Service Agreement No. 2680

COST REIMBURSEMENT AGREEMENT

This COST REIMBURSEMENT AGREEMENT (this “Agreement”), is made and   
entered into as of December 22, 2021 (the “Effective Date”), by and between ROCHESTER GAS   
& ELECTRIC 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” or “National Grid”). 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 Station 56 substation located near Pittsford, NY (the “Station 56 Substation”) and interconnect such proposed expanded Station with existing National Grid owned T1610 Mortimer-Quaker #23 115kV, T1560 Mortimer-Hook Road #1 115kV, T1570 Mortimer-Elbridge #2 115kV, T 1590 Mortimer-Pannell #24 115kV, and the T1600 Mortimer-Pannell #25 115kV electrical transmission circuits; 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.   
“Breaching Party” shall have the meaning set forth in Section 21.1 of this Agreement.   
“CEII” 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.   
“National Grid” shall have the meaning set forth in the preamble 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 Station 56 Substation.

“Station 56 Expansion Project” shall have the meaning set forth in Exhibit A to this

Agreement.

“Station 56 Substation” shall have the meaning set forth in the preamble to this Agreement.

“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 Wor

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, and Customer acknowledges that, prior   
to accepting the New Facilities Property Rights, Company shall   
have completed all due diligence contemplated by this Agreement   
with respect thereto, and determined in its reasonable discretion that   
Customer has satisfied, or shall have satisfied, the applicable   
obligations set forth in the Real Property Standards (it being agreed   
that such obligations shall be (a) established by the Parties as soon   
as practicable following determination as to the nature and scope of   
the New Facilities Property Rights, and the Real Property Standards   
shall be amended at that time to reflect such obligations and (b) of a   
reasonable nature, consistent with established conveyancing   
practices of the Parties,) and

(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 $500,000 (“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: Jesus Castro

Address: Avangrid Service Company,

3 City Center

180 South Clinton

Rochester, New York 14604

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 STATION 56 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 tariff), 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 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 deemed to be the immediately succeeding Day), (iii) upon the   
expiration of the third (3rd) 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: Rochester Gas & Electric Corporation

c/o Avangrid Service Company

Attn: Jose Melgar, BES Program Manager

3 City Center

180 South Clinton

Rochester, New York 14604 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.

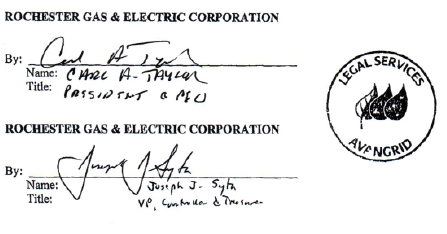
27.9 VALIDITY. Each Party hereby represents that the provisions of this Agreement

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.

NIAGARA MOHAWK POWER CORPORATION

LIST OF ATTACHMENTS, SCHEDULES AND EXHIBITS

Exhibit A Scope of Company Work

Exhibit B Preliminary Milestone Schedule

Exhibit C Customer Required Actions

Exhibit D Company Insurance Requirements

Exhibit E Customer Insurance Requirements

Schedule I Real Property Standards

Exhibit A: Scope of Company Work

Customer is expanding the Station 56 Substation located in/near Pittsford, NY. The proposed expanded Station 56 Substation is located adjacent to the existing National Grid owned T1610 Mortimer-Quaker #23 115kV, T1560 Mortimer-Hook Road #1 115kV, T1570 Mortimer-  
Elbridge #2 115kV, T 1590 Mortimer-Pannell #24 115kV, and the T1600 Mortimer-Pannell #25 115kV electrical transmission circuits (the “Circuits”).

Each of the Circuits is currently in either a double-circuit or single-circuit configuration and all proposed modifications to each of these Circuits in support of the Station 56 Expansion Project will allow them to remain in such Circuit’s configuration.

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

Portion”):

To support the Station 56 Expansion Project, National Grid is proposing to replace existing

structures and to install various new “tap” structures to connect the #23 & #24 Circuit line(s) to the proposed expanded Station 56 Substation. The #23 Circuit is proposed to be re-located west to the station A-Frame/Terminal Structure that is currently occupied by National Grid Circuit #24. Existing National Grid Circuit #24 is proposed to be relocated and re-arranged to an   
“in-out” configuration connecting two (2) 115kV circuits to the proposed A-frame structures at the expanded Station 56. Substation

Although preliminary engineering is not complete, National Grid currently anticipates installing   
six (6) to eight (8) galvanized steel, mono-pole, deadend structures on concrete caisson   
foundations. Proposed pole heights vary from 60-80ft above grade with all foundations expected   
to be 5-8ft. in diameter and approximately 18-40ft. in depth; pending the soil boring and   
geotechnical design data. Since preliminary engineering is not complete, the foregoing remains   
subject to change.

In addition to the structure replacements; new 795 kcmil “Drake” ACSR conductor and new OPGW and/or 3/8 EHS shieldwire will be installed.

Access to the work Site will be through Customer or Customer affiliate- owned property where available. There is potential for additional matting to cross various underground facilities and to protect environmentally sensitive areas.

• Procurement of Long Lead Purchase Items

o 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 Station 56 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 Station 56 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

Task

1.

2.

3.

4.

Milestone

Make Initial   
Prepayment

Complete Phase I of   
the Company Work   
and deliver Phase II   
Notice

Deliver Estimated Schedule for Phase II Portion of the

Company Work   
Deliver Notice to   
Proceed and pay

Phase II Prepayment

Estimated Timeframe

Effective Date

150 Days following   
completion of Task 1.

150 Days following   
completion of Task 1.

30 Days following   
completion of Task 3

Responsible Party

Customer

Company

Company

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 form and substance reasonably acceptable to the   
Parties (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,

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 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.

Exhibit E: Customer Insurance Requirements

Workers Compensation and Employers Liability Insurance as required by the 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 - $1,000,000

General Aggregate & Product Aggregate - $2,000,000 each

• Coverage shall include contractual liability (with this Agreement, and any associated verbal agreements, being included under the definition of “Insured Contract” thereunder), products/completed operations, and if applicable, explosion, collapse and underground (XC&U).

• If the products-completed operations coverage is written on a claims-made basis, the retroactive date shall not precede the effective date of this Agreement and coverage shall be maintained continuously for the duration of this Agreement and for at least two years thereafter.

• Additional Insured as required below.

• The policy shall contain a separation of insureds condition.

• A liability insurance policy containing an annual aggregate limit of liability shall be amended to reflect that the annual aggregate limit applies on a per project basis.

Owners & Contractors Protective Liability Insurance, with a limit of liability not less than

$1,000,000, if required by use of subcontractors in the work being performed and mutually agreed to by   
the Company and the Customer. Proof of coverage under the Contractor's CGL policy will satisfy this   
requirement.

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 the Customer 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 $ 10,000,000.

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

Contractors Pollution Liability (CPL): covering any sudden and accidental pollution liability (on a per project basis) which may arise out of, under, or in connection with this Agreement, including all operations to be performed by or on behalf of Customer, or that arise out of the Customer’s use of any owned, nonowned or hired vehicles, with a minimum liability limit of:

Combined Single Limit - $1,000,000 per occurrence

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

5.0 STANDARDS AND REQUIREMENTS RELATING TO THIRD PARTY

ACQUISITION AND TRANSFER OF REAL PROPERTY INTERESTS TO

NIAGARA MOHAWK POWER CORPORATION FOR ELECTRIC FACILITIES

Note Regarding Application/Reservation of Rights

The standards set forth herein are intended to apply generally in cases where real property interests shall be acquired by third parties and transferred to Niagara Mohawk Power   
Corporation (“NMPC”) in connection with the construction of new electric facilities,   
including, without limitation, the relocation of existing NMPC electric facilities   
(collectively, the “New Facilities”). NMPC advises, however, that it may impose   
additional or modified requirements in its sole discretion and/or on a case-by-case basis and, therefore, reserves the right to amend, modify or supplement these standards at any time prior to transfer/acceptance. Third parties shall not deviate from these standards   
unless expressly authorized in writing by NMPC.

5.1 General Requirement

Unless otherwise expressly authorized in writing by NMPC, a third party requesting   
relocation of NMPC electric facilities and/or responsible for siting and constructing the   
New Facilities (the “Requesting Party”) shall acquire all rights and interests in real property   
that, in the opinion of NMPC, are necessary for the construction, reconstruction, relocation,   
operation, repair, maintenance, and removal of and access to such New Facilities. Further   
subject to the standards set forth herein, the Requesting Party shall obtain NMPC’s written   
approval of the proposed site or sites prior to the Requesting Party’s acquisition or   
obtaining site control thereof. As a general rule, the Requesting Party shall acquire a fee-  
ownership interest for all parcels upon which a substation, point of interconnection station   
or other station facility will be located and transferred to NMPC, and either a fee-ownership   
interest or a fully-assignable/transferable easement for all parcels upon which any other   
New Facilities will be located and transferred to NMPC. The Requesting Party shall pay   
and be solely responsible for paying all costs and expenses incurred by the Requesting   
Party and/or NMPC that relate to the acquisition of all real property interests necessary and   
proper to construct, reconstruct, relocate, operate, repair, maintain and remove, as   
applicable, the New Facilities. The Requesting Party shall pay and be solely responsible   
for paying all costs associated with the transfer of real property interests to NMPC,   
including, but not limited to, closing costs, subdivision costs, transfer taxes and recording   
fees. The Requesting Party shall reimburse NMPC for all costs NMPC may incur in   
connection with transfers of real property interests. Title shall be transferred only after   
having been determined satisfactory by NMPC. Further, NMPC reserves the right to   
condition its acceptance of title and/or release of any existing rights until such time as the   
New Facilities have been constructed, operational tests have been completed, and the New   
Facilities placed in service (or determined by NMPC to be ready to be placed in service),   
and the Requesting Party is strongly advised to consult with NMPC’s project manager as   
to the anticipated sequencing of events.

The Requesting Party will be responsible for payment of all real estate taxes (i.e., county, village, city/town and/or school) until such time as title has been transferred to NMPC (allocation of responsibility for payment of real estate taxes following the transfer to be determined on a case-by-case basis).

Prior to such transfer, the Requesting Party shall furnish to NMPC the original costs of any improvements by type/category of property; i.e., conductors, towers, poles, station equipment, etc. These original costs will show year of construction by location of such improvements. This information may be transmitted by NMPC to Federal, State or local governmental authorities, as required by law.

5.1.1 Title Documentation; Compliance with Appropriate Conveyancing Standards

The real property interests necessary for the construction, reconstruction, relocation,   
operation, repair, maintenance and removal of the New Facilities shall be conveyed to   
NMPC in fee simple (by warranty deed) or by fully-assignable/transferable easement   
approved by NMPC, with good and marketable title free and clear of all liens,   
encumbrances, and exceptions to title for a sum of $1.00. With respect to any approved   
conveyance of easements, the Requesting Party shall subordinate pertinent mortgages to   
the acquired easement rights. The Requesting Party shall indemnify, defend, and hold   
harmless NMPC, its agents and employees, officers, directors, parent(s) and affiliates, and   
successors in interest, from all liens and encumbrances against the property conveyed. The   
Requesting Party further agrees to provide to NMPC a complete field survey (with iron pin   
markers delineating the perimeter boundaries of the parcel or the centerline of the entire   
right-of-way in the case of an electric transmission line), an abstract of title (of at least 40   
years or such longer period as may be required by NMPC on a case-by-case basis), and a   
tax search for real property interests to be transferred to NMPC. The Requesting Party   
shall be required to provide NMPC with a title insurance commitment with a complete title   
report issued by a reputable and independent title insurance company for any real property   
rights in fee or easement that are to be transferred to NMPC. At the time of the transfer of   
such interests to NMPC, the Requesting Party shall provide a title insurance policy naming   
NMPC as the insured covering the real property interests, in fee or easement, that are to be   
transferred to NMPC.

The Requesting Party shall provide such title documentation and title insurance as shall be required by the NMPC real estate attorney assigned to review and close the transfer of ownership from the Requesting Party to NMPC. The Requesting Party shall request direction from such attorney with respect to preparation of abstracts of title, title insurance commitments and policies, and preparation of boundary surveys that comply with ALTA/NSPS Land Title Survey Standards and which must conform to proposed legal descriptions. The Requesting Party will be provided legal forms which include acceptable language and format for title transfer. Title shall be determined satisfactory by the NMPC real estate attorney in his or her sole discretion.

Title requirements of NMPC shall be of a reasonable nature and consistent with legally   
sound title practice in the applicable jurisdiction. Without limiting the foregoing, title shall   
not be encumbered by any liens or encumbrances superior to or on par with any applicable   
lien of NMPC’s indentures or otherwise deemed objectionable by the NMPC real estate   
attorney so assigned. All title insurance fees and premiums (including, without limitation,   
costs of title insurance policy endorsements) shall be paid by the Requesting Party at or   
prior to the date of transfer.

The Requesting Party shall provide to NMPC conformed copies of all necessary real property interests not prepared by, or directly for, or issued to NMPC.

5.1.2 Forms

The Requesting Party shall use NMPC-approved forms (including form subordination agreements) for obtaining, recording and transferring fee-owned right-of-way and easements. Proposed changes to such forms shall be discussed with and agreed upon with the assigned NMPC real estate attorney.

5.2 Areas Where Easements/Permits Are Acceptable

5.2.1 Railroad

Where the New Facilities shall cross railroads, the Requesting Party shall obtain railroad   
crossing permits or other standard railroad crossing rights prior to constructing the   
crossing.

5.2.2 Public Land

Where the New Facilities shall cross public land, the Requesting Party shall obtain an easement for the crossing and/or any permits necessary to construct, operate and thereafter maintain such Facilities.

5.2.3 Highways and other Public Roads

Where the New Facilities shall cross highways or other public roads, the Requesting Party shall obtain crossing permits, grants of location/franchises, easements, or other standard highway crossing rights prior to constructing the crossing, from the agency or agencies authorized to issue such rights.

5.2.4 Off Right-of-Way Access

In all cases, the Requesting Party shall obtain access/egress rights to the New Facilities   
acceptable to NMPC. Where construction and maintenance access along the fee-owned or   
easement strip is not possible or feasible, the Requesting Party shall obtain easements for   
off right-of-way access and construct, where necessary, permanent access roads for   
construction and future operation and maintenance of the New Facilities. NMPC will   
review the line route for maintenance access and advise the Requesting Party of locations   
requiring permanent off right-of-way access. The Requesting Party shall obtain permanent   
easements and construct the permanent maintenance access roads. Typically, a width   
easement of 25 feet maximum shall be obtained for off right-of-way access, but the   
dimensions shall be per NMPC requirements on a case-by-case basis.

The Requesting Party shall obtain all necessary rights of access and licenses, including   
adequate and continuing rights of access to NMPC’s property, as necessary for NMPC to   
construct, operate, maintain, replace, or remove the New Facilities, to read meters, and to   
exercise any other of its obligations from time to time. The Requesting Party hereby agrees   
to execute any such further grants, deeds, licenses, assignments, instruments or other

documents as NMPC may require to enable it to record such rights-of-way, easements, and licenses.

5.2.5 Temporary Roads

The Requesting Party shall obtain temporary easements for access roads which are   
necessary for construction, but not for future operation and maintenance of, the New   
Facilities. NMPC shall concur with respect to any temporary roads being acquired versus   
permanent roads. If any disagreements occur with respect to the type of road being needed,   
NMPC’s decision shall be final. In the event NMPC determines that permanent roads will   
not be required for operation and maintenance (including repair or replacement), easements   
for temporary roads shall not be assigned or otherwise transferred to NMPC by the   
Requesting Party.

5.2.6 Danger Trees

If it is determined that the fee-owned or principal easement strip is not wide enough to eliminate danger tree concerns, the Requesting Party shall obtain additional permanent easements for danger tree removal beyond the bounds of the principal strip. The additional danger tree easement rights may be general in their coverage area, however if a width must be specified, NMPC Forestry shall make that determination but in no case shall less than 25’ feet be acquired beyond the bounds of the principal strip.

5.2.7 Guy and Anchor Rights

The Requesting Party shall obtain an additional permanent fee-owned strip or easement for guys and anchors when the fee-owned or principal easement strip is not wide enough to fully contain guys, anchors and, other such appurtenant facilities.

5.3 Dimensions

Dimensional requirements with respect to electric station/substation facilities will vary on   
a case-by-case basis. In all cases, however, the Requesting Party shall obtain sufficient   
area to allow safe construction, operation and maintenance of the New Facilities, in   
conformity with applicable land use and environmental laws, rules and regulations,   
including, without limitation, bulk, setback and other intensity requirements of applicable   
zoning ordinances, subdivision regulations, and wetlands setback requirements. Basic   
width for the fee-owned or easement strip for 115kV transmission lines shall be 100 feet,   
with the transmission facility constructed in the center of the strip. NMPC will advise the   
Requesting Party if there will be any additional right-of-way requirements. This   
requirement may be modified by the agreement of the parties as the scope of the project is   
further developed or if there are changes to the project. Where extreme side-hill exists,   
additional width beyond the 25 feet may be required on the uphill side of the strip to allow   
additional danger tree removal.

Where guyed angle structures are to be installed, additional fee strip widths or permanent easement shall be obtained by the Requesting Party on the outside of the angle to provide for installation of guys and anchors within the fee-owned strip or permanent easement. The width of the additional strip shall be a minimum of 25 feet. The length of the strip shall be sufficient to assure that all guys and anchors will fall within the fee-owned strip. A 125’ strip will then be typically required.

5.4 Eminent Domain

If condemnation in NMPC’s name is required, the Requesting Party shall contact NMPC’s   
project manager for additional details on any assistance NMPC may provide. Typically,   
the Requesting Party shall prepare all acquisition maps, property descriptions and   
appraisals. Contact shall be made with NMPC’s surveyor, right-of-way supervisor and   
legal department, and all requirements shall be closely followed. The Requesting Party   
shall also prepare an Environmental Assessment and Public Need report (Environmental   
Impact Statement or equivalent) and any other report or reports which may be required. A   
certified survey may also be required. NMPC must approve the Requesting Party’s   
attorney for all condemnation hearings and proceedings. NMPC participation in such   
proceedings will be required at the Requesting Party’s sole cost and expense. The   
Requesting Party shall contact NMPC attorneys prior to undertaking any condemnation   
proceedings for proper procedures to follow. To the extent legally permissible, NMPC   
reserves the right to refuse the use of condemnation by the Requesting Party (if the   
Requesting Party has the legal authority to commence and conduct an eminent domain   
proceeding), or by itself, in its sole discretion.

5.5 Use of Existing NMPC Right-of-Way

Existing NMPC right-of-way will not be available for use for the New Facilities unless NMPC Engineering, Planning and Operating departments agree to the contrary. The Requesting Party will pay a mutually acceptable cost to use such lands if NMPC gives internal approval.

5.6 Public Right-of-Way

If the Requesting Party must use public right-of-way for the New Facilities, the Requesting Party shall arrange for and reimburse NMPC and/or other utilities for any relocation which may be necessary.

5.7 General Environmental Standards

The Requesting Party agrees that, prior to the transfer by the Requesting Party of any real   
property interest to NMPC, the Requesting Party shall conduct, or cause to be conducted,   
and be responsible for all costs of sampling, soil testing, and any other methods of   
investigation which would disclose the presence of any Hazardous Substance which has   
been released on the Property or which is present upon the Property by migration from an   
external source, and which existed on the Property prior to the transfer, and shall notify

NMPC in writing as soon as reasonably practicable after learning of the presence of   
Hazardous Substance upon said Property interest. The Requesting Party agrees to   
indemnify, defend, and save NMPC, its agents and employees, officers, directors, parents   
and affiliates, harmless from and against any loss, damage, liability (civil or criminal), cost,   
suit, charge (including reasonable attorneys’ fees), expense, or cause of action, for the   
removal or management of any Hazardous Substance and relating to any damages to any   
person or property resulting from presence of such Hazardous Substance. The Requesting   
Party shall be required, at its sole cost and expense, to have a Phase I Environmental Site   
Assessment (“Phase I ESA”) conducted on any such property which may be legally relied   
upon by NMPC and which shall be reviewed and approved by NMPC prior and as a   
condition to transfer. NMPC further reserves the right, in its sole discretion, to require that   
the Requesting Party have a Phase II Environmental Site Assessment conducted on any   
such property, also at the Requesting Party’s sole cost and expense, if NMPC determines   
the same to be necessary or advisable, which (if required) shall be reviewed and approved   
by NMPC prior and as a condition to transfer. NMPC further reserves the right, in its sole   
discretion, to disapprove and reject any proposed site and/or real property interest to be   
conveyed to NMPC based upon the environmental condition thereof.

5.8 Indemnity

The Requesting Party shall be responsible for defending and shall indemnify and hold   
harmless NMPC, its directors, officers, employees, attorneys, agents and affiliates, from   
and against all liabilities, expense (including litigation costs and attorney’s fees) damages,   
losses, penalties, claims, demands, actions and proceedings of any nature whatsoever for   
construction delays, construction or operations cessations, claims of trespass, or other   
events of any nature whatsoever that arise from or are related to an issue as to the   
sufficiency of the real property interests acquired or utilized by the Requesting Party for   
the construction, reconstruction, relocation, operation, repair, and maintenance of the New   
Facilities. In no event shall NMPC be held liable to the Requesting Party or third parties   
for consequential, incidental or punitive damages arising from or any way relating to an   
issue as to the sufficiency of the real property interests acquired or utilized by the   
Requesting Party (including, but not limited to, those real property interests from NMPC)   
for the construction, reconstruction, relocation, operation, repair, and maintenance of the   
New Facilities.