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ATTACHMENT A

AMENDED AND RESTATED

OPERATIONS AND MAINTENANCE AGREEMENT

EXECUTION COPY

AMENDED AND RESTATED

OPERATIONS AND MAINTENANCE AGREEMENT

BETWEEN

ORANGE AND ROCKLAND UTILITIES, INC.

AND

NEW YORK TRANSCO LLC

DATED

JUNE 23, 2016

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AMENDED AND RESTATED OPERATIONS AND MAINTENANCE AGREEMENT

This AMENDED AND RESTATED OPERATIONS AND MAINTENANCE   
AGREEMENT (together with all Exhibits and Schedules attached hereto, as hereafter amended   
in accordance with its terms, this “Agreement”) is made and entered into as of this 23rd day of   
June, 2016, by and between New York Transco LLC, a New York limited liability company,   
with offices located at c/o Consolidated Edison Transmission, LLC, 4 Irving Place, New York,   
New York 10003 (“Owner”) and Orange and Rockland Utilities, Inc., a New York Corporation   
having its offices located at 1 Blue Hill Plaza, Pearl River, NY 10965 (“Provider”) (each, a

“Party” and, together, the “Parties”).

ARTICLE I

RECITALS

A. Owner was formed for the purpose of developing, constructing, owning and

operating certain Projects (as defined in that certain limited liability company agreement of

Owner, dated November 14, 2014, as amended) in the State of New York.

B. Owner intends to develop, construct, own and operate such Projects.

C. The Parties entered into this Agreement as of May 24, 2016 (the “Effective

Date”), to provide, among other things, for the operation and maintenance by Provider on behalf of Owner of the Transmission Facilities, Leased Site and Structural Improvements (each, as defined below) comprising all or part of the transmission project known as the “Second Ramapo to Rock Tavern Project” and for the payment by Owner to Provider for such services.

D. Certain of the maintenance services provided for in this Agreement, including without limitation, Structural Improvement Maintenance and Common ROW Maintenance (as defined in the Lease), are services also being provided to Consolidated Edison Company of New York, Inc. (“CECONY”), the costs for which Owner is fifty percent (50%) responsible to CECONY pursuant to the terms of that certain lease agreement between CECONY, as landlord, and Owner, as tenant, dated as of February 23, 2016 (as amended and in effect from time to time, the “Lease”), and payments for such services hereunder shall be deemed to satisfy Owner’s obligations therefor to CECONY pursuant to the terms of the Lease.

E. The Parties hereby amend and restate this Agreement for the sole purpose of   
removing a provision allowing this Agreement to supersede certain Interconnection Agreements   
and including certain definitions that had previously referenced definitions contained in other   
documents.

NOW, THEREFORE, in consideration of the mutual covenants and agreements specified in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

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ARTICLE II

DEFINITIONS AND INTERPRETATION

Section 2.1 Definitions. Unless the context shall otherwise

require or the express terms of this Agreement shall otherwise provide, the following capitalized terms used in this Agreement shall have the following meanings:

“AAA” has the meaning specified in Section 14.2.

“Accounting Practice” means United States generally accepted accounting principles in accordance, as applicable, with FERC’s “Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act”, as the same may be modified, amended or supplemented from time to time.

“Affiliate” means, with respect to any Person, any other Person who, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, and the terms “controlled” and “controlling” have meanings correlative thereto.

“Agreement” has the meaning specified in the Preamble.

“Alternate Contractor” has the meaning specified in Section 15.2.

“Annual Maintenance Plan” means the plan for the provision of Planned Maintenance Services as described in Section 3.1.

“Budget” has the meaning specified in Article V.

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Law to close.

“CECONY” has the meaning set forth in the Recitals.

“CEII” means critical energy infrastructure information as defined under applicable FERC rules and policies.

“Compliance and Functional Task Matrix” has the meaning specified in Section 3.4 “Confidential Information” has the meaning specified in Section 13.1.   
“Control Area” has the meaning specified in the Tariff.   
“Defect Notice” has the meaning specified in Section 3.3.   
“Defective Service” has the meaning specified in Section 3.3.   
“Disclosing Party” has the meaning specified in Section 13.1.

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“Direct Costs” has the meaning specified in Section 4.1(a).

“Dispute” has the meaning specified in Section 14.1(a).

“Dispute Notice” has the meaning specified in Section 14.1(a).

“Effective Date” has the meaning specified in the Recitals.

“Emergency Services” has the meaning specified in Section 3.1(c). “Emergency State” has the meaning specified in the Tariff.

“Environmental Law” means all applicable current and future federal, state, local and foreign laws (including common law), treaties, regulations, rules, ordinances, codes, decrees, judgments, directives, orders (including consent orders), Environmental Permits (as defined below) and New York State Department of Environmental Conservation Technical Administrative Guidance Memoranda and other guidance documents issued or published by any Governmental Authority, in each case, relating to pollution, protection of the indoor or outdoor environment, natural resources, human health and safety, the presence, Release of, threatened Release of, or exposure to, Hazardous Substances, or the generation, manufacture, processing, distribution, use, treatment, storage, transport, recycling or handling of, or arrangement for such activities with respect to, Hazardous Substances.

“Environmental Permit” means any permit, license, consent, approval, identification number, manifest and other authorization or certification required by any Governmental Authority with respect to or under Environmental Law.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal   
for each day during such period to the weighted average of the rates on overnight federal funds   
transactions with members of the Federal Reserve System arranged by federal funds brokers, as   
published for such day (or, if such day is not a Business Day, for the next preceding Business   
Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any date   
that is a Business Day, the average of the quotations for such day on such transactions received   
by the Parties from three (3) unaffiliated federal funds brokers of recognized standing selected by   
them.

“FERC” means the Federal Energy Regulatory Commission, or any successor to its responsibilities and functions.

“Force Majeure Event” means an event, condition or circumstance beyond the reasonable control of the party asserting such Force Majeure Event to excuse performance, and which could not have been avoided by due diligence and use of reasonable efforts, which prevents the performance by the party asserting such Force Majeure Event of any or all of its obligations hereunder. Subject to the foregoing, “Force Majeure Event” includes, acts of God, war, riots, strikes, civil disturbances, lockouts or industrial disputes or disturbances, labor or material shortages, epidemics, landslides, earthquakes, fire, storms, floods, inclement weather necessitating extraordinary measures or expense, and acts or omissions of Governmental Authorities preventing or delaying performance.

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“Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric 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 delineate acceptable practices, methods, or acts generally accepted in the region in which the Services are to be performed.

“Governmental Authority” means, any: (i) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) federal, state, county, local, municipal, tribal, foreign or other government; or (iii) governmental or quasigovernmental authority of any nature (including any independent system operator, regional transmission organization, governmental division, department, agency, commission, instrumentality, official, organization, unit or entity and any court or other tribunal), in each case of (i), (ii) or (iii), with jurisdiction over (A) all or a portion of the Transmission Facilities, Leased Site or Structural Improvements, or (B) this Agreement, or (C) any Party.

“Hazardous Substance” means (i) any petroleum, petroleum products or by products and all other hydrocarbons (including, without limitation, petro chemicals and crude oil) or any fraction thereof, coal ash, radon gas, radioactive materials, asbestos, asbestos-containing material, urea formaldehyde, polychlorinated biphenyls, chlorofluorocarbons and other ozonedepleting substances, and (ii) any pollutant, contaminant, chemical, material, substance, product, waste (including thermal discharges) or electromagnetic emissions that (x) is capable of causing harm to the indoor or outdoor environment, natural resources or human health and safety, (y) is, has been, or hereafter shall be listed, regulated, classified or defined as hazardous, toxic, or dangerous under any Environmental Law (including, without limitation, 40 C.F.R. 302.4 (or its successor)), or (z) is otherwise prohibited, limited or regulated by or pursuant to, or for which liability may arise under, any Environmental Law.

“Indemnified Party” and “Indemnified Parties” have the meanings specified in Section

18.3.

“Indemnifying Party” has the meaning specified in Section 18.3.

“Indirect Costs” has the meaning specified in Section 4.1(b).

“Initial Budget” has the meaning specified in Article V.

“Initial Maintenance Plan” has the meaning specified in Section 3.2. “Initial Term” has the meaning specified in Section 7.1.

“Law” means any applicable constitutional provision, statute, act, code, law, regulation,   
rule, ordinance (including zoning), order, edict decree, ruling, proclamation, resolution,

judgment, decision, declaration, or interpretative or advisory opinion or letter of a Governmental Authority.

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“Lease” has the meaning set forth in the Recitals.

“Leased Site” means the real estate corridor described on that certain survey, dated January 22, 2016, prepared by Maser Consulting P.A., on file with Owner and CECONY.

“Losses” has the meaning specified in Section 18.1.

“Maintenance Services” means Planned Maintenance Services and Unplanned Maintenance Services, as specified in Section 3.1(b).

“Mediation Request” has the meaning specified in Section 14.2.

“NERC” means the North American Electric Reliability Corporation, or any successor to its responsibilities or functions.

“NPCC” means the Northeast Power Coordinating Council, Inc., or any successor to its responsibilities or functions.

“NYISO” means the New York Independent System Operator, Inc., or any successor to its responsibilities or functions.

“NYPSC” means the New York State Public Service Commission or any successor to its responsibilities or functions.

“NYSRC” means the New York State Reliability Council or any successor to its responsibilities or functions.

“Operation Services” means those services as specified in Section 3.1(a). “OSHA” has the meaning specified in Section 3.3.

“Owner” has the meaning specified in the Preamble.

“Owner Contact” has the meaning specified in the Section 14.1.   
“Owner Parties” has the meaning specified in Section 18.2.   
“Party” or “Parties” has the meaning specified in the Preamble.

“Permits” means the governmental approvals, identification numbers, permits, licenses, rights of way, concessions, consents, waivers, authorizations and other permissions required to own, construct, operate or maintain the Transmission Facilities, Leased Site and Structural Improvements in compliance with applicable Law.

“Person” means any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee or entity in a representative capacity and any Governmental Authority.

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“Planned Maintenance Services” means those services specified in Section 3.1(b)(i). “Project(s)” has the meaning specified in the Preamble.

“Property” means those parcels of real property identified on Exhibit A and Exhibit B to the Lease.

“Provider” has the meaning specified in the Preamble.

“Provider Contact” has the meaning specified in Section 14.1.   
“Provider Parties” has the meaning specified in Section 18.1.   
“Receiving Party” has the meaning specified in Section 13.1.

“Release” means any release, threatened release, spilling, emitting, discharging, leaking, pumping, pouring, emptying, escaping, dumping, injecting, depositing, disposing, dispersing, leaching or migrating of any Hazardous Substance.

“Remediation” means the investigation, cleanup, removal, transportation, disposal,   
treatment (including in-situ treatment), management, stabilization, neutralization, collection, or   
containment of Hazardous Substances, in each case, including, without limitation, any   
monitoring, operations and maintenance activities that may be required by any Government   
Authority after the completion of such investigation, cleanup, removal, transportation, disposal,   
treatment, management, stabilization, neutralization, collection, or containment activities as well   
as the performance of any and all obligations imposed by any Governmental Authority in   
connection with such investigation, cleanup, removal, transportation, disposal, treatment   
(including in situ treatment), management, stabilization, neutralization, collection, or   
containment (including any such obligation that may be imposed on Landlord under a brownfield   
cleanup agreement or a consent order).

“Renewal Term” has the meaning specified in Section 7.1.

“Representatives” has the meaning specified in Section 13.1.

“Required Approvals” has the meaning specified in Section 20.3. “Rules” has the meaning specified in Section 14.2.

“Services” means all Operation Services, Maintenance Services and Emergency Services, in each case as such services may be modified in writing from time to time by mutual written agreement of the Parties.

“Structural Improvements” has the meaning specified in the Lease.

“Substantial Unplanned Maintenance Services” means the Unplanned Maintenance   
Services that are not Emergency Services and that have an estimated cost of more than $25,000.

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“Substation Upgrade Facilities” means the electric substation at Sugarloaf, including associated equipment, identified in Exhibit A, as to which legal title is held by Provider but the right to earn a return is held by Owner.

“Tariff” means the NYISO Open Access Transmission Tariff (“OATT”), as filed with FERC, and as amended or supplemented from time to time, or any successor tariff.

“Termination Costs” means all documented direct and indirect costs incurred by   
Provider in connection with the performance of Services (i) prior to the effective date of   
termination, including such costs incurred for materials, equipment, tools, construction   
equipment and machinery, engineering and other items, materials, assets or services that cannot   
reasonably be avoided, mitigated or cancelled, (ii) to unwind any work undertaken prior to or   
after the effective date of termination to the extent reasonably necessary to return the   
Transmission Facilities to a configuration or condition in compliance with Good Utility Practice   
and applicable Law, and (iii) arising from cancellation costs relating to orders or contracts   
entered into in connection with the performance of Services by Provider prior to the effective   
date of the termination.

“Third Party Claim” has the meaning specified in Section 18.4.

“Third Party Warranties” has the meaning specified in Section 17.1.

“Transco/NYISO Operating Agreement” means the Operating Agreement by and between the NYISO and Owner dated May 23, 2016, which is attached hereto as Exhibit B and which shall not hereafter be amended to modify Owner’s obligations as undertaken herein by Provider (which undertaking is limited to certain obligations set forth in Section 2 thereof) without Provider’s express prior written consent.

“Transferee” has the meaning specified in Section 20.12.   
“Transferor” has the meaning specified in Section 20.12.

“Transmission Facilities” means the Transmission Line and the Substation Upgrade Facilities.

“Transmission Line” means those high voltage electric transmission lines and associated   
equipment, including any modifications, additions, replacements or upgrades thereto, as listed on

Exhibit A.

“Transmission System” means the New York State electric transmission system, which includes (i) the Transmission Facilities under NYISO Operational Control (as that term is defined in the Tariff), which includes, for purposes of this Agreement only, the transmission facilities in Appendix A-1 of the Transco/NYISO Agreement; (ii) the Transmission Facilities Requiring NYISO Notification (as that term is defined in the Tariff); and (iii) all remaining transmission facilities within the New York Control Area.

“Unplanned Maintenance Services” has the meaning specified in Section 3.1(b)(ii).

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Section 2.2 Interpretation.

(a) Headings. Titles, captions and headings in this Agreement are inserted for

convenience only and will not be used for the purposes of construing or interpreting this Agreement.

(b) References. In this Agreement, unless the context clearly requires

otherwise: (i) the singular includes the plural and vice versa; (ii) reference to any Person includes   
such Person’s successors and assigns but, in the case of a Party, only if such assigns are   
permitted by this Agreement, and reference to a Person in a particular capacity excludes such   
Person in any other capacity; (iii) reference to any gender includes each other gender;

(iv) reference to any agreement (including this Agreement), document or instrument means such   
agreement, document or instrument as amended or modified and in effect from time to time in   
accordance with the terms thereof and, if applicable, hereof; (v) reference to any Law means   
such Law as amended, modified, codified or reenacted, in whole or in part, and in effect from   
time to time, including, if applicable, rules and regulations promulgated thereunder; (vi)

reference to any Section or Article means such Section or Article of this Agreement, and   
references in any Section, Article or definition to any clause means such clause of such Section,   
Article or definition; (vii) “hereunder,” “hereof,” “hereto” and words of similar import will be   
deemed references to this Agreement as a whole and not to any particular Article, Section or   
other provision of this Agreement; (viii) “including” (and with correlative meaning “include”)   
means including without limiting the generality of any description preceding such term;   
(ix) relative to the determination of any period of time, “from” means “from and including”,   
“to” means “to but excluding” and “through” means “through and including”; (x) the word   
“or” is not exclusive; (xi) this Agreement shall be interpreted without reference to any prior   
drafts; and (xii) accounting terms used in this Agreement will have the meanings assigned to   
them under Accounting Practice.

(c) Industry Meanings. Words and abbreviations not defined in this

Agreement that have well-known electric power industry meanings in the United States are used in this Agreement in accordance with those recognized meanings.

(d) Construction. The Parties hereto have participated jointly in the

negotiation and drafting of this Agreement. In the event of any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of authorship of any provision of this Agreement. This Agreement shall be interpreted without reference to any prior drafts hereof.

ARTICLE III

SCOPE OF SERVICES

Section 3.1 Services to be Provided. Except as may be modified

by the Annual Maintenance Plan, Provider shall perform, or cause to be performed, the following   
Services in accordance with the terms and conditions and procedures specified in this Agreement   
using its own employees or, subject to Section 3.2, contractors who typically perform such

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Services, and Provider shall be responsible for the provision of all equipment and replacement   
parts required in connection with such Services, unless otherwise agreed to by the Parties hereto:

(a) Operation Services. Provider shall perform, or caused to be performed,

the following Operation Services for Owner (the “Operation Services”):

(i) Maintaining the Transmission Facilities, Leased Site and

Structural Improvements in good operating order and condition, comparable to the

maintenance it performs on transmission facilities owned by Provider and consistent with

Section 2.02 of the Transco/NYISO Operating Agreement;

(ii) Field switching of transmission equipment;

(iii) Investigating equipment anomalies and performing other

field operational activities consistent with the Annual Maintenance Plan, unless otherwise

agreed by the Parties;

(iv) Taking such action as may be necessary to maintain safe operations,

which include actions to ensure the safety of personnel operating or performing work or tests on

transmission facilities;

(v) Performing outage scheduling of Transmission Facilities as necessary

in accordance with Section 2.08 of the Transco/NYISO Operating Agreement and NYISO

procedures;

(vi) Monitoring and controlling the Transmission Facilities through a

centralized control room; and providing the metering and telemetry data required in Section 2.05 of the Transco/NYISO Operating Agreement; and

(vii) Such other operations services that are incidental to the foregoing or

otherwise necessary as Owner and Provider shall mutually agree. Any request by Owner or Provider for additional operation services shall be made by delivery of a work order in the form set forth as Exhibit E attached hereto.

Unless otherwise agreed by the Parties, Provider shall have no

responsibility for seeking or acquiring any real property rights (whether fee, easement or other right of way interests), nor any licenses, consents, permissions, certificates, approvals, or authorizations related thereto in connection with the Services or this Agreement.

(b) Maintenance Services. Provider shall perform, or cause to be performed,

Planned Maintenance Services and Unplanned Maintenance Services (together, “Maintenance Services”) as described herein.

(i) Planned Maintenance Services shall be identified in the Annual

Maintenance Plan and shall consist of the following (“Planned Maintenance Services”):

(1) Periodic inspection, testing, and monitoring of the Transmission

Facilities, Leased Site and Structural Improvements;

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(2) At the Substation Upgrade Facilities, activities required by the

Sugar Loaf 345 kV Substation Stormwater Prevention Pollution Plan (SWPPP), the Sugar Loaf   
345 kV Substation Spill Prevention, Control and Countermeasure Plan (SPCC), NERC

standards, NPCC requirements, and any other activities required by regulators or applicable Law;

(3) Scheduling and conducting preventive and corrective maintenance

in accordance with Section 2.08 of the Transco/NYISO Operating Agreement;

(4) Compiling and maintaining records and reports related to

preventive and corrective maintenance activities; and

(5) Performing vegetation management or other work related to

maintaining the Leased Site as required of Owner pursuant to the Lease.

(ii) Unplanned Maintenance Services are Maintenance Services that are

not identified in the Annual Maintenance Plan but are required to be performed pursuant to Good Utility Practice (the “Unplanned Maintenance Services”) and may consist of the following:

(1) Repairing of damaged Transmission Facilities that are not in the

Annual Maintenance Plan but may compromise safety or reliability if unaddressed;

(2) Conducting any Remediation, restoration or corrective action in

connection with any Release or compliance with Environmental Law, in each case, to the extent attributable caused by or directly relating to the Transmission Facilities;

(iii) Performing such other actions that are incidental to the foregoing or

otherwise necessary to comply with applicable Law, including Environmental Law, or as Owner   
and Provider shall mutually agree. Any request by Owner or Provider for additional maintenance   
services shall be made by delivery of a work order in the form set forth as Exhibit E attached   
hereto.

Prior to performing any Substantial Unplanned Maintenance Service, Provider shall, to   
the extent practicable, provide Owner with a description of the Substantial Unplanned   
Maintenance Service that it proposes to undertake, the resources needed to carry out the work, a   
schedule for the work, a good faith estimated cost to perform that work and a list of   
Transmission Facilities that will be the subject of an outage and the duration of such outage.   
Provider shall proceed with the Substantial Unplanned Maintenance Service only following   
written receipt of approval from Owner, except to the extent otherwise required by applicable   
Law (including Environmental Law). All Substantial Unplanned Maintenance Service shall be   
set forth in a work order in the form set forth on Exhibit E attached hereto.

Provider shall be responsible for scheduling with NYISO the work required to be

performed by Provider in connection with Maintenance Services as required by Section 2.08 of the Transco/NYISO Operating Agreement.

(c) Emergency Services. Subject to the terms hereof, Provider shall perform,

or cause to be performed, those activities that are needed to restore the Transmission Facilities to   
normal working conditions (“Emergency Services”). Emergency Services may include response

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to system disturbances or outages, equipment failures, and Releases, and services undertaken to effect post-emergency repairs to the Transmission Facilities.

Provider shall use reasonable efforts to maintain an organization and

personnel, or otherwise have access to contractors or other resources, sufficient to provide   
Emergency Services to Owner on a 24/7 basis. Communications between Owner and Provider   
concerning Emergency Services shall be made using the method or methods reasonably   
appropriate under the circumstances at the time the communication takes place. Provider shall   
include Owner as part of its Emergency Communications protocols. Owner and Provider   
Emergency Contact list, which list will be updated annually as required, is attached hereto as   
Exhibit F.

In carrying out Emergency Services, Provider shall:

(i) report to Owner the anticipated and actual impact of extreme weather

and other emergency conditions on the Transmission Facilities, and Provider’s actions in response thereto, including regular updates of Provider’s actions;

(ii) assist Owner to develop, and coordinate with Owner, all

communications concerning the Transmission Facilities, with Owner’s customers, public agencies and the media about emergency conditions and service restoration efforts;

(iii) provide Owner with all necessary information relating to the

Emergency Services to allow Owner to prepare and timely file all reports that may be required to be filed with any Governmental Authority;

(iv) take prompt action in accordance with Good Utility Practice to prevent

or minimize damage to Transmission Facilities, and to facilitate their restoration to service, in a weather or other emergency;

(v) unless otherwise directed by Owner, repair or replace damaged or

failed Transmission Facilities, and promptly, in accordance with Good Utility Practice, restore the Transmission Facilities to pre-emergency conditions;

(vi) in the case of an Emergency State involving or affecting the

Transmission Facilities, comply with the Emergency State procedures of the NYISO;

(vii) communicate and schedule with NYISO in connection with any

required equipment outage in accordance with the Section 2.08 of the Transco/NYISO Operating

Agreement; and

(viii) comply with NYISO directions for restoration of the Transmission

Facilities and any other Transmission Systems for which Provider is responsible in the event of   
an outage affecting the Transmission Facilities as required by Section 2.10 of the

Transco/NYISO Operating Agreement. In the event that any such NYISO directions conflict with, or may prevent or delay performance of, any Provider obligations under this Agreement, such NYISO directions shall govern and Provider’s compliance therewith shall not result in any liability to Owner under, or be deemed a breach of, this Agreement.

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If Provider reasonably believes that it does not have the resources or expertise to address   
an emergency situation or if Owner reasonably believes that Provider is not managing an   
emergency situation in a satisfactory manner, the Parties shall promptly discuss the matter and   
attempt to reach a mutually agreeable resolution as promptly as is reasonably possible, including   
Owner providing resources itself or through third parties to address the emergency situation,   
consistent with Good Utility Practice and at Owner’s sole cost and risk. In such event, and to the   
extent it is able, Provider may loan or sell the necessary equipment, materials and supplies to   
Owner or its contractors upon Owner’s request. Notwithstanding anything to the contrary in this   
Agreement, in the event that Provider is unable to provide or is delayed in providing Emergency   
Services due to compliance with any applicable Law (including Environmental Law or the   
applicable requirements of any Governmental Authority (including due to diversion or re-  
prioritization of resources), then such failure or delay shall not be deemed a breach of, or a non-  
compliance with, this Agreement by Provider and shall not give rise to any liability on the part of   
Provider hereunder.

(d) Acceptance of Services. Following notification of the completion of any

work (which shall be deemed to be made via delivery of an invoice covering the work), Owner shall have the right to inspect the same. Owner may acknowledge its acceptance of the work by countersigning a completed work order in the form of Exhibit E. Failure by Owner to either acknowledge its acceptance via such countersignature or raise objection to the work in writing within six (6) months of its completion shall be deemed to constitute acceptance.

Section 3.2 Annual Maintenance Plan. The maintenance plan for 2016 (the “Initial

Maintenance Plan”), attached hereto as Schedule 4, is based upon and consistent with the   
Provider’s existing annual maintenance plan applicable to the operation and maintenance   
services Provider performs in connection with the Leased Site and the assets located thereon.

For future years, Owner shall develop and submit to Provider a preliminary annual   
maintenance plan (the “Annual Maintenance Plan”) with respect to the Transmission Facilities,   
Leased Site and Structural Improvements, identifying the Planned Maintenance Services that   
Owner requests Provider perform in the succeeding calendar year (as described in Section 3.1)   
and the preliminary schedule for performing the same. To support the development of the   
Annual Maintenance Plan, which shall commence on or before August 1 of each year, Owner   
may refer to the Initial Maintenance Plan or the then current year’s Annual Maintenance Plan as   
a guide to Provider’s maintenance requirements, and request that Provider identify or otherwise   
provide (within forty-five (45) days of such request) for the succeeding calendar year: (i) any   
recommended changes to such maintenance requirements from those applicable to the then-  
current year, (ii) a good faith estimate of funds (consistent with the Budget described in Article

V) required to perform the Planned Maintenance Services, (iii) a list of contractors (and

subcontractors) that it proposes to utilize to perform the Services (provided that failure to name a   
contractor in any Annual Maintenance Plan shall not preclude such contractor’s use, provided   
that Owner is notified of the intended utilization as soon as reasonably practicable in advance for   
activities on the Transmission Line), and (iv) any other comments or recommended changes to   
the then-current Annual Maintenance Plan. The Parties will endeavor in good faith to conclude a   
mutually acceptable definitive written Annual Maintenance Plan (including a list of approved   
Provider contractors) on or before August 31 of the preceding calendar year; provided that any   
failure to do so shall be subject to the dispute resolution procedures described in Article XIV.

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The Initial Maintenance Plan and Annual Maintenance Plan shall (A) be consistent with Good   
Utility Practice and applicable reliability standards as prescribed by NERC, NPCC, NYSRC and   
any other Governmental Authority, (B) to the extent not inconsistent therewith, conform to the   
maintenance requirements provided by Provider, and (C) be subject to modification in

connection with the requirement under the Tariff to obtain prior approval for equipment outages from NYISO.

Section 3.3 Standard of Performance. Owner and Provider shall perform their

respective duties and obligations hereunder in a commercially reasonable manner, consistent   
with Good Utility Practice and in accordance with applicable Law, including the applicable   
reliability standards as prescribed by NERC, NPCC, NYSRC and other Governmental   
Authorities as required by Sections 2.02 through Sections 2.08 and Sections 2.10 and 2.11 of the   
Transco/NYISO Operating Agreement (Owner hereby representing to and agreeing with

Provider that a true and complete copy of the Transco/NYISO Operating Agreement is attached   
hereto as Exhibit B and that no changes to Owner’s obligations as undertaken by Provider herein   
(which obligations are set forth in Section 2 of the Transco/NYISO Operating Agreement) shall   
hereafter be made without Provider’s prior express written consent). To the extent not   
inconsistent with the foregoing, Provider shall perform Services in accordance with Provider’s   
then applicable practices with respect to operation, maintenance and emergency activities.   
Provider agrees that all Services hereunder will be performed by qualified personnel, as such   
term is defined in the rules and regulations of the Occupational Safety and Health Act of 1970   
(“OSHA”). Unless Owner shall have agreed otherwise in writing, Provider shall use reasonable   
efforts to provide Planned Maintenance Services within the estimates set forth in the Annual   
Maintenance Plan. The personnel utilized by Provider for the performance of Services that are   
employees of Provider shall not be required to be dedicated solely to providing the Services.

If, during the course of inspection or otherwise prior to acceptance of any Service in   
accordance with Section 3.1(d), Owner determines that the Service fails to conform to this   
Agreement (a “Defective Service”), Owner shall so notify Provider thereof in writing, describing   
the Defective Service in reasonable detail (a “Defect Notice”). Provider shall promptly correct   
or re-perform the Defective Service specified in the Defect Notice so that it conforms to this   
Agreement at Provider’s own cost and expense, provided, however, that any Defective Service   
identified after Owner’s acceptance shall be corrected and/or re-performed at Owner’s expense   
absent Provider’s willful intent to deceive. If Provider is obligated under this Section 3.3 to   
remedy a Defective Service and fails or is unable to do so within a period consistent with   
Owner’s reasonable requirements, then Owner may undertake to remedy the Defective Service   
and, if Provider had been obligated to correct the same at its expense, then Provider shall   
reimburse Owner for any reasonable costs incurred thereby. The remedies set forth in this   
Section 3.3 shall be Owner’s sole and exclusive remedy for any failure of Services to conform to   
the requirements of this Agreement.

Section 3.4 NERC, NPCC and NYSRC Compliance.

(a) Owner Compliance Responsibilities. The Owner shall be solely

responsible for complying, and hereby expressly agrees to assume sole responsibility to comply,   
with all NERC Standards applicable to the Transmission Line. In furtherance of the foregoing,   
Owner represents and warrants to, and covenants and agrees with, Provider that Owner has, on or

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prior to the Effective Date, registered, and will at all times during the Term maintain such   
registration, as the Transmission Owner and will not de-register as the Transmission Owner, with   
NERC of the Transmission Line. Attached hereto as Exhibit G is a responsibility matrix to   
which the Parties have agreed (as modified and in effect from time to time, the “Compliance and   
Functional Task Matrix”), which identifies Owner as the responsible entity for compliance, as   
well as the functional tasks Provider will perform as Owner’s contractor in support of such   
compliance, with respect to each of the reliability standards set forth therein, as they pertain to   
the Transmission Line. In the event of any change in applicable NERC Standards, Owner may   
request, and Provider will endeavor in good faith to agree to, modifications to the Compliance   
and Functional Task Matrix (any such modifications being subject to the Parties’ mutual written   
agreement).

(b) Provider Compliance Responsibilities. Provider shall be solely

responsible for complying, and hereby expressly agrees to assume sole responsibility to comply, with all NERC Standards applicable to the Substation Upgrade Facilities. In furtherance of the foregoing, Provider, as it relates to the Substation Upgrade Facilities, represents and warrants to, and covenants and agrees with, Owner that Provider has, on or prior to the Effective Date, registered, and will at all times during the term of this Agreement maintain such registration, as the Transmission Owner and will not de-register as the Transmission Owner, with NERC of the Substation Upgrade Facilities.

(c) Tri-Partite Agreement. Without limiting or otherwise affecting

Owner’s obligations under Sections 3.4(a) or (d) or Provider’s obligations under Section 3.4(b),   
the Parties agree to negotiate in good faith and enter into a separate agreement among them and   
CECONY, to memorialize and set forth (i) Owner’s acceptance of NERC compliance

responsibility as the registered Transmission Owner of the Transmission Line (as herein

provided), (ii) Provider’s acceptance of NERC compliance responsibility as the registered Transmission Owner with respect to the Substation Upgrade Facilities (as herein provided) and the southern portion of the Feeder 76 transmission line running from the Substation Upgrade Facilities to the Ramapo Substation, and (iii) CECONY’s acceptance of NERC compliance responsibility as the registered Transmission Owner with respect to the substation upgrade facilities located at its Ramapo, New York substation.

(d) Notice of Violation. In the event Provider receives a notice of

possible violation (an “NPV”) from NPCC associated with the Substation Upgrade Facilities or if Provider identifies a possible violation for which it is self-reporting to NPCC, which carries the possibility of financial penalties as to which Provider would seek indemnification hereunder, Provider shall notify Owner of such NPV in writing (which may be via email) as soon as practicable. Owner may, in its sole discretion, participate in any investigation conducted by Provider to determine the cause of the NPV.

(e) NERC Compliance Indemnification. To the fullest extent

permitted by applicable Law, Owner agrees to indemnify and hold harmless Provider, its   
affiliates (other than Transco and its members), and its and their respective members, trustees,   
directors, managers, officers, employees, agents and representatives (collectively, “Provider

Indemnitees”) from and against any and all NERC assessed financial penalties (collectively,   
“Penalties”) suffered, sustained or incurred by Provider or any Provider Indemnitee, together

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with defense costs incurred by Provider or any Provider Indemnitee with respect thereto   
(including, but not limited to, attorneys’ fees and costs of experts) (collectively, “Defense

Costs”) to the extent arising out of, relating to or resulting from any failure of compliance with   
any applicable NERC reliability requirements with respect to the Substation Upgrade Facilities,   
except to the extent such Penalties and Defense Costs (i) result solely from the grossly negligent,   
fraudulent, or intentionally wrongful acts or omissions of Provider or any Provider Indemnitee,   
or (ii) are attributable to a systemic issue not directly related to the Substation Upgrade Facilities.   
For purposes of clarity, the indemnification herein provided in respect of violations or alleged   
violations that affect both the Substation Upgrade Facilities and other Sugarloaf Substation assets   
shall be apportioned based on how the number of Substation Upgrade Facilities impacted   
compares to the total number of functionally equivalent Sugarloaf Substation assets impacted.   
Provider shall assume the defense of any claim subject to indemnification hereunder with   
counsel chosen by Provider and reasonably acceptable to Owner. Owner shall pay its pro rata   
costs of Provider’s counsel and experts and will have the opportunity to participate in the defense   
of the claim with its own counsel and at its own expense; provided, however, that if both Parties   
are named in the action and their joint representation by the same counsel would be inappropriate   
due to a conflict of interest, then each Party shall bear the costs of its own counsel and experts.

(f) Compliance Audit. Owner shall have the right, but not the

obligation, to conduct audits with respect to Provider’s compliance with NERC Standards   
applicable to the Substation Upgrade Facilities. Provider agrees to cooperate with such audits   
and, upon request, provide Owner (or Owner’s agents, subject to Provider’s reasonable approval)   
with access to and/or copies of all records kept in connection with Owner’s compliance activities   
with respect to the Substation Upgrade Facilities. Such audit and requests for records shall be   
subject to 30 days’ advance notice, unless otherwise required by NERC / NPCC or any   
unplanned external investigation that involves the Substation Upgrade Facilities.

Section 3.5 Training. [intentionally omitted].

Section 3.6 Contracts with Third Parties; Utilization of Affiliates. Provider

may utilize, without further notification to Owner, the services of any contractor, identified in the Annual Maintenance Plan or of any Affiliate for the performance of the Services hereunder, and if required by Owner for activities on the Transmission Line, Provider shall procure such subcontractor’s written agreement to comply with any applicable Interconnection Agreement identified on Exhibit D hereto, provided, however, in all cases, Provider shall be responsible and liable for the acts and omissions of each such subcontractor (including such subcontractors’ subcontractors and employees) and Affiliates to the same extent as if such acts or omissions were by Provider or its employees. All third party contract or Affiliate work used to provide Services under this Agreement shall be charged directly to Owner at actual cost.

ARTICLE IV

COMPENSATION AND PAYMENT

Section 4.1 Compensation for Services. In consideration of

Provider’s provision of the Services in connection with the Transmission Facilities, Leased Site   
and Structural Improvements, Owner shall pay to Provider all of the documented reasonable

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Direct and Indirect Costs incurred by Provider in performing the same (i.e., to the extent applicable or allocable to such performance):

(a) Direct costs (the “Direct Costs”) include the following:

(i) all of Provider’s internal costs of labor and services

associated with the Services;

(ii) all costs and expenses associated with materials, supplies,

tools, machinery, apparatus and equipment, including rental charges and energy usage, including properly allocated overheads normally included in Provider’s charges for services billed to collect cost orders (excludes overhead charges, which are components of Indirect Costs);

(iii) costs and expenses for contract labor, outside services and

subcontractors, including outside consultants and reasonable attorneys’ fees (as applicable);

(iv) federal, state or local taxes of any character, including sales,

use, ad valorem or similar taxes, imposed in connection with the Services performed under this Agreement, excluding any taxes on income;

(v) property taxes associated with the Substation Upgrade

Facilities, based on the ratio of the gross book value of the Substation Upgrade Facilities compared to the total gross book value of the Sugarloaf Substation (determined by reference to Provider’s most recent filing with Office of Real Property Tax Services);

(vi) costs and expenses of travel and related transportation, meals,

lodging and per diem costs;

(vii) costs of insurance for complying with the insurance

requirements set forth in Schedule I to the extent such requirements are incremental or additional to coverage carried by Provider in the normal course of business, including premiums paid and deductibles from insured claims (it being acknowledged and agreed that, with respect to the Substation Upgrade Facilities, electric property insurance cost multiplied by a fraction, the numerator of which is the book value of the Substation Upgrade Facility and the denominator of which is the book value of Provider’s total electric station and structure plant in service (as reported in Provider’s most recent FERC Form 1 report));

(viii) costs of enforcing or attempting to enforce applicable

insurance policies, payment and performance bonds, contracts, warranties and any other rights held by Provider in relation to its provision of Services; and

(ix) any other Direct Costs or expenses of providing the Services.

(b) Indirect costs (the “Indirect Costs”) include the following:

(i) labor overheads directly associated with any and all of the

direct costs, including pensions, other post-retirement benefits and health care costs; and

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(ii) administrative and general expenses.

(c) Direct Costs and Indirect Costs shall be accounted for by Provider in accordance with applicable Accounting Practices and shall be consistent with FERC’s affiliate transaction rules and applicable Law.

Section 4.2 Payment. Provider shall provide monthly invoices to

Owner, setting forth the costs incurred by Provider to provide the Services during the most recent   
period for which costs are available (up to 120 days prior). Invoices shall contain reasonable   
detail and, upon request, shall be accompanied by reasonably necessary supporting   
documentation. Owner shall pay all invoices within thirty (30) days of receipt by wire transfer   
of immediately available funds, except to the extent that Owner disputes any amount in good   
faith, in which event Owner shall provide written notice of such Dispute (and an explanation of   
the basis for it as described in Article XIV) and pay the disputed amount into an independent   
escrow account chosen by Owner pending resolution of the Dispute (the costs of which escrow   
account shall be borne exclusively by Owner). Billing and payment Disputes not resolved in the   
normal course of business shall, upon the request of either Party, be subject to the Dispute   
resolution procedures described in Article XIV. Any undisputed amounts not timely paid timely   
shall carry a finance charge accruing at the prime rate of interest (as announced by the Wall   
Street Journal from time to time) plus 2% per year.

Section 4.3 Leased Site and Structural Improvements. The Parties

acknowledge Owner’s payment responsibilities under the Lease. In consideration of Provider’s   
provision of the Services in respect of the Leased Site and Structural Improvements, Owner shall   
pay directly to Provider (in lieu of paying CECONY) Owner’s allocated portion of the

documented reasonable Direct and Indirect costs incurred by Provider in performing such Services in accordance with the terms and conditions of the Lease.

Section 4.4 Recovery of Costs from Provider. In the event any of

the costs for Operations Services or Maintenance Services agreed to and paid for by Owner   
hereunder are determined by FERC to be unjust and unreasonable and not eligible for rate   
recovery by Owner, Provider will specify a new rate, term or condition that is just and reasonable   
and not unduly discriminatory or preferential and that is thereafter to be used. Subject to any   
FERC order to the contrary, all prudently occurring costs prior to a FERC decision are fully   
reimbursable.

ARTICLE V   
BUDGET

The Parties shall endeavor to agree in writing to a mutually acceptable budget for the Operation Services and Planned Maintenance Services by August 31 of the preceding calendar year in which it is to take effect (the “Budget”). The Budget shall contain a good faith estimate of the cost to perform the Operation Services and Planned Maintenance Services in the next succeeding calendar year, including an itemization of all direct labor costs, labor overhead costs, and material procurement, including, equipment, spare parts, and consumable inventories necessary or appropriate therefor.

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Owner and Provider shall develop a budgetary estimate to perform Unplanned Maintenance Services and Emergency Services. This estimate shall be developed and included as part of the Budget. Provider will deliver quarterly budgetary forecasts for the remainder of the budget year for Owner’s review and approval.

The Budget for the period commencing on the Effective Date and ending on December 31, 2016 (the “Initial Budget”), attached hereto as Schedule 4, is based upon the Provider’s existing budget applicable to the operation and maintenance of the Leased Site, Sugarloaf Substation and the assets located thereon.

Owner acknowledges that the Initial Budget is, and each Budget thereafter shall be, a   
good faith estimate of the funds reasonably required by Provider to perform the Services; they   
shall not operate to limit Owner’s responsibility to pay Provider for all actual, documented   
Direct Costs and Indirect Costs incurred by Provider in connection with such performance.

ARTICLE VI

REPORTING REQUIREMENTS

Section 6.1 Monthly Reports. Provider shall prepare and submit

to Owner, on a monthly basis with the invoice for Services provided hereunder, beginning July 1,   
2016, a monthly report identifying or otherwise setting forth in reasonable detail (i) the Services   
performed by Provider during the prior calendar month, (ii) the applicable test data and test   
reports acquired and prepared by Provider for the Services performed hereunder with respect to   
the Transmission Line during such month, (iii) a summary of all material improvements to the   
Transmission Line, Leased Site and Structural Improvements as identified and recommended by   
Provider in the performance of the Planned Maintenance Services and Provider’s proposal for   
implementing such improvements, and (iv) a year to date summary of all material improvements   
made to the Transmission Line, Leased Site and Structural Improvements.

Section 6.2 Immediately Reportable Events. Provider will

verbally notify Owner as soon as reasonably practicable, and follow such verbal notification

reasonably promptly with a written report, of the following:

(a) switching or operating errors as a result of performing the Services under

this Agreement;

(b) an interruption of service resulting from Services rendered under this

Agreement;

(c) damage, vandalism or sabotage to a Transmission Facility, Leased Site or

Structural Improvements;

(d) receipt of any communication from the NYISO relating to the Services

and/or Transmission Facilities, Leased Site or Structural Improvements, other than those communications normal and necessary to scheduling equipment in and out of service;

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(e) any OSHA recordable injuries that occur while performing Services with

respect to the Transmission Line, provided that Provider shall also notify appropriate agencies as set forth in Article X; and

(f) discovery or Release of any Hazardous Substances within the Leased Site,

Substation Upgrade Facilities or Property (including, without limitation, related Remediation of such Hazardous Substances located within or outside of the Leased Site, Substation Upgrade Facilities or Property).

Provider agrees to provide to Owner drafts of any and all written reports required to be   
submitted to Governmental Authorities in connection with or arising from the events listed in   
Section 6.2(a)-(f) above with respect to the Transmission Facilities; Owner, however, shall have   
sole responsibility for the submittal or filing of such reports with respect to the Transmission   
Facilities.

Section 6.3 Reportable Events. Provider will promptly notify Owner in writing of the following:

(a) its expectation that the estimated monthly expenses will exceed the

Budgeted monthly expenses by 25% or more;

(b) its expectation that the costs to perform Substantial Unplanned

Maintenance Service will exceed their estimate by 25% or more;

(c) any written complaints, litigation, claims, disputes or actions, threatened

or filed, concerning the Transmission Facilities, Leased Site (or neighboring properties),

Structural Improvements or the Services;

(d) any refusal or threatened refusal to grant, renew or extend (or any action

pending or threatened that might affect the granting, renewal or extension of) any license, permit, approval, authorization or consent relating to the Transmission Facilities, Leased Site, Structural Improvements or the Services; and

(e) dispute with any Governmental Authority relating to Owner, Transmission

Facilities, Leased Site, Structural Improvements or the Services.

To the extent that Owner is required by Law (including Environmental Law) to provide written reports to Government Authorities regarding events listed in Section 6.3(a)-(g) above, Provider agrees to provide Owner with the necessary information to facilitate Owner’s preparation and submittal of such reports to Governmental Authorities.

Section 6.4 Other Information. Provider shall prepare and submit to Owner such

other reports and other information as Owner may reasonably request regarding the Services and to remain compliant with applicable Law.

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ARTICLE VII

EFFECTIVENESS AND TERM

Section 7.1 Term. The initial term of this Agreement shall

commence as of the Effective Date and end on the day before the tenth (10th) anniversary of such date (the “Initial Term”).

At the expiration of the Initial Term, and, if applicable, each Renewal Term, this Agreement shall automatically renew for a subsequent five (5) year period (each a “Renewal Term” and, collectively with the Initial Term, the “Term”) unless (i) sooner terminated in accordance with the terms of this Agreement or (ii) either Party provides written notice to the other Party at least one year prior to the end of the Initial Term or then-current Renewal Term of its intent not to renew, in which event, this Agreement shall terminate upon the expiration of the Initial Term or then-current Renewal Term, as applicable. This Agreement shall cease to apply to Substation Upgrade Facilities, and all provisions hereof relating thereto shall be deemed to be removed (including, without limitation, the provisions of Section 3.4 (b)) if and when the economic value of the Substation Upgrade Facilities is no longer recorded as an intangible/regulatory asset in rate base on Owner’s books.

ARTICLE VIII

BOOKS AND RECORDS; DRAWINGS

Provider will maintain complete and accurate books and records of the Services

performed in connection with the Agreement during the Term in accordance with Good Utility   
Practice and Accounting Practice. Provider shall also maintain and retain for such time as Owner may reasonably direct, but, unless required by applicable Law or Accounting Practice, not for   
longer than six (6) years, the books and other records needed to document the Direct and Indirect costs Provider incurs as a result of fulfilling its obligations under this Agreement. Each Party   
shall respond to the other’s reasonable request for information related to a cost charged by   
Provider to Owner by providing the other Party with the information reasonably needed by the   
other Party to verify the cost in question.

From time to time, Owner may conduct, and Provider shall permit Owner to conduct or   
cause to be conducted by its authorized agents, at Owner’s expense, audits of the books and   
records of Provider that relate solely to the services provided under this Agreement. Such audits   
will be conducted at Provider’s facilities located at 390 West Route 59, Spring Valley, New   
York 10977-5320 or at 71 Dolson Avenue, Middletown, New York 10940 during customary   
business hours and at reasonable, mutually agreed upon times, provided that Owner must contest   
invoices within six (6) months of receipt and must complete any audit relating to a contested   
invoice within a reasonable period of time thereafter. Any adjustment identified to be made as a   
result of an audit and that is payable hereunder shall be made to the billing statement next issued   
following the conclusion of the audit.

Notwithstanding the foregoing, Provider shall have no responsibility or liability for maintaining Owner’s formal books and records, including drawings, other than field prints and working documents, and Owner assumes full responsibility therefor.

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ARTICLE IX

RIGHT OF ACCESS

Section 9.1 Provider’s Access. (i) Records Inspection: Owner

hereby authorizes Provider’s authorized employees, contractors, representatives and agents (collectively, “Representatives”) to access any documents, materials, records, accountings, operating logs or other operating data in Owner’s possession at all reasonable times, upon reasonable prior notice, to the extent reasonably related to the performance of Services. Upon Provider’s reasonable request, Owner shall make such records available to such persons or entities, and provide them with such access upon reasonable terms and conditions set forth by the Owner, subject to the requirements of Section 9.1(iii).

(ii) Transmission Line Access. Owner hereby authorizes Provider’s

Representatives access to the Transmission Line at all reasonable times, upon reasonable prior   
notice, to the extent that such access is reasonably related to the performance of the Services.   
Upon Provider’s reasonable request, Owner shall provide such Transmission Line access upon   
reasonable terms and conditions set forth by Owner, subject to the requirements of Section

9.1(iii).

(iii) General Conditions for Access. Owner’s obligation hereunder shall be to

provide Provider’s Representatives adequate and continuous access to all sites where Services   
are to be performed. Provider shall use commercially reasonable efforts to cause its   
Representatives to comply with Owner’s safety and security procedures, switching and tagging   
rules, and escort and other applicable access requirements in connection with exercising the   
rights of access granted hereby. Owner shall give prompt notice to Provider of any changes to   
Owner’s safety and security procedures, switching and tagging rules, and escort and other   
applicable access requirements. Provider shall, prior to any access to Owner’s Transmission   
Line for the purposes set forth above, and during the Term of this Agreement, provide and   
maintain insurance in the kinds and amounts specified in Article XII hereof.

Notwithstanding anything in this Agreement to the contrary, Owner reserves the right to deny access to Provider’s authorized agents, representatives, contractors and employees, in or around the Transmission Line if, in Owner’s reasonable judgment, such authorized agents, representatives, contractors and employees are:

(a) bringing, using, distributing, selling or possessing illegal drugs or alcoholic beverages at the Transmission Facilities;

(b) unfit for duty at any time during their assignment for any reason, including for being under the influence of alcohol or other drugs; or

(c) otherwise engaged in any improper or unlawful activity.

Furthermore, Owner shall have the authority to suspend Provider’s access, work or   
operations (including access, work or operations of any of Provider’s agents, representatives,   
contractors and employees) in and around the Transmission Line if, in Owner’s reasonable   
judgment, at any time, hazardous conditions arise or any unsafe practices are being followed by

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Provider’s agents, representatives, contractors and employees and Provider fails to correct such conditions or practices.

Section 9.2 Owner’s Access. (i) Records Inspection. Provider

hereby authorizes Owner’s Representatives to access any documents, materials, records,   
accountings, operating logs or other operating data in Provider’s possession at all reasonable   
times, upon reasonable prior notice, to the extent such access is reasonably related to the   
performance of the Services or otherwise required for the purpose of monitoring or inspecting   
work performed for Owner or otherwise affecting Owner’s assets. Upon reasonable request of   
Owner, Provider shall make such records available to such persons or entities, and provide them   
with such access upon reasonable terms and conditions set forth by Provider, subject to the   
requirements of Section 9.2(iii).

(ii) Property and Facility Access. Provider hereby authorizes Owner’s

Representatives to access real property and electric facilities owned by Provider (including, but not limited to, the Substation Upgrade Facilities), at all reasonable times, upon reasonable prior notice to Provider, to the extent that such access is reasonably related to the performance of the Services or otherwise required for the purpose of monitoring or inspecting work performed for Owner or otherwise affecting Owner’s assets, or for purposes of assessing potential future operational needs of Owner. Upon the reasonable request of Owner, Provider shall provide such access to its real property and electric facilities upon reasonable terms and conditions set forth by Provider, subject to the requirements of Section 9.2(iii).

(iii) General Conditions for Access. Owner shall use its commercially

reasonable efforts to cause its Representatives to comply with Provider’s safety and security   
procedures, switching and tagging rules, and escort and other applicable access requirements in   
connection with exercising the rights of access granted hereby and to conduct any inspection and   
review in a manner which causes minimal interference with Provider’s activities. Owner shall,   
prior to any access to Provider’s real property or facilities for the purposes set forth above, and   
during the Term of this Agreement, provide and maintain insurance in the kinds and amounts   
specified in Article XII hereof. Notwithstanding the foregoing provisions of this Section 9.2,   
Provider reserves the right to deny access to any person in or around Provider’s real property or   
facilities and to any documents, materials, records and accountings relating to the performance of   
the Services who is (a) using, distributing, selling or possessing illegal drugs or alcoholic   
beverages, (b) unfit for duty at any time during their assignment (including by reason of being   
under the influence of alcohol or drugs); or (c) otherwise engaged in any improper or unlawful   
activity. Further, Provider may suspend Owner’s access, work or operations in and around   
Provider’s real property or facilities if, in Provider’s reasonable judgment, Owner’s   
Representatives engage in unsafe practices or create hazardous conditions that are not promptly   
corrected. Nothing herein shall alter or modify the rights granted to Owner pursuant to the   
Lease.

Section 9.3 Drawings. Provider shall have responsibility for field

prints and working drawings only as they pertain to the Services rendered in respect of the   
Transmission Facilities, it being acknowledged that all other official drawings with respect to the   
Transmission Line shall be held and maintained (as current and accurate) by Owner in

accordance with Good Utility Practice. Provider agrees to cooperate with and assist Owner in its

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efforts to maintain such drawings, and each Party agrees to notify the other of any field changes that require updates to plans and drawings held by the other. Official drawings applicable to the Substation Upgrade Facilities shall be held and maintained by Provider in accordance with Good Utility Practice, and Owner shall have access to such drawings upon reasonable notice.

ARTICLE X

SAFETY

The Parties agree to be solely responsible for and assume all liability for the safety and supervision of their own employees, agents, representatives, and subcontractors.

Each Party agrees that all work performed by it under this Agreement shall be performed in accordance with all applicable Law, rules, and regulations pertaining to the safety of persons or property, including compliance with safety regulations and standards adopted under the OSHA as amended from time to time, the National Electric Safety Code (NESC), as amended from time to time, and Good Utility Practice.

Provider shall notify Owner of all safety, OSHA recordable injuries and OSHA   
recordable events as set forth in Section 6.2(e). Provider shall provide Owner a copy of all   
written reports made to OSHA for events that occur with respect to the Transmission Line.

ARTICLE XI

PERMITS

To the extent permitted by Law, Provider shall obtain all Permits, and all renewals,   
revisions, or modifications thereof, as may be necessary, in Provider’s reasonable discretion, to   
authorize Provider to perform the Services contemplated by this Agreement. Provider shall   
reasonably cooperate with Owner in obtaining any Permits, including renewals, revisions or   
modifications thereof, that Owner may be required by Law to obtain directly from or file with   
any Governmental Authority regarding the Transmission Facilities, Structural Improvements and   
Leased Site. The Parties shall comply with all terms and conditions of such Permits. Unless   
Owner is required to do so pursuant to Law, Provider also shall file such reports, notices, and   
other communications as may be required by any Governmental Authority regarding the Permits.   
Provider shall provide Owner with a copy of all filed reports, notices and/or other   
communications related to permits associated with the Transmission Facilities.

ARTICLE XII

INSURANCE

Section 12.1 Required Coverage. During the Term, each Party

shall maintain, at its own cost and expense, commercial general liability, automobile liability, worker’s compensation, and other forms of insurance relating to its operations in connection with the Transmission Facilities and the Services, in the manner and in amounts equal to or in excess of the amounts set forth in Schedule 1 issued by reputable insurance companies with an A.M. Best Rating of at least B+.

Section 12.2 Proof of Coverage. Within fifteen (15) days of the

Effective Date, and each anniversary of the Effective Date, during the Term, (including any

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extensions), each Party shall provide to the other Party, properly executed and current certificates of insurance with respect to all insurance policies required to be maintained by such Party under this Agreement. Certificates of insurance shall provide the following information:

(a) Name of insurance company, policy number and expiration date; and

(b) The coverage required and the limits on each, including the amount of deductibles

or self-insured retentions, which shall be for the account of either Provider or Owner, as applicable, as the party maintaining such policy.

At the other Party’s request, in addition to the foregoing certificates, a Party shall deliver to the requesting Party a copy of applicable sections of each insurance policy.

A Party will provide at least thirty (30) days’ notice of a reduction of liability limits or cancellation or non-renewal of a policy to the other Party.

Section 12.3 Right to Inspect. Each Party shall have the right to

inspect the original policies of insurance applicable to this Agreement at each other’s place of business during regular business hours.

Section 12.4 Terms of Coverage. If any insurance is written on a

“claims made” basis, the Party shall maintain the coverage for a minimum of three years after the termination or expiration of this Agreement.

Section 12.5 Subrogation Waivers. To the extent permitted by the

insurer and commercially reasonable, a Party shall obtain waivers of subrogation in favor of the   
other Party from any insurer providing coverage that is required to be maintained under this   
Article XII.

Section 12.6 Contractors, Etc. Each Party shall require all

contractors, subcontractors, professional service providers, and equipment suppliers or   
manufacturers to maintain insurance in amounts, with carriers and policy amounts approved by   
it, for workers compensation, liability, contractors’ liability and such other hazards as set forth in   
Schedule 1. Each Party shall be an additional insured on all policies (other than workers’   
compensation and professional liability policies) procured by the other Party’s contractors,   
subcontractors and equipment suppliers or manufacturers. To the extent permitted by insurer and   
commercially reasonable, a Party’s contractor, subcontractors, professional service providers,   
and equipment suppliers or manufacturers shall obtain waivers of subrogation in favor of the   
Parties from any insurer providing coverage that is required to be maintained under this Article   
XII.

ARTICLE XIII

CONFIDENTIALITY

Section 13.1 General. Except to the extent permitted under Section

13.2, each Party will not itself use or disclose (and will not permit the use or disclosure by any of   
its, directors, trustees, managers, officers, employees, agents, Affiliates or advisers, consultants,   
counsel and public accountants (collectively, “Representatives”)), directly or indirectly, and

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shall keep (and shall cause its Representatives to keep) in strictest confidence and trust any   
Confidential Information of the other Party. “Confidential Information” means any and all   
information, including CEII, prepared or delivered to the receiving Party (the “Receiving Party”)   
by the disclosing Party (the “Disclosing Party”) or its Representatives (including information or   
data received by the Disclosing Party from a third party and as to which the Disclosing Party has   
confidentiality obligations), that is (a) marked or designated by the Disclosing Party as

“confidential” or “proprietary;” (b) disclosed orally or visually; provided that such information is   
identified at the time of such disclosure as proprietary or confidential, and that within 30 days   
thereafter a written summary of such oral or visual disclosure bearing the aforesaid type of label   
or legend, is provided to the Receiving Party; or (c) known to the Receiving Party, or should be   
known to a reasonable Person given the facts and circumstances of the disclosure, as being   
treated as confidential or proprietary by the Disclosing Party. Confidential Information shall not   
include information that the Receiving Party can demonstrate: (a) is generally available to the   
public other than as a result of a disclosure by the Receiving Party, (b) was in the lawful   
possession of the Receiving Party on a non-confidential basis before receiving it from the   
Disclosing Party, (c) was independently developed by the Receiving Party without use or

knowledge of the Disclosing Party’s information, or (d) is, or becomes, publicly known, through no wrongful act or omission of the Receiving Party.

Section 13.2 Required Disclosure. Notwithstanding the

obligations of each Party with respect to the Confidential Information pursuant to Section 13.1,

(i) the Receiving Party and its Representatives may use, retain and disclose any such   
Confidential Information to any Governmental Authority, including FERC, the Securities and   
Exchange Commission, the NYPSC, NPCC, NERC and NYISO but such Receiving Party and its   
Representatives will first, as soon as practicable afford the Disclosing Party reasonable   
opportunity, at the Disclosing Party’s cost and expense, to seek a protective order or other   
reasonably satisfactory assurance of confidential treatment for the Confidential Information   
required to be disclosed (in the case of CEII, ensuring that such Confidential Information is   
accorded CEII status and is otherwise treated as confidential), (ii) the Receiving Party and its   
Representatives may use, retain and disclose any such Confidential Information that has been   
publicly disclosed (other than by such Receiving Party or any of its Representatives in breach of   
Section 13.1 or this Section 13.2) or has rightfully come into the possession of such Party or any   
of its Representatives other than from the other Party or a Person acting on such other Party’s   
behalf on a non-confidential basis, (iii) to the extent that the Receiving Party or its

Representatives may have received a subpoena or other written demand under color of legal right   
for such Confidential Information, such Party or its Representatives may disclose such   
Confidential Information, but such Party will first, as soon as practicable upon receipt of such   
demand and unless otherwise prohibited by applicable Law, furnish a copy thereof to the other   
Party and, if practicable so long as such Party or its Representatives will not be in violation of   
such subpoena or demand or likely to become liable to any penalty or sanctions thereunder,   
afford the other Party reasonable opportunity, at such other Party’s cost and expense, to seek a   
protective order or other reasonably satisfactory assurance of confidential treatment for the   
Confidential Information required to be disclosed, (iv) the Receiving Party or its Representatives   
may disclose any such Confidential Information, and make such filings, as may be required by   
this Agreement, (v) the Receiving Party or its Representative may disclose any such Confidential   
Information if approved by the Disclosing Party for disclosure, and (vi) nothing in Section 13.1   
and this Section 13.2 will prevent a Receiving Party from using such Confidential Information

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for its own internal purposes solely in connection with the exercise of its rights and remedies and   
performance of its obligations under this Agreement. Notwithstanding anything in this   
Agreement to the contrary, a Party may disclose Confidential Information to its Representatives   
in accordance with this Agreement if such Persons have agreed to maintain the confidentiality of   
confidential information on terms at least as restrictive as those provided for in this Agreement.

Section 13.3 Termination of the Agreement. Upon termination of

this Agreement for any reason, each Party shall, within thirty (30) days of receipt of a written   
request from the other Party, destroy, erase, and/or delete (with such destruction, erasure, and/or   
deletion certified in writing to the other Party) or return to the other Party, without retaining   
copies thereof (other than those maintained in the ordinary course through electronic backup or   
archival information management processes, which may continue to be maintained subject to the   
confidentiality restrictions contained herein for the survival period specified below), any and all   
written or electronic Confidential Information received from the other Party pursuant to this   
Agreement.

Section 13.4 Survival. The restrictions contained in this Article

XIII will survive the termination or expiration of this Agreement for a period of two years from   
the date of such termination; provided, however, that (i) Confidential Information that is subject   
to a confidentiality obligation imposed by a third party on the Disclosing Party or its Affiliates   
by such third party shall be kept confidential by the Receiving Party so long as such third party   
confidentiality obligations remain effective, and, provided that the Receiving Party has received   
a copy of the written instrument imposing the confidentiality obligation on the Disclosing Party   
or its Affiliates; and (ii) the restrictions contained in this Article XIII shall not expire or

terminate with respect to CEII or, with respect to trade secrets, until such time as the information is no longer a trade secret.

Section 13.5 Remedies. The Parties agree that monetary damages

would be inadequate to compensate a Party for another Party’s breach of its obligations under   
this Article XIII. Each Party accordingly agrees that the other Party shall be entitled to equitable   
relief, by way of injunction or otherwise, if such Party breaches or threatens to breach its   
obligations under this Article XIII, which equitable relief shall be granted without bond or proof   
of damages, and the Receiving Party shall not plead in defense that there would be an adequate   
remedy at law. Such remedy shall not be deemed an exclusive remedy for the breach of this   
Article XIII, but shall be in addition to all other remedies available at law or in equity.

ARTICLE XIV

DISPUTE RESOLUTION

Section 14.1 Negotiation.

(a) The Parties will attempt, in good faith, to resolve or cure any dispute,

controversy or claim (a “Dispute”) before initiating any formal legal action at law or in equity to   
resolve the same. If either Party believes that a Dispute has arisen, such Party will give written   
notice thereof to the other Party, which notice will describe in reasonable detail the basis and   
specifics of the claimed Dispute (the “Dispute Notice”). Within five Business Days after   
delivery of the Dispute Notice, Owner contact (the “Owner Contact”) and Provider contact (the

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“Provider Contact”) as listed in Exhibit C to this Agreement will meet (in person or via telephone) to discuss and attempt to resolve or cure such Dispute.

(b) If Owner Contact and Provider Contact are unable to resolve the Dispute

within fifteen (15) days after delivery of the Dispute Notice, the matter will be referred to the   
President or Chief Executive Officer (or similar position) of each Party (or such other executive   
officer designated by the relevant Party with the power and authority to represent such Person).   
The President or Chief Executive Officer of each Party (or such other executive officer

designated by the relevant Party with the power and authority to represent such Person) shall negotiate for a reasonable period of time to settle the Dispute after the Dispute Notice is referred to them; provided that such reasonable period shall not, unless otherwise agreed by the Parties in writing, exceed fifteen (15) days from the time of receipt of the Dispute Notice by the President or Chief Executive Officer of each Party (or such other executive officer designated by the relevant Party with the power and authority to represent such Person).

Section 14.2 Non-Binding Mediation.

(a) If any Dispute has not been resolved for any reason after thirty (30) days

have elapsed from the receipt by a Party of a Dispute Notice, such Dispute may, on the written   
request (a “Mediation Request”) of a Party thereof, be referred to non-binding mediation   
pursuant to the Commercial Mediation Rules (the “Rules”) of the American Arbitration

Association (“AAA”) then in effect. The Parties shall attempt to agree on a mediator for a period of fifteen (15) days following a Party’s issuance of a Mediation Request. If the Parties fail timely to agree on a mediator, either Party may request the AAA to appoint a mediator.

(b) If a Dispute is not resolved for any reason within sixty (60) days of receipt

of the Mediation Request, any Party may bring suit on the Dispute in accordance with Section

20.1 hereof.

(c) In the event of any Dispute with respect to which a Dispute Notice has

been delivered in accordance with Section 14.1, and if mediation proceedings are initiated   
pursuant to this Section 14.2, during sixty (60) days following receipt of the Dispute Notice (i) a   
Party shall not assert the defenses of statute of limitations and laches with respect to the period   
beginning after the date of receipt of the Dispute Notice, and (ii) any contractual time period or   
deadline under this Agreement to which such Dispute relates occurring after the Dispute Notice   
is received shall not be deemed to have passed until such Dispute has been resolved. Nothing   
said or disclosed, nor any document produced, in the course of any negotiations, conferences and   
discussion in connection with efforts to settle a Dispute that is not otherwise independently   
discoverable shall be offered or received as evidence or used for impeachment or for any other   
purposes in any suit, but shall be considered to have been disclosed for settlement purposes.

Section 14.3 Continuation of Work. Pending resolution of any

Dispute pursuant to Section 14.1or Section 14.2, or pursuant to a binding award or

determination of a court or in an arbitral proceeding, the Parties will continue to fulfill their   
respective obligations under this Agreement; provided that the applicable Party may withhold   
any amount that is the subject of the Dispute from any payment otherwise due under this   
Agreement during the pendency of any Dispute resolution proceeding. Upon resolution of the

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Dispute, any Party found owing an amount will promptly pay to the other Party any amount   
determined to be due, plus interest on the outstanding amount computed at the Federal Funds   
Rate plus 150 basis points from the date the amount became due hereunder until the amount is   
paid in full. A Party’s undertaking to continue to fulfill its obligations under this Agreement   
pursuant to this Section 14.3 shall not override its right to terminate this Agreement as provided   
in Article XVI hereof.

ARTICLE XV

FORCE MAJEURE

Section 15.1 Excused Performance. If either Owner or Provider is

rendered wholly or partially unable to perform some or all of its obligations under this   
Agreement (other than payment obligations) due to a Force Majeure Event, then the Party   
affected by such Force Majeure Event shall be excused from whatever performance is impaired   
by such Force Majeure Event, provided that the affected Party promptly, upon learning of such   
Force Majeure Event and ascertaining that it will affect its performance hereunder, (i) gives   
written notice to the other Party stating the nature of the Force Majeure Event, its anticipated   
duration, and any action being taken to avoid or minimize its effect, and (ii) uses its

commercially reasonable efforts to remedy its inability to perform. A Force Majeure Event shall not be deemed to have occurred or to be continuing unless the Party claiming Force Majeure complies with the requirements of this Article XV. The suspension of performance shall be for the duration of the applicable Force Majeure Event. No obligations of either Party which arose before the Force Majeure Event causing the suspension of performance and which could and should have been fully performed before such Force Majeure Event occurred shall be excused as a result of such Force Majeure Event. The burden of proof shall be on the Party asserting excuse from performance due to a Force Majeure.

Section 15.2 Alternate Contractors. Owner shall have the right,

upon written notice to Provider and at its sole cost and expense, to obtain alternate contractors to   
perform the Services during any Force Majeure Event that prevents or delays Provider’s   
performance hereunder if the Force Majeure Event has or, in Owner’s reasonable judgment,   
threatens to have an adverse effect on Owner’s ability to conduct its operations (an “Alternate   
Contractor”); provided that Provider shall have no liability to Owner in respect of Services   
performed by an Alternate Contractor. Owner shall ensure that any Alternate Contractor   
obtained pursuant to this Section 15.2 agrees to comply with the terms and conditions of Article   
IX hereof applicable to the Provider while performing the Services in a Provider facility and   
shall remain liable to Provider in respect of any Alternate Contractor’s performance in   
accordance with Section 18.1.

ARTICLE XVI

TERMINATION

Section 16.1 Termination for Convenience. Either Party may

terminate this Agreement (as it relates to the Transmission Line only) without cause, at any time   
for any reason by giving notice in writing to the other Party at least one (1) year in advance of   
the termination being effective (such termination to be effective upon the date set forth in the   
written notice); provided, however, that Owner may not terminate its obligation to pay O&M

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expenses, including insurance costs and property taxes, allocable to the Substation Upgrade   
Facilities until such time as Owner no longer has the Substation Upgrade Facilities’ investment   
in rate base.

Section 16.2 Immediate Termination by Owner. Owner may

terminate this Agreement immediately (a) if Provider (i) enters into any voluntary or involuntary bankruptcy proceeding or receivership; (ii) makes a general assignment for the benefit of its creditors, other than Owner, or (b) upon the occurrence of a Force Majeure Event that is not remedied within ninety (90) days of its initial occurrence.

Section 16.3 Termination Upon Notice by Owner. Owner may

terminate this Agreement (as it relates to the Transmission Line only) upon ten (10) days’ prior   
written notice to Provider in the event that Provider (i) materially violates any material Law   
applicable to the Services, and Provider does not cure such violation within thirty (30) days of   
Provider’s receipt of a notice from Owner demanding cure (or, if not curable within thirty (30)   
days, within such period of time as is reasonably necessary, but in no event more than forty-five

(45) days, provided Provider diligently commences and pursues such cure), or (ii) fails to timely   
perform any of its material obligations under this Agreement and such failure is not cured within   
forty-five (45) days of Provider’s receipt of a notice from Owner demanding cure (or, if not   
curable within forty-five (45) days, within such period of time as is reasonably necessary, but in   
no event more than ninety (90) days; provided, that Provider diligently commences and

continues to pursue such cure). Owner may not terminate this Agreement, including for cause, as it relates to the Substation Upgrade Facilities (and, in particular its obligation to pay operation and maintenance expenses, including insurance costs and property taxes allocable to the Substation Upgrade Facilities) until such time as Owner’s investment in such Substation Upgrade Facilities is no longer in Owner’s rate base.

Section 16.4 Termination by Provider. Provider may terminate

this Agreement for cause upon fifteen (15) days’ prior written notice to Owner if Owner (i)   
enters into any voluntary or involuntary bankruptcy proceeding or receivership; (ii) makes a   
general assignment for the benefit of its creditors, other than Provider, or (iii) fails to perform in   
a timely manner any of its material obligations under this Agreement and such failure is not   
cured within thirty (30) days of Owner’s receipt of a notice from Provider demanding cure (or, if   
not curable within thirty (30) days, within such period of time as is reasonably necessary, but in   
no event more than forty-five (45) days provided that Owner diligently commences and

continues to pursue such cure).

Section 16.5 Payments to Provider upon Termination by Owner. If

the Agreement is terminated for any reason, Provider shall be compensated for all documented   
Direct Costs and Indirect Costs incurred by Provider to and including the date of termination and   
for all Termination Costs. Such payments shall be made by Owner within thirty (30) days of   
receipt of a final, accurate invoice from Provider. Notwithstanding anything in this Agreement to   
the contrary, in the event of a termination of this Agreement by Owner under Section 16.3,   
Owner may apply or set off amounts due or allegedly due to Provider from Owner under this   
Agreement against any claims for damages that Owner may have under, in connection with or   
arising out of Section 16.3.

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Section 16.6 Effectiveness of Termination. Notwithstanding

Sections 16.1 through 16.4 hereof, no termination of this Agreement shall become effective until the Parties have complied with all Laws applicable to such termination.

Section 16.7 Condition of Transmission Line At End Of Term.

Upon expiration or termination of this Agreement, Provider shall remove its personnel, including   
contractors and subcontractors, from the Transmission Line. Provider shall leave the   
Transmission Line in safe condition in accordance with Good Utility Practice, provided,   
however, that Provider (i) is not required to leave such Transmission Line in any better condition   
than is otherwise required under the other terms of this Agreement, and (ii) all reasonable Direct   
and Indirect Costs incurred by Provider in complying with this provision shall be paid by Owner.   
All special tools, improvements, inventory of supplies, spare parts, safety equipment, operating   
and procedure manuals, operating logs, records and documents paid for by Owner and   
maintained by Provider for the Transmission Line will, as determined by Owner, be left at the   
location of the applicable Transmission Facility or provided to Owner at its business office, and   
remain the property of Owner without additional charge. Owner shall also have the right, but not   
the obligation, in its sole discretion, to directly assume any contracts entered into by or   
obligations of Provider solely in connection with the Services for Transmission Line (but only to   
the extent such assumption is permitted under such contracts and otherwise in accordance   
therewith), provided Owner also expressly assumes in writing sole liability under such contracts   
for matters arising in connection with activities undertaken by Owner after the effective date of   
the assignment. Provider, at Owner’s cost, shall cooperate in taking all reasonable steps   
requested by Owner as required to effect the assignment of the contracts and to mitigate potential   
disruption of the operation, maintenance and management of the Transmission Facilities. To the   
fullest extent allowed by applicable Law, Owner shall indemnify, defend and hold Provider   
harmless from and against all liabilities arising under or in connection with any such assigned   
contract to the extent such costs, damages and liabilities arise after the effective date of the   
assignment of such contract to Owner.

ARTICLE XVII

LIMITATION ON LIABILITY,   
REMEDIES AND SURVIVAL

Section 17.1 Limitation of Liability.

(a) CONSEQUENTIAL AND INDIRECT DAMAGES.

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, AND   
EXCEPT TO THE EXTENT OF AN INDEMNIFYING PARTY’S OBLIGATIONS UNDER   
ARTICLE 18 TO INDEMNIFY THE OTHER PARTY FOR DAMAGES ACTUALLY PAID   
TO AN UNAFFILIATED THIRD PARTY IN RESPECT OF A CLAIM SUBJECT TO   
INDEMNIFICATON UNDER ARTICLE 18, SUBJECT TO, IN THE CASE OF THE   
PROVIDER, THE CAP IN SECTION 18.2, NO PARTY OR ITS AFFILIATES, NOR ITS OR   
THEIR DIRECTORS, TRUSTEES, MEMBERS, OFFICERS, MANAGERS, EMPLOYEES,   
AGENTS OR REPRESENTATIVES, WILL BE LIABLE UNDER OR IN CONNECTION   
WITH THIS AGREEMENT FOR ANY PUNITIVE, SPECIAL, LOST PROFIT,   
EXEMPLARY, MULTIPLE, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES   
INCLUDING IN CONNECTION WITH OR ARISING FROM ANY PERFORMANCE OR

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LACK OF PERFORMANCE UNDER THIS AGREEMENT, REGARDLESS OF WHETHER

(X) ANY SUCH DAMAGES CLAIM IS BASED ON CONTRACT, WARRANTY, TORT   
(INCLUDING NEGLIGENCE), STRICT LIABILITY, VIOLATION OF ANY APPLICABLE   
DECEPTIVE TRADE PRACTICES ACT OR ANY OTHER LEGAL OR EQUITABLE   
PRINCIPLE, OR (Y) SUCH DAMAGES WERE REASONABLY FORESEEABLE, OR (Z)   
THE PARTIES WERE ADVISED OR AWARE THAT SUCH DAMAGES MIGHT BE   
INCURRED.

(b) Notwithstanding anything in this Agreement to the contrary, 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 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 or agent of the Party that is unable or failing to perform hereunder).

For the avoidance of doubt, Provider shall have no 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 as a result of (a) the inability or failure of Owner   
or its contractors to reasonably cooperate or to perform any tasks or responsibilities   
contemplated to be performed or undertaken by Owner under this Agreement, or (b) any valid   
order or ruling by any Governmental Authority having jurisdiction over the subject matter of this   
Agreement.

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

(c) DISCLAIMERS/EXCLUSIVITY OF WARRANTIES. PROVIDER IS

NOT IN THE BUSINESS OF PERFORMING OPERATION, MAINTENANCE AND   
EMERGENCY SERVICES FOR PROFIT AND IS NOT RECEIVING ANY FEE OR PROFIT   
(AS CONTRASTED WITH REIMBURSEMENT FOR ACTUAL DOCUMENTED DIRECT   
AND INDIRECT COSTS) FOR ITS PERFORMANCE OF THE WORK HEREUNDER. THE   
EXCLUSIVE REMEDY GRANTED TO OWNER FOR ANY ALLEGED FAILURE OF   
PROVIDER TO MEET THE PERFORMANCE STANDARDS OR REQUIREMENTS   
CONTAINED IN THIS AGREEMENT IS AS SET FORTH IN SECTION 3.3 HEREOF.   
EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY EQUIPMENT, MATERIALS   
OR OTHER ASSETS THAT MAY BE TRANSFERRED UNDER THIS AGREEMENT ARE   
BEING TRANSFERRED “AS IS, WHERE IS”. PROVIDER, AND IN THE CASE OF A   
TRANSFER OF ANY EQUIPMENT, MATERIALS OR ASSETS BY OWNER HEREUNDER,   
OWNER, MAKES NO WARRANTIES, REPRESENTATIONS (EXCEPT AS NOTED IN   
ARTICLE XIX HEREOF), OR GUARANTEES IN CONNECTION WITH THIS   
AGREEMENT, ANY EQUIPMENT, MATERIALS OR ASSETS TRANSFERRED, OR ANY   
SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT, WHETHER   
WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING ANY   
WARRANTIES, REPRESENTATIONS (EXCEPT AS NOTED IN ARTICLE XIX HEREOF),   
OR GUARANTEES WITH RESPECT TO QUALITY, WORKMANSHIP, CONDITION OR   
SAFETY OF ANY EQUIPMENT, MATERIALS OR ASSETS TRANSFERRED UNDER

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THIS AGREEMENT, AND ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR   
FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY   
EXCLUDED AND DISCLAIMED. EACH PARTY ACKNOWLEDGES AND AGREES   
THAT ANY WARRANTIES PROVIDED BY ORIGINAL MANUFACTURERS,   
LICENSORS, OR PROVIDERS OF MATERIAL, EQUIPMENT, SERVICES OR OTHER   
ITEMS PROVIDED OR USED IN CONNECTION WITH THE SERVICES PERFORMED   
HEREUNDER OR TRANSFERRED HEREUNDER, INCLUDING ITEMS INCORPORATED   
IN THE SERVICES (“THIRD PARTY WARRANTIES”) ARE NOT TO BE CONSIDERED   
WARRANTIES OF EITHER PROVIDER OR OWNER AND NEITHER MAKES ANY   
REPRESENTATIONS, GUARANTIES OR WARRANTIES AS TO THE APPLICABILITY   
OR ENFORCEMENT OF ANY SUCH THIRD PARTY WARRANTIES. PROVIDER SHALL   
USE REASONABLE EFFORTS TO PERFORM ALL SERVICES IN A MANNER THAT   
PRESERVES THIRD PARTY WARRANTIES AND SHALL ASSIGN SUCH WARRANTIES   
TO OWNER, TO THE EXTENT ASSIGNABLE, ON OR AS PROMPTLY FOLLOWING THE   
DATE ON WHICH THIS AGREEMENT EXPIRES OR TERMINATES.

(d) The provisions expressed in this Article XVII will survive the termination,

cancellation or expiration of this Agreement.

ARTICLE XVIII

INDEMNIFICATION

Section 18.1 Indemnification of Provider. To the fullest extent

permitted by applicable Law and except to the extent Owner or the Owner Parties are entitled to   
indemnification under Section 18.2, Owner shall defend, indemnify and hold harmless Provider,   
its Affiliates and its and their respective members, partners, trustees, directors, managers,   
officers, employees, agents and representatives (the “Provider Parties”) from and against any   
and all liabilities, damages, losses, costs, expenses (including reasonable attorneys’ fees and   
disbursements), claims, demands, suits, causes of action, liens, penalties, obligations or   
judgments of any nature, including for death, personal injury, and property damage (collectively,   
“Losses”) incurred or sustained by Provider or any Provider Party to the extent arising from or   
related to (i) any act or omission of Owner or any Owner Party related to the Services or this   
Agreement or (ii) the performance of Services by Provider; except, in either case, to the extent   
such Losses arise from or relate to the gross negligence, fraud or willful misconduct of Provider   
or any Provider Party as finally determined by a court of competent jurisdiction.

Section 18.2 Indemnification by Provider. To the fullest extent

permitted by applicable Law, Provider shall indemnify, defend and hold harmless Owner, its   
Affiliates and its and their respective members, partners, trustees, directors, managers, officers,   
employees, agents and representatives, including any Alternate Contractor (the “Owner

Parties”) from and against any and all Losses incurred or sustained by Owner or any Owner   
Party to the extent arising from or related to (i) the gross negligence, fraud or willful misconduct   
of Provider or any Provider Party in connection with the Services as finally determined by a   
court of competent jurisdiction and (ii) acts of discrimination, harassment, retaliation, defamation   
or other intentional torts committed by Provider or any Provider Party. The indemnification   
obligation of Provider under this Section 18.2 for each event giving rise to such obligation shall

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be capped at the total of net payments for Services received by Provider from Owner under this Agreement during the 12 month period preceding such event.

Section 18.3 Notification of Claim. As soon as is reasonably

possible following receipt of any claim or notice of the commencement of any action,   
administrative or legal proceeding or investigation or any other discovery of facts or conditions   
that could reasonably be expected to give rise to a Loss or Losses for which indemnification is   
provided hereunder, the indemnitee (the “Indemnified Party” or the “Indemnified Parties”) shall   
promptly notify the party or parties liable for such indemnification (the “Indemnifying Party”) in   
writing of the facts and circumstances relating to such Loss or Losses and the amount (or good   
faith estimate of the amount) thereof; provided, however, that the failure to provide such notice   
shall not release the Indemnifying Party from its obligations under this Article XVIII, except to   
the extent that the Indemnifying Party is actually prejudiced by such failure.

Section 18.4 Indemnification Procedures; Defense of Claims. (a)

Third Party Claims. Upon receipt of notice of a claim by the office of the General Counsel or   
such other chief legal officer of the Indemnifying Party for indemnity from an Indemnified Party   
pursuant to Section 18.3, the Indemnifying Party shall have the right to assume the defense and   
control any claim arising out of or involving a claim or demand made by a third party against an   
Indemnified Party (a “Third Party Claim”), but shall allow the Indemnified Party a reasonable   
opportunity to participate in the defense of such Third Party Claim with its own counsel and at   
its own expense; provided that if the Indemnifying Party and the Indemnified Party are both   
named parties to the proceedings and, in the reasonable opinion of counsel to the Indemnified   
Party, representation of both parties by the same counsel would be inappropriate due to actual or   
potential conflict between them, then, the applicable Indemnified Parties shall be entitled to   
participate in, but not control, any such defense with one separate counsel at the reasonable   
expense of the Indemnifying Party. The Indemnifying Party shall select counsel of recognized   
standing and competence after consultation with the Indemnified Party and shall take all   
reasonably necessary steps in the defense or settlement of such Third Party Claim. The   
Indemnifying Party shall be authorized to consent to a settlement of, or the entry of any   
judgment arising from, any Third Party Claim, without the consent of any Indemnified Party (not   
to be unreasonably withheld, delayed or conditioned), provided that the Indemnifying Party shall

(i) pay or cause to be paid all amounts arising out of such settlement or judgment concurrently   
with the effectiveness of such settlement, (ii) ensure that such settlement does not encumber any   
of the material assets of any Indemnified Party or agree to any restriction or condition that would   
apply to or materially adversely affect any Indemnified Party or the conduct of any Indemnified   
Party’s business, (iii) obtain, as a condition of any settlement or other resolution, a complete   
release of any Indemnified Party potentially affected by such Third Party Claim, and (iv) ensure   
that the settlement does not include any admission of wrongdoing or misconduct on the part of   
the Indemnified Party.

(b) Non-Third Party Claims. In the event any Indemnifying Party receives a

notice of a claim by the office of the General Counsel or such other officer of the Indemnifying   
Party for indemnity from an Indemnified Party pursuant to Section 18.3 that does not involve a   
Third Party Claim, the Indemnifying Party shall notify the Indemnified Party within thirty (30)   
days following its receipt of such notice if the Indemnifying Party disputes its liability to the   
Indemnified Party under this Section 18. If the Indemnifying Party does not so notify the

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Indemnified Party, then the claims specified by the Indemnified Party in such notice shall be conclusively deemed to be a liability of the Indemnifying Party under this Section 18, and the Indemnifying Party shall pay the amount of such liability to the Indemnified Party on demand or, in the case of any notice in which the amount of the claim (or any portion of the claim) is estimated, on such later date when the amount of such claim (or such portion of such claim) becomes finally determined subject in all cases to the limitation on liability applicable thereto as set forth herein. If the Indemnifying Party has timely disputed its liability with respect to such claim as provided above, then the Indemnifying Party and the Indemnified Party shall resolve such dispute in accordance with Article XIV.

Section 18.5 Indemnification Amount. Any amount owing to an

Indemnified Party for Losses under this Articles XVIII shall be determined net of any insurance or other recovery by an Indemnified Party with respect to such Losses (net of all reasonable expenses incurred by the Indemnified Party in recovering such proceeds).

Section 18.6 Survival. The provisions expressed in this Article

XVIII shall survive termination, cancellation or expiration of this Agreement.

ARTICLE XIX

REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants to each other Party that, as of the date of this   
Agreement: (a) such Party is duly organized, validly existing and in good standing under the   
laws of the State of New York, and has full power and authority to own its own properties and   
to carry on its business as it is now being conducted and as proposed to be conducted, (b) such   
Party has the full power and authority to execute, deliver and perform this Agreement and to   
carry out the transactions contemplated hereby; (c) the execution, delivery and performance of   
this Agreement by such Party and the carrying out by such Party of the transactions   
contemplated by this Agreement have been duly authorized by all requisite corporate or limited   
liability company action, as applicable, and this Agreement has been duly executed and delivered   
by such Party and constitutes the legal, valid and binding obligation of such Party, enforceable   
against the Party in accordance with its terms, subject to applicable bankruptcy, insolvency,   
fraudulent conveyance, reorganization, moratorium, and other similar laws now or hereafter in   
effect affecting creditors’ rights and remedies generally and subject, as to enforceability, to   
general principles of equity, including principles of commercial reasonableness, good faith and   
fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity); (d)   
except for those required in connection with the specific performance of the Services during the   
term of this Agreement (including as provided in Section 20.3), no authorization, consent, notice   
to or registration or filing with any Governmental Authority is required for the execution,   
delivery and performance by such Party of this Agreement; (e) none of the execution, delivery   
and performance by such Party of this Agreement conflicts with or will result in a breach or   
violation of any material Law, contract or instrument by which such Party is bound or assets   
affected; and (f) there are no legal or arbitral proceedings by or before any Governmental   
Authority, now pending or (to the knowledge of such Party) threatened, that if adversely   
determined would reasonably be expected to have a material adverse effect on such Party’s   
ability to perform its obligations under this Agreement.

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Provider further represents and warrants that to Providers Knowledge, no material Release or material violation of Environmental Law exists with respect to the Substation Upgrade Facilities on the Effective Date. "Provider’s Knowledge" means to the knowledge of Gwen Keeble (Orange and Rockland Utilities, Inc. - Section Manager, Environmental Services), Brian Brush (CECONY - Section Manager, EH&S - Engineering and Construction), and Nancy Nancy Flynn (CECONY - Project Specialist, EH&S - Engineering and Construction) based on their review of reasonably available documents and information. Owner shall have no liability for any violation of Environmental Law or Release with respect to the Substation Upgrade Facilities existing on or prior to the Effective Date.

ARTICLE XX

MISCELLANEOUS

Section 20.1 Governing Law. This Agreement will be governed by and interpreted in   
accordance with applicable federal Law and the Laws of the State of New York without regard to   
such State’s conflicts of law principles. Each of the Parties hereto hereby irrevocably consents to   
non-exclusive jurisdiction of the courts of the State of New York and of any federal court located   
therein in connection with any suit, action or other proceeding arising out of or relating to this   
Agreement or the transactions contemplated hereby; agrees to waive any objection to venue in   
the State of New York; and agrees that, to the extent permitted by law, service of process in   
connection with any such proceeding may be effected by mailing same in the manner provided in   
Section 20.4.

Section 20.2 Waiver of Jury Trial. EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP BETWEEN THEM BY THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 20.3 Required Regulatory Approvals. The obligations of each Party under this   
Agreement are expressly contingent upon (i) each Party receiving all licenses, permits,

permissions, certificates, approvals, authorizations, consents, franchises and releases from any   
local, state, or federal regulatory agency or other governmental agency or authority (which may   
include as applicable, FERC, the NYISO and the NYPSC) or 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”), and (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 modifications(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.

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Section 20.4 Notices. Any notice given under this Agreement will be in writing and   
delivered by personal service, by certified or registered first class mail, return receipt requested,   
by nationally recognized overnight courier, or by facsimile or email with a copy, in the case of   
facsimile or email, by first class mail, to the addresses specified on Schedule 2. Either Party   
may change the addresses provided on Schedule 2 by notifying the other Party in the manner   
provided above. In the case of personal delivery, certified or registered first class mail, or   
nationally recognized overnight courier, such transmittal will be deemed to have been received   
by the recipient party on the date of such delivery. In the case of delivery via facsimile or   
electronic mail, the transmittal shall be deemed to have been received on the date of transmission   
by facsimile or electronic mail. Any notice received on a day that is not a Business Day, or after   
5:00 p.m. (New York City time) on a Business Day, shall be deemed to be received on the next   
following Business Day.

Section 20.5 Entire Agreement. This Agreement (including all Schedules and Exhibits hereto, as may be amended from time to time), constitutes the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter.

Section 20.6 Amendment. The Parties agree that the Exhibits and Schedules attached hereto may be revised by mutual agreement by the duly authorized representative of the Parties from time to time without the necessity of an amendment to this Agreement. Except as expressly set forth in this Section 20.6, this Agreement may not be modified or amended except in a writing, signed on behalf of each Party by its duly authorized representative.

Section 20.7 Third Party Beneficiaries. Except as expressly set forth in Article XVIII, this Agreement is intended to be solely for the benefit of the Parties and their successors and permitted assignees and is not intended to and will not confer any rights or benefits to the general public or any other third party not a signatory to this Agreement.

Section 20.8 Relationship of the Parties. It is not the intention of the Parties to create, nor will this Agreement be deemed to create, any partnership, agency, joint venture or trust, or to authorize any Party or its subcontractors to act as an agent, servant or employee for any other Party. Each Party shall remain solely responsible for the actions of its own employees, subcontractors and agents. Each Party shall be responsible for its own covenants, obligations and liabilities as herein provided. No Party shall be under the control of or shall be deemed to control any other Party. No Party shall be the agent of or have a right or power to bind any other Party without its express written consent.

Section 20.09 Waiver. No right under this Agreement may be waived by a Party, except   
pursuant to a writing signed by the Party against which enforcement of the waiver is sought.   
Without limitation, no failure or delay on the part of any Party in exercising any of its rights   
under this Agreement, no partial exercise by any Party of any of its rights under this Agreement,   
and no course of dealing among the Parties, will constitute a waiver of the rights of a Party.

Section 20.10 Severability. Any provision of this Agreement that will be prohibited or   
unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such   
prohibition or unenforceability without invalidating the remaining provisions of this Agreement

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and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable Law, the Parties hereby waive any provision of Law that renders any provision of this Agreement prohibited or unenforceable in any respect.

Section 20.11 Assignment. Neither Party may assign its rights or obligations under this   
Agreement without the prior written consent of the other Party hereto, which consent shall not be   
unreasonably withheld, delayed or conditioned, except that (A) Owner may assign its rights or   
obligations hereunder to a purchaser (including an Affiliate) who will own all or substantially all   
of the Transmission Facilities and become a tenant under the Lease and who agrees in writing to   
assume and be bound by all of the provisions of this Agreement, and (B) Provider may assign its   
rights or obligations hereunder to a purchaser (including an Affiliate) who will own some or all   
of Provider’s transmission assets and who agrees in writing to assume and be bound by all of the   
provisions of this Agreement provided, however, that in the case of clause (A) and (B), the   
proposed assignee is: (1) a reputable entity having a net worth computed in accordance with   
generally accepted accounting principles which evidences, in the non-assigning Party’s   
reasonable discretion, the assignee’s financial ability to meet its obligations hereunder, and (2)   
not entitled, directly or indirectly, to diplomatic or sovereign immunity and shall be subject to   
the service of process in, and the jurisdiction of the courts of, New York State. Notwithstanding   
anything to the contrary contained in this Section 20.11 or elsewhere in this Agreement, Owner   
may, upon notice to Provider, collaterally assign and/or grant a security interest in this   
Agreement to any holder of a mortgage or any other security instrument encumbering the   
Transmission Line, provided, however, that no such collateral assignment may amend or purport   
to amend any term or condition of this Agreement, or impose or seek to impose any additional   
obligations or responsibilities on Provider.

Section 20.12 Transfers. During the Term of this Agreement, from time to time in   
connection with the Services and subject to the receipt of any Required Approvals, title to   
equipment, materials or assets may be transferred from Owner to Provider, or from Provider to   
Owner, (the entity making such transfer, the “Transferor” and the entity to which the transfer is   
made, the “Transferee”). The Transferor warrants and represents to the Transferee that title to   
all such transferred equipment, materials and assets shall pass free and clear of any and all liens,   
claims, rights, charges, or encumbrances of any nature whatsoever, including any liens under any   
first mortgage indenture or other financing agreement of the Transferor. The Transferor hereby   
covenants and agrees, for the benefit of the Transferee, that the Transferor will, for the   
Transferee and its successors and assigns, warrant and forever defend, at the Transferor’s sole   
cost and expense, the right, title, and interest of the Transferee and its successors and assigns in   
and to the transferred equipment, materials and assets against the lawful claims and demands of   
all persons. Matters relating to warranties, representations and guarantees in connection with the   
transfer of equipment, materials and assets under this Agreement shall be governed by Section

17.1(c) hereof.

Section 20.13 Binding Effect. The terms of this Agreement will be binding upon, and inure to the benefit of, the Parties and their successors and permitted assigns.

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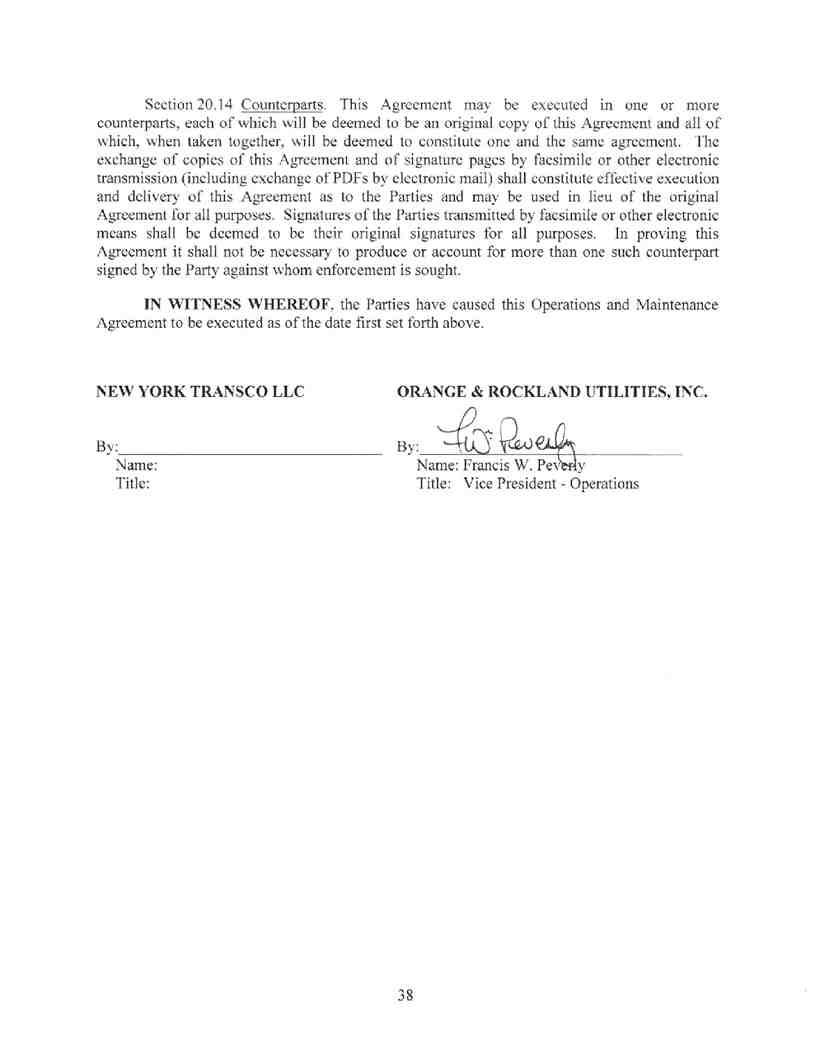


Exhibit A

List of Transmission Facilities

A. Transmission Line

Approximately 11.8 miles of additional installation of 345 kV feeder 76 between 345 kV

Sugarloaf substation and 345 kV Rock Tavern substation utilizing existing double circuit

structures currently supporting 345 kV feeder 77. New 345 kV feeder 76 shall be connected at 345 kV Rock Tavern substation to an existing position currently occupied by 345 kV feeder 7 The existing 345 kV feeder 77 shall be re-connected to a new 345 kV Bay.

B. Substation

New O&R 345 kV Sugarloaf substation installed in the vicinity of the existing 138 kV Sugarloaf substation. The new 345 kV Sugarloaf substation will consist of a step-down 345/138 kV transformer, associated new 345 kV switching equipment and ancillary   
facilities. The 345 kV connections to the transformer will be tapped off 345 kV feeder 76. The 138 kV side of the new 345/138 kV step-down transformer should be connected to the existing spare feeder position in 138 kV Sugarloaf substation.

Substation Upgrade Facilities:

One, 345/138kV, 400 MVA Autotransformer

One, 345 kV, Motor Operated Disconnect Switch, rated at 3000 A nominal

One, 345 kV, Dead Tank Type SF6 Circuit Breaker rated at 3000 A nominal and 63 kA

symmetrical fault current

New Control/Relay House with associated Relays, Batteries, RTU equipment and associated equipment,

345 kV H-frames with Lightning Arrestors, as required

One, 345 kV CCVT

Three, 345 kV PTs

345 kV Air Insulated Rigid Aluminum Bus as required 138 kV Take-off Structures, as required

One, 138 kV Disconnect Switch, rated 3000 A nominal One, 138 kV PT

138 kV Air Insulated Rigid Aluminum Bus as required.

Any other assets located within the substation fence and the fence itself Substation Landscaping

Substation Driveway

Exhibit B

Transco/NYISO Operating Agreement

Service Agreement No. 2271

SERVICE AGREEMENT NO. 2271

OPERATING AGREEMENT   
 BETWEEN THE

NEW YORK INDEPENDENT SYSTEM OPERATOR, INC.   
 AND

NEW YORK TRANSCO LLC   
 Dated as of May 23, 2016

Service Agreement No. 2271

OPERATING AGREEMENT

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OPERATING AGREEMENT

THIS OPERATING AGREEMENT (“Agreement”) is made and entered into this 23rd   
day of May, 2016, by and between New York Transco LLC, a non-incumbent transmission   
owner organized and existing as a limited liability company under the laws of the State of New   
York (“NTO”), and the New York Independent System Operator, Inc., a not-for-profit   
corporation organized and existing under the laws of the State of New York (“ISO”). The NTO   
and the ISO each may be referred to as a “Party” or collectively referred to as the “Parties.”

WITNESSETH:

WHEREAS, the ISO is an independent system operator that is responsible under its   
Open Access Transmission Tariff (“ISO OATT”) and its Market Administration and Control   
Area Services Tariff (“ISO Services Tariff”) as they may be amended from time to time   
(collectively, “ISO Tariffs”), and the ISO Related Agreements, filed with and accepted by the   
Federal Energy Regulatory Commission (“Commission”), for providing non-discriminatory,   
open access transmission service, maintaining reliability, performing system planning, and   
administering competitive wholesale markets for energy, capacity, and ancillary services in New   
York State;

WHEREAS, the NTO is the owner of certain transmission facilities specified herein that are integrated with the NYS Transmission System and the NTO has fiduciary responsibilities to its investors to assure, among other things, the receipt of adequate revenues to maintain its   
transmission facilities, a reasonable rate of return on its transmission facilities, and to provide for recovery of the capital invested in its transmission facilities;

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WHEREAS, the NTO has executed, along with this Agreement, the Independent System Operator Agreement (“ISO Agreement”) and has executed a Service Agreement(s) as a   
Transmission Owner for purposes of the ISO Tariffs;

WHEREAS, the ISO will exercise ISO Operational Control over certain of the NTO’s   
transmission facilities classified as “NTO Transmission Facilities Under ISO Operational   
Control”;

WHEREAS, the NTO and ISO have agreed to enter into this Agreement for the purpose   
of the NTO authorizing the ISO to exercise, and the ISO assuming, ISO Operational Control   
over the NTO Transmission Facilities Under ISO Operational Control in accordance with the   
requirements set forth in this Agreement, the ISO Tariffs, and the ISO Related Agreements, as   
applicable;

WHEREAS, the NTO will continue to own and be responsible for the physical operation, modification and maintenance of its NTO Transmission Facilities Under ISO Operational Control; and

WHEREAS, the ISO OATT will provide for the payment by Transmission Customers for Transmission Service at rates designed to enable the NTO to recover its revenue requirement to the extent allowed, accepted, or approved by FERC;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and

agreements set forth herein, the Parties do hereby agree with each other, for themselves and their successors and assigns, as follows:

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ARTICLE 1.0: DEFINITIONS

1.01 Capitalized Terms

Capitalized terms that are not otherwise defined herein shall have the meaning set forth in   
the definitions contained in Article 1 of the ISO Agreement, as it existed on the date this   
Agreement is signed by the Parties. Those definitions contained in Article 1 of the ISO   
Agreement are hereby incorporated by reference in their entirety into this Agreement; provided,   
however, that an NTO shall be a Transmission Owner for purposes of the ISO Tariffs and this   
Agreement notwithstanding the definition of Transmission Owner contained in the ISO   
Agreement related to the ownership of 100 circuit miles of transmission in New York State and   
becoming a signatory to the ISO/TO Agreement. Modifications to such definitions in the ISO   
Agreement shall apply to this Agreement only if the Parties to this Agreement agree in writing   
pursuant to Section 6.14 below.

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ARTICLE 2.0: RESPONSIBILITIES OF THE NTO

2.01 Transmission Facilities

The NTO owns certain transmission facilities over which the ISO will have day-to-day operational control to maintain these facilities in a reliable state, as defined by the Reliability   
Rules and all other applicable reliability rules, standards and criteria, and in accordance with the ISO Tariffs, ISO Related Agreements and ISO Procedures (“ISO Operational Control”). These NTO facilities shall be classified as “NTO Transmission Facilities Under ISO Operational   
Control,” and are listed in Appendix A-1 of this Agreement. The NTO also will be responsible for providing notification to the ISO with respect to actions related to certain other transmission facilities. These facilities shall be classified as “NTO Transmission Facilities Requiring ISO   
Notification,” and are listed in Appendix A-2 of this Agreement. Transmission facilities may be added to, or deleted from, the lists of facilities provided in Appendices A-1 and A-2 herein by   
mutual written agreement of the ISO and the NTO owning and controlling such facilities.   
Currently listed facilities will be posted on the ISO’s OASIS.

2.02 Transmission System Operation

The NTO shall be responsible for ensuring that all actions related to the operation,

maintenance and modification of its facilities that are designated as NTO Transmission Facilities Under ISO Operational Control and NTO Transmission Facilities Requiring ISO Notification are performed in accordance with the terms of this Agreement, all Reliability Rules and all other applicable reliability rules, standards and criteria, all operating instructions, ISO Tariffs, ISO Procedures, and any transmission interconnection agreement(s) for its facilities.

2.03 Local Area Transmission System Facilities

Transmission system facilities not designated as NTO Transmission Facilities Under ISO Operational Control or as NTO Transmission Facilities Requiring ISO Notification shall be

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collectively known as “Local Area Transmission System Facilities” and are listed in Appendix   
A-3 of this Agreement. Transmission facilities may be added to, or deleted from, the list of   
facilities provided in Appendix A-3 herein by mutual written agreement of the ISO and the NTO   
owning and controlling such facilities. The NTO shall have sole responsibility for the operation   
of its Local Area Transmission System Facilities, provided, however, that such operation shall   
comply with all Reliability Rules and ISO Tariffs as applicable, and all other applicable   
reliability rules, standards and criteria, and shall not compromise the reliable and secure   
operation of the NYS Transmission System. The NTO shall promptly comply to the extent   
practicable with a request from the ISO, or from the Transmission Owner(s) to which its   
facilities are interconnected (“Interconnecting Transmission Owner(s)” or “ITO(s)”), to take   
action with respect to coordination of the operation of its Local Area Transmission System   
Facilities.

2.04 Safe Operations

Notwithstanding any other provision of this Agreement, an NTO may take, or cause to be   
taken, such action with respect to the operation of its facilities as it deems necessary to maintain   
Safe Operations. To ensure Safe Operations, the local operating rules of the ITO(s) shall govern   
the connection and disconnection of generation with NTO transmission facilities. Safe   
Operations include the application and enforcement of rules, procedures and protocols that are   
intended to ensure the safety of personnel operating or performing work or tests on transmission   
facilities.

2.05 Local Control Center, Metering and Telemetry

The NTO shall operate, pursuant to ISO Tariffs, ISO Procedures, Reliability Rules and all   
other applicable reliability rules, standards and criteria on a twenty-four (24) hour basis, a   
suitable local control center(s) with all equipment and facilities reasonably required for the ISO

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to exercise ISO Operational Control over NTO Transmission Facilities Under ISO Operational   
Control, and for the NTO to fulfill its responsibilities under this Agreement. Operation of the   
NYS Power System is a cooperative effort coordinated by the ISO control center in conjunction   
with local control centers and will require the exchange of all reasonably necessary information.   
The NTO shall provide the ISO with Supervisory Control and Data Acquisition (“SCADA”)   
information on facilities listed in Appendices A-1 and A-2 herein as well as on generation and   
merchant transmission resources interconnected to the NTO’s transmission facilities pursuant to   
the ISO OATT.

The NTO shall provide metering data for its transmission facilities to the ISO, unless   
other parties are authorized by the appropriate regulatory authority to provide metering data.   
The NTO shall collect and submit to the ISO billing quality metering data and any other   
information for its transmission facilities required by the ISO for billing purposes. The NTO   
shall provide to the ISO the telemetry and other operating data from generation and merchant   
transmission resources interconnected to its transmission facilities that the ISO requires for the   
operation of the NYS Power System. The NTO will establish and maintain a strict code of   
conduct to prevent such information from reaching any unauthorized person or entity.

2.06 Security Constrained Unit Commitment Adjustments

The NTO shall coordinate with its ITO(s) as applicable regarding any request for commitment of   
additional Generators. If, following coordination among the NTO and its ITO(s), an additional   
resource(s) needs to be committed to ensure local area reliability, the NTO, or the ITO(s) at the   
NTO’s request, may request commitment of additional Generators (including specific output   
level(s)). The ISO will use Supplemental Resource Evaluation (“SRE”), pursuant to ISO Tariffs   
and ISO Procedures, to fulfill a request from the NTO or ITO(s), as appropriate, for additional   
units.

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2.07 Design, Maintenance and Rating Capabilities

The NTO shall comply with the provisions of this Agreement, all Reliability Rules and all other applicable reliability rules, standards and criteria, ISO Procedures, the local reliability rules and planning criteria of its ITO(s), and Good Utility Practice with respect to the design, maintenance and rating the capabilities of NYS Transmission System facilities.

2.08 Maintenance Scheduling

The NTO shall schedule maintenance of its facilities designated as NTO Transmission   
Facilities Under ISO Operational Control and schedule any outages (other than forced   
transmission outages) of said transmission system facilities in accordance with outage schedules   
approved by the ISO. The NTO shall comply with maintenance schedules coordinated by the   
ISO, pursuant to this Agreement, for NTO Transmission Facilities Under ISO Operational   
Control. The NTO shall be responsible for providing notification of maintenance schedules to   
the ISO and ITO(s) for NTO Transmission Facilities Requiring ISO Notification, and for   
providing notification of maintenance schedules to its ITO(s) for Local Area Transmission   
Facilities.

2.09 NERC Registration

The NTO shall register or enter into agreement with a NERC registered entity for all required NERC functions applicable to the NTO, that may include, without limitation, those functions designated by NERC to be: “Transmission Owner” and “Transmission Planner” and “Transmission Operator.” The Parties agree to negotiate in good faith the compliance   
obligations for the NERC functions applicable to, and to be performed by, each Party with   
respect to the NTO’s facilities. Notwithstanding the foregoing, the ISO shall register for the “Transmission Operator” function for all NTO Transmission Facilities under ISO Operational Control identified in Appendix A-1 of this Agreement.

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2.10 Investigations and Restoration

The NTO shall promptly conduct investigations of equipment malfunctions and failures   
and forced transmission outages in a manner consistent with applicable FERC, PSC, NRC,   
NERC, NPCC and NYSRC rules, principles, guidelines, standards and requirements, ISO   
Procedures and Good Utility Practice. The NTO shall supply the results of such investigations to   
the NYSRC, the ISO, its ITO(s), and the other affected Transmission Owners. Following a total   
or partial system interruption, restoration shall be coordinated between the ISO control center   
and local control centers. The local control centers shall have the authority, in coordination with   
the ISO, to restore the system and to re-establish service if doing so would minimize the period   
of service interruption. The NTO shall determine the level of resources to be applied to restore   
facilities to service following a failure, malfunction, or forced transmission outage.

2.11 Information and Support

The NTO shall obtain from the ISO, and the ISO shall provide to the NTO, the necessary information and support services to comply with their obligations under this Article.

2.12 Performance of Obligation by Third Parties

The NTO may arrange for one or more third parties to perform its responsibilities under   
this Agreement; provided, however, that the NTO shall require each such third party to agree in   
writing to comply with all applicable terms and conditions of this Agreement; provided, further,   
that in all cases the NTO shall be responsible for the acts and omissions of each such third party   
to the same extent as if such acts and omissions were made by the NTO or its employees, and   
such use of a third party shall not relieve the NTO of its responsibilities under this Agreement.   
Notwithstanding the foregoing, the NTO shall have the right to assign this entire Agreement

pursuant to the terms of Article 4.0 hereof.

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ARTICLE 3.0: RESPONSIBILITIES OF THE ISO

3.01 Operation and Coordination

The ISO shall direct the operation of, coordinate the maintenance scheduling of, and   
coordinate the planning of certain facilities of the NYS Power System, including coordination   
with the control center(s) maintained by or on behalf of the NTO, in accordance with the   
Reliability Rules and all other applicable reliability rules, standards and criteria, as follows:

a. Administering Control Area operations of the NYS Power System;

b. Performing balancing of Generation and Load while ensuring the safe, reliable

and efficient operation of the NYS Power System;

c. Exercising ISO Operational Control over certain facilities of the NYS Power

System under normal operating conditions and system Emergencies to maintain system reliability; and

d. Coordinating the NYS Power System equipment outages and maintenance and

maintaining the safety and short term reliability of the NYS Power System.

3.02 Tariff Administration and Performance of Responsibilities Under ISO Related

Agreements

The ISO shall (a) administer the ISO OATT, the ISO Services Tariff and the ISO

Agreement in accordance with their provisions as they may be amended from time to time, and

(b) shall comply with the provisions of this Agreement, the ISO/TO Agreement, the NYSRC Agreement and the ISO/NYSRC Agreement.

3.03 Granting of Authority

The ISO responsibilities set forth in Article 3 of this Agreement, are granted by the NTO to the ISO only so long as each of the conditions set forth below is met and continues to be met throughout the term of this Agreement:

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a. The ISO fully implements all Reliability Rules and all other applicable reliability

rules, standards and criteria including, without limitation, using all reasonable

efforts to require all Market Participants to maintain applicable levels of Installed Capacity and Operating Capacity, consistent with the ISO OATT, the ISO   
Services Tariff, all Reliability Rules and all other applicable reliability rules,   
standards and criteria;

b. The ISO has a FERC-accepted transmission tariff(s) and rate schedules which

provide(s) for full recovery of the transmission revenue requirement of the NTO

to the extent allowed, accepted or approved by FERC;

c. The ISO does not act in violation of lawful PSC or FERC Orders;

d. The ISO does not have a financial interest in any commercial transaction

involving the use of the NYS Power System or any other electrical system except   
to the limited extent required for the ISO to be the single counterparty to market   
transactions in accordance with the credit requirements for organized wholesale   
electric markets set forth in Commission Order Nos. 741 and 741-A as codified in

18 C.F.R. § 35.47 (2011) or successor provisions;

e. The ISO distributes revenues from the collection of transmission charges to the

NTO in a timely manner; and

f. The ISO enforces and complies with the creditworthiness and collection standards

of the ISO Procedures, the ISO OATT and the ISO Services Tariff.

3.04 Collection and Billing

The ISO shall facilitate and/or perform the billing and collection of revenues related to   
services provided by the ISO pursuant to the terms of the ISO OATT and the ISO Services   
Tariff.

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3.05 Proposed Material Modifications to the NYS Power System

Pursuant to the requirements of applicable provisions of the ISO OATT, ISO Related   
Agreements and ISO Procedures, the ISO shall evaluate the impact of any proposed material   
modification to the NYS Power System. Any proposed material modification to the NTO’s   
facilities must satisfy the requirements of applicable provisions of the ISO OATT, NYSRC and   
ISO/NYSRC Agreements and ISO Procedures. In the event of a dispute regarding the impact of   
the proposed modification, the ISO or the NTO may refer the issue for resolution pursuant to   
procedures set forth in Article 11 of the ISO Services Tariff, as such procedures may be amended   
from time to time.

3.06 OASIS

The ISO shall maintain the OASIS for the New York Control Area.

3.07 NERC Registration

If and to the extent any of the NTO’s facilities are NERC jurisdictional facilities, the ISO   
will register for certain NERC functions applicable to those NTO facilities. Such functions may   
include, without limitation, those functions designated by NERC to be “Reliability Coordinator”   
and “Balancing Authority” and “Transmission Planner” and “Planning Coordinator.” The   
Parties agree to negotiate in good faith the compliance obligations for the NERC functions   
applicable to, and to be performed by, each Party with respect to the NTO’s facilities.   
Notwithstanding the foregoing, the ISO shall register for the “Transmission Operator” function   
for all NTO Transmission Facilities under ISO Operational Control identified in Appendix A-1   
of this Agreement.

3.08 NTO’s Reserved Rights

Notwithstanding any other provision of this Agreement, the NTO shall retain all of the

rights set forth in this Section; provided, however, that such rights shall be exercised in a manner

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consistent with the NTO’s rights and obligations under the Federal Power Act and the

Commission’s rules and regulations thereunder. This Section is not intended to reduce or limit any other rights of the NTO as a signatory to this Agreement or any of the ISO Related   
Agreements or under an ISO Tariff.

a. The NTO shall have the right to make a filing with the Commission pursuant to

Section 205 of the Federal Power Act to recover, in accordance with the

requirements of Attachment Y to the ISO OATT and/or applicable rate schedule of the ISO OATT, all of its reasonably incurred costs, plus a reasonable return on investment related to the development, construction, operation and maintenance of its transmission facilities.

b. Nothing in this Agreement shall restrict any rights, to the extent such rights exist:

(i) of the NTO that is a party to a merger, acquisition or other restructuring   
transaction to make filings under Section 205 of the Federal Power Act with   
respect to the reallocation or redistribution of revenues among Transmission

Owners or the assignment of its rights or obligations, to the extent the Federal

Power Act requires such filings; or (ii) of the NTO to terminate its participation in   
the ISO pursuant to Section 3.02 of the ISO Agreement or Article 6 of this   
Agreement, notwithstanding any effect its withdrawal from the ISO may have on   
the distribution of transmission revenues among other Transmission Owners.

c. The NTO retains all rights that it otherwise has incident to its ownership of its

assets, including, without limitation, its transmission facilities including, without   
limitation, the right to build, acquire, sell, merge, dispose of, retire, use as   
security, or otherwise transfer or convey all or any part of its assets, including,

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without limitation, the right to amend or terminate the NTO’s relationship with   
the ISO in connection with the creation of an alternative arrangement for the   
ownership and/or operation of its transmission facilities on an unbundled basis

(e.g., a transmission company), subject to necessary regulatory approvals and to any approvals required under applicable provisions of this Agreement.

d. The obligation of the NTO to expand or modify its transmission facilities in

accordance with the ISO OATT shall be subject to the NTO’s right to recover,

pursuant to appropriate financial arrangements contained in Commission-accepted tariffs or agreements, all reasonably incurred costs, plus a reasonable return on investment, associated with constructing and owning or financing such   
expansions or modifications to its facilities.

e. The responsibilities granted to the ISO under this Agreement shall not expand or

diminish the responsibilities of the NTO to modify or expand its transmission system, nor confer upon the ISO the authority to direct the NTO to modify or expand its transmission system.

f. The NTO shall have the right to adopt and implement procedures it deems

necessary to protect its electric facilities from physical damage or to prevent injury or damage to persons or property.

g. The NTO retains the right to take whatever actions it deems necessary to fulfill its

obligations under local, state or federal law.

h. Nothing in this Agreement shall be construed as limiting in any way the rights of

the NTO to make any filing with the PSC.

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i. Notwithstanding anything to the contrary in this Agreement, no amendment to

any provision of this Section may be adopted without the agreement of the NTO.

3.09 Retention of Non-Transferred Obligations

Any and all other rights and responsibilities of the NTO related to the ownership or

operation of its transmission assets or to its rights to withdraw its assets from ISO control, that have not been specifically transferred to the ISO under this Agreement or otherwise addressed under this Agreement, will remain with the NTO.

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ARTICLE 4.0: ASSIGNMENT

4.01 Assignments by the NTO or the ISO

This Agreement may be assigned by either Party including, without limitation, to any entity(ies) in connection with a merger, consolidation, reorganization or change in the   
organizational structure of the assigning Party, provided that the surviving entity(ies) agree, in writing, to be bound by the terms of this Agreement.

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ARTICLE 5.0: LIMITATION OF LIABILITY AND INDEMNIFICATION

5.01 Limitations of Liability

Except as otherwise provided under the ISO OATT, neither Party shall be liable (whether based on contract, indemnification, warranty, tort, strict liability or otherwise) to the other Party, any Market Participant, any third party or other party for any damages whatsoever, including   
without limitation, special, indirect, incidental, consequential, punitive, exemplary or direct   
damages resulting from any act or omission under this Agreement, except to the extent the Party is found liable for gross negligence or intentional misconduct, in which case the Party shall not be liable for any special, indirect, incidental, consequential, punitive or exemplary damages.   
Nothing in this Section will excuse an NTO from an obligation to pay for services provided to   
the NTO by the ISO or to pay any deficiency payments, penalties, or sanctions imposed by the   
ISO under the ISO OATT or the ISO Services Tariff.

5.02 Additional Limitations of Liability

Except as otherwise provided under the ISO OATT, neither the NTO nor the ISO shall be liable for any indirect, consequential, exemplary, special, incidental or punitive damages   
including, without limitation, lost revenues or profits, the cost of replacement power or the cost of capital, even if such damages are foreseeable or the damaged party has been advised of the possibility of such damages and regardless of whether any such damages are deemed to result from the failure or inadequacy of any exclusive or other remedy.

5.03 Indemnification

Each Party shall at all times indemnify, save harmless and defend the other Party,

including their directors, officers, employees, trustees, and agents, or each of them, from and

against all claims, demands, losses, liabilities, judgments, damages (including, without

limitation, any consequential, incidental, direct, special, indirect, exemplary or punitive damages

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and economic costs), and related costs and expenses (including, without limitation, reasonable   
attorney and expert fees, and disbursements incurred by the Party in any actions or proceedings   
between the Party and a Market Participant, or any other third party) arising out of or related to   
the ISO’s or the NTO’s acts or omissions related in any way to the NTO’s ownership or   
operation of its transmission facilities when such acts or omissions are either (1) pursuant to or   
consistent with ISO Procedures or direction; or (2) in any way related to the NTO’s or the ISO’s   
performance under the ISO OATT, the ISO Services Tariff, the ISO Agreement, the   
ISO/NYSRC Agreement, NYSRC Agreement, or this Agreement; provided, however, that the   
NTO shall not have any indemnification obligation under this Section 5.02 with respect to any   
loss to the extent the loss results from the gross negligence or intentional misconduct of the ISO;   
provided, further, that the ISO shall not have any indemnification obligation under this Section

5.02 with respect to any loss except to the extent the loss results from the gross negligence or intentional misconduct of the ISO.

5.04 Force Majeure

Each Party shall not be considered to be in default or breach under this Agreement, and

shall be excused from performance or liability for damages to any other party, if and to the extent   
it shall be delayed in or prevented from performing or carrying out any of the provisions of this   
Agreement, except the obligation to pay any amount when due, arising out of or from any act,   
omission, or circumstance occasioned by or in consequence of any act of God, labor disturbance,   
failure of contractors or suppliers of materials, act of the public enemy, war, invasion,   
insurrection, riot, fire, storm, flood, ice, explosion, breakage or accident to machinery or   
equipment or by any other cause or causes beyond such Party’s reasonable control, including any   
curtailment, order, regulation, or restriction imposed by governmental, military or lawfully   
established civilian authorities, or by the making of repairs necessitated by an emergency

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circumstance not limited to those listed above upon the property or equipment of the ISO or any party to the ISO Agreement. Nothing contained in this Article shall relieve any entity of the   
obligations to make payments when due hereunder or pursuant to a Service Agreement. Any   
party claiming a force majeure event shall use reasonable diligence to remove the condition that prevents performance, except the settlement of any labor disturbance shall be in the sole   
judgment of the affected party.

5.05 Claims by Employees and Insurance

Each Party shall be solely responsible for and shall bear all of the costs of claims by its   
own employees, contractors, or agents arising under and covered by, any workers’ compensation   
law. Each Party shall furnish, at its sole expense, such insurance coverage and such evidence   
thereof, or evidence of self-insurance, as is reasonably necessary to meet its obligations under   
this Agreement.

5.06 Survival

The provisions of this Article, “Limitations of Liability and Indemnification” shall survive the termination or expiration of this Agreement or the ISO Tariffs.

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ARTICLE 6.0: OTHER PROVISIONS

6.01 Term and Termination for Cause

This Agreement shall become effective upon the execution of this Agreement by the   
NTO and the ISO and on the later of: (i) the date on which FERC, the PSC and any other   
regulatory agency having jurisdiction accepts this agreement without condition or material   
modification and grants all approvals needed to place the NTO’s facilities in service, including,   
without limitation, any approvals required under Section 70 of the Public Service Law and   
Section 203 of the FPA; or (ii) on such later date specified by FERC. Without waiving or   
limiting any of its other rights under this Article, if the NTO determines that any of the   
conditions set forth in Section 3.03 hereof is not being met or ceases to be in full force and effect   
the NTO may terminate this Agreement, withdraw from the ISO Agreement and the ISO Tariffs,   
and withdraw its assets from the ISO’s control and administration on ninety (90) days prior   
written notice to the ISO and FERC, subject to the NTO obtaining all regulatory approvals for   
such termination and withdrawal, and having on file with FERC its own open access   
transmission tariff. Such notice shall identify the condition or conditions set forth in Section

3.03 that have not been met or no longer are in full force and effect; provided, however, that

prior to the filing of such notice, the ISO shall be advised of the specific condition or conditions   
that are no longer in full force and effect, and the ISO shall have the opportunity to restore the   
effectiveness of the condition or conditions identified within a thirty (30) day period. If the   
effectiveness of the condition or conditions is not restored within thirty (30) days, the NTO may   
file a notice of termination with the ISO and FERC; provided, however, that if the ISO   
demonstrates that it has made a good faith effort but has been unable to restore the effectiveness   
of the condition or conditions within the thirty (30) day period, the ISO shall be provided an   
additional thirty (30) day period to restore the effectiveness of the condition or conditions and

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the NTO may not file the notice of termination until the expiration of the second thirty (30) day   
period. The NTO’s termination of this Agreement under this Section shall be effective ninety

(90) days after the filing of the notice of termination unless FERC finds that such termination of   
the NTO is contrary to the public interest, as that standard has been judicially construed under   
the Mobile-Sierra doctrine. However, the NTO may withdraw the notice or extend the   
termination date. Nothing in this section shall be construed as a voluntary undertaking by the   
NTO to remain a Party to this Agreement after the expiration of its notice of termination.

6.02 Termination by Election

The NTO may terminate this Agreement, withdraw from the ISO Agreement and the ISO Tariffs, and withdraw its assets from the ISO control and administration upon ninety (90) days   
written notice to the ISO Board and FERC, subject to the NTO obtaining all regulatory approvals for such termination and withdrawal, and having on file with FERC its own open access   
transmission tariff. Such termination and withdrawal shall be effective unless FERC finds that   
such termination and withdrawal is contrary to the public interest, as that standard has been   
judicially construed under the Mobile-Sierra doctrine. Any modification to this Article shall   
provide the NTO with the right to terminate this Agreement pursuant to the unmodified   
provisions of this Article, within ninety (90) days of the effective date of such modification,   
subject to the NTO obtaining all regulatory approvals for such termination, and having on file   
with FERC its own open access transmission tariff.

6.03 Obligations after Termination

a. Following termination of this Agreement, a Party shall remain liable for all

obligations arising hereunder prior to the effective date of termination, including all obligations accrued prior to the effective date, imposed on the Party by this Agreement or the ISO Tariffs or other ISO Related Agreements.

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b. Termination of this Agreement shall not relieve the NTO of any continuing

obligation it may have under the ISO Tariffs and ISO Related Agreements, unless the NTO also withdraws from the ISO Tariffs or ISO Related Agreements.

c. Termination of this Agreement and withdrawal from the ISO Tariffs and ISO

Related Agreements shall not relieve the NTO of its responsibility for the

operation, maintenance, and modification of its transmission facilities in

accordance with its own open access transmission tariff, all Reliability Rules and all other applicable reliability rules, standards and criteria, and all other   
requirements applicable to transmission facilities in the NYCA.

6.04 Winding Up

Any provision of this Agreement that expressly or by implication comes into or remains in force following the termination of this Agreement shall survive such termination. The   
surviving provisions shall include, but shall not be limited to: (i) those provisions necessary to   
permit the orderly conclusion, or continuation pursuant to another agreement, of transactions   
entered into prior to the termination of this Agreement, (ii) those provisions necessary to conduct final billing, collection, and accounting with respect to all matters arising hereunder, and (iii) the indemnification and limitation of liability provisions as applicable to periods prior to such   
termination. The ISO and the terminating NTO shall have an obligation to make a good faith   
effort to agree upon a mutually satisfactory termination plan. Such plan shall have among its   
objectives an orderly termination. The plan shall address, to the extent necessary, the allocation of any costs directly related to the termination by the NTO.

6.05 Confidentiality

A. Party Access. Each Party shall supply information to the other Party as required by this

Agreement. Information shall be treated as Confidential Information under this Agreement if (i)

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it has been clearly marked or otherwise designated as “Confidential information” by the Party   
supplying the information, or (ii) it is information designated as Confidential Information by   
applicable provisions of the ISO Tariffs; provided, however, Confidential Information does not   
include information: (i) in the public domain or that has been previously publicly disclosed   
without violation of this Agreement, (ii) required by law to be publicly submitted or disclosed   
(with notice to the other Party), or (iii) necessary to be divulged in an action to enforce this   
Agreement.

Notwithstanding anything in this Section to the contrary, the NTO shall not have a right hereunder to receive or review any documents, data or other information of another Market   
Participant or the ISO, including documents, data or other information provided to the ISO, to the extent such documents, data or information have been designated as confidential pursuant to the procedures specified in the ISO Tariffs or to the extent that they have been designated as   
confidential by such other Market Participant; provided, however, that the NTO may receive and review any composite documents, data and other information that may be developed based on such confidential documents, data or information if the composite does not disclose any   
individual Market Participant’s confidential data or information.

B. Required Disclosure. The ISO shall treat any Confidential Information it receives from   
the NTO in accordance with applicable provisions of the ISO Tariffs. If the NTO receives   
Confidential Information from the ISO, it shall hold such information in confidence, employing   
at least the same standard of care to protect the Confidential Information obtained from the ISO   
as it employs to protect its own Confidential Information. Each Party shall not disclose the other   
Party’s Confidential Information to any third party or to the public without prior written   
authorization of the Party providing the information; provided, however, if the ISO is required by

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applicable law, or in the course of administrative or judicial proceedings, or subpoena, to

disclose information that is otherwise required to be maintained in confidence pursuant to this   
Section, the ISO will do so in accordance with applicable provisions of the ISO Tariffs. And if the NTO is required by applicable law, or in the course of administrative or judicial proceedings, or subpoena, to disclose information that is otherwise required to be maintained in confidence   
pursuant to this Section, the NTO may make disclosure of such information; provided, however, that as soon as the NTO learns of the disclosure requirement and prior to making such disclosure, the NTO shall notify the ISO of the requirement and the terms thereof and the ISO may, at its   
sole discretion and cost, assert any challenge to or defense against the disclosure requirement and the NTO shall cooperate with the ISO to the maximum extent practicable to minimize the   
disclosure of the information consistent with applicable law. Each Party shall cooperate with the Other Party to obtain proprietary or confidential treatment of such information by the person to whom such information is disclosed prior to any such disclosure.

6.06 Governing Law; Jurisdiction

The interpretation and performance of this Agreement shall be in accordance with and   
shall be controlled by the laws of the State of New York as though this Agreement is made and   
performed entirely in New York. With respect to any claim or controversy arising from this   
Agreement or performance hereunder within the subject matter jurisdiction of the Federal or   
State courts of the State of New York, the Parties consent to the exclusive jurisdiction and venue   
of said courts.

6.07 Headings

The section headings herein are for convenience and reference only and in no way define   
or limit the scope of this Agreement or in any way affect its provisions. Whenever the terms

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hereto, hereunder, herein or hereof are used in this Agreement, they shall be construed as

referring to this entire Agreement, rather than to any individual section, subsection or sentence.

6.08 Mutual Agreement

Nothing in this Agreement is intended to limit the Parties’ ability to mutually agree upon taking a course of action different than that provided for herein; provided that doing so will not adversely affect any other Parties’ rights under this Agreement.

6.09 Contract Supremacy

In the case of a conflict between the express terms of this Agreement and the terms of the ISO Agreement, the express terms of this Agreement shall prevail.

6.10 Additional Remedies

The Parties agree that remedies at law will be inadequate to protect their respective

interests and that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by the responsible Party in accordance with their specific terms or were otherwise breached. Accordingly, it is agreed that each Party shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or an ISO Tariff by the other Party, and specific performance to enforce specifically the terms and provisions thereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which each Party is entitled at law or in equity.

6.11 No Third Party Rights

Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties hereto, any rights or remedies under or by reason of this Agreement.

6.12 Not Partners

Nothing contained in this Agreement shall be construed to make the Parties partners or   
joint venturers or to render either Party liable for the debts or obligations of the other Party.

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6.13 Waiver

Any waiver at any time of the rights of either Party as to any default or failure to require strict adherence to any of the terms herein, on the part of the other Party to this Agreement or as to any other matters arising hereunder shall not be deemed a waiver as to any default or other matter subsequently occurring.

6.14 Modification Generally

This Agreement is subject to change under Section 205 of the Federal Power Act, as that   
section may be amended or superseded, upon the mutual written agreement of the Parties.   
Absent mutual agreement of the Parties, it is the intent of this Section 6.14 that, to the maximum   
extent permitted by law, the terms and conditions set forth in Sections 2.01, 3.03, 3.08, 3.09,

4.01, 5.01, 5.02, 5.03, 5.04, 5.05, 5.06, 6.01, 6.02, 6.09 and 6.14 of this Agreement shall not be   
subject to change, regardless of whether such change is sought (a) by the Commission acting sua   
sponte on behalf of either Party or third party, (b) by a Party, (c) by a third party, or (d) in any   
other manner; subject only to an express finding by the Commission that such change is required   
under the public interest standard under the Mobile-Sierra doctrine. Any other provision of this   
Agreement may be changed pursuant to a filing with FERC under Section 206 of the Federal

Power Act and a finding by the Commission that such change is just and reasonable.

6.15 Modifications Related to Docket No. ER13-102

Notwithstanding Section 6.14 of this Agreement, if the Commission directs in Docket   
No. ER13-102 that modifications be made to the pro forma Operating Agreement located in   
Section 31.11 of the ISO OATT, the Parties shall amend this Agreement to incorporate the   
modifications and file an amended, restated and re-executed Agreement with the Commission;   
provided, however, the Parties may agree to include in the Agreement for the Commission’s   
acceptance non-conforming changes to any terms of the pro forma Operating Agreement that

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have been modified to comply with the Commission’s order, provided further, the Parties may only otherwise modify this Agreement in accordance with its Section 6.14. The Parties shall file the modifications required in this Section 6.15 promptly after issuance of the Commission’s order directing modifications to the pro forma Operating Agreement. Any such changes shall be effective back to the effective date of this Agreement. To the extent the Commission on   
rehearing or a reviewing court orders further changes to the pro forma Operating Agreement the Parties shall file conforming changes to this Agreement promptly thereafter. Any such further changes will be effective back to the effective date of this Agreement.

6.16 Counterparts

This Agreement may be executed in counterparts, neither one of which needs to be

executed by both Parties, and this Agreement shall be binding upon both Parties with the same force and effect as if both Parties had signed the same document, and each such signed   
counterpart shall constitute an original of this Agreement.

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APPENDIX A-1

LISTING OF NTO TRANSMISSION FACILITIES   
 UNDER ISO OPERATIONAL CONTROL

RESPONSIBLE

EQUIPMENT FROM BUS FROM THIRD

NAME NAME BUS KV TO BUS NAME TO BUS KV PARTY1

NEW YORK

STATE

ELECTRIC &

SERIES GAS

CAPACITOR 3 FRASER 345 CORPORATION

NEW YORK

STATE

ELECTRIC &

COOPERS GAS

LINE SEGMENT 332 FRASER 345 CORNERS 345 CORPORATION

CENTRAL

HUDSON GAS   
& ELECTRIC   
CORPORATION   
/ ORANGE AND   
ROCKLAND

LINE 76 ROCK TAVERN 345 SUGARLOAF 345 UTILITIES

1 Identified pursuant to Section 2.12

2 The line segment from Structure 17 to Structure 177

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APPENDIX A-2

LISTING OF NTO TRANSMISSION FACILITIES   
 REQUIRING ISO NOTIFICATION

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APPENDIX A-3

LISTING OF NTO LOCAL AREA TRANSMISSION SYSTEM FACILITIES

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Exhibit C

Owner and Provider Contact

Owner Contact:

Nabil Hitti

VP Operations

NY Transco LLC

Nabil.Hitti@nytransco.com 781-907-2657

With a copy to:

Kathleen Carrigan

General Counsel New York Transco LLC Carrigan & Associates LLC

P.O. 5905

6 Elm Street Unit C   
Salisbury Ma. 01952   
617-455-5329

Kathleen.Carrigan@NYTransco.com

Provider Contact:

Francis W. Peverly, PMP

Vice President - Operations

Orange & Rockland Utilities, Inc. 390 West Route 59

Spring Valley, NY 10977 (845) 577-3697

(914) 906-8786 (C)   
peverlyf@oru.com

With a copy to:

Deputy General Counsel

Consolidated Edison Company of New York, Inc.

crayb@coned.com

212.460.3245

Exhibit D

List of Interconnection Agreements

Transmission Facility Interconnection Agreement (Service Agreement No. 2217) by and   
between Consolidated Edison Company of New York, Inc., as developer and Orange &   
Rockland Utilities, Inc., as connecting transmission owner, dated as of May 27, 2015.

Transmission Facility Interconnection Agreement (Service Agreement No. 2216) by and

between Consolidated Edison Company of New York, Inc., as connecting transmission owner and Orange & Rockland Utilities, Inc., as developer, dated as of May 27, 2015.

Exhibit E

Work Request

Date of Request: \_\_\_\_/\_\_\_\_/\_\_\_\_\_ Requesting Party: NY TRANSCO LCC

IN ACCORDANCE WITH THE OPERATIONS AND MAINTENANCE AGREEMENT DATED \_\_\_\_\_\_\_, 2016, BY AND BETWEEN ORANGE AND ROCKLAND UTILITIES, INC. (THE   
“PROVIDER”) AND NEW YORK TRANSCO LLC (THE “OWNER”) HEREBY REQUESTS THE PROVIDER TO UNDERTAKE THE FOLLOWING WORK:

Work Location: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Description of work/repair:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Estimated cost:

Requested Priority:

[\_\_\_] High - Must be done within 24 hours. [\_\_\_] Medium - Within the week.   
[\_\_\_] Low - Within 30 days

APPROVED BY:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
 Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
 Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For Provider Use Only:

Date Reviewed: \_\_\_\_/\_\_\_\_/\_\_\_\_\_ Priority Assigned: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
Authorized By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
Comment: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
Date Work Completed:\_\_\_\_/\_\_\_\_/\_\_\_\_\_ Number of Days to Complete: \_\_\_\_\_\_   
Work Assigned To:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Exhibit F

Emergency Contacts

For Operational communications:   
 To Owner:

Nabil Hitti

VP Operations

NY Transco LLC

Nabil.Hitti@nytransco.com 781-907-2657

With a copy to:

Kathleen Carrigan

General Counsel New York Transco LLC Carrigan & Associates LLC

P.O. 5905

6 Elm Street Unit C   
Salisbury Ma. 01952   
617-455-5329

Kathleen.Carrigan@NYTransco.com

To Provider:

Senior System Operator Tel: 845.577.3354

For Security communications:   
 To Owner:

Nabil Hitti

VP Operations

NY Transco LLC

Nabil.Hitti@nytransco.com 781-907-2657

With a copy to:

Kathleen Carrigan

General Counsel New York Transco LLC Carrigan & Associates LLC

P.O. 5905

6 Elm Street Unit C   
Salisbury Ma. 01952   
617-455-5329

Kathleen.Carrigan@NYTransco.com

To Provider:

Corporate Security   
Tel: 845.577.3130

Exhibit G

Compliance and Functional Task Matrix

Schedule 1

Required Insurance Coverage

Owner’s Insurance Requirements

(a) Workers’ Compensation Insurance in accordance with all applicable state, federal

and maritime law, including Employer’s Liability Insurance in the amount of $1,000,000 per

accident;

(b) Commercial General Liability Insurance, including contractual liability coverage   
for liabilities assumed under this Agreement with limits of not less than $35,000,000 per

occurrence for bodily injury, including death and property damage, and Products/Completed Operations Liability Insurance. The insurance shall contain no exclusions for explosion, collapse of a building or structure, or underground hazards. Owner’s policy shall include Provider as additional insured for Owner’s full policy limits required herein and such insurance shall be primary and non-contributory coverage as to such additional insured, including claims caused by Provider’s ordinary negligence while performing work for Owner;

(c) Automobile Liability Insurance for all owned, non-owned, and hired vehicles with bodily injury limits of no less than $1,000,000 combined single limit per occurrence. Owner’s policy shall include Provider as an additional insured. If Owner does not have vehicles, it may purchase Non-Owned Automobile Liability Insurance;

(d) Professional Liability Insurance in the amount of $1,000,000 per incident, if

applicable, relating to Owner’s operations.

Additional insurance coverage may be required relating to Owner’s operations. Provider shall have the right to require Owner to provide reasonable increases to the policy limits of insurance policies required herein.

Provider’s Insurance Requirements

(a) Workers’ Compensation Insurance in accordance with all applicable state,

federal and maritime law, including Employer’s Liability Insurance in the amount of $1,000,000

per accident;

(b) Commercial General Liability Insurance-None.

(c) Automobile Liability Insurance for all owned, non-owned, and hired vehicles with

bodily injury limits of no less than $1,000,000 combined single limit per occurrence.

(d) Provider shall have the right to self-insure all or part of the insurances required   
under this Agreement, to the extent authorized or licensed to do so under the applicable laws of   
the State of New York. Provider agrees that all other provisions of this Agreement, including   
waiver of subrogation and waiver of rights of recourse which provide or are intended to provide   
protection to Owner and its affiliated and associated companies under this Agreement, shall   
remain enforceable if it exercises its right to self-insure all or part of the insurance required under

this Agreement. Provider’s election to self-insure shall not impair, limit, or in any manner result   
in a reduction of rights and/or benefits otherwise available to Owner and its affiliated and   
associated companies through formal insurance policies and endorsements as specified in Article

12 of this Agreement. Provider shall be solely responsible for all amounts of self-insurance, retentions and/or deductibles.

Contractors’ and Subcontractors’ Insurance Requirements

(a) Owner’s contractors’ (and their respective subcontractors, if any) (provided that Transmission Owner shall not be deemed a Transco contractor for purposes of hereof) shall be required to procure and maintain Workers’ Compensation and Employer’s Liability Insurance with limits not less than $1,000,000 per injury or disease, Automobile Liability Insurance for all owned, non-owned or hired automobiles with limits not less than $1,000,000 per occurrence and Commercial General Liability Insurance with limits not less than $5,000,000 per occurrence. Such insurance may be satisfied through primary and excess policies, shall name Owner and Provider and their respective Affiliates as additional insureds and shall be primary and noncontributory to any insurance carried by the Parties. Additional insurance coverage may be required depending on the Services to be provided.

(b) Provider’s contractors’ (and their respective subcontractors, if any) shall be

required to procure and maintain Workers’ Compensation and Employer’s Liability Insurance with limits not less than $1,000,000 per injury or disease, Automobile Liability Insurance for all owned, non-owned or hired automobiles with limits not less than $1,000,000 per occurrence and Commercial General Liability Insurance with limits not less than $5,000,000 per occurrence. Such insurance may be satisfied through primary and excess policies, shall name Owner and Provider and their respective Affiliates as additional insureds and shall be primary and noncontributory to any insurance carried by the Parties. Additional insurance coverage may be required depending on the Services to be provided.

The Parties shall furnish to each other copies of any accident or incident report(s) sent to their respective insurance carriers covering accidents or incidents occurring in connection with or as a result of the performance of the Services. In addition, if required, the Parties shall promptly provide copies of all insurance policies relevant to any accident or incident. These requirements are in addition to any requirements contained elsewhere in this Agreement.

Schedule 2   
Notices

For commercial and/or operations communications:

To Owner:

Nabil Hitti

VP Operations

NY Transco LLC

Nabil.Hitti@nytransco.com 781-907-2657

With a copy to:

Kathleen Carrigan

General Counsel New York Transco LLC Carrigan & Associates LLC

P.O. 5905

6 Elm Street Unit C   
Salisbury Ma. 01952   
617-455-5329

Kathleen.Carrigan@NYTransco.com

To Provider:

Francis W Peverly, PMP

Vice President - Operations

Orange & Rockland Utilities, Inc. 390 West Route 59

Spring Valley, NY 10977 (845) 577-3697

(914) 906-8786 (C)   
peverlyf@oru.com

With a copy to:

Schedule 3

Initial Maintenance Plan

Anticipated First Year Budget of Maintenance Work on L76 Between Sugarloaf and Rock Tavern For The Period Between January 1, 2017 and December 31, 2017

Spring & Fall Patrol $22,500

Thermovision IR $500

Perform Tower Ground Readings $6,500

Provide Aerial Support $5,000

Repair Conductor $10,000

Repair Tower Structures $0

ROW Roads & Trails $0

Sub-total for line/tower maintenance activities = $44,500

1Sub-total for TVM activities = $5

Total projected for line/tower maintenance and TVM activities = $44,505

1TVM on the L76 will be on a 3-yr cycle.   
 Year 1 (2017) = $5K

Year 2 (2018) = $168K   
Year 3 (2019) = $53K

Continued on next page

Schedule 3 (continued)

Initial Maintenance Plan (continued)

Equipment Maintenance (Annual)

ACTIVITY

Monthly #1 Inspections   
Annual Battery Inspection

Quarterly Bk. 1112 Oil Sample Annual Heater Inspection

Bk. 1112 Fan Inspection

76-1112-2 Annual Compressor Inspection Monthly Generator Runs

Monthly DME Downloads

Environmental Assesment (SWPPP) Semi-annual IR Inspection

Annual Pre-emergent Spraying HVAC Maintenance

FREQUENCY   
(within 1 YEAR)

12

1

4

1

1

1

12

12

12

2

1

2

# of UNITS

1

2

2

1

1

1

1

1

1

1

1

1

TOTAL ANNUAL UNIT HOURS

HOURS

1 12

4 8

4 32

4 4

4 4

4 4

6 72

4 48

2 24

2 4

4 4   
4 8

BILLING RATE   
 TOTAL ($)

(HOURLY)

$ 167.75 $ 2,013

$ 167.75 $ 1,342

$ 167.75 $ 5,368

$ 167.75 $ 671

$ 167.75 $ 671

$ 167.75 $ 671

$ 167.75 $ 12,078

$ 167.75 $ 8,052

$ 167.75 $ 4,026

$ 167.75 $ 671

$ 167.75 $ 671   
$ 167.75 $ 1,342

TOTAL 224 $ 37,576

Equipment Maintenance (Other)

ACTIVITY

FREQUENCY   
 (YEARS)

BILLING RATE

# OF UNITS UNIT HOURS TOTAL HOURS TOTAL ($)

(HOURLY)

In-Service Relay Maintenance 6 4 160 640 $ 167.75 $ 107,360

Relay Trip Test 6 4 120 480 $ 167.75 $ 80,520

Bk. 1112 Class #3/Doble 5 1 24 24 $ 167.75 $ 4,026

Bk. 1112 Class #4 10 1 48 48 $ 167.75 $ 8,052

76-1112-2 Class #3/Doble 5 1 24 24 $ 167.75 $ 4,026

TOTAL 1216 $ 203,984

Note: All the above referenced activities may generate additional maintenance expenses that will be billed at applicable hourly rate plus cost of parts, contractor servcies, etc.

Schedule 4   
Initial Budget

Initial Budget of Maintenance Work on L76 Between Sugarloaf and Rock Tavern For The Period Between June 1, 2016 and December 31, 2016

1Sub-total for line/tower maintenance activities = $10,000

2Sub-total for TVM activities = $5,000

Total projected for line/tower maintenance and TVM activities = $15,000

1No planned work for the remainder of 2016. $10K accounts for

reasonably expected emergent activities (eg lightning damaged insulators).

2No planned work for the remainder of 2016. $5K accounts for emergent hazard/danger trees identified.

EQUIPMENT MAINTENANCE (Jun '16 - Dec '16)

ACTIVITY

Monthly #1 Inspections   
Quarterly Bk. 1112 Oil Sample   
Monthly Generator Runs   
Monthly DME Downloads

Environmental Assesment (SWPPP) Semi-annual IR Inspection

HVAC Maintenance

FREQUENCY   
 (remaining   
within YEAR

2016)

7

2

7

7

7

1

1

TOTAL

# OF UNITS UNIT HOURS

ANNUAL

HOURS

1 1 7

2 4 16

1 6 42

1 4 28

1 2 14

1 2 2   
1 4 4

COMPANY

BILLING RATE   
 (HOURLY)

$ 167.75

$ 167.75

$ 167.75

$ 167.75

$ 167.75

$ 167.75   
$ 167.75

CONTRACTOR

TOTAL BILLING

TOTAL ($) ANNUAL RATE TOTAL ($)

HOURS (HOURLY)

$ 1,174 $ -

$ 2,684 $ 60.00 $ 240

$ 7,046 $ -

$ 4,697 $ -

$ 2,349 2 $ 100.00 $ 1,400

$ 336 2 $ 125.00 $ 250   
$ 671 $ 350.00 $ 350

TOTAL 113 $ 18,956 $ 2,240

Note: All the above referenced activities may generate additional maintenance expenses that will be billed at applicable hourly rate plus cost of parts, contractor servcies, etc.