

[Execution Copy]

TRANSACTION FORM

This Transaction Form dated January 15, 2004 by and between Consolidated Edison Company of New York, Inc., a New York corporation ("Con Edison") and Astoria Energy LLC, a Delaware limited liability company ("Buyer"), is prepared in accordance with the Master Services Agreement dated October 27, 2003 (the "Agreement") by and between Con Edison and Buyer and is subject to, and incorporates by reference, the terms and conditions of the Agreement (except to the extent such terms and conditions are expressly modified or made inapplicable by this Transaction Form).

1. Services To Be Provided By Con Edison:

In connection with the proposed electrical interconnection of one nominal 500 megawatt block of Buyer's proposed electric generating project to be located at 17-10 Steinway Street in the Astoria section of Queens County, New York (the "Power Plant"), consisting of, among other equipment, a GE Frame 7241FA combustion turbine, heat recovery steam generators, and a steam turbine system proposed to be connected between breakers 3E and 4E and a GE Frame 7241 combustion turbine proposed to be connected between breakers 3W and 4W to Con Edison's electrical system at Con Edison's Astoria East substation (the "Substation"), Con Edison, by its own forces or through others, has previously performed and agrees to perform in the future such of the services listed below, relating to the Substation (including the existing or proposed Con Edison equipment and facilities at the Substation that will be affected by the proposed electrical interconnection of the Power Plant), as Con Edison may in good faith perform prior to the end of the "Term" as defined in Section 4 of this Transaction Form and subject to the other provisions of this Transaction Form and to the provisions of the Agreement:

- (a) Prepare electrical general arrangement drawings with sections and details for the Substation bus arrangement showing the replaced equipment, the circuit breakers, the bus, and the two interconnecting feeders with their respective potheads, disconnect switches, potential transformers, lightning arresters and connections to bus sections.
- (b) Prepare a detailed scope of work related to the major equipment to be purchased for the interconnection work to be performed at the Substation and for cost estimate purposes.
- (c) Prepare equipment specifications, purchase requisitions, bid analysis, recommendation and purchase orders or other contractual documents to procure the following major equipment:
 - 1. Six (6) 3000 amp, 138KV, 63 KA circuit breakers for breaker positions No. 1W, 3E, 5E, 6W, 6E and 8E

2. Twenty Four (24) 138kv, 3000 amp, disconnect switches for positions # 1W1, 1W2, 1E1, 1E2, 2W2, 2W3, 2E2, 2E3, 3W3, 3W4, 3E3, 3E4, 5E5, 5E6, 6W6, 6W7, 6E6, 6E7, 7W7, 7W8, 7E7, 7E8, 8E1, 8E8
3. One (one) 3000 amp bus and bus supports
4. Two (2) disconnect switches and structures for the two interconnecting feeders.
5. Lightning arresters and potential transformers for the two interconnecting feeders.
6. Pre-fabricated air-conditioned relay houses for the two interconnecting feeders.
7. Revenue metering equipment for the two interconnecting feeders at the Substation end.

Buyer acknowledges and agrees that, notwithstanding anything to the contrary in this Section 1(c) or any other provision of this Transaction Form, this Transaction Form does not govern reimbursement of the purchase price of the above-described equipment or any other equipment related to the electrical interconnection of the Power Plant to the Substation, nor does it govern the installation (or the price to be paid for the installation) of any such equipment. Accordingly, Con Edison shall not be obligated to enter into any purchase order or other contractual commitment to purchase such equipment and Con Edison shall not be obligated to cause any such equipment to be installed unless and until Buyer and Con Edison mutually agree to amend this Transaction Form, enter into a separate transaction form, or enter into some other binding commitment with respect to the purchase and installation of such equipment and the obligation of Buyer to pay (or reimburse Con Edison) for such equipment and installation.

- (d) Perform stress analysis with regard to the structures and foundations for the new equipment, the relay houses and the underground cable trenches in the Substation yard.
- (e) Prepare civil arrangement drawings for the foundations of equipment, showing existing foundations with modifications needed, new foundations for added equipment, new cable trenches and/or cable trays for connecting the new equipment with different relays, control and supervisory panels in the Substation yard and the Substation control building.
- (f) Prepare drawings for below grade conduits & raceways for cable installation and grounding of equipment to the Substation ground grid system.
- (g) Enter into purchase orders or other contractual commitments with the manufacturer(s) and/or supplier(s) of the equipment referenced in Section 1(c) above for the sole purpose of obtaining manufacturer/supplier drawings depicting such equipment; provided, however, that, if Con Edison so elects, the obligation in this Section 1(g) is subject to Buyer and Con Edison mutually agree to amend this Transaction Form, enter into a separate transaction form, or enter into some

other binding commitment with respect to the purchase of such drawings and the obligation of Buyer to pay (or reimburse Con Edison) for such drawings.

- (h) Prepare drawing packages for each bus section associated with the equipment referenced in Section 1(c) above. Disconnect physical and wiring drawings shall be issued for construction followed by physical and wiring installation drawings. Drawings will include physical installation of equipment, cable trays and above grade conduits for cables, and wiring of power, relay protection, control and supervisory cables between equipment and relay, supervisory, control and alarm panels.
- (i) Prepare drawings for alarm, indication, and control of the equipment from the Substation control room and Con Edison's Energy Control Center via the SOCCS system.
- (j) Prepare/review drawings for the relay protection systems associated with the two interconnection feeders and the changes to existing bus section relay systems. [Note: All drawings, calculations, relay settings, etc. prepared by the Buyer's engineering consultant shall be subject to review and approval by the Con Edison Central Engineering Department before Buyer releases the same for construction purposes].
- (k) Obtain and analyze paint and material samples to ascertain the presence of lead, asbestos or other regulated materials, prepare a list of equipment and panels affected by asbestos and lead paint and, as may be required by Con Edison practice or procedure, analyze soil for Con Edison Environmental Health and Safety Department review and preparation of environmental specifications for addressing construction methodology and site conditions.
- (l) Provide technical support to Buyer's construction, field protection and testing personnel during the pre-construction and testing stages required for the design phase.
- (m) To the extent necessary for the design phase, review survey and/or other documentation and/or cause test-pits to be performed to determine substantive interferences and, if they exist, develop strategies for avoiding or mitigating such interferences.
- (n) As construction proceeds, revise applicable drawings and issue as-built drawings following initial energization of the electrical interconnection.

2. Lead Con Edison Organization:

Central Engineering

3. Con Edison and Buyer Contact Persons:

Con Edison Contact: Michael Simone
Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1550-s
New York, NY 10003

Phone: (212) 460-4084

Buyer Contact: James C. Croyle/Tim Bauer
Astoria Energy LLC
85 Main Street
Concord, MA 01742

Phone: (978) 287-9529

4. Term:

The above described services shall be performed until the earlier to occur of (a) the date this is nine months after the date of this Transaction Form first above written, or (b) the date the above-described services are completed, subject to the termination and cancellation provisions of the Agreement and this Transaction Form and subject further to the third paragraph of Section 6 of this Transaction Form (the "Term"). The Term may be extended if Con Edison and Buyer mutually agree in a writing signed by authorized representatives of each of them.

5. Price/Payment:

The price for the above-described services shall be the applicable per person hourly rates set forth in the document entitled "Consolidated Edison Company of New York, Inc. 2003 Accommodation Billing Schedule Rates" attached hereto as Exhibit A together with the other overhead charges, taxes, and other charges and costs listed in the footnotes to that document. It is understood and agreed that such hourly rates, overhead charges, taxes, and other charges and costs set forth in such document are subject to periodic revision by Con Edison upon written notice to Buyer and that, following such written notice to Buyer, the revised per person hourly rates, overhead charges, taxes, and other charges and costs shall be applicable.

Notwithstanding anything to the contrary in this Transaction Form, the seventh through twelfth sentences of Section 3 of the Agreement do not apply to this Transaction Form. Instead, Buyer shall pay Con Edison the following amounts on or before the following dates:

On or before January 20, 2004 -	\$300,000.00
On or before March 15, 2004 -	\$200,000.00
On or before May 14, 2004 -	\$200,000.00
On or before July 15, 2004 -	\$200,000.00
On or before September 15, 2004 -	\$130,000.00

Invoices shall be issued by Con Edison and shall describe the period covered by the invoice, the hours of service furnished during such period and the applicable hourly rates. The amount of each such invoice shall be applied against the balance of the aggregate amount of payment(s) previously made by Buyer that remains after application of all prior invoices. To the extent that such remaining balance is not sufficient to cover the amount of any invoice, Buyer, within five (5) business days of receipt of an invoice for such amount (each, an "Insufficiency Invoice") from Con Edison, shall pay Con Edison the amount of any such insufficiency.

Following the conclusion of the Term, Con Edison shall issue a final statement to Buyer showing the payments made by Buyer pursuant to this Transaction Form and the amount of the invoices applied against the aggregate amount of such payments. To the extent that the balance of the aggregate amount of payment(s) previously made by Buyer that remains after application of all prior invoices is not sufficient to cover the amount of any invoice, Buyer shall, within five (5) business days of receipt of an Insufficiency Invoice from Con Edison, pay Con Edison the amount of such insufficiency. To the extent that such remaining balance exceeds the amount necessary to cover all invoices pursuant to this Transaction Form, Con Edison shall, within five (5) business days of issuing the Final Statement to Buyer, pay Buyer the amount of such overage.

Any payment by Buyer that is not received by its respective due date shall be subject to a late charge equal to 18% per annum/.04932% per day, compounded monthly, for each day beyond the date for payment that the payment is not received (the "Late Charge"); provided, however, that if the highest late charge permitted by applicable law is lower than the Late Charge, the highest late charge rate permitted by law shall be applied instead of the Late Charge and, provided further, that Con Edison shall have the right to terminate this Transaction Form for default in the event that any payment by Buyer is not received by its respective date for payment set forth above.

Within fifteen (5) days from the date of an invoice or an Insufficiency Invoice, Buyer may in good faith dispute any portion thereof upon written notice to Con Edison received within such time which sets forth the reason(s) for Buyer's dispute. Con Edison and Buyer shall confer to expeditiously resolve such dispute. To the extent that any portion of an Insufficiency Invoice is disputed in good faith by Buyer in accordance with the foregoing, but ultimately is determined to be due, it shall be subject to the Late Charge calculated from the original due date.

6. Other Terms And Conditions:

The above-described services will be performed in accordance with Con Edison requirements, procedures, specifications and processes. Design documents will include, as applicable, construction specifications (civil and electrical), calculations and drawings. Drawings will include, as applicable, civil, structural, mechanical, electrical physicals, one lines, schematic wiring diagrams, arrangement drawings, new relay cabinet wiring, cable/conduit schedules, point to points, grounding, station equipment signs, nameplates and material lists. Con Edison intends to process final drawings through Metaphase. Con Edison intends to enter cables and devices into Con Edison's Wiring and Raceway System.

Con Edison does not represent, warrant, covenant, assure or guarantee that all or any particular portion of the above-described services will be performed prior to the end of the Term as defined in Section 4 of this Transaction Form as such Term may be extended in accordance with such Section.

Notwithstanding anything to the contrary herein, unless Con Edison and Buyer otherwise mutually agree in a writing signed by authorized representatives of each of them, Con Edison shall not be obligated to perform, and Buyer shall not be obligated to pay for, any more of the above-described services once the price for the above-described services previously performed would result in more than \$1,030,000 (One Million Thirty Thousand Dollars) being due from Buyer to Con Edison pursuant to this Transaction Form.

AGREED TO:

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By:

Name:

Title:

ASTORIA ENERGY LLC

By:

Name:

Title:

Exhibit "A"

**Consolidated Edison Company of New York, Inc.
2003 Accommodation Billing Schedule Rates**

		2003 Regular	2003 Overtime
GA-2B	ELECTRIC OUTSIDE PLANT	87.65	102.95
GA-2B	STEAM OUTSIDE PLANT	84.60	99.25
GA-3G	GAS INSIDE AND OUTSIDE PLANT (formerly known as GA-2G & GA-4-(GO))	104.40	119.85
GA-3A	CENTRAL ENGINEERING (SUBSTATION & TRANSMISSION ENGINEERING)	80.10	.
GA-4-MB	MAINTENANCE SERVICES	62.60	74.05
GA-4-SO/PST	SUBSTATION OPERATION INSIDE PLANT AND PROTECTIVE SYSTEMS ACCOMMODATION WORK (formerly known as GA-4-SO & GA-12)	79.00	95.65
GA-5M	UNDERGROUND TRANSMISSION & LINE MAINTENANCE	107.40	126.05
GA-6	TECHNICAL SERVICE LABS	82.85	99.10
GA-7	TRANSFORMER SHOP	82.40	98.00
GA-9	TRANSPORTATION OPERATIONS, MAINTENANCE & CRANES AND RIGGING (COMBINED)	96.15	101.60
GA-11	TRANSFORMER ANNUAL MAINTENANCE COSTS	(See Schedule)	
GA-13	ELECTRIC METER BUREAU	86.40	100.75
GA-14	CHEMICAL TESTING LAB	104.50	120.45
GA-21	FOR NON-PROFIT ORGANIZATIONS ELECTRIC, GAS & STEAM OUTSIDE PLANT	53.90	71.95
GA-22	CONSTRUCTION MANAGEMENT	86.50	96.75

GA- 80	DIVISION ENGINEERING	75.85	91.75
GA- 81	TRANSMISSION PLANNING	53.85	-
GA- 82	TRANSIT AUTHORITY	(See Schedule)	

Footnotes:

Material Costs: All materials will be billed at average storeroom prices plus a storeroom handling charge of 12%. New York State and Local Sales and Use Tax will be added where applicable.

Transportation Costs: Use of transportation vehicles will be billed at current industry standard rates.

Outside Contract Work: Outside contract work will be billed at the actual cost to the Company.

Use of Large Tools and Work Equipment: Such use will be billed at current industry standard rates.

Corporate Overheads (covers Engineering and Administrative & Supervisory "A&S" expenses) and Gross Receipts Taxes "GRT": In addition to the above costs, the following percentages will be added to the total foregoing items based upon the location:

New York City	23.48%
Yonkers	24.16%
New Rochelle, White Plains, Mount Vernon, Briarcliff Manor and Other Westchester cities and villages	22.03%
Buchanan and other Westchester communities	21.00%

Note: When Engineering Services are directly billed, the above Corporate Overhead will be modified to the prevailing A&S and GRT rates. These rates are subject to change to reflect current expenses.

Salvage Credit for Material Removed: When the Company agrees to accept the material and allow salvage credit against the total bill, credit will be allowed at average storeroom price, less salvaging cost. If the material is not suitable for re-use on the Company's system, credit will be allowed at scrap value.

New York State and Local Sales Tax will be added to the total bill when applicable.

Price Revision: The various rates indicated may be revised as conditions warrant. The labor scale specified in the rates may be adjusted in the event of a retroactive change in the wages of the class or classes of employees engaged in the work.

If you have any questions call Marjella Deluca (212) 460-2705 or Glenn Hamilton (212) 460-4296.

