Service Agreement No. 2499

COST REIMBURSEMENT AGREEMENT

This COST REIMBURSEMENT AGREEMENT (the “Agreement”), is made and

entered into as of November 15, 2019 (the “Effective Date”), by and between NORTHBROOK   
LYONS FALLS LLC, a [New York] limited liability company, having an office and place of   
business at 423 Brunswick Avenue, Gardiner, ME 04345 (“Customer”) and NIAGARA

MOHAWK POWER CORPORATION, a corporation organized and existing under the laws   
of the State of New York, having an office and place of business at 300 Erie Boulevard West,   
Syracuse, New York 13202 (the “Company”). Customer and Company may be referred to

hereunder, individually, as a “Party” or, collectively, as the “Parties”.

WITNESSETH

WHEREAS, Customer has requested that Company perform certain work as more specifically described in Exhibit A attached hereto; and

WHEREAS, Company is willing to perform the Company Work as contemplated in this Agreement, subject to (i) reimbursement by Customer of all Company costs and expenses incurred in connection therewith, (ii) Customer’s performance of all other duties, responsibilities, and obligations set forth in this Agreement, including, without limitation, the Customer Required Actions (as defined below); and (iii) receipt of any and all “Required Approvals”, as set forth in Section 18.1, in a form acceptable to Company;

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

1.0 Certain Definitions

Wherever used in this Agreement with initial capitalization, whether in the singular or the

plural, these terms shall have the following meanings:

“Additional Prepayment(s)” shall have the meaning set forth in Section 7.3 of this

Agreement.

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

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

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

“Balance Amount” shall have the meaning set forth in Section 8.1 of this Agreement.   
“Breaching Party” shall have the meaning set forth in Section 21.1 of this Agreement.   
“CEII” shall have the meaning set forth in Section 25.4 of this Agreement.   
“CIP” shall have the meaning set forth in Section 25.4 of this Agreement.   
“Company” shall have the meaning set forth in the preamble to this Agreement.

“Company Reimbursable Costs” means the actual costs and expenses incurred by Company   
and/or its Affiliates in connection with performance of the Company Work or otherwise   
incurred by Company and/or its Affiliates in connection with this Agreement, and including,   
without limitation, any such costs that may have been incurred by Company and/or its   
Affiliates prior to the Effective Date. These Company Reimbursable Costs shall include,   
without limitation, the actual expenses for labor (including, without limitation, internal

labor), services, materials, subcontracts, equipment or other expenses incurred in the execution of the Company Work or otherwise in connection with this Agreement, all applicable overhead, overtime costs, all federal, state and local taxes incurred (including, without limitation, all taxes arising from amounts paid to Company that are deemed to be contributions in aid of construction), all costs of outside experts, consultants, counsel and contractors, all other third-party fees and costs, and all costs of obtaining any required permits, rights, consents, releases, approvals, or authorizations acquired by or on behalf of Company, including, without limitation, the Required Approvals.

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

“Construction Prepayment” shall have the meaning specified in Section 7.3 of this

Agreement.

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

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

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

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

“Defect Notice” shall have the meaning specified in Section 3.2 of this Agreement. “Disclosing Party” shall mean the Party disclosing Proprietary Information.   
“Dollars” and “$” mean United States of America dollars.

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

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

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

“FERC” shall mean the Federal Energy Regulatory Commission.

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

“Good Utility Practice” means any of the practices, methods, and acts engaged in or   
approved by a significant portion of the electric utility industry during the relevant time   
period, or any of the practices, methods, and acts which, in the exercise of reasonable   
judgment in light of the facts known at the time the decision was made, could have been   
expected to accomplish the desired result at a reasonable cost consistent with good business   
practices, reliability, safety, and expedition. Good Utility Practice is not intended to be   
limited to the optimum practice, method, or act, to the exclusion of all others, but rather to   
refer to acceptable practices, methods, or acts generally accepted in the region in which the   
Work is located during the relevant time period. Good Utility Practice shall include, but not   
be limited to, NERC, NPCC, NYISO and NYSRC criteria, rules, guidelines, and standards,   
where applicable, and as they may be amended from time to time, including the rules,   
guidelines, and criteria of any successor organization to the foregoing entities. When

applied to Customer, the term Good Utility Practice shall include standards applicable to a   
utility generator connecting to the distribution or transmission facilities or system of another   
utility.

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

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“Indemnified Party” and “Indemnified Parties” shall have the meanings set forth in Section

12.1 of this Agreement.

“Initial Prepayment” shall have the meaning set forth in Section 7.2 of this Agreement. “IRS” shall mean the US Internal Revenue Service.

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

“Non-Breaching Party” shall have the meaning set forth in Section 21.1 of this Agreement.   
“Non-Disclosure Term” shall have the meaning set forth in Section 25.3.4 of this Agreement.

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

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

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

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

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

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

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

“Proprietary Information” means (i) all financial, technical and other non-public or

proprietary information which is furnished or disclosed by the Disclosing Party or its   
Affiliates (or its or its Affiliates’ agents, servants, contractors, representatives, or employees)   
to the Receiving Party or its Representative(s) in connection with this Agreement and that is   
described or identified (at the time of disclosure) as being non-public, confidential or

proprietary, or the non-public or proprietary nature of which is apparent from the context of   
the disclosure or the contents or nature of the information disclosed, (ii) any market sensitive   
information (including, without limitation, outages scheduled on generators or transmission   
lines of Company or any third party), (iii) all CEII and CIP and (iv) all memoranda, notes,   
reports, files, copies, extracts, inventions, discoveries, improvements or any other thing   
prepared or derived from any information described in subparts (i) through (iii) preceding.

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

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

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

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

“Required Approvals” shall have the meaning set forth in Section 18.1 of this Agreement. “Resources” shall have the meaning set forth in Section 23.1 of this Agreement.

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

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

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

2.0 Term

2.1 This Agreement shall become effective as of the Effective Date and shall remain

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

3.0 Scope of Work

3.1 The Company’s scope of work is set forth in Exhibit A of this Agreement,

attached hereto and incorporated herein by reference (the “Company Work”). This Agreement does not provide for, and the Company Work shall not include, provision of generation interconnection service or transmission service.

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3.2 The Company shall use commercially reasonable efforts to perform the Company

Work in accordance with Good Utility Practice. Prior to the expiration of one (1)   
year following completion of the Company Work, Customer shall have the right   
to notify the Company in writing of the need for correction of defective Company   
Work that does not meet the standard of this Section 3.2 (each, a “Defect

Notice”). If the Company Work is defective within the meaning of the prior   
sentence, then, following its receipt of a timely Defect Notice with respect   
thereto, the Company shall promptly correct, repair or replace such defective   
Company Work, as appropriate, provided, that, Company shall not have any   
obligation to correct, repair or replace such defective Company Work unless the   
defect in the Company Work has (or is reasonably likely to have) a material   
adverse impact on the Customer’s facilities. The remedy set forth in this Section   
is the sole and exclusive remedy granted or available to Customer for any failure   
of Company to meet the performance standards or requirements set forth in this   
Agreement.

3.3 Subject to the terms of this Agreement, Customer shall use reasonable efforts to

perform the actions described in Exhibit C attached to this Agreement (the

“Customer Required Actions”). All of the Customer Required Actions shall be performed at Customer’s sole cost and expense.

3.4 Each Party shall reasonably cooperate and coordinate with the other Party, and

with such other Party’s contractors, subcontractors and representatives, as needed

to facilitate the Company Work.

4.0 Changes in the Work

4.1 Subject to Section 4.2, below, (a) any requests for material additions,

modifications, or changes to the Work shall be communicated in writing by the Party making the request, and (b) if the Parties mutually agree to such addition, modification, or change to the applicable Work, such agreement shall be set forth in a written document signed by both Parties specifying such addition, modification or change. Any additional costs arising from such addition, modification or change to the Work shall be paid by Customer as part of Company Reimbursable Costs.

4.2 The foregoing notwithstanding, the Company is not required to notify Customer

of, or to obtain the consent or agreement of the Customer for, any change to the   
Company Work if such change is made in order to comply with any Applicable   
Requirement(s), Good Utility Practice, the Company’s applicable standards,   
specifications, requirements and practices, or to enable Company’s utility   
facilities to continue, commence or recommence commercial operations in   
accordance with all applicable legal and regulatory requirements and all   
applicable codes and standards. The Preliminary Milestone Schedule shall be   
adjusted accordingly and any additional costs arising from such change shall be   
paid by the Customer as part of Company Reimbursable Costs.

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5.0 Performance and Preliminary Milestone Schedule; Conditions to Proceed

5.1 If Company Work is performed outside of normal working hours, Customer shall

be responsible for paying all actual costs incurred in connection therewith,   
including, without limitation, applicable overtime costs, as part of Company   
Reimbursable Costs. For the avoidance of doubt: in no event shall the Company   
be obligated or required to perform Company Work outside of normal working   
hours if the Company determines, in its sole discretion, that such performance   
would be unreasonable, unsafe or otherwise not in compliance with Good Utility   
Practice.

5.2 The preliminary project milestone schedule for the Company Work and the

Customer Required Actions is set forth in Exhibit B, attached hereto and   
incorporated herein by reference (“Preliminary Milestone Schedule”). The

Preliminary Milestone Schedule is a projection only and is subject to change with   
or without a written adjustment to such Schedule. Neither Party shall be liable   
for failure to meet the Preliminary Milestone Schedule, any milestone, or any   
other projected or preliminary schedule in connection with this Agreement or the   
Work.

5.3 Commencement of Company Work. Company will proceed with the Company

Work promptly following Company’s receipt of the Initial Prepayment.

6.0 [Reserved]

7.0 Customer Obligation to Pay Company Reimbursable Costs; Additional

Prepayments; Invoicing; Taxes

7.1 Customer shall pay or reimburse Company for all Company Reimbursable Costs

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

7.2 Customer shall provide Company with a prepayment of $50,000 (“Initial

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

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7.3 If, during the performance of the Company Work, Company determines that one

or more additional prepayments are required before completing the Company   
Work, Company may, but is not required to, request additional prepayment (each,   
an “Additional Prepayment”) from Customer; any such requests will be in writing   
and be accompanied by an invoice. If an Additional Prepayment is requested and   
is not received from Customer on or before the date specified in the applicable   
request, or if no date is specified, within 30 days of receipt of such written   
request, Company may (but shall not be obligated to) cease work upon the   
depletion of the Initial Prepayment and any other Additional Prepayments made   
by Customer hereunder to date, as applicable. Upon Company’s receipt of the   
Additional Prepayment from Customer (such Additional Prepayment to be

additional to the Initial Prepayment and any other prepayments made by   
Customer to date), Company will recommence performance of the Company   
Work.

7.4 Company may invoice Customer, from time to time, for unpaid Company

Reimbursable Costs incurred and/or may elect, in its sole discretion, to continue   
performance hereunder after the depletion of any prepayments and invoice   
Customer at a later date. Except as otherwise expressly provided for in this   
Agreement, all invoices shall be due and payable thirty (30) Days from date of   
invoice. If any payment due to Company under this Agreement is not made when   
due, Customer shall pay Company interest on the unpaid amount in accordance   
with Section 9.1 of this Agreement. In addition to any other rights and remedies   
available to Company, if any payment due from Customer under this Agreement   
(including, without limitation, any Additional Prepayment) is not received within   
five (5) Days after the applicable invoice due date, Company may suspend any or   
all Company Work pending receipt of all amounts due from Customer; any such   
suspension shall be without recourse or liability to Company.

7.5 If Customer claims exemption from sales tax, Customer agrees to provide

Company with an appropriate, current and valid tax exemption certificate, in form   
and substance satisfactory to the Company, relieving the Company from any   
obligation to collect sales taxes from Customer ("Sales Tax Exemption

Certificate"). During the term of this Agreement, Customer shall promptly   
provide the Company with any modifications, revisions or updates to the Sales   
Tax Exemption Certificate or to Customer's exemption status. If Customer fails   
to provide an acceptable Sales Tax Exemption Certificate for a particular   
transaction, the Company shall add the sales tax to the applicable invoice to be   
paid by Customer.

7.6 [Reserved]

7.7 Company’s invoices to Customer for all sums owed under this Agreement shall be

sent to the individual and address specified below, or to such other individual and   
address as Customer may designate, from time to time, by written notice to the   
Company :

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Name: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

Address: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

7.8 All payments made under this Agreement shall be made in immediately available

funds.

Unless otherwise directed by the Company, payments to the Company shall be made by wire transfer to:

Wire Payment: JP Morgan Chase ABA#: 021000021

Credit: National Grid USA Account#: 7714964

8.0 Final Payment

8.1 Within one hundred and eighty (180) Days following the earlier of (i) the

completion of the Company Work, and (ii) the effective early termination or   
cancellation date of this Agreement in accordance with any of the provisions   
hereof, the Company shall perform an overall reconciliation of the total of all   
Company Reimbursable Costs to the invoiced costs previously paid to Company   
by Customer under this Agreement (“Total Payments Made”). If the total of all   
Company Reimbursable Costs actually incurred is greater than the Total   
Payments Made, the Company shall provide a final invoice to Customer for the   
balance due to the Company under this Agreement (the “Balance Amount”). If   
the Total Payments Made is greater than the total of all Company Reimbursable   
Costs actually incurred, Company shall reimburse the difference to Customer   
(“Refund Amount”). The Refund Amount or Balance Amount, as applicable, shall   
be due and payable upon final reconciliation but no later than sixty (60) Days   
after such reconciliation. Any portion of the Balance Amount or Refund Amount,   
as applicable, remaining unpaid after that time shall be subject to interest as   
calculated pursuant to Section 9.1 of this Agreement.

9.0 Interest on Overdue Amounts

9.1 If any payment due under this Agreement is not made when due, the Party

obligated to make such payment shall pay to the other Party interest on the unpaid   
amount calculated in accordance with Section 35.19a of the FERC’s regulations   
(18 C.F.R. 35.19a) from and including the due date until payment is made in full.

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10.0 Project Managers; Meetings

10.1 Promptly following the Effective Date, each Party shall designate a Project

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

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

11.0 Disclaimer of Warranties, Representations and Guarantees

11.1 CUSTOMER ACKNOWLEDGES THAT THE COMPANY IS NOT IN THE

BUSINESS OF PERFORMING DESIGN, ENGINEERING OR   
CONSTRUCTION SERVICES FOR PROFIT AND IS NOT RECEIVING ANY   
FEE OR PROFIT (AS CONTRASTED WITH COST REIMBURSEMENT) FOR   
ITS PERFORMANCE UNDER OR IN CONNECTION WITH THIS   
AGREEMENT. THE EXCLUSIVE REMEDY GRANTED TO CUSTOMER   
FOR ANY ALLEGED FAILURE OF COMPANY TO MEET THE   
PERFORMANCE STANDARDS OR REQUIREMENTS CONTAINED IN   
THIS AGREEMENT IS AS SET FORTH IN SECTION 3.2. COMPANY   
MAKES NO WARRANTIES, REPRESENTATIONS, OR GUARANTEES IN   
CONNECTION WITH THIS AGREEMENT OR ANY COMPANY WORK,   
WHETHER WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED,   
INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF   
MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE,   
ALL OF WHICH ARE HEREBY EXPRESSLY EXCLUDED AND   
DISCLAIMED.

11.2 Notwithstanding any other provision of this Agreement, this Article shall survive

the termination, cancellation, completion or expiration of this Agreement.

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12.0 Liability and Indemnification

12.1 To the fullest extent permitted by applicable law (including, without limitation,   
 the applicable provisions of any governing federal or state tariff), Customer shall   
 indemnify and hold harmless, and at Company’s option, defend Company, its   
 parents and Affiliates and their respective officers, directors, members, managers,   
 partners, employees, servants, agents, contractors and representatives (each,

individually, an “Indemnified Party” and, collectively, the “Indemnified Parties”),   
from and against any and all liabilities, damages, losses, costs, expenses   
(including, without limitation, any and all reasonable attorneys' fees and   
disbursements), causes of action, suits, liens, claims, damages, penalties,   
obligations, demands or judgments of any nature, including, without limitation,   
for death, personal injury and property damage, for economic damage, and for   
claims brought by third parties for personal injury, property damage or other   
damages, incurred by any Indemnified Party to the extent arising out of or in   
connection with this Agreement or any Work (collectively, “Damages”), except to   
the extent such Damages are directly caused by the gross negligence, intentional   
misconduct or unlawful act of the Indemnified Party as determined by a court of   
competent final jurisdiction.

12.2 Without limiting the foregoing, Customer shall defend, indemnify and save

harmless Company, its parents and Affiliates and their respective officers, directors, members, managers, partners, employees servants, agents, contractors, and representatives, from and against any and all liabilities, losses, costs, counsel fees, expenses, damages, judgments, decrees and appeals resulting from any charge or encumbrance in the nature of a laborer’s, mechanic’s or materialman’s lien asserted by any of Customer’s contractors, subcontractors or suppliers in connection with this Agreement.

12.3 Without limiting the foregoing, Customer shall protect, indemnify and hold

harmless the Company and its Affiliates from and against the cost consequences of any tax liability imposed against or on Company and/or its Affiliates (including, without limitation, the costs consequences of any tax liabilities resulting from a change in applicable law or from an audit determination by the IRS) as the result of or attributable to payments, and/or real or personal property transfers, made in connection with this Agreement, as well as any related interest and penalties, other than interest and penalties attributable to any delay directly caused by Company or the applicable Company Affiliate.

12.4 To the fullest extent permitted by applicable law, the Company’s total cumulative

liability for all claims of any kind, whether based upon contract, tort (including negligence and strict liability), or otherwise, for any loss, injury, or damage connected with, or resulting from, this Agreement or the Work, shall not exceed the aggregate amount of all payments made to Company by Customer as Company Reimbursable Costs under this Agreement.

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12.5 Subject to the obligations set forth in Sections 12.1 through 12.3, neither Party   
 shall be liable to the other Party for consequential, indirect, special, incidental,   
 multiple, or punitive damages (including, without limitation, attorneys’ fees or   
 litigation costs) in connection with or related to this Agreement, including,   
 without limitation, damage claims based on causes of action for breach of   
 contract, tort (including negligence), or any other theory of recovery, whether or   
 not (i) such damages were reasonably foreseeable or (ii) the Parties were advised   
 or aware that such damages might be incurred.

12.6 Subject to the obligations set forth in Sections 12.1 through 12.3, neither Party

shall be liable to the other Party for claims or damages in connection with or related to this Agreement for lost profits, delays, loss of use, business interruption, or claims of customers, whether such claims are categorized as direct or consequential damages, or whatever the theory of recovery, and whether or not (i) such damages were reasonably foreseeable or (ii) the Parties were advised or aware that such damages might be incurred.

12.7 Anything in this Agreement to the contrary notwithstanding, neither Party shall be

responsible for any failure or inability to perform hereunder to the extent such failure or inability is caused by the acts or omissions of the other Party (including any contractor of such Party or any person or entity for whom such Party is legally responsible) or of any third party (other than a subcontractor of the Party that is unable or failing to perform hereunder).

For the avoidance of doubt: Company 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 Customer or its contractors to cooperate or to   
perform any tasks or responsibilities contemplated to be performed or undertaken   
by Customer under this Agreement (including, without limitation, the Customer   
Required Actions), (b) any unforeseen conditions or occurrences beyond the   
reasonable control of Company (including, without limitation, conditions of or at   
the site(s) where Work is or will be performed, delays in shipments of materials   
and equipment and the unavailability of materials), (c) the inability or failure of   
Customer and Company to reach agreement on any matter requiring their mutual   
agreement under the terms of this Agreement, (d) any valid order or ruling by any   
governmental agency or authority having jurisdiction over the subject matter of   
this Agreement, or (e) suspension of Work during peak demand periods or such   
other times as may be reasonably required to minimize or avoid risks to utility   
system reliability in accordance with Good Utility Practice.

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12.8 Anything in this Agreement to the contrary notwithstanding, if any Party’s

liability in connection with this Agreement is limited or capped pursuant to any   
applicable law, statute, rule or regulation, then the other Party hereto shall be   
entitled to elect an identical liability limitation and/or cap as if such law, statute,   
rule or regulation were applicable to such Party. The obligations under this   
Article shall not be limited in any way by any limitation on Customer’s insurance.

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

13.0 Insurance; Employee and Contractor Claims

13.1 Prior to the commencement of any Company Work and during the term of the

Agreement, the Company, at its own cost and expense, shall procure and maintain insurance in form and amounts set forth in Exhibit D of this Agreement, or the Company may elect to self-insure one or more of the insurance coverage amounts set forth in Exhibit D of this Agreement.

13.2 Prior to the commencement of any Work and during the term of the Agreement,

the Customer, at its own cost and expense, shall procure and maintain insurance in form and amounts set forth in Exhibit D of this Agreement, or Customer may elect to self-insure one or more of such coverage amounts to the extent authorized or licensed to do so under the applicable laws of the State of New York, provided, that, the Customer provides written notice of any such election to the Company prior to the commencement of any Work under this Agreement.

13.3 Unless the Customer elects to self-insure in accordance with Section 13.2 hereof,

the Customer shall have its insurer furnish to the Company certificates of   
insurance, on forms approved by the Insurance Commissioner of the State of New   
York, evidencing the insurance coverage required by this Article, such certificates   
to be provided prior to the commencement of any Work under this Agreement.

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

13.5 Anything in this Agreement to the contrary notwithstanding, each Party shall be

solely responsible for the claims of its respective employees and contractors against such Party and shall release, defend, and indemnify the other Party, its Affiliates, and their respective officers, directors, employees, and representatives, from and against such claims. Notwithstanding any other provision of this Agreement, this Section shall survive the termination, cancellation, completion or expiration of this Agreement.

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14.0 Assignment and Subcontracting

14.1 The Company may assign this Agreement, or any part thereof, to any of its

Affiliates provided such assignee Affiliate agrees in writing to be bound by the   
terms and conditions of this Agreement. Each Party has the right to subcontract   
some or all of the work to be performed by such Party under the terms of this   
Agreement. Each Party may also use the services of its Affiliates in connection   
with its performance under this Agreement. Customer agrees that the costs and   
expenses of such Affiliates or contractors charged to or incurred by Company   
shall be paid by Customer as part of the Company Reimbursable Costs.

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

15.1 Company and Customer shall be independent contractors. This Agreement shall

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

16.0 [Reserved]

17.0 Safety

17.1 Each Party shall be solely responsible for the safety and supervision of its own

employees, representatives and contractors involved with its Work or any other   
activities contemplated by this Agreement. In connection with the performance   
contemplated by this Agreement, each Party shall, and shall require its   
representatives, contractors, and employees to, comply with all applicable   
Federal, state and local health and safety requirements, rules, regulations, laws   
and ordinances, including without limitation, the safety regulations adopted under   
the Occupational Safety and Health Act of 1970 (“OSHA”), as amended from   
time to time. While performing the Company Work, Company shall at all times   
abide by Company’s safety standards and policies and Company’s switching and   
tagging rules. During the term of this Agreement, the Party owning or controlling   
the applicable property or facilities shall have the authority to suspend the other   
Party’s access, work or operations in and around such property or facilities in   
connection with any performance under this Agreement if, in its sole judgment, at   
any time hazardous conditions arise or any unsafe practices are being followed by   
the other Party’s employees, agents, representatives or contractors in connection   
with any such performance.

Northbrook Lyons Falls Cost Reimbursement Agreement

18.0 Required Approvals

18.1 Subject to Section 23.3 of this Agreement, the obligations of each Party to

perform its respective Work under this Agreement are expressly contingent upon

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

18.2 Subject to Section 23.3 of this Agreement, if any application or request is made in

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

19.0 Environmental Protection; Hazardous Substances or Conditions

19.1 The Company shall in no event be liable to Customer, its Affiliates or contractors,   
 their respective officers, directors, employees, agents, servants, or representatives,   
 or any third party with respect to, or in connection with, the presence of any   
 Hazardous Substances which may be present at or on any Customer or third party   
 owned, occupied, used, or operated property or facility (including, without

limitation, easements, rights-of-way, or other third-party property) or which the   
Company, its Affiliates or contractors, their respective officers, directors,   
employees, agents, servants, or representatives may discover, release, or generate   
at or on such properties or facilities through no negligent or unlawful act of the   
Company, and Company hereby disclaims any and all such liability to the fullest

Northbrook Lyons Falls Cost Reimbursement Agreement

extent allowed by applicable law.

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

19.2 Customer shall promptly inform the Company, in writing, of any Hazardous

Substances, or unsafe, dangerous, or potentially dangerous, conditions or   
structures, whether above-ground or underground, that are present on, under,   
over, or in any Customer- owned, occupied, used, controlled, managed or   
operated facilities or property (including, without limitation, easements, rights-of-  
way, or other third-party property) to be used or accessed in connection with the   
Company Work or this Agreement. Customer’s provision to the Company of the   
information contemplated in this Section shall in no event give rise to any liability   
or obligation on the part of the Company, nor shall Customer’s obligations under   
this Agreement, or under law, be decreased or diminished thereby.

20.0 [Reserved]

21.0 Right to Terminate Agreement

21.1 If either Party (the “Breaching Party”) (a) fails to pay any amount when due

under the terms of this Agreement or fails to comply with or perform, in any   
material respect, any of the other terms or conditions of this Agreement; (b) sells

or transfers all or substantially all of its assets; (c) enters into any voluntary or   
involuntary bankruptcy proceeding or receivership; or (d) makes a general

assignment for the benefit of its creditors, then the other Party (the “Non-

Northbrook Lyons Falls Cost Reimbursement Agreement

Breaching Party”) shall have the right, without prejudice to any other right or   
remedy and after giving five (5) Days’ written prior notice to the Breaching Party   
and a reasonable opportunity for cure (not to exceed thirty (30) Days in the case   
of a failure to pay amounts when due), to terminate this Agreement, subject to   
Sections 21.3 and 21.4 of this Agreement. Subject to compliance with Section

22.1 of this Agreement, if applicable, the Non-Breaching Party shall also have the   
right to pursue any and all rights it may have against the Breaching Party under   
applicable law, subject to other applicable terms and conditions of this Agreement   
(including, without limitation, any applicable limitations on liability contained   
herein).

21.2 Subject to Sections 21.3 and 21.4 of this Agreement, this Agreement may also be

terminated upon prior written notice (i) by Company in the event that Company   
Work under this Agreement is suspended or delayed for a period exceeding sixty

(60) consecutive days as the result of any continuing dispute between the Parties,   
or (ii) under the circumstances contemplated by, and in accordance with, Section

18.2 of this Agreement.

21.3 In the event of any early termination or cancellation of the Company Work or this

Agreement as contemplated by any provision of this Agreement, each Party shall   
discontinue its performance hereunder to the extent feasible and make every   
reasonable effort to procure cancellation of existing commitments, orders and   
contracts relating to its Work upon terms that are reasonably expected to   
minimize all associated costs, provided, however, that nothing herein will restrict   
Company’s ability to complete aspects of the Company Work that Company must   
reasonably complete in order to return its facilities and its property to a   
configuration in compliance with Good Utility Practice and all Applicable   
Requirements and to enable such facilities to continue, commence or

recommence commercial operations.

21.4 In the event of any early termination or cancellation of the Company Work or this

Agreement as contemplated by any provision of this Agreement, Customer shall also pay Company for:

(i) all Company Reimbursable Costs for Company Work performed on or before the effective date of termination or cancellation;

(ii) all other Company Reimbursable Costs incurred by Company and/or its   
Affiliates in connection with the Company Work prior to the effective date of   
termination or cancellation, including, without limitation, for materials,   
equipment, tools, construction equipment and machinery, engineering and   
other items, materials, assets or services which cannot reasonably be avoided,   
mitigated or cancelled;

(iii) all Company Reimbursable Costs incurred to unwind Company Work   
that was performed prior to the effective date of termination or cancellation to

Northbrook Lyons Falls Cost Reimbursement Agreement

the extent reasonably necessary to return Company’s facilities to a configuration in compliance with Good Utility Practice and all Applicable Requirements;

(iv) all Company Reimbursable Costs arising from cancellation costs relating to orders or contracts entered into in connection with the Company Work prior to the effective date of termination or cancellation; and

(v) all Company Reimbursable Costs arising from demobilization expenses incurred by Company and/or its Affiliates which cannot be reasonably avoided or mitigated.

22.0 Dispute Resolution

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

23.0 Force Majeure

23.1 A “Force Majeure Event” shall include fire, flood, windstorm, adverse weather

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

If a Force Majeure Event should occur and impair the ability of either or both   
Parties to perform its, or their, respective, obligations hereunder, then, to the   
extent affected by such Force Majeure Event, the performance of this Agreement,   
with the exception of payment obligations, shall be suspended for the duration of

Northbrook Lyons Falls Cost Reimbursement Agreement

such Force Majeure Event. At the conclusion of a Force Majeure Event, the price   
and time for performance under this Agreement shall be adjusted as reasonably   
necessary to overcome the effect of the delay occasioned by such Force Majeure   
Event. The foregoing notwithstanding and with the exception of payment   
obligations, if, as the direct or indirect result of any Force Majeure Event, the   
Parties’ continued performance hereunder becomes irreparably impaired or   
prevented, the Parties may mutually agree to terminate this Agreement; provided,   
however, that, notwithstanding any such termination, Customer shall pay the   
Company all of the Company Reimbursable Costs in accordance with Sections

21.3 and 21.4 of this Agreement.

23.2 Within thirty (30) Days after the cessation of any delay occasioned by a Force

Majeure Event, the affected Party shall give written notice to the other Party specifying the estimated impact of the delay.

23.3 For the avoidance of doubt: to the extent any Party has a payment obligation

pursuant to the terms of this Agreement, such payment obligation shall not be   
subject to or conditioned upon such Party receiving funding or reimbursement   
from any third party (and any failure to secure such funding or reimbursement   
shall not constitute a Force Majeure Event), nor shall any such obligation be   
conditioned upon the other Party executing any certificates or other instruments   
not expressly and specifically required by the terms of this Agreement.

24.0 Compliance with Law

24.1 Each Party shall comply, at all times, with all Applicable Requirements in

connection with this Agreement and performance of its Work hereunder. Such   
compliance shall include, among other things, compliance with all applicable   
wage and hour laws and regulations and all other laws and regulations dealing   
with or relating to the employment of persons, and the payment of contributions,   
premiums, and taxes required by such laws and regulations. For the avoidance of   
doubt: neither Party shall be required to undertake or complete any action or   
performance under this Agreement that is inconsistent with such Party’s standard   
safety practices, its material and equipment specifications, its design criteria and   
construction procedures, its labor agreements, Good Utility Practice and/or any   
Applicable Requirement(s).

25.0 Proprietary and Confidential Information

25.1 Each Party acknowledges that, in the course of the performance of this

Agreement, it may have access to Proprietary Information of the other Party.

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25.2 GENERAL RESTRICTIONS. Upon receiving Proprietary Information, the Receiving

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

25.3 EXCEPTIONS. Subject to Section 25.4 hereof, the Receiving Party shall not be

precluded from, nor liable for, disclosure or use of Proprietary Information that:

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

Article; or

25.3.2 is known to the Receiving Party or its Representatives at the time

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

25.3.3 is developed by the Receiving Party or its Representatives

independently of any disclosure under this Agreement, as evidenced by written records; or

25.3.4 is disclosed more than three (3) years after first receipt of the

disclosed Proprietary Information, or three (3) years after the

termination or expiration of this Agreement, whichever occurs later (the “Non-Disclosure Term”); or

25.3.5 is disclosed following receipt of the Disclosing Party’s written

consent to the disclosure of such Proprietary Information; or

25.3.6 is necessary to be disclosed, in the reasonable belief of the

Receiving Party or its Representatives, for public safety reasons, provided, that, Receiving Party has attempted to provide as much advance notice of the disclosure to the Disclosing Party as is practicable under the circumstances.

Northbrook Lyons Falls Cost Reimbursement Agreement

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

25.4 Each Party acknowledges that information and/or data disclosed under this

Agreement may include information or data that the Disclosing Party deems or   
determines to be “Critical Energy / Electrical Infrastructure Information”

consistent with applicable FERC rules and policies (“CEII”) and critical

infrastructure protection information consistent with applicable NERC standards and procedures (“CIP”). Receiving Party shall, and shall cause its

Representatives to, strictly comply with any and all laws, rules and regulations (including, without limitation, FERC and NERC regulations, rules, orders, standards, procedures and policies) applicable to any such CEII and/or CIP disclosed by or on behalf of Disclosing Party or that relates to any of Disclosing Party’s or Disclosing Party’s Affiliates’ facilities.

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

protections to ensure that such information is accorded CEII or CIP status, as applicable, and is otherwise treated as confidential.

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

Northbrook Lyons Falls Cost Reimbursement Agreement

25.5 Notwithstanding any provision of this Agreement to the contrary, all assets,

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

25.6 This Article shall survive any termination, expiration, completion or cancellation

of this Agreement.

26.0 Effect of Applicable Requirements; Governing Law

26.1 If and to the extent a Party is required to take, or is prevented or limited in taking,

any action or performance with respect to this Agreement by any Applicable Requirement(s), such Party shall not be deemed to be in breach of this Agreement as a result of such compliance with the Applicable Requirement(s).

26.2 This Agreement is made and shall be interpreted, construed, governed, and

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

27.0 Miscellaneous

27.1 NOTICES; FORM AND ADDRESS. All notices, invoices and other communications

from either Party to the other hereunder shall be in writing and shall be deemed   
received (i) upon actual receipt when personally delivered (provided, that, if the   
date of receipt is not a Day, then the date of receipt shall deemed to be the   
immediately succeeding Day), (ii) upon acknowledgment of receipt if sent by   
facsimile (provided, that, if the date of acknowledgement is not a Day, then the   
date of receipt shall deemed to be the immediately succeeding Day), (iii) upon the   
expiration of the third (3rd) Day after being deposited in the United States mails,   
postage prepaid, certified or registered mail, or (iv) upon the expiration of one (1)   
Day after being deposited during the regular business hours for next-day delivery   
and prepaid for overnight delivery with a national overnight courier, addressed to   
the other Party at the following address:

Northbrook Lyons Falls Cost Reimbursement Agreement

To Customer: Northbrook Lyons Falls LLC

Attn: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]   
[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]   
[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]   
Phone: [(\_\_\_) \_\_\_\_\_\_\_\_\_]

To Company: Niagara Mohawk Power Corporation

Attn: Ms. Kathryn Cox-Arslan   
Director, Commercial Services

40 Sylvan Road

Waltham, MA 02451 (781) 907-2406

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

27.2 EXERCISE OF RIGHT. No failure or delay on the part of either Party in exercising

any right, power, or privilege hereunder, and no course of dealing between the Parties, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.

27.3 HEADINGS; CONSTRUCTION. The descriptive headings of the several Articles,

sections, and paragraphs of this Agreement are inserted for convenience only and   
do not constitute a part of this Agreement. Such headings shall not in any way   
define or affect the meaning, construction, or scope of any of the provisions   
hereof. Each Party and its counsel have participated fully in the review and   
preparation of this Agreement; this Agreement shall be considered to have been   
drafted by both Parties. Any rule of construction to the effect that ambiguities or   
inconsistencies are to be resolved against the drafting party shall not apply in   
interpreting this Agreement. The language in this Agreement shall be interpreted   
as to its fair meaning and not strictly for or against either Party.

27.4 INCORPORATION OF SCHEDULES AND EXHIBITS. The schedules, attachments and

exhibits referenced in and attached to this Agreement shall be deemed an integral   
part hereof to the same extent as if written in whole herein. In the event that any   
inconsistency or conflict exists between the provisions of this Agreement and any   
schedules, attachments or exhibits attached hereto, the provisions of this   
Agreement shall supersede the provisions of any such schedules, attachments or   
exhibits.

Northbrook Lyons Falls Cost Reimbursement Agreement

27.5 PRIOR AGREEMENTS; MODIFICATIONS. This Agreement and the schedules,

attachments and exhibits attached hereto constitute the entire agreement between   
the Parties with respect to the subject matter hereof, and supersede all previous   
understandings, commitments, or representations concerning such subject matter.   
Each Party acknowledges that the other Party has not made any representations   
other than those that are expressly contained herein, if any. This Agreement may   
not be amended or modified in any way, and none of its provisions may be   
waived, except by a writing signed by an authorized representative of the Party   
against whom the amendment, modification, or waiver is sought to be enforced.   
The Project Managers shall not be authorized representatives within the meaning   
of this Section.

27.6 SEVERABILITY. Whenever possible, each provision of this Agreement shall be

interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited by, or determined to be invalid under, applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

27.7 NOUNS AND PRONOUNS. Whenever the context may require, any pronouns used in

this Agreement shall include the corresponding masculine, feminine, or neuter   
forms, and the singular forms of nouns and pronouns shall include the plural, and   
vice versa.

27.8 NO THIRD PARTY BENEFICIARIES. Nothing in this Agreement is intended to confer   
 on any person, other than the Parties, any rights or remedies under or by reason of   
 this Agreement.

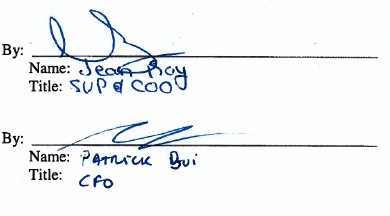
27.9 VALIDITY. Each Party hereby represents that the provisions of this Agreement

constitute valid and legally binding obligations of such Party and are enforceable in accordance with their terms.

27.10 COUNTERPARTS. This Agreement may be executed in multiple counterparts, each   
 of which shall be considered an original. The exchange of copies of this   
 Agreement and of signature pages by facsimile or other electronic transmission   
 (including, without limitation, by e-mailed PDF) shall constitute effective   
 execution and delivery of this Agreement as to the Parties and may be used in lieu   
 of the original Agreement for all purposes. Signatures of the Parties transmitted   
 by facsimile or other electronic means (including, without limitation, by e-mailed   
 PDF) shall be deemed to be their original signatures for all purposes.

[Signatures are on following page.]

Northbrook Lyons Falls Cost Reimbursement Agreement



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

NORTHBROOK LYONS FALLS LLC

NIAGARA MOHAWK POWER CORPORATION

Northbrook Lyons Falls Cost Reimbursement Agreement

LIST OF ATTACHMENTS, SCHEDULES AND EXHIBITS

Exhibit A Scope of Company Work

Exhibit B Preliminary Milestone Schedule

Exhibit C Customer Required Actions

Exhibit D Insurance Requirements

Northbrook Lyons Falls Cost Reimbursement Agreement

Exhibit A: Scope of Company Work

The Company Work shall consist of the following:

1. Perform all design, engineering, procurement, construction, installation and testing to:

(a) replace the existing obsolete Valmet Micro 1/C RTU board at Franklin Substation   
 Lyons Falls, New York, with a 16-bit DNP3 capable board to allow for transfer of   
 Customer non-billing metering data to NYISO; and

(b) replace the existing gateway device at such Franklin Substation to provide a secure   
 connection for the Customer non-billing metering data transfer to NYISO.

2. Prepare, file for, and use reasonable efforts to obtain any Required Approvals that must be

obtained by Company to enable it to perform the work contemplated by this Exhibit.

3. Inspect, review, witness, examine and test, from time to time, Company’s work contemplated

herein and conduct other project management, administration and oversight activities in connection with the work contemplated by this Exhibit.

4. Review, from time to time, permitting, licensing and other materials relating to the work

contemplated herein, including, without limitations, all documents and materials related to any Required Approvals.

5. Retain and use outside experts, counsel, consultants, and contractors in furtherance of the work

contemplated herein.

6. Perform any other reasonable tasks necessary or advisable in connection with the work

contemplated by this Exhibit (including, without limitation, any changes thereto).

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

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

Northbrook Lyons Falls Cost Reimbursement Agreement

Exhibit B: Preliminary Milestone Schedule

PRELIMINARY MILESTONE SCHEDULE

Task

1.

2.

3.

Milestone

Execute Agreement Make Initial

Prepayment   
Complete installation

Estimated   
Timeframe

November 2019   
 Effective Date

Within 6 months   
 following the   
 Effective Date

Responsible Party

Customer/Company   
 Customer

Company

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

Northbrook Lyons Falls Cost Reimbursement Agreement

Exhibit C: Customer Required Actions

The Customer Required Actions shall consist of the following:

1. Customer shall prepare, file for, and use commercially reasonable efforts to obtain all   
 Required Approvals necessary to perform its obligations under this Agreement.

2. If and to the extent applicable or under the control of the Customer, provide complete and   
 accurate information regarding the Customer’s facilities and activities and all applicable data,   
 drawings and specifications.

3. Other responsibilities and access deemed necessary by Company to facilitate performance of   
 the Company Work.

Northbrook Lyons Falls Cost Reimbursement Agreement

Exhibit D: Insurance Requirements

• Workers Compensation and Employers Liability Insurance as required by the State of

New York. If required, coverage shall include the U.S. Longshoremen’s and Harbor Workers’ Compensation Act and the Jones Act.

• Commercial General Liability (Including Contractual Liability), covering all activities

and operations to be performed by it under this Agreement, with the following minimum

limits:

(A) Bodily Injury - $1,000,000/$1,000,000

Property Damage - $1,000,000/$1,000,000   
OR

(B) Combined Single Limit - $1,000,000   
 OR

(C) Bodily Injury and Property Damage per Occurrence - $1,000,000   
 General Aggregate & Product Aggregate - $2,000,000 each

• Automobile Liability - covering all owned, non-owned and hired vehicles used in

connection with all operations, work or services to be performed by or on behalf of either Party under or in connection with this Agreement with minimum limits of: Combined Single Limit - $1,000,000 per occurrence.

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

• Any combination of Commercial General Liability, Automobile Liability and Umbrella

or Excess Liability can be used to satisfy the limit requirement for these coverages.

1. Upon request, either Party shall promptly provide the requesting Party with either evidence of

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

To: National Grid c/o Niagara Mohawk Power Corporation

Attention: Director, Commercial Services

40 Sylvan Rd.

Waltham, MA 02451

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

To: [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]   
[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

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

Northbrook Lyons Falls Cost Reimbursement Agreement

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

4. To the extent requested, each Party shall furnish to the other Party copies of any accidents report(s)   
 sent to the furnishing Party’s insurance carriers covering accidents or incidents occurring in   
 connection with or as a result of the performance of the Work under this Agreement.

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

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

7. Customer shall name the Company as an additional insured for all coverages except Workers’   
 Compensation and Employers Liability Insurance in order to provide the Company with protection   
 from liability arising out of activities of Customer relating to this Agreement and/or the Work.

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