Interconnection Service Agreement   
 Between

Niagara Mohawk Power Corporation   
 And

Cedars Rapids Transmission Company Limited

September 17th, 2004

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THIS INTERCONNECTION SERVICE AGREEMENT made this 17th day of September, 2004 BETWEEN:

NIAGARA MOHAWK POWER CORPORATION, a corporation incorporated under the laws of the State of New York, United States of America (hereinafter referred to as “Niagara Mohawk”), being a wholly owned subsidiary of National Grid USA Inc. ;

- and -

CEDARS RAPIDS TRANSMISSION COMPANY LIMITED, a corporation legally constituted   
under the laws of Canada (hereinafter referred to “CRT”), being a wholly owned subsidiary of Hydro-  
Quebec;

WHEREAS CRT owns and operates an electric Transmission System in the province of Quebec and Ontario and is responsible for the operation and maintenance of the electric Transmission System it owns and operates;

WHEREAS Niagara Mohawk owns and operates an electric Transmission System in the state of   
New York and is responsible for the operation and maintenance of the electric Transmission System it owns   
and operates;

WHEREAS Hydro-Quebec and Niagara Mohawk entered into an Interconnection Agreement dated February 23, 1982, as amended on December 1, 1985, to permit the interconnection and coordinated operation of their respective Transmission Systems (the “1982 Agreement”);

WHEREAS Hydro-Quebec and Niagara Mohawk have agreed to terminate the 1982 Agreement;

WHEREAS CRT and Niagara Mohawk (each individually a “Party” or collectively, the “Parties”), desire to continue, through a new agreement, with an electrical interconnection for coordinated interconnected operation to the on-going mutual benefit of the Parties;

WHEREAS CRT and Niagara Mohawk recognize the need to develop, administer and implement practices and procedures relating to connection, maintenance and operation of the interconnection that will be managed and approved by a committee formed under this Agreement;

WHEREAS in accordance with the appropriate regulations and rules in effect from time to time and applicable to one or both of the Parties, the Parties wish to enter into this Agreement and to describe the terms and conditions applicable to the operation of the Interconnection Facilities and the interconnection of each Party’s Transmission System to the other’s.

NOW THEREFORE in consideration of the foregoing, and the mutual covenants, agreements,   
terms and conditions herein contained, the Parties intending to be legally bound hereby agree as follows:

ARTICLE I: GENERAL

1.1 Each of the Parties hereto confirms the truth and accuracy of the recitals and agrees that

the recitals form part of this Agreement.

1.2 This Agreement constitutes the entire agreement between the Parties with respect to the   
Interconnection Facilities and supersedes all prior oral or written representations and agreements

concerning the subject matter of this Agreement, including but not limited to the 1982 Agreement. In the event that any terms and conditions specified in Schedules hereto are incompatible with those of this Agreement, the terms and conditions of this Agreement shall have priority.

1.3 Unless otherwise specified, references in this Agreement to Sections or Articles are to sections and articles of this Agreement. Any reference in this Agreement to any statute or any section thereof will be deemed, unless otherwise expressly stated, to be a reference to such statute or section as amended, restated or re-enacted from time to time. The division of this Agreement into Articles and Sections is for convenience only, and shall not affect the interpretation of this Agreement. Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word “including” or “includes” is used in this Agreement it means “including (or includes) without limitation.”

1.4 Neither this Agreement or any provision hereof is intended to confer upon any person other than the Parties hereto any rights, obligations or remedies hereunder.

1.5 This Agreement shall be binding upon and enure to the benefit of the Parties, and extend

to their successors and assigns.

1.6 Any Article or Section of this Agreement or any other provision of this Agreement which is, or becomes, illegal, invalid or unenforceable shall be severed from this Agreement, and shall be ineffective to the extent of such illegality, invalidity or unenforceability, and shall not affect or impair the remaining provisions hereof

1.7 The Parties hereby agree to be bound by all regulatory requirements, codes, statutes and laws applicable to their respective jurisdictions which are hereby incorporated by reference into, and form part of this Agreement.

1.8 If any Regulatory Authority having jurisdiction (or any successor boards or agencies), a   
court of competent jurisdiction or other governmental entity with the appropriate jurisdiction (collectively,   
the “Regulatory Bodies”) issues a rule, regulation, law or order that has the effect of cancelling, changing   
or superseding any term or provision of this Agreement (the “Regulatory Requirement”), then this   
Agreement will be deemed modified to the extent necessary to comply with the Regulatory Requirement.

1.9 Notwithstanding the foregoing, if the Regulatory Authority materially modifies the terms and conditions of this Agreement and such modification(s) materially affect the benefits flowing to one or both of the Parties, as determined by either of the Parties within twenty (20) Business Days of the receipt of the Agreement as materially modified, the Parties agree to attempt in good faith to negotiate an amendment or amendments to this Agreement or take other appropriate action(s) so as to put each Party in effectively the same position in which the Parties would have been had such modification not been made. In the event that, within sixty (60) days or some other time period mutually agreed upon by the Parties after such modification has been made, the Parties are unable to reach Agreement as to what, if any, amendments are necessary and fail to take other appropriate action to put each Party in effectively the same position in which the Parties would have been had such modification not been made, then either Party shall have the right to unilaterally terminate this Agreement forthwith, as per Section 7.2.

1.10 Nothing in this Agreement shall be construed as affecting in any way the rights of either   
Party to unilaterally make application to any one or more of the Regulatory Bodies having jurisdiction over   
that Party for a change in rates, terms and conditions, charges, classifications of service, rule or regulation.

1.11 Except as otherwise provided herein, no modification or supplement to this Agreement

shall be valid or binding unless set out in writing and executed by the Parties with the same degree of

formality as the execution of this Agreement.

ARTICLE II: NOTICES

2.1 Any written notice required by this Agreement shall be deemed properly given and

delivered if either sent by email, registered mail or delivered to the other Party’s representative at the

address specified in Schedule A-1.

2.2 Notices shall be deemed to have been received:

(a) On the date indicated on the delivery receipt if sent by registered mail;

(b) On the date indicated on the transmission slip if sent by courier if delivered during normal

business hours. If not delivered during normal business hours, delivery shall be deemed to have occurred on the next Business Day;

(c) On the date indicated on the automatic receipt if sent by email if delivered during normal

business hours. If not delivered during normal business hours, or if no automatic receipt is available, delivery shall be deemed to have occurred on the next Business Day.

2.3 The designation of the person to be so notified or the coordinates of such person may be changed at any time by either Party by written notice to the other Party.

ARTICLE III: ASSIGNMENT

3.1 Either Party may assign this Agreement upon obtaining the consent of the other Party,   
which consent shall not be unreasonably delayed or withheld. Notwithstanding the foregoing, either Party   
may, upon providing written notice to the other Party, assign this Agreement without the other Party’s   
consent, where such assignment is to an affiliate as defined by Canada Business Corporations Act for CRT   
or the New York State Public Service Laws, Section 110 for Niagara Mohawk. This Agreement shall extend   
to, be binding upon and enure to the benefit of the said assigns and their respective successors.

ARTICLE IV: GOVERNING LAW

4.1 The Agreement shall be interpreted under and governed by the law of the State of New York, United States of America without regard to its law on conflict of laws.

ARTICLE V: DEFINITIONS

5.1 The following terms, wherever used in this Agreement, shall have the following meanings

and are equally applicable to both the singular and plural form:

“Agent” means a Qualified person duly authorized by a Party to perform specific activities or actions on behalf of that Party .

“Agreement” means this Agreement, the Schedules and all amendments made hereto by written agreement between the Parties in accordance with the terms of this Agreement.

“Applicable Legal Requirements” means all applicable federal, provincial, state and local laws,   
ordinances, rules and regulations, and all orders, directives and other requirements of any federal,   
provincial, state or local governmental, regulatory, or administrative agency, commission, body, court of   
competent jurisdiction or other authority exercising jurisdiction over the Parties or their respective   
facilities. Applicable Legal Requirements includes rules, regulations, orders, directives and other   
requirements of the NYISO, a Regulatory Authority having jurisdiction or their successors.

“Asset Owners’ Committee” means a committee comprised of a primary and alternate member designated by each Party and given the authority to act on behalf of their respective companies to carry out the duties of the Asset Owners’ Committee as described in Article VIII of this Agreement.

“Business Day” means a day other than a Saturday, a Sunday or a public holiday in the Province of Quebec or the State of New York.

“Common Operating Instructions” means the operating procedures, steps, and instructions for the operation of the Interconnection Facilities, under normal and Outage conditions, as provided in Schedule “B” of this Agreement, and as established and amended from time to time by the Asset Owners’ Committee in accordance with Section 8.2 of this Agreement.

“Confidential Information” means:

(a) all information disclosed by a Party to the other Party under this Agreement or in

negotiating this Agreement which is designated as confidential by the Party disclosing the information; and

(b) all interpretative reports or other data generated by a Party that are based in whole or in

part on information that is made Confidential Information by clause (a) of this definition.

“Controlling Authority” is Hydro-Quebec TransEnergie for matters pertaining to or arising in the Province of Quebec, Canada, or the New York Independent System Operator, Inc. for matters pertaining to or arising in the state of New York, United States, as may be relevant under this Agreement.

“Effective Date” means the date at which this Agreement comes into effect, being the date first written above.

“Electric or Electricity System(s)” means, as applicable, the electricity transmission systems owned and operated by CRT in the Provinces of Quebec and Ontario, Canada; and the electricity transmission and distribution system owned and operated by Niagara Mohawk in the State of New York.

“Emergency” means any abnormal system condition that requires remedial action to:

(a) prevent or limit loss of Transmission Equipment and/or generation facilities that adversely

affects the reliability of the Electric Systems;

(b) protect the integrity of Transmission Equipment;

(c) ensure worker and public safety; or

(d) protect the environment.

For the purpose of this Agreement, CRT has control over items (a) through (d). In New York, Niagara Mohawk, as an electric transmission asset owner, has control over items (b), (c) and (d) of this definition and the NYISO has control over item (a).

“End of Life” means the state where:

1. (a) the original in-service capabilities of equipment have been (or are expected to be)

substantially diminished, and

(b) the cost of restoring or purchasing equipment to achieve the original in-service capabilities exceeds the cost of other viable alternatives, or;

2. new physical requirements exceed the original inservice capabilities of the equipment.

“Energy Data Services Agreement” means the agreement executed between Niagara Mohawk and CRT, herein attached as Schedule “D”.

“Extraordinary Maintenance” means an unexpected activity or activities required to be performed in response to unforeseen circumstances which include but are not limited to:

(a) Force Majeure;

(b) manufacturer’s defect;

(c) work other than Routine Maintenance;

(d) failures due to system configuration(s) imposed by a Reliability Authority or

(e) End of Life.

For clarity, Extraordinary Maintenance does not include:

(a) damage that resulted from negligent operating, maintenance or construction practices;

(b) failure to ensure physical security of the site (breach of security, e.g.

trespassing/vandalism); and

(c) unit retrofit to increase life expectancy unless agreed by both Parties.

“Federal Energy Regulatory Commission” or “FERC” means the United States of America’s Federal Energy Regulatory Commission, or any successor organization.

“Force Majeure Event” means any event or circumstance, or combination of events or circumstances, that with respect to the Party claiming Force Majeure:

(a) that is beyond the reasonable control of the Party ;

(b) that adversely affects the performance by the Party of its obligations under this Agreement;

and

(c) the adverse effects of such Force Majeure Event could not have been foreseen or prevented,

overcome, remedied or mitigated in whole or in part by the Party through the exercise of diligence and reasonable care and includes, but is not limited to, acts of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil disobedience or disturbances, vandalism or acts of terrorism, extreme weather conditions, strikes lockouts, restrictive work practices or other labour disturbances, unlawful arrests or restraints by government or governmental, administrative or regulatory agencies or authorities unless such restraints are the result of willful act or negligence by the Party claiming Force Majeure.

“Forced Outage” means an unscheduled Outage due to the actual or potential failure of Transmission Equipment.

“Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgement in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in North America.

“Inadvertent Transfers” means the differences between the actual energy delivered and measured as per Section 12.3 of this Agreement and the net energy programmed to be delivered by the Parties on given Interconnection Facilities during a given time interval.

“Interconnection Facilities” means (i) those electric transmission facilities owned, operated, and under the exclusive right to use by CRT that extend from the Les Cedres substation located in the municipality of St. Joseph de Soulange, Vaudreuil, Soulanges County, Province of Quebec, Canada, to and including the line side of the Point(s)-of-Interconnection with Niagara Mohawk’s Transmission System; and (ii) those certain electric transmission facilities owned and operated by Niagara Mohawk from and including the jaw side of the Point(s)-of-Interconnection at Niagara Mohawk’s Dennison Substation, all as more fully described and depicted in Schedule “A.”

“Point(s)-of- Interconnection” means those points of connection between the Interconnection   
Facilities and Niagara Mohawk’s Transmission System at its Dennison substation located in the Town of   
Massena, State of New York, United States, as more fully described and depicted in Schedule “A.”

“Isolated” is as defined in Schedule “B” of this Agreement.

“Maintenance” means, but is not limited to, routine maintenance, troubleshooting, repairs,   
approved changes, and such other modifications as may be required for the safe and efficient operation of   
the Transmission Equipment. For greater certainty, Maintenance includes Extraordinary Maintenance.

“Metering Equipment” means the voltage transformers, current transformers, meters, connecting   
wiring and recorders used to measure any reactive power and active power, with associated time tagging   
and any other quantity that is reasonably required by either Party for reliability reasons or billing reasons.

“NEB” means the National Energy Board of Canada or any successor organization.

“NERC” means the North American Electric Reliability Council or any successor organization. “NYSRC” means the New York State Reliability Council or any successor organization.

“New York ISO or NYISO” means the New York Independent System Operator or any successor   
of this organization. “NPCC” means the Northeast Power Coordinating Council or any successor

organization.

“Operating Orders” are orders issued by a Controlling Authority to facilitate the removal from service or the restoration into service of Transmission Equipment or to establish the necessary conditions for Work Protection.

“Outage” means the removal of Transmission Equipment from service, unavailability of Transmission Equipment connection or temporary de-rating, restriction of use, or reduction in performance of Transmission Equipment for any reason including, but not limited to, permitting the inspection, testing, Maintenance or repair of Transmission Equipment.

“Planned Outage” means an Outage that is planned, scheduled and intentional by a Party at a preselected time, usually for construction, preventive Maintenance or repair, in coordination with the appropriate Controlling Authorities, as may be required.

“Promptly” means performed in an expeditious manner and without undue delay, using due diligence, and with the intent of completing the required act or task as quickly as practicable.

“Protections or Protection” means Transmission Equipment designed to detect and Isolate failed or faulted elements, as provided in Schedule “B.”

“Qualified” means assessed by a Party in personal competency, familiarity with and knowledge of all applicable rules, regulations, guidelines, policies, codes, procedures, apparatus and Transmission Equipment, and dangers with respect to work and operation.

“Regulatory Authority” means the local, state or provincial, federal or national, regulatory agency, department or other authority having jurisdiction over the facilities or operations of either Party to this Agreement. For Niagara Mohawk, this includes, without limitation, the United States Department of Energy, the FERC, the New York State Public Service Commission, and certain local agencies, departments or authorities. For CRT, this is limited to the NEB.

“Reliability Authority” means the NERC, NPCC, and the NYSRC.

“Routine Maintenance” means work performed on a regular basis including without limitation:

(a) routine scheduled oil analysis;

(b) routine scheduled oil processing;

(c) routine scheduled inspections and checks including but not limited to visual and infra-red

visual inspection;

(d) routine scheduled function and diagnostic tests;

(e) normal preventive cosmetic maintenance, corrosion touch up paint and corrective actions;

(f) minor oil leakage repairs;

(g) alarm/protection system checks; and

(h) minor ancillary equipment/component repair/replacement

“Security Limits” means the operating electricity system voltage limits, stability limits and thermal

ratings of the electricity system that restrict its operation.

“Site” means the premises and the buildings on, in or around which Transmission Equipment is

located.

“Transmission Equipment” means any structures, transmission lines or cables, transformers, breakers, disconnect switches, buses, or any other equipment necessary for the purpose of conveying electricity; and their related voltage/current transformers, Protection systems, telecommunications systems, or any other auxiliary equipment.

“Transmission System” means a system for transmitting electricity and includes any structures, Transmission Equipment or other things used for that purpose.

ARTICLE VI: SCOPE OF AGREEMENT

6.1 Scope

This Agreement provides the basis for operating and maintaining the Interconnection Facilities. Specifically, it describes:

(a) the requirements for the safe operation, switching, notification of any actions in the

Interconnection Facilities and response to Emergencies;

(b) the circumstances under which the Interconnection Facilities, in whole or in part, can be

disconnected and the remedial actions required in order to permit the restoration of the operation of the Interconnection Facilities so disconnected; and

(c) the Transmission Equipment comprising the Interconnection Facilities and how it shall be

operated for the mutual advantage of both Parties.

6.1.2 Notwithstanding anything in this Agreement to the contrary, the Parties recognize that:

(a) the NYISO directs the operation of the Niagara Mohawk’s high voltage Transmission

System. Nothing in this Agreement shall be construed as requiring Niagara Mohawk to act

(or refrain from acting) contrary to the rules, regulations or directives of the NYISO, NERC, NYSRC or any Regulatory Authority having jurisdiction; and

(b) Hydro-Quebec TransEnergie directs the operation of the CRT Transmission System.

Nothing in this Agreement shall be construed as requiring CRT to act (or refrain from acting) contrary to the rules, regulations or directives of Hydro-Quebec TransEnergie or any Regulatory Authority having jurisdiction.

ARTICLE VII: TERM

7.1 Effective Date and Term

This Agreement shall take effect as of the Effective Date and shall continue in full force and effect until terminated in accordance with this Article VII.

7.2 Termination

7.2.1 This Agreement may be terminated at any time by mutual agreement. It may also be   
terminated upon at least one year prior notice in writing given by either Party to the other Party, provided   
that such unilateral termination shall not prejudice any outstanding obligations entered into under this   
Agreement that have accrued as of the date of termination. Without limiting the generality of the foregoing,   
the liability provisions of Article XIV of this Agreement, the confidentiality provisions of Article XVIII of   
this Agreement and the obligations to pay monies owed prior to termination of Article VII of this Agreement   
shall survive termination.

7.2.2 Neither Party may terminate this Agreement other than in accordance with the provisions providing for such termination set out in this Agreement.

7.2.3 If a Party becomes bankrupt or insolvent or ceases to carry on business, the other Party   
shall be entitled, at its option, to avail itself of any or all of the following remidies, all of which shall be   
cumulative and not exclusive: (i) subject to applicable regulatory requirements, terminate this Agreement;   
(ii) require the bankrupt Party to make any payment, or perform or comply with any provision that it is   
obligated to pay, perform or comply with under this Agreement; and/or (iii) obtain such specific   
performance and/or an injunction to prevent breaches of the Agreement and to enforce specifically the terms   
and conditions thereof.

7.3 Upon termination of this Agreement, both Parties may disconnect its respective Points-of-  
Interconnection with the Interconnection Facilities and shall be entitled to de-commission and remove any of their respective Transmission Equipment associated with the Interconnection Facilities and their respective Point(s)-of-Interconnection.

7.4 When a non-defaulting Party has terminated the Agreement under Article XVI, the nondefaulting Party may disconnect its respective Point(s)-of-Interconnection and shall be entitled to decommission and remove any of its respective Transmission Equipment associated with the Interconnection Facilities and their respective Point(s)-of-Interconnection.

7.5 If this Agreement is terminated under this Article VII or Article XVI, then, upon termination, this Agreement will, subject to Sections 7.6 and 16.4, be of no further force and effect.

7.6 The termination of this Agreement shall not affect any rights or obligations of either Party

that may have accrued before termination, nor affect either Party’s rights or obligations under this Agreement which are meant to continue in full force notwithstanding the termination of this Agreement (such as, but not limited to the liability provisions in Article XIV).

ARTICLE VIII: ASSET OWNERS’ COMMITTEE

8.1 Each Party shall assign, within 30 days of the Effective Date, a primary member and an alternate member to an Asset Owners’ Committee with the authority to act on their behalf with respect to actions or decisions taken by the Asset Owners’ Committee. The members of the Asset Owners’ Committee shall meet from time to time to review issues of interest to the Parties in relation to the Interconnection Facilities. Among other items, the Asset Owners’ Committee shall review and address:

(a) Interconnection Facilities’ utilization policies and principles;

(b) deficiencies identified in the operation of the Interconnection Facilities;

(c) opportunities to improve the operation of the Interconnection Facilities within the

responsibilities of the Parties under this Agreement;

(d) Transmission Equipment ratings and operating restrictions;

(e) the Outage planning process used by the Parties and Planned Outages;

(f) plans for changes on or to CRT’s and Niagara Mowawk’s Transmission System and/or

Transmission Equipment that may affect the operation of the Interconnection Facilities;

(g) proposed upgrades or modifications to the Protections, control or communications facilities

for the Interconnection Facilities;

(h) the adoption of policies and standards to be applied by both Parties in the operation of the

Interconnection Facilities;

(j) incidents affecting the operation or performance of the Interconnection Facilities;

proposals and recommendation of revisions to this Agreement;

(k) development and maintenance of Common Operating Instructions (Schedule “B” of this

Agreement); and

(l) any proposed new connection or any proposed modification to existing connections to

either Party’s Transmission System that may affect the Interconnection Facilities which

either Party wants the Asset Owners’ Committee to discuss.

(m) the impact on the Interconnection Facilities of activities by system operators, regulatory

bodies and councils, including but not limited to the NERC, the NYISO, and any

Regulatory Authority having jurisdiction.

8.2 The Assets Owners’ Committee shall have the authority to:

(a) approve and release changes to any or all of the Schedules in this Agreement as required

from time to time to reflect changes in the operation of the Interconnection Facilities;

(b) write, approve and release new schedules to be part of this Agreement as required from

time to time;

(c) determine and revise acceptable remedial actions consistent with the terms of this   
Agreement required to ensure the acceptable operation and performance of the Interconnection Facilities;

(d) address issues including, but not limited to deficiencies associated with the Protection, Isolation, or control equipment for the Interconnection Facilities that impacts the operation of the Electricity Systems; and

(e) establish such other committees, subcommittees, task forces, working groups or other bodies, as it deems appropriate for purposes of administering this Agreement.

(f) identify measures and technologies to be applied to minimize the risk of failure of Transmission Equipment subject to cost sharing arrangements under this Agreement;

(g) monitor Maintenance procedures on Transmission Equipment subject to cost sharing arrangements under this Agreement to ensure that Good Utility Practice is followed in the operation and maintenance of such equipment;

(h) resolve any disputed matters submitted to the Asset Owners’ Committee in accordance with the dispute resolution process described in Article XVIII of this Agreement;

(i) negotiate alternatives to the cost sharing arrangements under this Agreement, subject to approvals as may be required by appropriate Regulatory Authorities;

(j) write, approve and release all matters related to the metering, accounting and billing. Starting on the Effective Date and until amended, restated, replaced or terminated by the Asset Owners’ Committee, the Parties have developed a metering protocol described on Schedule C;

(k) negotiate such other Agreements or arrangements, subject as necessary to review and approval by appropriate Regulatory Authorities, that may be necessary to effectuate transmission transactions between the Parties.

8.3 Decisions

All decisions of the Asset Owners’ Committee shall be unanimous and are binding on both Parties. More specifically, the decisions may be unanimously affirmative or negative. However, a deadlock between the members of the Asset Owners’ Committee shall be interpreted as a negative decision. Furthermore, all decisions of the Asset Owners’ Committee shall be final and shall not be subject to review in arbitration or otherwise; provided, however, if any decision of the Asset Owners’ Committee requires modification of this Agreement, such modification of this Agreement shall be subject to approval by the appropriate Regulatory Authorities

8.4 Expenses

Each Party shall pay the expenses of its own member on the Asset Owners’ Committee. Any expenses jointly incurred in the context of the activities of the Asset Owners’ Committee, pertaining to the Interconnection Facilities shall be shared equally by the Parties or in such other proportion as may be agreed upon by the Asset Owners’ Committee.

ARTICLE IX: OBLIGATIONS

9.1 General

9.1.1 Except as specifically provided herein, each Party shall bear its own costs of compliance with this Agreement. These include, but are not limited to, costs associated with the operation, inspection, modifications and Maintenance of their respective Interconnection Facilities including associated Protection, control, and communication equipment, in the manner described in this Agreement

9.1.2 The cost of changes to the Interconnection Facilities, including the costs related to Protection control and communication equipment, requested by one Party and benefiting only that Party, shall be borne by the requesting Party.

9.13 Each Party shall follow Good Utility Practice in (a) the selection of; inspection of and Maintenance of the Interconnection Facilities, (b) undertaking repairs required to correct any deficiencies, and (c) performing its obligations under this Agreement.

9.1.4 Each Party shall make reasonable attempts to accommodate the other Party’s interests when planning changes to the Interconnection Facilities.

9.1.5 Each Party shall ensure that their respective staff, including operations, Maintenance and   
protection and control personnel, etc., are Qualified as having sufficient knowledge of the Transmission   
Equipment, policies and procedures described in this Agreement and that this knowledge will be monitored   
and applied.

9.1.6 To the extent removal of Transmission Equipment is required, each Party shall remove Transmission Equipment or Interconnection Facilities from service in accordance with Applicable Legal Requirements and such Party’s reporting and scheduling obligations described in this Agreement. Additionally, Transmission Equipment or Interconnection Facilities shall be removed from service, in accordance with Applicable Legal Requirements, to prevent damage to either Party’s Transmission Equipment or Interconnection Facilities, or to protect the safety of employees, the public or the environment. If any Transmission Equipment or Interconnection Facilities are removed for these reasons, the removing Party shall Promptly notify the other Party’s Controlling Authority.

9.1.7 The Parties shall cooperate to establish Transmission Equipment ratings, in monitoring power flows and providing Transmission Equipment status information to the other Party for their respective Transmission Equipment or Interconnection Facilities.

9.1.8 The Parties agree that Transmission Equipment in the Interconnection Facilities shall be operated within continuous ratings for normal conditions and within post contingency ratings immediately after the occurrence of a contingency event affecting the Interconnection Facilities. Operation of Transmission Equipment beyond postcontingency ratings shall be at the owner’s discretion.

9.1.9 The operating modes of the Interconnection Facilities during normal conditions are detailed in the Common Operating Instructions listed in Schedule “B” of this Agreement.

9.1.10 The operating procedures, constraints and conditions for a post-contingency operating   
mode are described in the Common Operating Instructions listed in Schedule “B” of this Agreement.

9.1.11 Changes to the operating modes of the Interconnection Facilities, as required from time to   
time, shall be made at the request of a Controlling Authority. The switching of operations from one

operating mode to another shall be made through mutual agreement between the appropriate Controlling Authority through the Parties in accordance with the communication diagram shown in Section 6.4 of Schedule “B” of this Agreement.

9.1.12 Each Party shall be responsible for the operation, Maintenance and repair of the Transmission Equipment or Interconnection Facilities owned or under exclusive rights of use by it.

9.1.13 A determination of the need for Extraordinary Maintenance or repair, the estimated costs,   
and the scope of work therefor shall be agreed to by the Asset Owners’ Committee in advance, unless an   
Emergency makes the work necessary before review and concurrence of the Asset Owners’ Committee can   
be obtained. In such case, the Party performing the Extraordinary Maintenance or repair work shall notify   
the other Party as soon as is practicable of the scope of the work and the reasons Extraordinary Maintenance   
or repair work is necessary. The shared costs of Extraordinary Maintenance or repair shall include not   
only costs of the Extraordinary Maintenance or repair but also any associated expense for removal (if   
necessary), transportation and re-installation. Cost estimates shall identify direct, indirect and overhead   
costs and applicable taxes.

9.1.14 In order to ensure the safe, efficient and effective operation of the Interconnection Facilities, Niagara Mohawk and CRT hereby agree to disclose operating data and other relevant information that may affect the operations of the Interconnection Facilities.

9.1.15 Neither Party shall make changes that would reasonably be expected to affect the Interconnection Facilities or Transmission Equipment, without advising the other Party’s Asset Owners’ Committee members in writing.

9.2 Protections

The Parties shall cooperate in determining and establishing Protection settings to preserve the   
integrity of their assets and security of their Transmission System. This cooperation may include   
submission to the other Party of relevant electrical drawings and proposed settings of the Protections   
associated with the Interconnection Facilities, for their review and approval prior to their implementation.

9.3 Emergency Preparedness

9.3.1 Each Party shall develop and submit to the other Party Emergency response procedures, including reporting instructions and Emergency contacts.

9.3.2 The operating procedures, constraints and conditions for an Emergency operating mode are described in Schedule “B” of this Agreement.

ARTICLE X: EXCHANGE OF INFORMATION

10.1 Subject to Article XVII (Confidential Information), each Party shall, upon the request of   
the Asset Owners’ Committee, supply Promptly to the other Party any and all documents or information   
required, so as to enable the Asset Owners’ Committee to perform its duties and for the Parties to fulfill   
their obligations under this Agreement, provided, however that a Party shall not be obligated to supply to   
the other Party any documents or information if it deems, acting reasonably, that the confidentiality of the   
said documents or information is not properly protected by the provisions of Article XVII.

ARTICLE XI: PLANNING FOR NEW OR MODIFIED CONNECTION FACILITIES

11.1 Each Party shall provide written notice to the other Party’s Asset Owners’ Committee

member of proposed new or modified connection facilities (generation, load and/or transmission) that may   
affect the other Party’s Transmission System. Notice shall be given as soon as a formal application by a   
third party has been submitted to the respective Regulatory Authority, as the case may be, or as soon as the   
Party is aware of such formal application. In providing such notice to the other Party, the Parties shall   
obtain any required authorization to disclose information that might be deemed confidential or proprietary.

11.2 The Parties agree to cooperate in the undertaking of studies to assess the impact that proposed new or modified connection facilities might have on the other Party’s Transmission System. The responsibility and criteria for conducting such studies and the cost for such studies shall be agreed upon by the Asset Owners’ Committee.

11.3 Each Party shall determine the cost of modifications, enhancements and reinforcements on the Party ’s Transmission Equipment required to accommodate new or modified connection facilities in the other Party’s Transmission System. Such modifications, enhancements and reinforcements shall include but are not limited to the following:

(a) protective relay and control facilities, and associated telecommunications attributed to the

project;

(b) modifying existing connection lines attributed to the project;

(c) breakers attributed to the project;

(d) disconnect switches; and

(e) bus sections at the terminal stations in the network pool attributed to the project.

11.4 The following factors shall be considered in calculating the costs applicable to Section

11.3:

(a) advancement costs of replacing existing facilities before the end of their useful life; and

(b) the cost of upgrading the Transmission Equipment to the next practical rating, including,

but not limited to, removal and decommissioning cost less any salvage value of the removed facilities.

11.5 Each Party shall provide written notice to the other Party’s Asset Owners’ Committee member when a connection/construction agreement has been signed and/or regulatory approval has been granted for the proposed new or modified connection facilities that may affect the other Party’s Transmission System.

ARTICLE XII: OPERATIONAL REQUIREMENTS OF THE INTERCONNECTION FACILITIES

12.1 Operating Requirements

12.1.1 The operational requirements of the Interconnection Facilities are described in Schedule “B” of this Agreement.

12.1.2 The Parties agree to comply with their obligations regarding operational requirements, reporting standards, and communications protocol as detailed in Schedule “B”.

12.1.3 Each Party shall endeavour to maintain an ongoing interchange of information about   
operation (including Planned Outages, unplanned outages and Forced Outages, system tests, etc.) which   
could reflect into, or be of significance to, either Party ’s Transmission System prior to the actual operation   
when appropriate.

12.1.4 Controlling Authorities involved in the operation of the Interconnection Facilities are defined in Section V of this Agreement.

12.1.5 A list of important business telephone numbers for operational matters related to to this Agreement are included in Schedule “B” of this Agreement. Contact information for notices and business matters related to this Agreement are listed in Article II of this Agreement.

12.1.6 The Communication path for the operation of the Interconnection Facilities under normal and Emergency conditions is included in Schedule “B” of this Agreement.

12.1.7 Schedule “B” summarizes the approved operating terminology and their meanings to be used in communication between Controlling Authorities.

12.2 Common Operating Instructions

12.2.1 The Asset Owners’ Committee will issue and maintain Common Operating Instructions, as found in Schedule “B” of this Agreement, for the operation and Maintenance of the Interconnection Facilities. Each Party shall deliver the Common Operating Instructions and any future amendments thereto to their respective operating staff.

12.2.2 Other Common Operating Instructions may be issued under Agreements between either Party and Reliability Authorities for the operation of the Interconnection Facilities.

12.2.3 The Asset Owners’ Committee shall act Promptly to resolve the conflict or discrepancy with the respective Reliability Authorities.

12.3 Metering

12.3.1 Obligation to Provide Metering

Metering Equipment shall be installed as required to provide to both Parties electric power quantities, equipment loading and status to enable monitoring of security limits compliance and control of Inadvertent Transfers. Each Party shall provide specifications of its Metering Equipment to the other Party as per Schedule C of this Agreement. The cost allocation between the Parties for the provision of such Metering Equipment shall be determined by the Asset Owners’ Committee.

12.3.2 Metering Points

The physical locations of Metering Equipment installations are determined by written agreement of the Asset Owners’ Committee. When required, compensation from metering points to transfer points shall be determined by the Asset Owners’ Committee.

12.3.3 Standards for Metering Equipment

Metering Equipment will be designed, verified, sealed and maintained in accordance with the   
standards of Schedule C of this Agreement. Metering Equipment not meeting the standards will be replaced   
with Metering Equipment meeting those standards in accordance with each Party’s replacement schedule.

12.3.4 Procedures for Metering Equipment Malfunction

When Metering Equipment is out of service, has failed or malfunctioned or is deemed inaccurate, metering during the period of outage, failure, malfunction or inaccuracy shall be determined, if required, by decision of the Asset Owners’ Committee, from other Metering Equipment, if available, or, if not available, shall be estimated and agreed to by the Asset Owners’ Committee.

Remedial work on Metering Equipment will be completed at a schedule mutually agreed to by the Asset Owners’ Committee.

ARTICLE XIII: LIABILITY

13.1 Liability Between the Parties

13.1.1 A Party shall be responsible for, indemnify and hold harmless the other Party (the “Other   
Party ”) for any claims, liability, losses or damages (a “Claim”) sustained by the Other Party if the Claim   
is connected with, or arises from, a willful breach of this Agreement by the Party or the gross negligence   
of the Party in meeting its obligations under this Agreement, except in the case of negligence on the part of   
the Other Party.

13.1.2 The Other Party shall make a good faith effort to recover all Claims from its insurers under applicable insurance policies so as to reduce the amount of the Claim. The amount of any Claim shall be reduced (i) to the extent the Other Party receives any insurance proceeds with respect to the Claim and (ii) to take into account any net tax benefit recognized by the Other Party arising from the recognition of the Claim and any payment actually received with respect to a Claim.

13.13 Any Claim will be asserted by the Other Party giving the Party reasonably prompt written notice thereof, stating the nature of the Claim in reasonable detail and indicating the estimated amount, if practicable, but in any event not later than ten (10) calendar days after the Other Party becomes aware of the Claim, and the Party will have a period of thirty (30) calendar days within which to respond to the Claim. If the Party does not respond within such thirty (30) calendar day period, the Party will be deemed to have accepted such claim. If the Party rejects such claim, the Other Party will be free to seek enforcement of its rights to indemnification under this Agreement.

13.1.4 If the amount of any Claim, at any time subsequent to the making of an indemnity payment in respect thereof, is reduced by recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other entity, the amount of such reduction, less any costs, expenses or premiums incurred in connection therewith (together with interest thereon from the date of payment thereof at the prime rate then in effect), will promptly be repaid by the Other Party to the Party .

13.1.5 Notwithstanding the foregoing, in no event shall the Party be responsible for, be liable to indemnify and hold harmless the Other Party from any indirect or special damages, or losses that are incidental or consequential, including without limitation punitive damages or any loss of profit, loss of contract, loss of opportunity or loss of goodwill.

13.2 Liability Towards Third Parties

13.2.1 A Party shall indemnify and hold harmless the Other Party for any claims, liability, losses or damages sustained by a third party (a “Third Party Claim”) to the extent that the Third Party Claim is connected with, or arises from a willful breach of this Agreement by the Party, except in cases of negligence on the part of the Other Party .

13.2.2 Any third party having a Third Party Claim under these indemnification provisions shall make a good faith effort to recover all losses, damages, costs and expenses from its insurers under applicable insurance policies so as to reduce the amount of any loss. The amount of any loss shall be reduced (i) to the extent that third party receives any insurance proceeds with respect to the loss and (ii) to take into account any net Tax benefit recognized by the third party arising from the recognition of the loss and any payment actually received with respect to a loss.

13.2.3 If the Other Party receives notice of the assertion of any Third Party Claim with respect to which indemnification is to be sought from the Party, the Other Party will give the Party reasonably prompt written notice thereof but in any event not later than ten (10) calendar days after the Other Party’s receipt of notice of such Third Party Claim. Such notice shall describe the nature of the Third Party Claim in reasonable detail and will indicate the estimated amount, if practicable, of the loss that has been or may be sustained. The Party will have the right to participate in or, by giving written notice to the Other Party, to elect to assume the defense of any Third Party Claim at its own expense and by its own counsel, and the Other Party will cooperate in good faith in such defense at its own expense.

13.2.3 If the amount of any Third Party Claim, at any time subsequent to the making of an indemnity payment in respect thereof, is reduced by recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other entity, the amount of such reduction, less any costs, expenses or premiums incurred in connection therewith (together with interest thereon from the date of payment thereof at the prime rate then in effect), will promptly be repaid by the third party to the Party.

13.2.4 Notwithstanding the foregoing, in no event shall the Party be liable to indemnify and hold harmless the Other Party from any indirect or special damages, or losses that are incidental or consequential including without limitation punitive damages or any loss of profit, loss of contract, loss of opportunity or loss of goodwill in respect of a Third Party Claim

ARTICLE XIV: FORCE MAJEURE

14.1 Force Majeure

14.1.1 Each Party hereto shall use all due diligence to perform its obligations under this Agreement but conditions may arise which prevent or delay performance by a Party because of Force Majeure. If a Party is rendered unable to fulfill any obligations by reason of causes of Force Majeure, it shall be excused from performing to the extent it is prevented or delayed from so doing, but shall exercise due diligence to correct such inability with all reasonable dispatch, and shall not be liable for injury, damage or loss resulting from such inability. However, settlement of strikes, lockouts and labour disturbances shall be wholly within the discretion of the Party having the difficulty.

14.2 Notice of Force Majeure

14.2.1 If there is a Force Majeure event affecting a Party’s ability to perform its obligations under   
this Agreement, the affected Party will use reasonable efforts to notify the other Party Promptly after   
becoming aware of the event of Force Majeure. As soon as practicable and to the best of its knowledge,   
the Party experiencing a Force Majeure event shall provide the reasons why it believes the occurrence

constitutes a Force Majeure, identify the nature of the event, its expected duration, and the particulars of the obligations affected by the event, and furnish to the other Party reports at reasonable intervals during the continuance of the Force Majeure event.

ARTICLE XV: DEFAULT

15.1 If either Party fails to or neglects at any time to fully perform, observe and comply with all the terms, conditions and covenants herein, then the non-defaulting Party shall as soon as practicable, notify the defaulting Party in writing of such default and the defaulting Party shall correct such default to the satisfaction of the non-defaulting Party within thirty (30) days of the issuance of such notice or sooner in the case of an Emergency, as may be determined by the non-defaulting Party or within a longer time period if agreeable to the non-defaulting Party, failing which the non-defaulting Party may forthwith terminate this Agreement and the rights and privileges herein granted.

15.2 The rights and remedies of the Parties in this Agreement are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to the Parties at law or in equity. Either Party may exercise one or more of its rights and remedies from time to time, independently or in combination, without prejudice to any other right or remedy that either Party may have exercised. This subsection shall not operate to void the application of Article XVIII of this Agreement to any dispute arising between the Parties.

15.3 If any of the remedies provided for and chosen by a non-defaulting Party are found to be   
unenforceable, the non-defaulting Party may exercise any other right or remedy available to it at law.

ARTICLE XVI: CONFIDENTIAL INFORMATION

16.1 General

All Confidential Information shall at all times be treated as confidential, and shall be prepared,   
given, and used in good faith. The Parties shall use the Confidential Information only for the requirements   
of the work performed under being or activities contemplated by the Agreement (including but not limited   
to, planning or operating the Parties’ Interconection Facilities or Transmission Systems) and not for any   
other purpose, and, except to the extent expressly permitted by this Agreement, shall not disclose it to any   
third party directly or indirectly, without the prior written consent of the Party that provided the   
Confidential Information (the “Disclosing Party”), and in such events the third party must agree to use the   
Confidential Information solely for the requirements of the work or activities as specified. Confidential   
Information shall not be used for any commercial purpose of any kind whatsoever other than contemplated   
herein. Anything in this Agreement to the contrary notwithstanding, each Receiving Party, as defined   
below, may disclose Confidential Information to its affiliates and its affiliates’ officers, directors,   
employees, counsel, and representatives (“Representatives”) to the extent (i) each such person has a need   
to know such Confidential Information for the purposes of this Agreement, and (ii) such disclosure does not   
constitute a violation of any Applicable Legal Requirement. The Receiving Party shall be responsible for   
any breaches of this Article XVII to the extent caused by its Representatives.

16.2 Exclusions

“Confidential Information” does not include:

(a) information that is in the public domain, provided that specific items of information shall

not be considered to be in the public domain merely because more general information is

in the public domain and provided that the information is not in the public domain as a result of a breach of

this Agreement by the Disclosing Party or a person to whom the Disclosing Party has disclosed the information;

(b) information that is, at the time of the disclosure, in the possession of the recipient (the

“Receiving Party ”), provided that it was lawfully obtained either from the Disclosing Party or from sources who did not acquire it directly or indirectly from the Disclosing Party under an obligation of confidence; and

(c) information that is developed by Receiving Party or its affiliates independently of any

Confidential Information disclosed to it under this Agreement (as evidenced by written documentation).

16.3 Exceptions

Each Party shall keep Confidential Information confidential except:

(a) as may be necessary in an Emergency;

(b) to the extent required by Applicable Legal Requirements;

(c) to the extent that either Party may be required to disclose same to enable it to fulfill its

obligations to any Reliability Authority.

(d) For the avoidance of doubt, anything in this Agreement to the contrary, the Receiving Party

and/or its Representative may disclose Confidential Information disclosed hereunder to the   
extent required by any Applicable Legal Requirement or securities exchange requirement.

16.4 Disclosure

In the event the Receiving Party is required to disclose Confidential Information of the Disclosing   
Party, the Receiving Party shall Promptly notify the Disclosing Party prior to disclosing the Confidential   
Information, to the extent practicable, so that the Disclosing Party may seek an appropriate protective order   
or other appropriate protection and/or waive the Receiving Party’s compliance with this Agreement. Unless   
the Disclosing Party agrees that all Confidential Information may be disclosed, the Receiving Party shall   
furnish only that portion of the Confidential Information which it is legally required to disclose, and will   
exercise all reasonable efforts to obtain reliable assurance that confidential treatment will be accorded the   
Confidential Information.

16.5 Co-operation

The Parties shall make any information required to be provided or communicated under the terms of this Agreement available to each other in a reasonably timely and cooperative manner.

16.6 Disclosure to Regulatory Agencies

Notwithstanding anything in this Article XVII to the contrary, if the FERC or its staff, during the   
course of an investigation or otherwise, requests information from Niagara Mohawk that is otherwise   
Confidential Information required to be maintained in confidence pursuant to this Agreement, Niagara

Mohawk shall provide the requested information to the FERC or its staff within the time provided for in   
the request for information. In providing the information to FERC or its staff, Niagara Mohawk may,   
consistent with 18 C.F.R. § 388.112, request that the information be treated as confidential and non-public   
by the FERC and its staff, and that the information be withheld from public disclosure. Niagara Mohawk   
shall notify CRT when Niagara Mohawk is notified by FERC or its staff that a request for disclosure of, or   
decision to disclose, Confidential Information has been received, at which time either of the Parties may   
respond before such Confidential Information would be made public, pursuant to 18 C.F.R. § 388.112.

16.7 Duration of Survival

The confidentiality provisions of this Article XVII will continue and survive termination of this Agreement for a period of seven (7) years following termination.

ARTICLE XVII: DISPUTE RESOLUTION

17.1 Role of Asset Owners’ Committee

All disputes shall first be submitted for resolution to the Asset Owners’ Committee. Any dispute   
submitted for resolution to the Asset Owners’ Committee which is not resolved by the Asset Owners’   
Committee within five (5) Business Days following submission of the dispute to the Asset Owners’   
Committee, shall be submitted to the designated corporate officer(s) of each for resolution by good faith   
negotiations.

17.2 Failing resolution of the dispute by the corporate officers pursuant to Section 18.1 within twenty (20) Business Days following submission of the dispute to them, the dispute shall be submitted to final and binding arbitration to be conducted in either Montreal, Quebec, Canada or Albany, New York, United States, the claiming Party having absolute discretion over the location where the arbitration shall take place, in accordance with this Agreement. In as far as the arbitration is concerned, the Parties agree to be bind by the rules of the Commercial Arbitration Rules of the American Arbitration Association (“AAA Rules”), subject to the following.

17.3 Appointment of Arbitrators: The Parties shall meet within ten (10) Business Days of the   
decision by one of the Party to submit the dispute to arbitration to attempt to agree on an arbitrator Qualified   
by experience, education and training to arbitrate the dispute. If the Parties fail to meet, or otherwise are   
unable to agree on the selection of a single arbitrator within those ten Business Days, each Party will select   
one arbitrator. The two arbitrators so selected shall, within ten Business Days following their selection,   
jointly appoint a third arbitrator to be the sole arbitrator, after which appointment the role of the first two   
arbitrators shall end. If the two arbitrators selected by the Parties are unable to agree on the selection of   
the third arbitrator within ten Business Days following their selection, those two arbitrators may apply to a   
court of’ competent jurisdiction to appoint the sole arbitrator within ten Business Days following the   
request. Each arbitrator must be Qualified by education, training and experience to pass upon the particular   
matter to be decided and shall have no relationship, direct or indirect, with either of the Parties.

17.4 The arbitrator(s) will be instructed that time is of the essence in the arbitration proceeding.   
The arbitrator shall proceed as soon as is practicable to hear and determine the dispute, and shall be directed   
by the Parties to provide a written decision resolving the dispute within 60 days following his or her   
appointment or such other date as may be agreed in writing by the Parties. The Parties shall provide such   
assistance and information as may be reasonably necessary to enable the arbitrator to determine the dispute.   
Any decision of the arbitrator will be in writing and will be final and binding upon the Parties, with no   
right of appeal from it and subject to Section 18.7 below, shall deal with the question of costs of arbitration   
and all related matters.

17.5 Judgement upon any award of the arbitrator as the case may be, may be entered in any

court having jurisdiction or application may be made to the applicable court for a judicial recognition of the award or an order of enforcement, as the case may be.

17.6 Notwithstanding anything to the contrary in the AAA Rules, the arbitration shall proceed with the following rules: (i) with respect to evidence, conformity to legal rules shall be necessary at all times, (ii) with respect to the conduct of proceeding, the arbitrator must act in a way to expedite the resolution of the dispute, but in absolute respect of the rule of law, and (iii) the arbitrator shall seek the counsel of law expert(s) to resolve any question of law he or she feels unable to resolve, in the presence of the Parties whom shall be authorized to make appropriate representations.

17.7 Costs and the Award

17.7.1 Each Party shall bear its own legal and other costs, including the fees of its legal counsel and the expenses of its witnesses. The fees and expenses of the Arbitrator(s), including the expenses relating to the rental of premises for the hearing, the cost of stenographers and, as the case may be, of interpreters, shall be shared equally between the Parties.

17.7.2 The Arbitrator(s) shall have jurisdiction to direct the payment of interest in respect of any   
award at such rates and from and to such dates as are determined by the Arbitrator(s) to be appropriate.

17.8 Confidentiality

Unless the Parties agree otherwise in writing, the Parties undertake to keep confidential all awards   
to be rendered in any arbitration, together with all materials in the proceedings created for the purpose of   
the arbitration and all other documents produced by another Party in the proceedings not otherwise in the   
public domain, save to the extent that disclosure may be required by a Party by legal duty, to protect or   
pursue a legal right or to enforce or challenge an award in bona fide legal proceedings before a court of law   
or other judicial authority. By accepting to serve as Arbitrator(s), the Arbitrator(s) likewise undertakes to   
respect the confidentiality of the arbitration. It is understood that the Arbitrator(s) shall not publish any   
award or any part of an award without the express prior written consent of all Parties.

17.9 Performance During Dispute Resolution

While any dispute (other than a dispute that a Party has reasonable grounds for alleging is a   
fundamental breach of this Agreement) is being resolved, the Parties shall continue to perform all   
obligations under this Agreement with due diligence and continue to comply with all terms of this   
Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in duplicate attested by the signatures of their duly authorized offices, as of the day and year first written above. I have the authority to bind Niagara Mohawk Power Corporation.

Herbert Schrayshuen

Vice-President Transmission Commercial Services

National Grid USA for: Niagara Mohawk Power Corporation

I have the authority to bind Cedars Rapids Transmission Company Limited.

Sylvain Clemont

General Manager

Cedars Rapids Transmission Company Limited

SCHEDULE A

The Interconnection Facilities and the related Points-of-Interconnection and the Metering Points between CRT and Niagara Mohawk are described in this Schedule A.

1.0 Description of Interconnection Facilities

The Interconnection Facilities are comprised of certain electric transmission facilities, owned,   
operated and/or under exclusive rights of use by CRT and Niagara Mohawk, more specifically as follows:

(a) those electric transmission facilities owned, operated, and under the exclusive right to use by CRT, including the two 120 kV transmission lines, CD-l/CD-2 and CD-11/CD-22, and associated Transmission Equipment, that connect the Les Cedres substation of Hydro Quebec, located in the municipality of StJoseph de Soulange, Vaudreuil, Soulanges County, Province of Quebec, Canada, with Niagara Mohawk’s Transmission System at the Dennison substation owned by Niagara Mohawk, located in the Town of Massena, St. Lawrence County, State of New York, United States as depicted in Exhibit 1; (b) those electric transmission facilities owned and operated by Niagara Mohawk and associated Transmission Equipment located within Niagara Mohawk’s Dennison Substation that connect Niagara Mohawk’s Transmission System with the two 120 kV transmission lines, CD-1/CD-2.

Interconnection Facilities shall include such additional equipment and facilities for metering, telemetering, relaying, load control, communications and such other purposes as may be deemed necessary by the Parties to effect adequate and satisfactory operation of the Interconnection Facilities.

2.0 Points-of-Interconnection

The Points-of-Interconnection are the two disconnect switches (numbers 13 and 23) located within Niagara Mohawk’s Dennison Substation that connect lines CD-1/CD-2 with Niagara Mohawk’s Transmission System at its Dennison Substation, located in the Town of Massena, St. Lawrence County, New York, United States as depicted in Exhibit 1. CRT owns, operates and has an exclusive right to use Transmission Equipment up to and including the line side of the two switches comprising the Points-of-  
Interconnection. Niagara Mohawk owns and operates the Transmission Equipment from and including the jaw side of the two switches comprising the Points-of-Interconnection.

3.0 Metering Points

The Metering Points for power and energy delivered along the Interconnection Facilities are at the   
Dennison substation, located in the Town of Massena, St. Lawrence County, New York, United States.

Schedule A-1   
Representatives

I. NiMo Representative

Title : Senior Account Manager

Address : 300 Erie Blvd West, A-4

Syracuse, NY 13202

Telephone : (315) 428-6464

Email : Kevin.Reardon@nationalgrid.com

II. CRT Representative

Title : General Director

Address : 900, Rue Principale

Rivière-Beaudette (Québec)

J0P 1R0

Telephone : (450) 269-3461

Email : ADMIN@CEDARSRAPIDS.CA and EXPLOITATION@CEDARSRAPIDS.CA

