

Service Agreement No. 1488

FIRST AMENDED AND RESTATED

INTERCONNECTION AGREEMENT

BETWEEN

NIAGARA MOHAWK POWER CORPORATION d/b/a NATIONAL GRID

AND

SELKIRK COGEN PARTNERS, L.P.

Effective: April 1, 2012

TABLE OF CONTENTS

1.	Agreement to Interconnect; Operation and Maintenance; Description of Interconnection Facility	2
2.	Representations and Warranties of Parties	3
3.	Interconnection Study	5
4.	Obtaining Rights-of-Way.....	5
5.	Construction of Interconnection Facility	6
6.	Reserved	6
7.	Construction of System Facilities	6
8.	Modification to Interconnection Facility Due to Transmission System	7
9.	Abandonment or Retirement of Interconnection Facility .	8
10.	Compliance With Laws and Obtaining Permits and Licenses	10
11.	Cost Payments	11
12.	Taxes	12
13.	Suspension of Deliveries	14
14.	Notices.....	15
15.	Term	16
16.	Termination	16
17.	Force Majeure	19
18.	Relationship of Parties	20
19.	Third-Party Beneficiary	21
20.	Assignment	21
21.	Waiver	22
22.	Amendment/Modification	23
23.	Choice of Law/Jurisdiction/Service of Process	23
24.	Severability	24
25.	Headings	24
26.	Integration/Merger/Survivability	24
Schedule A	Interconnection Diagram	26

INTERCONNECTION AGREEMENT

This FIRST AMENDED and RESTATED INTERCONNECTION AGREEMENT ("AGREEMENT") is made as of April 1, 2012, between Niagara Mohawk Power Corporation d/b/a National Grid ("NATIONAL GRID") and SELKIRK COGEN PARTNERS, L.P., ("PRODUCER") each hereinafter sometimes referred to individually as a "Party" or both referred to collectively as the "Parties".

WHEREAS, PRODUCER owns and operates a 79 MW natural gas fueled generating facility (PRODUCER FACILITY); and

WHEREAS, PRODUCER FACILITY is currently interconnected to NATIONAL GRID under an interconnection agreement dated October 20, 1992 ("1992 AGREEMENT"); and

WHEREAS, PRODUCER AND NATIONAL GRID desire to amend and restate the 1992 AGREEMENT, including extending the term of the 1992 AGREEMENT;

WHEREAS, PRODUCER AND NATIONAL GRID have agreed to enter into this AGREEMENT for the purpose of documenting certain terms and conditions related to the interconnection of the two facilities.

NOW THEREFORE, in consideration of the mutual obligations, agreements, and undertakings set forth herein, the Parties to this AGREEMENT covenant and agree as follows:

1. Agreement to Interconnect; Operation and Maintenance;
Description of Interconnection Facility

1.1 NATIONAL GRID and PRODUCER agree to remain interconnected in accordance with the terms and conditions contained herein.

1.2 NATIONAL GRID and PRODUCER are interconnected by means of an INTERCONNECTION FACILITY (as defined in Article 1.3), which NATIONAL GRID shall operate, own and maintain, in accordance with GOOD UTILITY PRACTICE, at the PRODUCER's expense. "GOOD UTILITY PRACTICE" as used in this AGREEMENT 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 be acceptable practices, methods, or acts generally accepted in the region in which PRODUCER is located.

1.3 The INTERCONNECTION FACILITY includes all those facilities between the Delivery Point and the Interconnection Point and real property upon which said facilities are located necessary to effect the transfer of electricity produced at the PRODUCTION FACILITY into NATIONAL GRID's transmission system. The INTERCONNECTION POINT and DELIVERY POINT are as indicated on the one-line diagram attached hereto as Schedule A.

1.4 The PRODUCTION FACILITY includes the gas-fired

cogeneration plant currently rated at approximately 79 MW and all related equipment. NATIONAL GRID agrees that the installation of the electrical connections has met, and PRODUCER agrees that the operation of the PRODUCTION FACILITY must meet or exceed, the requirements of the New York Independent System Operator (NYISO) and NATIONAL GRID's Electric System Bulletin No. 756, as well as any other pertinent NATIONAL GRID bulletins.

2. Representations and Warranties of Parties

2.1 PRODUCER is a limited partnership duly organized and validly existing under the laws of the State of Delaware. PRODUCER is qualified to do business under the laws of the State of New York, is in good standing under the laws of the State of New York, has the power and authority to own its properties, to carry on its business as now being conducted, and to enter into this AGREEMENT and the transactions contemplated herein and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this AGREEMENT, and is duly authorized to execute and deliver this AGREEMENT and consummate the transactions contemplated herein.

2.2 PRODUCER is not prohibited from entering into this AGREEMENT and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this AGREEMENT. The execution and delivery of this AGREEMENT, the consummation of the transactions contemplated herein and the fulfillment of and compliance with the provisions of this AGREEMENT will not conflict with or constitute a breach of or a default under any of the terms, conditions or provisions of any law, rule or regulation, any order, judgment, writ, injunction,

decree, determination, award or other instrument or legal requirement of any court or other agency of government, the certificate of limited partnership or the partnership agreement of PRODUCER or any contractual limitation, corporate restriction or outstanding trust indenture, deed of trust, mortgage, loan agreement, lease, other evidence of indebtedness or any other agreement or instrument to which PRODUCER is a Party or by which it or any of its property is bound and will not result in a breach of or a default under any of the foregoing. This AGREEMENT is the legal, valid and binding obligation of PRODUCER enforceable in accordance with its terms.

2.3 NATIONAL GRID is a corporation duly organized, validly existing and qualified to do business under the laws of the State of New York, is in good standing under its certificate of incorporation and the laws of the State of New York, has the corporate authority to own its properties, to carry on its business as now being conducted, and to enter into this AGREEMENT and the transactions contemplated herein and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this AGREEMENT, and is duly authorized to execute and deliver this AGREEMENT and consummate the transactions contemplated herein.

2.4 NATIONAL GRID is not prohibited from entering into this AGREEMENT and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this AGREEMENT. The execution and delivery of this AGREEMENT, the consummation of the transactions contemplated herein and the fulfillment of and compliance with the provisions of this AGREEMENT will not conflict with or constitute a breach of or a default under any of the terms, conditions or provisions of any

law, rule or regulation, any order, judgment, writ, injunction, decree, determination, award or other instrument or legal requirement of any court or other agency of government, the certificate of incorporation or bylaws of NATIONAL GRID or any contractual limitation, corporate restriction or outstanding trust indenture, deed of trust, mortgage, loan agreement, lease, other evidence of indebtedness or any other agreement or instrument to which NATIONAL GRID is a Party or by which it or any of its property is bound and will not result in a breach of or a default under any of the foregoing. This AGREEMENT is the legal, valid and binding obligation of NATIONAL GRID enforceable in accordance with its terms.

3. Interconnection Study

3.1 NATIONAL GRID has prepared at PRODUCER'S expense, the studies necessary to determine the interconnection plan.

4. Obtaining Rights-of-Way

4.1.1 PRODUCER has acquired all rights of way needed for placement, construction, and maintenance of all necessary or desirable facilities relating to substation facilities and including, if any, access roads, system enhancements and improvements or equipment incidental thereto in fee, or such other property interest as NATIONAL GRID may reasonably require, including but not limited to a leasehold interest and/or an easement, if approved by NATIONAL GRID.

4.1.2 NATIONAL GRID has acquired all rights of way needed for placement, construction, and maintenance of all necessary or desirable facilities relating to electric transmission facilities and including, if any, access roads, system enhancements and

improvements or equipment incidental thereto in fee.

4.2 All expenditures incurred in acquiring the necessary rights-of-way and associated permits and authorizations shall be borne by PRODUCER. PRODUCER shall reimburse NATIONAL GRID for all costs NATIONAL GRID incurs in carrying out the responsibilities hereunder as provided in Articles 11 and 12 of this AGREEMENT.

5. Construction of Interconnection Facility

5.1 The substation portion of the INTERCONNECTION FACILITY has been designed and constructed by the PRODUCER and its third-party contractor. The remaining portion of the INTERCONNECTION FACILITY has been designed and constructed by NATIONAL GRID. Such design and construction shall be at PRODUCER's expense, regardless of who performed such construction.

5.2 PRODUCER shall also provide NATIONAL GRID with all documentation necessary to verify the cost of the INTERCONNECTION FACILITY, other than those costs incurred in connection therewith by NATIONAL GRID, documentation of which NATIONAL GRID shall provide to PRODUCER. Each Party shall have the right to any supporting documents or evidence which such Party reasonably deems necessary to further substantiate such costs.

6. [RESERVED]

7. Construction of System Facilities

7.1 There are no required reinforcements and additions to NATIONAL GRID's transmission system necessary to connect the INTERCONNECTION FACILITY to said transmission system ("SYSTEM

FACILITIES").

8. Modification to Interconnection Facility Due to Transmission System

8.1 If, during the term of this AGREEMENT, NATIONAL GRID reasonably determines that it is necessary to relocate or rearrange its transmission system, and such relocation or rearrangement affects the INTERCONNECTION FACILITY so that a change is required, in accordance with GOOD UTILITY PRACTICES, to a portion of the INTERCONNECTION FACILITY and/or a new INTERCONNECTION FACILITY is required, NATIONAL GRID shall use its best efforts to give PRODUCER no less than one (1) year's written notice of such relocation or rearrangement and shall attempt in good faith to defer such relocation or rearrangement until the new INTERCONNECTION FACILITY can be reconfigured so that PRODUCER'S provision of capacity to PURCHASER as specified in the POWER PURCHASE AGREEMENT may continue without interruption.

8.2 If NATIONAL GRID is required or ordered by governmental authority to relocate or rearrange its transmission system so that a new INTERCONNECTION POINT is required, NATIONAL GRID shall promptly so notify PRODUCER.

8.3 Whether such relocation or rearrangement is ordered or required by governmental authority or is by NATIONAL GRID's own determination, NATIONAL GRID shall perform or have performed with PRODUCER's prior written consent and at PRODUCER'S expense, the studies necessary to identify a new INTERCONNECTION POINT and shall inform the PRODUCER of its estimate of the costs of the construction of a new INTERCONNECTION FACILITY, and PRODUCER shall, at its option, either (a) reimburse NATIONAL GRID for the

actual costs of such construction promptly upon completion thereof; (b) construct, at its own expense, a new INTERCONNECTION FACILITY in accordance with the terms of this AGREEMENT; or (c) terminate this AGREEMENT upon no less than thirty (30) days written notice to NATIONAL GRID; provided, however, that if the relocation or rearrangement is ordered or required by governmental authority, NATIONAL GRID shall exercise reasonable efforts to obtain reimbursement by the governmental authority for the costs to PRODUCER of such relocation or rearrangement. NATIONAL GRID shall not be responsible for reimbursing PRODUCER for any costs associated with such relocation or rearrangement.

8.4 If the PRODUCER elects to construct a new INTERCONNECTION FACILITY, construction, title, and payment shall be in accordance with the terms and conditions of this AGREEMENT. If PRODUCER does not give consent to NATIONAL GRID to complete the studies necessary to identify a new INTERCONNECTION POINT, NATIONAL GRID may, in accordance with Article 16, terminate this AGREEMENT and have no further obligations hereunder.

9. Abandonment or Retirement of Interconnection Facility

9.1 If NATIONAL GRID reasonably determines that it is necessary or is ordered by government authority to abandon or to retire the entire INTERCONNECTION FACILITY so that it can relocate or rearrange its transmission system, which affects the INTERCONNECTION FACILITY, NATIONAL GRID shall use its best efforts to give PRODUCER no less than one (1) year's written notice of such abandonment or retirement and shall use its best efforts to defer such abandonment or retirement until a new INTERCONNECTION FACILITY has been constructed, so that PRODUCER'S provision of capacity to PURCHASER as specified in the POWER PURCHASE AGREEMENT

may continue without interruption.

9.2 Whether such abandonment or retirement is required by governmental authority or is by NATIONAL GRID's own determination, NATIONAL GRID shall perform or have performed, with PRODUCER's prior written consent and at PRODUCER'S expense, the studies necessary to identify a new INTERCONNECTION POINT and shall inform PRODUCER of its estimate of the costs of the construction of a new INTERCONNECTION FACILITY, and/or PRODUCER shall, at its option, either (a) reimburse NATIONAL GRID for the actual costs of such construction promptly upon completion thereof; (b) construct at its own expense, a new INTERCONNECTION FACILITY subject to the terms of this AGREEMENT; or (c) terminate this AGREEMENT, upon no less than thirty (30) days written notice to NATIONAL GRID; provided, however, that if the abandonment or retirement of the entire INTERCONNECTION FACILITY is ordered or required by governmental authority, NATIONAL GRID shall exercise its best efforts to obtain reimbursement by such governmental authority for the costs to PRODUCER of such abandonment or retirement. NATIONAL GRID shall not be responsible for reimbursing PRODUCER for any costs associated with such abandonment or retirement.

9.3 If the PRODUCER elects to construct a new INTERCONNECTION FACILITY, construction, title and payment shall be in accordance with the terms and conditions of this AGREEMENT. If PRODUCER does not give consent to NATIONAL GRID to complete the studies necessary to identify a new INTERCONNECTION POINT, NATIONAL GRID may terminate this AGREEMENT, in accordance with Article 16, and have no further obligations hereunder.

10. Compliance With Laws and Obtaining Permits and Licenses

10.1 NATIONAL GRID and PRODUCER each agree to comply with all applicable federal, state and local laws, ordinances, rules, regulations, permits, licenses, approvals, certificates, and requirements thereunder in connection with all its activities performed pursuant to this AGREEMENT, including, but not limited to all design, environmental, regulatory, engineering, construction, and property acquisition activities.

10.2 NATIONAL GRID and PRODUCER each further agree to obtain all necessary environmental and regulatory licenses, certificates, permits and approvals at PRODUCER'S sole expense, and in PRODUCER's case, with respect to any and all licenses, certificates, permits and approvals obtained subsequent to execution and delivery of this AGREEMENT, to obtain NATIONAL GRID's review and approval prior to their submittal to any of the appropriate agencies or governmental authorities.

10.3 PRODUCER agrees to indemnify and save NATIONAL GRID harmless from all liability, civil and criminal, costs and expenses (including reasonable attorney's fees) arising from violations by PRODUCER of all applicable laws, ordinances, rules, regulations, permits, licenses, approvals, certificates and requirements thereunder. PRODUCER agrees to bear fully all civil and criminal penalties that may arise from its activities or from its violations of or its failure to comply with the aforementioned laws and requirements, whether such penalties are assessed against PRODUCER or NATIONAL GRID. The provisions of this paragraph shall survive termination of this AGREEMENT.

10.4 If either Party observes that any requirement specified in this AGREEMENT is at variance with any governing laws, ordinances, rules, regulations, permits, licenses, approvals, certificates and requirements thereunder, such Party shall promptly notify the other Party thereof in writing before incurring any further liability, expense or obligation. NATIONAL GRID and PRODUCER shall in good faith attempt to reform this AGREEMENT to comply with the aforementioned laws, ordinances, rules, regulations, permits, licenses, approvals, or certificates at PRODUCER'S sole cost and expense. If NATIONAL GRID and PRODUCER are unable to do so, either Party may terminate this AGREEMENT.

11. Cost Payments

11.1 PRODUCER shall reimburse NATIONAL GRID for any cost, or expense that will be incurred by NATIONAL GRID pursuant to this AGREEMENT for the acquisition, construction, design and installation of the INTERCONNECTION FACILITY in accordance with the terms of this Article 11 and any tax in accordance with the terms of Article 12. If requested by NATIONAL GRID, such reimbursement shall be made in advance of incurring the aforementioned costs and expenses based on NATIONAL GRID's good faith estimate of such costs and expenses.

11.2 PRODUCER shall pay NATIONAL GRID on a monthly basis for the actual invoiced costs of operation, maintenance, insurance, repair and retirement of the INTERCONNECTION FACILITY.

11.3 PRODUCER agrees to pay all invoices within thirty (30) days from date of the invoice. In accordance with NATIONAL GRID'S P.S.C. 207 Electricity, if any invoice remains unpaid thirty (30) days from the invoice date, NATIONAL GRID shall apply to the

unpaid balance, and PRODUCER shall pay, a finance charge at the rate of one and one-half percent (1.5%) per month, but in no event more than the maximum allowed by law.

11.4 PRODUCER shall indemnify, defend and hold harmless NATIONAL GRID for any and all third-party claims, suits, liabilities or damages (including reasonable attorney's fees) arising from NATIONAL GRID obligations under this Agreement, except to the extent said claims, suits, liabilities or damages are caused in whole or in part by the gross negligence or intentional acts or omissions of NATIONAL GRID.

12. Taxes

12.1 PRODUCER shall reimburse, indemnify, and hold harmless NATIONAL GRID for any and all net federal, state or local or other taxes levied or assessed on N or any increased tax liability assessed against or to be incurred by NATIONAL GRID, as a result of its performance of this AGREEMENT in accordance with the terms hereof including real estate taxes and transfer taxes associated with NATIONAL GRID's obtaining ownership of the INTERCONNECTION FACILITY but excluding any federal tax based on the net income of NATIONAL GRID other than as provided below. Furthermore, PRODUCER shall fully reimburse NATIONAL GRID for any net actual federal income tax or New York tax, if any, arising out of any payment or reimbursement of any tax by PRODUCER under this Article. All real estate tax payments shall be made in accordance with NATIONAL GRID real estate tax policies and procedures. PRODUCER's payment to NATIONAL GRID under this AGREEMENT shall be made in accordance with Article 11. PRODUCER'S liability for taxes to NATIONAL GRID under this Article 12.1 shall be limited to taxes as previously stated and arising from operation, maintenance, insurance, repair

and retirement of the INTERCONNECTION FACILITY pursuant to Article 11.2.

12.2 PRODUCER shall not be liable to NATIONAL GRID for any taxes incurred as a result of NATIONAL GRID's retention of the INTERCONNECTION FACILITY after expiration or termination of this AGREEMENT, or any successor agreement, in accordance with Article 15 or 16 herein or relocation or abandonment as provided in Article 8 or 9 herein.

12.3 Notwithstanding the foregoing, PRODUCER shall have the right to require NATIONAL GRID to contest, appeal or seek abatement of any tax, levy or assessment against NATIONAL GRID and for which PRODUCER may be required to reimburse NATIONAL GRID under this Article if: (i) PRODUCER shall have furnished to NATIONAL GRID, at PRODUCER's sole expense, an opinion of independent tax counsel selected by PRODUCER, in form and substance reasonably satisfactory to NATIONAL GRID, to the effect that it is more likely than not that such contest, appeal or abatement will be successful, and (ii) the subject matter of such contest, appeal or abatement is greater than \$50,000. NATIONAL GRID shall control any such contest, appeal or abatement, including, but not limited to, the selection of counsel and the forum for such contest, appeal or abatement. Unless prepayment of tax is necessary in the forum selected (in which case PRODUCER shall make such prepayment in the form of an interest free loan to NATIONAL GRID to be applied for that purpose, and NATIONAL GRID shall return to PRODUCER, at the conclusion of such contest, appeal or abatement, any refund it actually receives of the amount of such prepayment and any interest it actually receives thereon), no reimbursement shall be payable by PRODUCER to NATIONAL GRID under this Article until such tax, levy or assessment is issued by

a final and non-appealable order by a court or agency of competent jurisdiction. PRODUCER shall reimburse NATIONAL GRID for all costs incurred by NATIONAL GRID in connection with such contest, appeal or abatement request, including but not limited to interest charges, penalties, additions to tax, and attorneys' fees, as such costs are incurred by NATIONAL GRID.

13. Suspension of Deliveries

13.1 Prior to any suspension or reduction of deliveries of electricity from the Production Facility (any such event being hereinafter referred to as a "Suspension of Delivery"), NATIONAL GRID shall use its best efforts to provide not less than twenty-four hours advance notice (a "Notice of Suspension") to the PRODUCER of such Suspension of Delivery, containing a reasonably detailed statement of the reasons for such Suspension of Delivery and the likely duration thereof. If such notice is provided verbally, NATIONAL GRID shall confirm such verbal notice as promptly as possible in writing but in no event later than ten (10) days thereafter. NATIONAL GRID shall use all reasonable efforts to promptly remedy the condition giving rise to the Suspension of Delivery or take other appropriate action so that full deliveries of electricity can be restored as soon as practicable. NATIONAL GRID shall use its best efforts to provide as much advance notice of an emergency Suspension of Delivery as possible under the circumstances (and if no advance notice is possible, shall provide oral and written notice thereof as promptly as possible after the occurrence thereof) and shall use all reasonable efforts to promptly remedy the emergency circumstances giving rise to the Suspension of Delivery or take other appropriate action so that full deliveries of electricity can be restored as soon as practicable. Notwithstanding the above,

NATIONAL GRID shall not be liable to PRODUCER for any damages, including but not limited to, lost profit or revenue caused or resulting from any breach of the requirements contained in this Article 13.1.

14. Notices

14.1 All written notifications pursuant to this AGREEMENT shall be in writing and shall be personally delivered or mailed by certified or registered first class mail, return receipt requested, as follows:

To: NATIONAL GRID
Director, Transmission Commercial
NATIONAL GRID
40 Sylvan Road
Waltham, MA 02451

To: PRODUCER
Project General Manger
SELKIRK COGEN PARTNERS, L.P.
24 Power Park Drive
Selkirk, NY 12158

Either Party may change its address for notices by notice to the other in the manner provided above.

14.2 The above-mentioned representatives or their designees shall be authorized to act on behalf of the Parties, and their instructions, requests, and decisions will be binding upon the Parties as to all matters pertaining to this AGREEMENT and the performance of the Parties hereunder. Only these representatives shall have the authority to commit funds or make binding obligations on behalf of the Parties. These representatives shall be responsible for tracking work, costs, schedules and all other matters related to this AGREEMENT, and for the performance

of any third Parties.

15. Term

15.1 This AGREEMENT shall become effective as of the date of the date first above written (the "EFFECTIVE DATE"), subject to its approval or acceptance for filing by the Federal Energy Regulatory Commission ("FERC") (if applicable) or if filed unexecuted, upon the date specified by FERC.

15.2 Subject to termination as provided herein, this AGREEMENT shall continue in effect for five (5) years from the EFFECTIVE DATE of the AGREEMENT. This AGREEMENT shall be renewable at the end of the current term for successive one year terms unless either Party gives written notice of its intention not to renew at least ninety (90) days prior to the expiration of the current term or any annual extension.

15.3 This AGREEMENT shall not merge with or be terminated or superseded by any future agreement between the Parties that does not specifically so provide.

16. Termination

No termination shall become effective until the Parties have complied with all applicable Laws and Regulations applicable to such termination, including filing with FERC a notice of termination of this AGREEMENT, which notice has been accepted for filing by FERC.

16.1 Subject to the provisions set forth in Section 16.2 below, NATIONAL GRID may, by written notice to PRODUCER, terminate

this AGREEMENT in the event PRODUCER abandons its work or facilities; becomes insolvent; or assigns or sublets this AGREEMENT in a manner which is inconsistent with the terms and conditions of this AGREEMENT; or loses control of the work or facilities for any cause, except as provided in Article 17 or Article 20; or refuses, neglects or fails in any material respect to prosecute its work or facilities with diligence; or is violating any of the material conditions, terms, obligations, or covenants of this AGREEMENT; or is not executing this AGREEMENT in good faith.

16.2 If within a period of sixty (60) days of such notice from NATIONAL GRID, as set forth in Section 16.1 above, PRODUCER cures the default or breach cited by NATIONAL GRID in such notice, to the reasonable satisfaction of NATIONAL GRID, such notice shall become null and void and of no effect. Otherwise, such notice shall remain in effect, and the obligations of NATIONAL GRID under this AGREEMENT shall cease and terminate at the expiration of the later of such sixty (60) day period or the date set forth in such notice.

16.3 Each Party shall be liable to the other Party for all reasonable costs, expenses, liabilities and obligations, including reasonable attorneys fees, incurred by the non-breaching Party that result from or relate to a material breach or default of this AGREEMENT; provided, however, that neither Party shall be liable to the other for any indirect or consequential damages including but not limited to loss of profit or revenue, or replacement power costs arising from the indemnification in this paragraph 16.3.

16.4 In the event of a billing dispute between NATIONAL GRID and PRODUCER, NATIONAL GRID will not apply to remove the INTERCONNECTION facilities from service or to terminate transmission service thereon as long as PRODUCER: (i) continues to make all payments not in dispute and (ii) pays into an independent escrow account the portion of the invoice in dispute, pending resolution of such dispute. If PRODUCER fails to meet these two requirements, then a default shall be deemed to exist, to which the procedures set forth in this section for the removal of the INTERCONNECTION FACILITIES from service shall apply.

16.5 Termination of this AGREEMENT shall not relieve PRODUCER or NATIONAL GRID of any of its liabilities and obligations hereunder, owed or continuing at the time of termination hereof, and PRODUCER and NATIONAL GRID may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder. The rights specified herein are not exclusive and shall be in addition to all other remedies available either at law or in equity, for default or breach of any provision of this AGREEMENT; provided that in no event shall NATIONAL GRID or PRODUCER be liable for any special, indirect or consequential cost, expense or damage.

16.6 In the event of termination of this AGREEMENT in accordance with section 16, NATIONAL GRID will physically disconnect the PRODUCTION FACILITY from the TRANSMISSION SYSTEM and at NATIONAL GRID's sole determination remove any and all of NATIONAL GRID's INTERCONNECTION FACILITY equipment. All costs required to effectuate such disconnection shall be borne by the terminating Party unless termination resulted from the non-terminating Party's default of this Agreement or such non-terminating Party otherwise is responsible for these costs under

this Agreement.

16.7 Upon termination, NATIONAL GRID shall give any regulatory or judicial authorities such notice as is required by law. The Parties agree that the termination shall be effective as of the date set forth in the notice of termination.

17. Force Majeure

17.1 Neither Party shall be considered to be in default or breach hereunder, and shall be excused from performance hereunder, if and to the extent that it shall be delayed in or prevented from performing or carrying out any provision of this AGREEMENT by reason of or through storm, flood, lightning strikes, earthquake, fire, ice, snow, epidemic, war, invasion, riot, civil disturbance, sabotage, explosion, insurrection, military or usurped power, strikes, stoppage of labor, labor dispute, failure of contractors or supplies of material, action of any court or governmental authority, or any civil or military authority de facto or de jure, change in law, act of God or the public enemy, or any other cause beyond such Party's control, including, without limitation, disconnection or limited operation of NATIONAL GRID's electric system due to failure of facilities, unscheduled repairs or maintenance, fuel or energy shortages, or equipment breakdown beyond the Party's reasonable control; provided, however, that neither Party may claim force majeure for any delay or failure to perform or carry out any provision of this AGREEMENT to the extent that such Party has been negligent and such negligence contributed to that Party's delay or failure to perform or carry out its duties and obligations hereunder.

17.2 The Party claiming force majeure shall use due

diligence to resume performance or the provision of service hereunder as soon as practicable.

17.3 Neither Party shall be liable to the other Party for or on account of any loss, damage, injury or expense, resulting from or arising out of the performance or nonperformance of this AGREEMENT due to an event of force majeure.

18. Relationship of Parties

18.1 Nothing contained in this AGREEMENT shall be construed or deemed to cause, create, constitute, give effect to, or otherwise recognize PRODUCER and NATIONAL GRID to be partners, joint venturers, employer and employee, principal and agent, or any other business association, with respect to any matter.

18.2 Unless otherwise agreed to in writing signed by both Parties, neither Party shall have any authority to create or assume in the other Party's name or on its behalf any obligation, express or implied, or to act or purport to act as the other Party's agent or legally empowered representative for any purpose whatsoever.

18.3 Neither Party shall be liable to any third-party in any way for any engagement, obligation, commitment, contract, representation or for any negligent act or omission to act of the other Party, except as expressly provided for herein.

19. Third-Party Beneficiary

19.1 No person or Party shall have any rights or interests, direct or indirect, in this AGREEMENT or the services or

facilities to be provided hereunder, or both, except the Parties, their successors, and authorized assigns.

19.2 The Parties specifically disclaim any intent to create any rights in any person or Party as a third-party beneficiary to this AGREEMENT or to the services or facilities to be provided hereunder, or both.

20. Assignment

20.1 Except as otherwise provided in this Article 20, neither Party shall assign, pledge or otherwise transfer this AGREEMENT or any right or obligation under this AGREEMENT, by operation of law or otherwise, without first obtaining the other Party's written consent, which consent shall not be unreasonably withheld.

20.2 Upon thirty (30) days prior written notice to NATIONAL GRID, PRODUCER may, without the consent of NATIONAL GRID, assign its interests in this AGREEMENT, in whole or in Party, to: (a) one or more financial institutions ("Lenders") in connection with the construction and/or permanent financing of the FACILITY or any successor to such Lenders; (b) SABIC IP (or any division or direct or indirect subsidiary thereof) ("SABIC") in connection with an agreement for the sale of the thermal output of the FACILITY; or (c) an entity controlling, controlled by, or under common control with PRODUCER ("Affiliate");

provided, however, that in each such case, such assignment shall not relieve PRODUCER of its obligations under this AGREEMENT, unless the assignee shall expressly assume all of PRODUCER'S obligations under this AGREEMENT; provided, further, that NATIONAL

GRID shall execute and deliver a consent to any such assignment in form and substance as PRODUCER may reasonably request, together with an opinion of counsel with respect to this AGREEMENT or such consent. If Lenders or SABIC succeed to the interest of PRODUCER in this AGREEMENT by foreclosure or otherwise, NATIONAL GRID shall accord such Lenders and SABIC, their successors and assigns, the same rights as PRODUCER hereunder.

20.3 Any company or entity which shall succeed by purchase, merger or consolidation to the properties, substantially or entirely, of either NATIONAL GRID or PRODUCER, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this AGREEMENT provided that, at least thirty (30) days prior to the effective date of the proposed assignment, the assignee shall unconditionally assume, and agree to be bound by, all of the terms and conditions of this AGREEMENT, and the assignee makes certain additional representations and warranties as appropriate for assignee as contained in Article 2.

20.4 This AGREEMENT shall bind and inure to the benefit of the Parties to this AGREEMENT, their successors and permitted assigns.

21. Waiver

21.1 No provision of this AGREEMENT may be waived except by mutual agreement of the Parties as expressed in writing and signed by both Parties.

21.2 No express waiver in any specific instance as provided in a required writing shall be construed as a waiver of future instances unless specifically so provided in the required writing.

21.3 No express waiver of any specific default shall be deemed a waiver of any other default whether or not similar to the default waived, or a continuing waiver of any other right or

default by a Party.

21.4 The failure of either Party to insist in any one or more instances upon the strict performance of any of the provisions of this AGREEMENT, or to exercise any right herein, shall not be construed as a waiver or relinquishment for the future of such strict performance of such provision or the exercise of such right.

22. Amendment/Modification

22.1 This AGREEMENT may be amended or modified only if the amendment or modification is in writing and executed by both Parties.

22.2 Any amendment or modification that is not in writing and signed by both Parties shall be null and void from its inception.

22.3 No express amendment or modification in any specific instance as provided herein shall be construed as an amendment or modification of future instances, unless specifically so provided in the required writing.

23. Choice of Law/Jurisdiction/Service of Process

23.1 This AGREEMENT shall be deemed to be executed in the State of New York and shall be interpreted and enforced according to the Laws of the State of New York.

23.2 NATIONAL GRID and PRODUCER agree to submit to the jurisdiction of the courts in the State of New York for the purposes of interpretation and enforcement of this Agreement; provided, however, that this Article shall not save to divest an administrative agency of competent jurisdiction from interpreting or enforcing this AGREEMENT.

23.3 NATIONAL GRID and PRODUCER waive personal service by manual delivery and agree that service of process on either Party in any action concerning or arising out of this AGREEMENT may be made by registered or certified mail, return receipt requested, delivered to such Party at its address set forth in the preamble hereto.

24. Severability

24.1 If any term of this AGREEMENT, or the interpretation or application of any term or provision to any prior circumstance, is held to be unenforceable, illegal, or invalid by a court or agency of competent jurisdiction, the remainder of this AGREEMENT, or the interpretation or application of all other terms or provisions to persons or circumstances other than those that are unenforceable, illegal, or invalid, shall not be affected thereby and each term and provision shall be valid and be enforced to the fullest extent permitted by law.

25. Headings

25.1 The headings in this AGREEMENT are included herein for convenience of reference only and shall not constitute a part of this AGREEMENT for any other purpose, or limit or be used as an aid in construing the provisions of this AGREEMENT.

26. Integration/Merger/Survivability

26.1 This AGREEMENT sets forth the entire understanding and agreement of the Parties as to the subject matter of this AGREEMENT.

26.2 This AGREEMENT merges and supersedes all prior agreements, commitments, representations, writings and discussions between the Parties regarding the subject matter herein; provided, however, that this Agreement shall supersede

the 1992 AGREEMENT only with effect from and after the Effective Date.

26.3 Neither Party shall be bound or liable to the other Party for any prior obligations, affirmations of fact, conditions, warranties, representations, understandings, promises, assurances, inducements, or agreements of any kind, whether written or oral, made by any agent or person in the other Party's employ with respect to the subject matter of this AGREEMENT, unless explicitly embodied herein.

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be executed as of the day and year first above written.

SELKIRK COGEN PARTNERS, L.P.

By: MC Selkirk, LLC, its Managing
General Partner

By: 

Title: Vice President

Date: March 22, 2012

NATIONAL GRID

By: 

Title: Director

Transmission Commercial
Date: March 30, 2012

SCHEDULE A

NIAGARA MOHAWK POWER CORPORATION
DIAGRAM IDENTIFYING DELIVERY POINT
AND INTERCONNECTION POINT DIAGRAM

