penalties attributable to any delay directly caused by Company or the applicable Company Affiliate.
- 12.4 Prior to the start of construction activities hereunder by Company, Company's total cumulative liability to Customer and its Affiliates for all claims of any kind, whether based upon contract, tort (including negligence and strict liability), or otherwise, for any loss, injury, or damage connected with, or resulting from, this Agreement, the Project or the Work, shall be capped at an amount not to exceed the total of all Company Reimbursable Costs actually paid to Company by Customer under this Agreement. Following commencement of construction activities by Company hereunder, Company's total cumulative liability to Customer and its Affiliates for all claims of any kind, whether based upon contract, tort (including negligence and strict liability), or otherwise, for any loss, injury, or damage connected with, or resulting from, this Agreement, the Project or the Work, shall be capped at an amount not to exceed the greater of: (a) fifty percent (50%) of the total estimated costs of the Company Work; or (b) the total of all Company Reimbursable Costs actually paid to Company by Customer under this Agreement. For the avoidance of doubt, the Initial Prepayment paid by Customer to Company under this Agreement shall be included in the estimated and actual costs in determining the cumulative liability cap above.
- 12.5 Notwithstanding any other provision contained in this Agreement, neither Party shall be liable to the other Party for consequential, indirect, special, incidental, multiple, or punitive damages (including, without limitation, attorneys' fees or litigation costs) in connection with or related to this Agreement, including, without limitation, damage claims based on causes of action for breach of contract, tort (including negligence), or any other theory of recovery, whether or not (i) such damages were reasonably foreseeable or (ii) the Parties were advised or aware that such damages might be incurred.
- 12.6 Notwithstanding any other provision contained in this Agreement, neither Party shall be liable to the other Party for claims or damages for lost profits, delays, loss of use, business interruption, or claims of customers, whether such claims are categorized as direct or consequential damages, or whatever the theory of recovery, and whether or not (i) such damages were reasonably foreseeable or (ii) the Parties were advised or aware that such damages might be incurred.
- 12.7 Anything in this Agreement to the contrary notwithstanding, neither Party shall be responsible for any failure or inability to perform hereunder to the extent such failure or inability is caused by the acts or negligent or unlawful omissions of the other Party (including any contractor of such Party or any person or entity for

whom such Party is legally responsible) or of any third party (other than a subcontractor of the Party that is unable or failing to perform hereunder).

- 12.8 For the avoidance of doubt: neither Party, as applicable, shall have any responsibility or liability under this Agreement for any delay in performance or nonperformance to the extent such delay in performance or nonperformance is caused by or results from (a) the inability or failure of the other Party or its contractors to cooperate or to perform any tasks or responsibilities contemplated to be performed or undertaken by such other Party under this Agreement, (b) any unforeseen conditions or occurrences beyond the reasonable control of the Party (including, without limitation, conditions of or at the site of the Work, delays in shipments of materials and equipment and the unavailability of materials), (c) the inability or failure of Customer and Company to reach agreement on any matter requiring their mutual agreement under the terms of this Agreement, (d) any valid order or ruling by any governmental agency or authority having jurisdiction over the subject matter of this Agreement, or (e) suspension of Work as may be reasonably required to minimize or avoid risks to utility system reliability in accordance with Good Utility Practice.
- 12.9 Anything in this Agreement to the contrary notwithstanding, if any Party's liability in connection with this Agreement is limited or capped pursuant to any applicable law, statute, rule or regulation, then the other Party hereto shall be entitled to elect an identical liability limitation and/or cap as if such law, statute, rule or regulation were applicable to such Party. The obligations under this Article shall not be limited in any way by any limitation on Customer's or Company's insurance.
- 12.10 Notwithstanding any other provision of this Agreement, this Article shall survive the completion, expiration or earlier termination of this Agreement.

### 13.0 **Insurance; Employee and Contractor Claims**

- 13.1 Prior to the commencement of any Company Work and during the term of this Agreement, the Company, at its own cost and expense, shall procure and maintain insurance in form and amounts set forth in Exhibit D of this Agreement, or the Company may elect to self-insure one or more of such insurance coverage amounts to the extent authorized or licensed to do so under the applicable laws of the State of New York.
- 13.2 Prior to the commencement of any Work on the Project and during the term of this Agreement, the Customer, at its own cost and expense, shall procure and maintain insurance in form and amounts set forth in Exhibit E of this Agreement, or Customer may elect to self-insure one or more of such coverage amounts to the extent authorized or licensed to do so under the applicable laws of the State of New York. Customer hereby elects to self-insure to maintain the insurance coverage amounts set forth in Exhibit E of this Agreement.



13.3 [Reserved]

13.4 Each Party shall be separately responsible for insuring its own property and operations.

13.5 Anything in this Agreement to the contrary notwithstanding, each Party shall be solely responsible for the claims of its respective employees and contractors against such Party and shall release, defend, and indemnify the other Party, its Affiliates, and their respective officers, directors, employees, and representatives, from and against such claims. Notwithstanding any other provision of this Agreement, this Section shall survive the completion, expiration or earlier termination of this Agreement.

14.0 **Assignment and Subcontracting**

14.1 Either Party may assign this Agreement, or any part thereof, to any of its Affiliates provided such assignee Affiliate agrees in writing to be bound by the terms and conditions of this Agreement. Any assignment of this Agreement in violation of the foregoing shall be voidable at the option of the non-assigning Party. Each Party has the right to subcontract some or all of the Work to be performed by such Party under the terms of this Agreement. Each Party may also use the services of its Affiliates in connection with its performance under this Agreement. Customer agrees that the costs and expenses of such Affiliates or contractors charged to or incurred by Company shall be paid by Customer as part of the Company Reimbursable Costs.

15.0 **Independent Contractor; No Partnership; No Agency; No Utility Services**

15.1 Company and Customer shall be independent contractors. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party. This Agreement is not an agreement to provide or take utility services of any kind, including, without limitation, interconnection or other electric transmission services.

16.0 **Examination, Inspection and Witnessing**

16.1 Subject to Customer's and its representatives' compliance with Company's security, safety, escort and other access requirements, including, without limitation, COVID-19 protocols, the Customer and/or its representatives shall have the right to inspect and examine the Company Work, or witness any test with respect to the Company Work, from time to time, when and as mutually agreed by the Parties, at Customer's sole cost and expense, and with reasonable prior notice to Company.

Unless otherwise agreed between the Parties, such inspections, examinations and tests shall be scheduled during normal business hours.

## 17.0 **Safety**

17.1 Each Party shall be solely responsible for the safety and supervision of its own employees, representatives and contractors involved with its Work or any other activities contemplated by this Agreement. In connection with the activities contemplated by this Agreement, each Party shall, and shall require its representatives, contractors, and employees to, comply with all applicable Federal, state and local health and safety requirements, rules, regulations, laws and ordinances, including without limitation, the safety regulations adopted under the Occupational Safety and Health Act of 1970, as amended from time to time. While on the property (including, without limitation, easements or rights of way) of, or accessing the facilities of, the other Party, each Party's employees and/or contractors and agents shall at all times abide by the other Party's safety standards and policies, switching and tagging rules, and escort and other applicable access requirements. The Party owning or controlling the property or facilities shall have the authority to suspend the other Party's access, work or operations in and around such property or facilities if, in its sole judgment, at any time hazardous conditions arise or any unsafe practices are being followed by the other Party's employees, agents, representatives or contractors.

## 18.0 **Required Approvals**

18.1 Subject to Section 23.3 of this Agreement, the obligations of each Party to perform its respective Work under this Agreement are expressly contingent upon (i) each Party receiving all licenses, permits, permissions, certificates, approvals, authorizations, consents, franchises and releases (including, without limitation and as applicable, the New Facilities Approvals and Land Use Approvals) from any local, state, or federal regulatory agency or other governmental agency or authority (which shall include the FERC and may also include, without limitation and as applicable, the NYPSC) and from any other third party that may be required for such Party in connection with the performance of such Party's obligations under or in connection with this Agreement (the "*Required Approvals*"), (ii) each Required Approval being granted without the imposition of any modification or condition of the terms of this Agreement or the subject transactions, unless such modification(s) or condition(s) are agreed to by both Parties in their respective sole discretion, and (iii) all applicable appeal periods with respect to the Required Approvals having expired without any appeal having been made or, if such an appeal has been made, a full, final and non-appealable determination having been made regarding same by a court or other administrative body of competent jurisdiction, which determination disposes of or otherwise resolves such appeal (or appeals) to the satisfaction of both Parties in their respective sole discretion.

18.2 Subject to Section 23.3 of this Agreement, if any application or request is made in connection with seeking any Required Approval and is denied, or is granted in a form, or subject to conditions, that either Party rejects, in its sole discretion, as unacceptable, this Agreement shall terminate as of the date that a Party notifies the other Party of such denial or rejection, in which event the obligations of the Parties under this Agreement shall cease as of such date and this Agreement shall terminate, subject to Customer's obligation to pay Company in accordance with the terms of this Agreement (including, without limitation, Sections 21.3 and 21.4 hereof) for all Company Reimbursable Costs. For the avoidance of doubt: all of the Company's actual costs in connection with seeking any Required Approvals shall also be included within the meaning of the term Company Reimbursable Costs and shall be paid for by Customer.

19.0 **Environmental Protection; Hazardous Substances or Conditions**

19.1 Except as otherwise expressly set forth herein, Company shall not, in connection with the Company Work or this Agreement, be liable to Customer, its Affiliates or contractors, their respective officers, directors, employees, agents, servants, or representatives, or any third party with respect to, or in connection with, the presence of any Hazardous Substances which may be present at or on the Site or any other Customer or third party owned, occupied, used, or operated property or facility (including, without limitation, easements, rights-of-way, or other third-party property) or which the Company, its Affiliates or contractors, their respective officers, directors, employees, agents, servants, or representatives may discover, Release or generate at or on such properties or facilities through no negligent or unlawful act of the Company, and Company hereby disclaims any and all such liability to the fullest extent allowed by applicable law.

Customer agrees to hold harmless, defend, and indemnify the Company, its Affiliates and contractors, and their respective directors, members, managers, partners, officers, agents, servants, employees and representatives from and against any and all claims and/or liability in connection with, relating to, or arising out of (i) the presence, discovery, Release, Threat of Release or generation of Hazardous Substances at or on the Site or at or on any other Customer- or third party - owned, occupied, used, or operated property or facility (including, without limitation, easements, rights-of-way, or other third-party property) in connection with the Company Work or this Agreement, or (ii) the breach of any Federal, state, or local laws, rules, regulations, codes, or ordinances relating to the environment (including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §§ 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §§ 6901 et seq.) in connection with this Agreement or the Project, except to the extent related to (i) or (ii) above, such presence, discovery, Release, Threat of Release, generation or breach is or are directly and solely caused by the negligent or unlawful act of the Company or of any person or entity for whom the Company is legally responsible. The obligations under this Section shall not be limited in any way by any limitation

on Customer's insurance or by any limitation of liability or disclaimer provisions contained in this Agreement. The provisions of this Section shall survive the completion, expiration or earlier termination of this Agreement.

- 19.2 Customer shall promptly inform the Company, in writing, of any Hazardous Substances, or unsafe, dangerous, or potentially dangerous, conditions or structures, whether above-ground or underground, that are known to the Customer as of the Effective Date or become known to the Customer thereafter during the term of this Agreement and are present on, under, over, or in any Customer- owned, occupied, used, controlled, managed or operated facilities or property (including, without limitation, easements, rights-of-way, or other third-party property) that is used or accessed in connection with the Company Work or this Agreement. Prior to Company's commencement of the Company Work, Customer shall be obligated to use commercially reasonable efforts (including, without limitation, the use of DIGSAFE or other similar services) to adequately investigate the presence and nature of any such Hazardous Substances, or unsafe, dangerous, or potentially dangerous, conditions or structures, on any Customer- owned, occupied, used, controlled, managed or operated facilities or property (including, without limitation, easements, rights-of-way, or other third-party property) to be used or accessed by the Company in connection with the Company Work or this Agreement, and to promptly, fully, and in writing, communicate the results thereof to the Company. Customer's provision to the Company of the information contemplated in this Section 19.2 shall in no event give rise to any liability or obligation on the part of the Company, nor shall Customer's obligations under this Agreement, or under law, be decreased or diminished thereby.

## 20.0 **Suspension of Work**

- 20.1 Subject to Section 20.2, below, Customer may interrupt, suspend, or delay the Company Work by providing written notice to the Company specifying the nature and expected duration of the interruption, suspension, or delay. Company will use commercially reasonable efforts to suspend performance of the Company Work as requested by Customer. Customer shall be responsible to pay Company (as part of Company Reimbursable Costs) for all costs incurred by Company that arise as a result of such interruption, suspension or delay.
- 20.2 As a precondition to the Company resuming the Work following a suspension under this Section 20.1, the Preliminary Milestone Schedule and the total estimated cost to complete the Company Work shall be revised as mutually agreed by the Parties to reflect the interruption, suspension, or delay. Adjustments to the Company Reimbursable Costs shall include any costs or expenses the Company incurs as a result of the interruption, suspension, or delay.

## 21.0 **Right to Terminate Agreement**

- 21.1 If either Party (the “*Breaching Party*”) (a) fails to pay any amount when due under the terms of this Agreement or fails to comply with or perform, in any material respect, any of the other terms or conditions of this Agreement; (b) sells or transfers all or substantially all of its assets; (c) enters into any voluntary or involuntary bankruptcy proceeding or receivership; or (d) makes a general assignment for the benefit of its creditors, then the other Party (the “*Non-Breaching Party*”) shall have the right, without prejudice to any other right or remedy and after giving five (5) Days’ written prior notice to the Breaching Party and a reasonable opportunity for cure (not to exceed thirty (30) Days in the case of a failure to pay amounts when due), to terminate this Agreement, subject to Sections 21.3 and 21.4 of this Agreement. Subject to compliance with Section 22.1 of this Agreement, if applicable, the Non-Breaching Party shall also have the right to pursue any and all rights it may have against the Breaching Party under applicable law, subject to other applicable terms and conditions of this Agreement (including, without limitation, any applicable limitations on liability contained herein).
- 21.2 Subject to Sections 21.3 and 21.4 of this Agreement, this Agreement may also be terminated upon prior written notice (i) by Company in the event that Company Work under this Agreement is suspended or delayed for a period exceeding sixty (60) consecutive Days as the result of any continuing dispute between the Parties, or (ii) under the circumstances contemplated by, and in accordance with, Section 18.2 of this Agreement.
- 21.3 In the event of any early termination or cancellation of the Company Work or this Agreement as contemplated by any provision of this Agreement, each Party shall discontinue its performance hereunder to the extent feasible and make every reasonable effort to procure cancellation of existing commitments, orders and contracts relating to its Work upon terms that are reasonably expected to minimize all associated costs, provided, however, that nothing herein will restrict Company’s ability to complete aspects of the Company Work that Company must reasonably complete in order to return its facilities and its property to a configuration in compliance with Good Utility Practice and all Applicable Requirements and to enable such facilities to continue, commence or recommence commercial operations.
- 21.4 In the event of any early termination or cancellation of the Company Work or this Agreement as contemplated by any provision of this Agreement, Customer shall pay Company for the Company Reimbursable Costs set forth below, except if the early termination or cancellation is a result of a breach by Company, the costs indicated in subparagraphs (iii), (iv) and (v) below shall not be considered Company Reimbursable Costs and Company shall not be required to pay such costs:

- (i) all Company Reimbursable Costs for Company Work performed on or before the effective date of termination or cancellation;
- (ii) all other Company Reimbursable Costs incurred by Company and/or its Affiliates in connection with the Company Work prior to the effective date of termination or cancellation, including, without limitation, for materials, equipment, tools, construction equipment and machinery, engineering and other items, materials, assets or services which cannot reasonably be avoided, mitigated or cancelled;
- (iii) all Company Reimbursable Costs incurred to unwind Company Work that was performed prior to the effective date of termination or cancellation to the extent reasonably necessary to return Company's facilities to a configuration in compliance with Good Utility Practice and all Applicable Requirements;
- (iv) all Company Reimbursable Costs arising from cancellation costs relating to orders or contracts entered into in connection with the Company Work prior to the effective date of termination or cancellation; and
- (v) all Company Reimbursable Costs arising from demobilization expenses incurred by Company and/or its Affiliates which cannot be reasonably avoided or mitigated.

## 22.0 **Dispute Resolution**

- 22.1 Any dispute arising under this Agreement shall be the subject of good-faith negotiations between the Parties. Following the occurrence of a dispute, each Party shall designate one or more representatives with the authority to negotiate the particular matter in dispute for the purpose of participating in such negotiations. Unless a Party identifies exigent circumstances reasonably requiring expedited resolution of the dispute by a court or agency with jurisdiction over the dispute, any dispute that is not resolved through good-faith negotiations after a negotiation period of not less than thirty (30) Days may be submitted by either Party for resolution to a court or to an agency with jurisdiction over the dispute. Notwithstanding the foregoing, any dispute arising under this Agreement may be submitted to non-binding arbitration or any other form of alternative dispute resolution upon the written agreement of both Parties to participate in such an alternative dispute resolution process.

## 23.0 **Force Majeure**

- 23.1 A "*Force Majeure Event*" shall include fire, flood, windstorm, adverse weather conditions, emergencies, explosion, terrorism, riot, war, sabotage, pandemics epidemics, infectious disease outbreaks or other public health emergencies, crises or restrictions, including, without limitation, quarantines or other related employee

or contractor restrictions, acts of God, strikes or labor slow-downs, court injunction or order, federal and/or state law or regulation, delays by governmental authorities in approving regulatory, license and/or permit requests necessary in connection with the Company Work or the Customer Required Actions, order by any federal or state regulatory agency, or other causes, conditions or circumstances beyond the affected Party's reasonable control. Without limiting the foregoing, a "Force Majeure Event" shall also include unavailability of personnel, equipment, supplies, or other resources ("Resources") due to diversion of such Resources for other utility-related duties in connection with an emergency or other similar contingency, including, without limitation, storms or other adverse weather conditions.

If a Force Majeure Event should occur and impair the ability of either or both Parties to perform its, or their, respective, obligations hereunder, then, to the extent affected by such Force Majeure Event, the performance of this Agreement, with the exception of payment obligations, shall be suspended for the duration of such Force Majeure Event. At the conclusion of a Force Majeure Event, the price and time for performance under this Agreement shall be adjusted as reasonably necessary to overcome the effect of the delay occasioned by such Force Majeure Event. The foregoing notwithstanding and with the exception of payment obligations, if, as the direct or indirect result of any Force Majeure Event, the Parties' continued performance hereunder becomes irreparably impaired or prevented, the Parties may mutually agree to terminate this Agreement; provided, however, that, notwithstanding any such termination, Customer shall pay the Company all of the Company Reimbursable Costs in accordance with Sections 21.3 and 21.4 of this Agreement.

- 23.2 Within thirty (30) Days after the cessation of any delay occasioned by a Force Majeure Event, the affected Party shall give written notice to the other Party specifying the estimated impact of the delay.
- 23.3 For the avoidance of doubt: to the extent any Party has a payment obligation pursuant to the terms of this Agreement, such payment obligation shall not be subject to or conditioned upon such Party receiving funding or reimbursement from any third party (and any failure to secure such funding or reimbursement shall not constitute a Force Majeure Event), nor shall any such obligation be conditioned upon the other Party executing any certificates or other instruments not expressly and specifically required by the terms of this Agreement.

#### 24.0 **Compliance with Law**

- 24.1 Each Party shall comply, at all times, with all Applicable Requirements in connection with this Agreement and performance of its Work hereunder. Such compliance shall include, among other things, compliance with all applicable wage and hour laws and regulations and all other laws and regulations dealing with or relating to the employment of persons, and the payment of contributions, premiums, and taxes required by such laws and regulations. For the avoidance of doubt:

neither Party shall be required to undertake or complete any action or performance under this Agreement that is inconsistent with such Party's standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, Good Utility Practice and/or any Applicable Requirement(s).

## 25.0 **Proprietary and Confidential Information**

25.1 Each Party acknowledges that, in the course of the performance of this Agreement, it may have access to Proprietary Information of the other Party.

25.2 **GENERAL RESTRICTIONS.** Upon receiving Proprietary Information, the Receiving Party and its Representative shall keep in strict confidence and not disclose to any person (with the exception of the Representatives of the Receiving Party, to the extent each such Representative has a need to know in connection herewith and agrees to comply with the terms of this Article) any of the Disclosing Party's Proprietary Information except as otherwise provided by the terms and conditions of this Agreement. The Receiving Party and its Representatives shall not use such Proprietary Information except for the purposes identified herein without the prior written approval of the Disclosing Party. The Receiving Party shall be solely liable for any breach of this Article to the extent caused by its Representatives. Customer agrees that any Proprietary Information will be used solely for the Project and will not be used, either directly or indirectly, for the Customer's financial gain and/or commercial advantage or in violation of any applicable laws, rules or regulations.

25.3 **EXCEPTIONS.** Subject to Section 25.4 hereof, the Receiving Party shall not be precluded from, nor liable for, disclosure or use of Proprietary Information that:

25.3.1 is in or enters the public domain, other than by a breach of this Article; or

25.3.2 is known to the Receiving Party or its Representatives at the time of first disclosure hereunder, or thereafter becomes known to the Receiving Party or its Representatives subsequent to such disclosure without similar restrictions from a source other than the Disclosing Party, as evidenced by written records; or

25.3.3 is developed by the Receiving Party or its Representatives independently of any disclosure under this Agreement, as evidenced by written records; or

25.3.4 is disclosed more than three (3) years after first receipt of the disclosed Proprietary Information, or three (3) years after the completion, expiration or earlier termination of this Agreement, whichever occurs later (the "Non-Disclosure Term"); or



- 25.3.5 is disclosed following receipt of the Disclosing Party's written consent to the disclosure of such Proprietary Information; or
- 25.3.6 is necessary to be disclosed, in the reasonable belief of the Receiving Party or its Representatives, for public safety reasons, provided, that, Receiving Party has attempted to provide as much advance notice of the disclosure to the Disclosing Party as is practicable under the circumstances.

Anything in this Article or this Agreement to the contrary notwithstanding, the Receiving Party or its Representative(s) may disclose Proprietary Information of the other Party to the extent the Receiving Party or its Representative(s) is required to do so by law, by a court, or by other governmental or regulatory authorities; provided, however, that, if permitted to do so by applicable law, the Receiving Party shall give the Disclosing Party written notice of any such required disclosure prior to such disclosure being made so that the Disclosing Party may seek a protective order with respect to such Proprietary Information. Receiving Party will reasonably cooperate with the Disclosing Party's efforts to obtain such protective order.

- 25.4 Each Party acknowledges that information and/or data disclosed under this Agreement may include information or data that the Disclosing Party deems or determines to be "Critical Energy / Electric Infrastructure Information" consistent with applicable FERC rules and policies ("CEII") and critical infrastructure protection information consistent with applicable NERC standards and procedures ("CIP"). Receiving Party shall, and shall cause its Representatives to, strictly comply with any and all laws, rules and regulations (including, without limitation, FERC and NERC regulations, rules, orders, standards, procedures and policies) applicable to any such CEII and/or CIP disclosed by or on behalf of Disclosing Party or that relates to any of Disclosing Party's or Disclosing Party's Affiliates' facilities.

Neither the Receiving Party nor its Representatives shall divulge any such CEII or CIP to any person or entity, directly or indirectly, unless permitted to do so by law and unless the Receiving Party has first obtained, in each case, the express specific written consent of the Disclosing Party and any affected Affiliate of the Disclosing Party. In any event, to the extent that the Receiving Party or any of its Representatives seeks or is ordered to submit any such CEII or CIP to FERC, a state regulatory agency, court or other governmental body, the Receiving Party shall, in addition to obtaining the Disclosing Party's and its Affiliate's prior written consent (as applicable), seek a protective order or other procedural protections to ensure that such information is accorded CEII or CIP status, as applicable, and is otherwise treated as confidential.

In the case of any Proprietary Information that is CEII or CIP, Receiving Party's obligations and duties under this Article shall survive until (i) the expiration of the Non-Disclosure Term, (ii) the date on which such CEII or CIP, as applicable, is no longer required to be kept confidential under applicable law, or (iii) the date as of which the Disclosing Party provides written notice to the Receiving Party that such CEII or CIP, as applicable, is no longer required to be kept confidential, whichever is later. With respect to CEII and CIP, in the event of any conflict or inconsistency between this Section and any other term or provision of this Agreement, this Section shall govern in connection with such CEII and CIP, as applicable.

25.5 Notwithstanding any provision of this Agreement to the contrary, all assets, equipment and facilities procured or constructed by or on behalf of Company, and all plans, designs, specifications, drawings and other materials and documents created or prepared by or for Company, in connection with the Work, and all title, copyright, intellectual property and other rights therein, shall be and remain the sole property of Company.

25.6 This Article shall survive any completion, expiration or earlier termination of this Agreement.

## 26.0 **Effect of Applicable Requirements; Governing Law**

26.1 If and to the extent a Party is required to take, or is prevented or limited in taking, any action or performance with respect to this Agreement by any Applicable Requirement(s), such Party shall not be deemed to be in breach of this Agreement as a result of such compliance with the Applicable Requirement(s).

26.2 This Agreement is made and shall be interpreted, construed, governed, and enforced in accordance with the laws of the State of New York, without reference to such State's conflict-of-laws doctrine, and applicable Federal law. The Company and Customer agree to submit to the personal jurisdiction of the courts in the State of New York, or the Federal District courts in such State, as permitted by law, with respect to any matter or dispute arising out of this Agreement.

## 27.0 **Miscellaneous**

27.1 **NOTICES; FORM AND ADDRESS.** All notices, invoices and other communications from either Party to the other hereunder shall be in writing and shall be deemed received (i) upon actual receipt when personally delivered (provided, that, if the date of receipt is not a Day, then the date of receipt shall be deemed to be the immediately succeeding Day), (ii) upon acknowledgment of receipt if sent by facsimile (provided, that, if the date of acknowledgement is not a Day, then the date of receipt shall be deemed to be the immediately succeeding Day), (iii) upon the expiration of the third (3<sup>rd</sup>) Day after being deposited in the United States mails, postage prepaid, certified or registered mail, or (iv) upon the expiration of one (1) Day after being deposited during the regular business hours for next-day delivery

and prepaid for overnight delivery with a national overnight courier, addressed to the other Party at the following address:

To Customer: New York State Electric & Gas Corporation  
c/o Avangrid Service Company  
Attn: Imanol Zuniga, BES Program Manager  
1300 Scottsville Road  
Rochester, New York 14624  
Phone: (585) 943-3680

To Company: Kevin Reardon  
Director, Commercial Services  
40 Sylvan Road  
Waltham, MA 02451  
(781) 907-2411

Either Party may change its address by giving the other Party notice thereof in conformity with this Section. Any payments made under this Agreement, if made by mail, shall be deemed to have been made on the date of receipt thereof.

- 27.2 EXERCISE OF RIGHT. No failure or delay on the part of either Party in exercising any right, power, or privilege hereunder, and no course of dealing between the Parties, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.
- 27.3 HEADINGS; CONSTRUCTION. The descriptive headings of the several Articles, sections, and paragraphs of this Agreement are inserted for convenience only and do not constitute a part of this Agreement. Such headings shall not in any way define or affect the meaning, construction, or scope of any of the provisions hereof. Each Party and its counsel have participated fully in the review and preparation of this Agreement; this Agreement shall be considered to have been drafted by both Parties. Any rule of construction to the effect that ambiguities or inconsistencies are to be resolved against the drafting Party shall not apply in interpreting this Agreement. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against either Party.
- 27.4 INCORPORATION OF SCHEDULES AND EXHIBITS. The schedules, attachments and exhibits referenced in and attached to this Agreement shall be deemed an integral part hereof to the same extent as if written in whole herein. In the event that any inconsistency or conflict exists between the provisions of this Agreement and any schedules, attachments or exhibits attached hereto, the provisions of this Agreement shall supersede the provisions of any such schedules, attachments or exhibits.

- 27.5 PRIOR AGREEMENTS; MODIFICATIONS. This Agreement and the schedules, attachments and exhibits attached hereto constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all previous understandings, commitments, or representations concerning such subject matter. Each Party acknowledges that the other Party has not made any representations other than those that are expressly contained herein, if any. This Agreement may not be amended or modified in any way, and none of its provisions may be waived, except by a writing signed by an authorized representative of the Party against whom the amendment, modification, or waiver is sought to be enforced. The Project Managers shall not be authorized representatives within the meaning of this Section.
- 27.6 SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited by, or determined to be invalid under, applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.
- 27.7 NOUNS AND PRONOUNS. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine, or neuter forms, and the singular forms of nouns and pronouns shall include the plural, and vice versa.
- 27.8 NO THIRD PARTY BENEFICIARIES. Nothing in this Agreement is intended to confer on any person, other than the Parties, any rights or remedies under or by reason of this Agreement.
- 27.9 VALIDITY. Each Party hereby represents that the provisions of this Agreement constitute valid and legally binding obligations of such Party and are enforceable in accordance with their terms.
- 27.10 COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be considered an original. The exchange of copies of this Agreement and of signature pages by facsimile or other electronic transmission (including, without limitation, by e-mailed PDF) shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile or other electronic means (including, without limitation, by e-mailed PDF) shall be deemed to be their original signatures for all purposes.

*[Signatures are on following page.]*

IN WITNESS WHEREOF, each Party has executed this Agreement by its duly authorized representative as of the Effective Date.

**NEW YORK STATE ELECTRIC & GAS CORPORATION**

By: Carl A. Taylor  
Name: Carl A. Taylor  
Title: President and Chief Executive Officer

*Joseph J. Syta*  
Joseph J. Syta  
VP, Controller & Treasurer

**NIAGARA MOHAWK POWER CORPORATION**

By: L. Rh...

**LIST OF ATTACHMENTS, SCHEDULES AND EXHIBITS**

Exhibit A	Scope of Company Work
Exhibit B	Preliminary Milestone Schedule
Exhibit C	Customer Required Actions
Exhibit C-1	Form of Grant of Easement(s)
Exhibit D	Company Insurance Requirements
Exhibit E	Customer Insurance Requirements
Schedule I	Real Property Standards

## Exhibit A: Scope of Company Work

Customer is expanding its Big Tree Substation in Orchard Park, NY (the “Big Tree Expansion Project”). The proposed expanded Big Tree Substation is located adjacent to the existing Company-owned Gardenville - Five Mile Rd #152, 115kV and Gardenville - Arcade #151, 115kV electrical transmission circuits. In order to support the Big Tree Expansion Project, Company will replace existing structures and install various new “tap” structures to connect the #151 line to the proposed expanded Big Tree Substation. These existing #151/#152 circuits are currently in a double-circuit configuration and all proposed modifications to these lines in support of the Big Tree Expansion Project will allow them to remain as a double-circuit configuration.

A. The initial phase of the Company Work shall consist of the following work (the “Phase I Portion”):

- **Remote End Work:** Remote end work at the following three (3) Company stations: Gardenville 115 Station; New Gardenville Station; and Arcade Station. This work will include the following items:
  - Relay wiring changes
  - New Relay settings
  - Install & configure network cards
  - Install fiber patch cables
  - Pulling fiberoptic cable between controls houses and adjacent New York State Electric & Gas Corporation substation control house (specific to New Gardenville Station).
- **Procurement of Long Lead Purchase Items**
  - Steel Poles

Perform preliminary engineering, field investigation and other work, including, without limitation soil borings, hydrovacing, retaining wall investigation work (and related matting) to identify the modifications required to the Company’s electrical transmission system and other facilities to accommodate the proposed interconnection of the Customer’s expanded Big Tree Substation to the Company’s Line 151 and related facilities (the “New Facilities”) and the all related required work, and to develop an estimate of the total Company Reimbursable Cost required to perform the work needed to implement and place the New Facilities in service.

B. Following receipt from Customer of a Notice to Proceed and payment in full of the Phase II Prepayment amount, the final phase of the Company Work shall consist of the following work to the extent not included as part of the Phase I Portion (the “Phase II Portion”):

1. Perform engineering work, studies and other tasks necessary to develop a detailed project plan (the “Detailed Project Plan”) to implement the work contemplated below.

2. With the exception of any Land Use Approvals, prepare, file for, and use reasonable efforts to obtain all required permits, licenses, consents, permissions, certificates, approvals, and authorizations from all local, state and federal governmental agencies (including, without limitation and as applicable, the NYPSC and FERC), NYISO and any other third parties for Company to construct, install, commission, own, use, operate, and maintain the New Facilities (the “*New Facilities Approvals*”).

The term “New Facilities Approvals” shall not include any Land Use Approvals; Customer shall be solely responsible for obtaining all Land Use Approvals.

3. Design, engineer, procure, construct, test and place into service the new Company-owned and/or operated facilities, and the modifications to existing Company-owned and/or operated facilities, as contemplated by this Exhibit and the Detailed Project Plan, including, without limitation, the New Facilities. Perform engineering review and field verifications as required on the Customer’s facilities.
4. Prepare, file for, and use reasonable efforts to obtain any other Required Approvals (other than Land Use Approvals) that must be obtained by Company to enable it to perform the work contemplated by this Exhibit.
5. Inspect, review, witness, examine and test, from time to time, Company’s work contemplated herein and conduct other project management, administration and oversight activities in connection with the work contemplated by this Exhibit.
6. Review, from time to time, permitting, licensing, real property, and other materials relating to the work contemplated herein, including, without limitations, all documents and materials related to the New Facilities Property Rights and any Required Approvals.
7. Retain and use outside experts, counsel, consultants, and contractors in furtherance of the work contemplated herein.
8. Perform any other reasonable tasks necessary or advisable in connection with the work contemplated by this Exhibit (including, without limitation, any changes thereto).

NOTE: The Company has not completed its review and identification of required modifications to Company facilities and related work necessary to accommodate interconnection of the Company’s transmission system to the proposed expanded Big Tree Substation.

For the avoidance of doubt: Company’s scope of work for each of the Phase I Portion and Phase II Portion of the Company Work shall include all study, documentation, design, engineering, project management, permitting, procurement, construction, testing, commissioning, review, and inspection work, as well as other necessary or advisable activities, to perform and complete the tasks contemplated for the applicable Phase of the Company Work.



The Company Work may be performed in any order as determined by the Company. For the avoidance of doubt: the Company shall not have any responsibility for seeking or acquiring any real property rights in connection with the Company Work, the Project or this Agreement including, without limitation, licenses, consents, permissions, certificates, approvals, or authorizations, or fee, easement or right of way interests. Neither this Agreement nor the Company Work include securing or arranging for Customer or any third party to have access rights in, through, over or under any real property owned or controlled by the Company; any such access rights would be the subject of separate written agreements.

NOTE: Company's specifications for electrical requirements referenced for this Agreement include: ESB-750; ESB-752; ESB-755 and ESB-756, Appendix A as such may be amended, modified and superseded from time to time.

## Exhibit B: Preliminary Milestone Schedule

### PRELIMINARY MILESTONE SCHEDULE

<b>Task</b>	<b>Milestone</b>	<b>Estimated Timeframe</b>	<b>Responsible Party</b>
1.	Make Initial Prepayment	Effective Date	Customer
2.	Complete Phase I of the Company Work and deliver Phase II Notice	90 Days following completion of Task 1.	Company
3.	Deliver Estimated Schedule for Phase II Portion of the Company Work	90 Days following completion of Task 1.	Company
4.	Deliver Notice to Proceed and pay Phase II Prepayment	30 Days following completion of Task 3	Customer

The dates above represent the Parties' preliminary schedule, which is subject to adjustment, alteration, and extension. The Company does not and cannot guarantee or covenant that any outage necessary in connection with the Work will occur when scheduled, or on any other particular date or dates, and shall have no liability arising from any change in the date or dates of such outages. For the avoidance of doubt: potential or estimated delays in the issuance or receipt of Required Approvals or the acquisition of New Facilities Property Rights are not included in such preliminary schedule.

## Exhibit C: Customer Required Actions

The Customer Required Actions shall consist of the following:

1. Customer shall grant to Company certain perpetual easements and rights for the construction, installation, testing, ownership, use, operation, and maintenance of the portions of the New Facilities to be located on, over, across, through Customer's property, which grants of easement shall be in substantially the same form attached hereto as Exhibit C-1 (the "*Customer Grants of Easement*"). Customer shall further use reasonable efforts to acquire any other easements, access rights, rights-of-way, fee interests, and other rights in property that may be necessary to accommodate Company's construction, installation, testing, ownership, use, operation, and maintenance of the New Facilities, as determined to Company's satisfaction in its reasonable discretion (together with the Customer Grants of Easement, collectively the "*New Facilities Property Rights*"). Customer shall convey, or arrange to have conveyed, to the Company all New Facilities Property Rights, each such conveyance to be in form and substance satisfactory to Company in its reasonable discretion and without charge or cost to Company.
2. Customer acknowledges and agrees that the Company is required to abide by all Applicable Requirements. To the extent necessary, Customer shall prepare, file for, and use reasonable efforts to obtain, on the Company's behalf, all required subdivision, zoning and other special, conditional use or other such land use permits or other discretionary permits, approvals, licenses, consents, permissions, certificates, variances, zoning changes, entitlements or any other such authorizations from all local, state and federal governmental agencies and any other third parties for Company to construct, install, commission, own, use, operate, and maintain the New Facilities (the "*Land Use Approvals*"). The Parties acknowledge that, as of the Effective Date, neither Party is aware of any required Land Use Approvals.
3. In undertaking or performing any work required of it under the terms of this Agreement, including, without limitation, securing and providing the New Facilities Property Rights and the Land Use Approvals, Customer shall comply, at all times, with the Real Property Standards. Customer shall use appropriate environmental due diligence commensurate with the type of real property transactions contemplated by this Agreement and shall coordinate with the Company's Environmental Department in connection therewith. The Company's Project Manager will provide Customer with the name and contact information for an appropriate Company representative in the Company's Environmental Department.
4. Customer shall prepare, file for, and use commercially reasonable efforts to obtain all Required Approvals necessary to perform its obligations under this Agreement.
5. If and to the extent applicable or under the control of the Customer, provide complete and accurate information regarding the Project and the site(s) where Work is to be performed,

including, without limitation, constraints, space requirements, underground or hidden facilities and structures, and all applicable data, drawings and specifications.

6. Customer shall provide adequate and continuous access to the portion of the Site(s) where Company Work is to be performed. Such access is to be provided to Company and its contractors and representatives for the purpose of enabling them to perform the Company Work as and when needed.
7. Other responsibilities and access reasonably deemed necessary by Company to facilitate performance of the Company Work.

**Exhibit C-1: Form of Grant of Easement**

**EASEMENT**

**THIS EASEMENT**, made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between \_\_\_\_\_, with an office at \_\_\_\_\_ (hereinafter referred to as “Grantor”), and **NIAGARA MOHAWK POWER CORPORATION**, a New York corporation, having an address at 300 Erie Boulevard West, Syracuse, New York 13202 (hereinafter referred to as “Grantee”),

**WITNESSETH:**

That the Grantor, in consideration of ONE DOLLAR AND MORE (\$1.00 & More) lawful money of the United States paid by the Grantee, does hereby grant and release unto the Grantee, its successors and assigns forever, the perpetual right, privilege and easement to construct, reconstruct, relocate, extend, repair, maintain, operate, inspect, patrol, and, at its pleasure, remove any poles or lines of poles or both, supporting structures, cables, crossarms, overhead wires, guys, guy stubs, insulators, transformers, braces, fittings, foundations, anchors, lateral service lines, and other fixtures and appurtenances, including related communications facilities (collectively, the “Facilities”), which the Grantee shall require now and from time to time and which may be erected at the same or different times, for the transmission and distribution of high and low voltage electric current and for the transmission of related intelligence and communication signals that may be necessary or convenient in transmitting such electric service, by any means, whether now existing or hereafter devised, for public or private use, in, upon, over and across that portion of the lands of the Grantor described below (the “Easement Area”), and the highways abutting or running through the said lands of the Grantor, and to renew, replace, add to, and otherwise change the Facilities and each and every part thereof and the location thereof within the Easement Area, and utilize the Facilities within the Easement Area for the purpose of providing service to the Grantor and others;

**ALL THAT TRACT OR PARCEL OF LAND,**

*(Insert legal description of the Easement Area here, including reference to the Exhibit “A” map and Schedule “A”, if applicable, as same will be attached and recorded as part of this document)*

Together with the perpetual right, privilege and easement to place, replace, renew, repair, maintain, operate and remove any supporting structures such as guys, stubs, anchors, span guys, and any other appurtenant structures within the bounds of the Easement Area which the Grantee may from time to time deem necessary.

Together with the perpetual right, privilege and easement to clear the Easement Area of obstructions and structures, and to trim, cut and remove any and all trees and brush, either

mechanically or by the use of approved herbicides, within the bounds of the Easement Area, and also any and all trees and brush beyond the bounds of the Easement Area which, in the sole judgment of the Grantee, may be a source of danger to the Grantee's electric Facilities, all as the Grantee may from time to time deem necessary; and together with the further right of temporary access during initial construction of the Facilities to and from the Easement Area across certain adjoining lands of the Grantor depicted in Exhibit "A" attached hereto, for the purposes herein stated.

Grantor and Grantee acknowledge that while the term "Facilities" does not include underground cables or conduits, Grantee shall be permitted to use below surface areas within the Easement Area as may be necessary to exercise its rights pursuant to this Easement.

Grantee shall provide Grantor with \_\_\_ days' prior written notice before commencing the initial construction of the Facilities. No mining or blasting shall be undertaken within the Easement Area by Grantee, without the prior written consent of Grantor, which consent may be withheld in Grantor's sole discretion.

Following the completion of the initial construction of the Facilities, Grantee shall procure and maintain at its own expense, prior to entering upon the Easement Area or performing any activities within the Easement Area, any and all licenses, consents, permits, authorizations and other approvals required from any federal, state or local governmental authority in connection with Grantee's use of the Easement Area (collectively, "Permits"). Grantee shall observe all laws, rules, statutes and regulations of any governmental authorities having jurisdiction over the Easement Area. Grantor may from time to time request reasonable evidence that all such Permits have been obtained by Grantee and are in full force and effect.

Grantee shall use reasonable efforts when exercising its foregoing rights to minimize, to the extent reasonably practical, any interference with Grantor's operations and shall maintain the Easement Area in accordance with good utility practice.

This grant is made on the express undertaking of the Grantee that if, in entering the Easement Area for the purpose of reconstructing, maintaining or repairing any Facilities, any damage is done to the property of the Grantor, the Grantee will promptly restore such property to the same condition that existed prior to such damage, to the extent feasible.

Grantor, as an undertaking and covenant running with the land for itself, its representatives, successors and assigns, hereby covenants and agrees with respect to the Easement Area that:

- (a) No buildings or other structures shall ever be erected, moved or placed upon or permitted to be erected, moved or placed upon said Easement Area, nor shall any trees be planted thereon.
- (b) No equipment, mechanical or otherwise, any part of which may extend within fifteen feet of the lowest electric conductor constructed, maintained and operated over

said Easement Area shall be used, operated or moved over, across and along said Easement Area.

(c) No materials or equipment shall be stored or permitted to be stored upon said Easement Area.

(d) The grade of said Easement Area as same now exists shall not be disturbed nor shall any excavating, mining or blasting be undertaken within the bounds thereof.

(e) Grantor shall not have the right to relocate the Easement Area or amend or modify this Easement without Grantee's written consent, and no acts shall be permitted within the Easement Area inconsistent with the rights and easements granted herein.

**TO HAVE AND TO HOLD** the premises and rights herein granted unto the Grantee, its successors and assigns forever.

Said Grantor further covenant with respect to the premises heretofore designated as the Easement Area, the following:

1. That the said Grantor are seized of said premises in fee simple and have good right to grant and convey the above-described rights, privileges and easements.
2. That the said premises are free from encumbrances.
3. That the Grantee shall quietly enjoy the said premises.
4. That the Grantor will execute or procure any further necessary assurance of the title to said premises.
5. That the said Grantor will forever warrant the title to said premises.

The Grantee, its successors and assigns, are hereby expressly given and granted the right to assign this Easement, or any part thereof, or interest therein, and the same shall be divisible between or among two or more owners, as to any right or rights created hereunder, so that each assignee or owner shall have the full right, privilege, and authority herein granted, to be owned and enjoyed either in common or severally. This Easement is a commercial easement in gross and shall at all times be deemed to be and shall be a continuing covenant running with the Grantor's land and shall inure to and be binding upon the successors, heirs, legal representatives, and assigns of the parties named in this Easement.

**IN WITNESS WHEREOF**, the Grantor has executed and delivered this Easement as of the day and year first above written.

BY: \_\_\_\_\_  
(Sign)

BY: \_\_\_\_\_  
(Sign)

\_\_\_\_\_  
(Print Name and/or Title if Corporation)

\_\_\_\_\_  
(Print Name and/or Title if Corporation)

STATE OF NEW YORK }  
COUNTY OF } SS.:

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK }  
COUNTY OF } SS.:

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
Notary Public

4.1.1 EASEMENT

14.7 TO

Dated:

AFTER RECORDING, RETURN TO:



## **Exhibit D: Company Insurance Requirements**

**Workers Compensation and Employers Liability Insurance** as required by State of New York. If required, coverage shall include the U.S. Longshoremen's and Harbor Workers' Compensation Act and the Jones Act.

**Commercial General Liability (CGL)** (Including Contractual Liability), covering all activities and operations to be performed by it under this Agreement, with the following minimum limits:

Bodily Injury and Property Damage per Occurrence – \$3,000,000  
General Aggregate & Product Aggregate – \$3,000,000 each

**Automobile Liability** - covering all owned, non-owned and hired vehicles used in connection with all operations, work or services to be performed by or on behalf of either Party under or in connection with this Agreement with minimum limits of:

Combined Single Limit – **\$1,000,000** per occurrence.

**Umbrella or Excess Liability**, coverage with a minimum limit of \$ 4,000,000.

Any combination of Commercial General Liability, Automobile Liability and Umbrella or Excess Liability can be used to satisfy the limit requirement for these coverages.

Prior to starting work and upon request, the Company shall promptly provide the Customer with evidence of self-insurance and/or certificates of insurance evidencing the insurance coverage above.

Company shall provide such certificates or evidence of insurance to Customer at the following address:

To: AVANGRID Service Company  
Procurement Department/Insurance Cert  
89 East Avenue  
Rochester, NY 14649

Should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

If the Company fails to secure or maintain any insurance coverage, or any insurance coverage is canceled before the completion of all services provided under this Agreement, and the Company fails immediately to procure such insurance as specified herein, the Customer has the right but not the obligation to procure such insurance and, at its option, either bill the cost thereof to the Company or deduct the cost thereof from any sum due the Company under this Agreement.

The Company shall comply with any governmental and/or site-specific insurance requirements even if not stated herein.

By the date that such coverage is required, the Company represents to the Customer that it will have full policy limits available and shall notify the Customer in writing when coverages required herein have been reduced as a result of claim payments, expenses, or both.

The Company shall include the Customer as an additional insured for all coverages except Workers' Compensation and Employers Liability Insurance in order to provide the Customer with protection from liability arising out of activities of Company relating to this Agreement and associated Work. A Waiver of Subrogation in favor of the Customer shall be provided on insurance requirements in this Exhibit.



This requirement may be satisfied by providing either this CPL policy, which would include naming the Insured Entities, including their officers and employees, as additional insured's as outlined below; **OR** by providing coverage for sudden and accidental pollution liability under the CGL and commercial automobile insurance policies required above - limited solely by the Insurance Services Organization (ISO) standard pollution exclusion, or its equivalent.

In the event the Customer is unable to secure and/or maintain any or all of this sudden and accidental pollution liability coverage, the Customer agrees to indemnify and hold the Insured Entities harmless against any and all liability resulting from any coverage deficiency that is out of compliance with this insurance requirement.

Prior to starting work, the Customer shall promptly provide the Company with evidence of insurance self-insurance and/or certificates of insurance evidencing the insurance coverage above. Customer shall provide such certificates or evidence of insurance to Company at the following address:

To: National Grid c/o Niagara Mohawk Power Corporation  
Attention: Kevin Reardon  
Director, Commercial Services  
40 Sylvan Road  
Waltham, MA 02451

Should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

If the Customer fails to secure or maintain any insurance coverage, or any insurance coverage is canceled before the completion of all services provided under this Agreement, and fails immediately to procure such insurance as specified herein, then the Company has the right but not the obligation to procure such insurance and bill the cost thereof to the Customer.

Customer shall comply with any governmental and/or site-specific insurance requirements even if not stated herein.

By the date that such coverage is required, the Customer represents to the Company that it will have full policy limits available and shall notify the Company in writing when coverages required herein have been reduced as a result of claim payments, expenses, or both.

Customer shall include the Company as an additional insured for all coverages except Workers' Compensation and Employers Liability Insurance in order to provide the Company with protection from liability arising out of activities of Customer relating to this Agreement and associated Work. **National Grid USA, and its direct and indirect parents, subsidiaries and affiliates shall be included as additional insured. A Waiver of Subrogation in favor of the Company shall be provided on insurance requirements in this Exhibit.**

## **Schedule I: Real Property Standards**

This Schedule is attached to and made a part of the Cost Reimbursement Agreement (“CRA”) dated as of June \_\_, 2021 (“Effective Date”) by and between Customer and Company. Any capitalized terms used but not defined in this Schedule shall have the same meanings given to such terms in the CRA.

Customer shall transfer to Company such rights and interests in real property that, in the reasonable opinion of Company, are necessary for the construction, reconstruction, relocation, operation, repair, maintenance, and removal of and access to the New Facilities. Based on their mutual understanding as of the Effective Date as to the scope of real property interests necessary for the foregoing purposes, the parties have agreed that Customer shall transfer and convey an easement (the “Easement”) to Company, in substantially the same form as the Grant of Easement attached to the CRA as Exhibit C-1. Company reserves the right, in its reasonable discretion, to impose additional or modified requirements to the extent required to support the Company Work. The lands subject to the Easement are generally depicted in the drawing attached hereto (the “Easement Area”), but the exact dimensions of the Easement Area have yet to be finalized. In any event, Customer agrees that the Easement Area shall (i) be of sufficient area to allow safe construction, operation and maintenance of the New Facilities, in conformity with applicable land use and zoning ordinances, subdivision regulations, and wetlands setback requirements; and (ii) provide necessary dimensions and area for guys, anchors and other such appurtenant facilities. Customer acknowledges and agrees that the Easement must provide for temporary access/egress rights to the New Facilities during initial construction which are acceptable to Company in its reasonable discretion.

Customer shall be solely responsible for paying all costs associated with the transfer of real property interests to Company, including, but not limited to, closing costs, transfer taxes and recording fees, and Customer shall reimburse Company for all costs Company may incur in connection with such transfer.

Customer will be responsible for payment of all real estate taxes (i.e., county, village, city/town and/or school) following such transfer, except for such taxes as may be assessed to Company for the New Facilities.

Company shall have the right, personally or through its engineers, consultants, surveyors, architects, contractors or such other parties as Company shall designate (the “Company Agents”), to enter upon the Easement Area prior to obtaining the Easement upon providing advance reasonable notice to Customer to inspect, examine and conduct such tests and investigations as Company shall reasonably require in connection with the Company Work. Customer shall have the right to have a representative accompany Company or any Company Agents during any such investigation.

Customer will use reasonable efforts to furnish or make available to Company complete and accurate copies of the following information, if any, which is in Customer’s possession or control relating to or concerning the Easement Area: (i) unrecorded leases, licenses or other use agreements, including amendments thereto, if any, and written notices alleging that Customer is in breach of any such agreements or of any recorded leases, licenses or other use agreements; (ii) land surveys; (iii) environmental and geotechnical reports; and (iv) written notices of any uncured violation by Customer of any federal, state or local law specifically relating to or affecting the use or operation of the Easement Area. For purposes hereof, “Customer’s possession or control” shall mean such materials which would be located in, as applicable, Customer’s real estate and environment

departments and assembled following a customary and reasonable search thereof by a member of each respective Department's personnel. For the avoidance of doubt, "Customer's possession or control" shall not be construed as an exhaustive search of enterprise-wide Customer records, and Customer cannot and does not guaranty the accuracy or completeness of any materials provided pursuant hereto.

The Easement shall be conveyed to Company with good and marketable title free and clear of all liens (except the lien of any real property taxes that are not yet due and payable) and of all encumbrances and exceptions to title deemed objectionable by Company, provided that any such objection by Company shall be of a reasonable nature and consistent with legally sound title practice in the State of New York (collectively, "Defects") for a sum of \$1.00. Title shall be transferred only after having been determined satisfactory by Company, in its reasonable discretion. Customer will remove any such Defects in a manner that is acceptable to Company (in its reasonable discretion) on or before the execution and recording of the Easement ("Closing"). Customer shall provide to Company a complete field survey of the Easement Area which shall comply with the Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys (with iron pin markers delineating the perimeter boundaries of the Easement Area), a title report prepared by a reputable and independent title company based on a title search that starts with the vesting deed pursuant to which Customer acquired title to the land subject to the Easement Area, and a tax search.

At Closing, Customer shall deliver to Company the duly authorized, executed and acknowledged Easement, a settlement statement, and any other customary and reasonable documents as may be reasonably required for the proper conveyance of the Easement.