

NISource™
Corporate Services

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August 1, 2007

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Karen Geraghty, Administrative Director
Maine Public Utilities Commission
242 State Street
18 State House Station
Augusta, ME 04333

Re: Northern Utilities, Inc., Docket No. 2007-119 - Affiliate Agreement Between Northern Utilities, Inc. and Granite State Gas Transmission

Dear Ms. Geraghty:

Pursuant to the order issued by the Maine Public Utilities Commission (“Commission”) in Docket No. 2006-616, Northern Utilities, Inc. (“Northern”) was required to file a written agreement to address Granite State Gas Transmission’s (“Granite”) operation and maintenance of certain delivery point equipment on Northern’s behalf. Northern Utilities, Inc., Request for Approval of Affiliated Interest Transaction with Granite State Gas Transmission, Inc., Docket No. 2006-616 at p. 2-3 (Nov. 28, 2006). (“Nov. 28, 2006 Order”)

On February 28, 2007, in compliance with the Nov. 28, 2006 Order, Northern filed a proposed affiliate agreement for approval by the Commission. The Commission docketed the filing as Docket No. 2007-119. Advisor Data Request (“ADR”) Set 1 was issued on April 20, 2007 and Northern responded to ADR Set 1 on May 1, 2007. On June 13, 2007, at Staff’s request due to the need for additional time for investigation, Northern voluntarily withdraw its petition for approval pursuant to Section 745 of Chapter 110 of the Maine Public Utilities Commission’s Rules. Northern agreed to refile the agreement following modifications that addressed issues informally raised by Staff.

Accordingly, enclosed please find an original and two (2) copies of a revised proposed affiliate agreement between Northern and Granite regarding the operation and maintenance (“O&M”) of metering and regulator equipment (“affiliate M&R

Agreement”). Northern asks the Commission to approve this affiliate M&R Agreement as revised.

Attached as Exh. Northern-1 (Revised) is the revised Operating and Management Agreement between Northern and Granite. Also attached is Exh. Northern-1 (Revised) (Redlined), which identifies the revisions as compared to the February 28th filed agreement. These revisions were made in response to discussions with Staff. Please note also that Attachment Northern-1 (Revised) includes the original Exhibit “A” -- a schedule of the M&R stations in Maine and New Hampshire; Exhibit “B” -- a responsibility matrix; Exhibit “C” -- Photos Showing Physical Limits of Responsibility at M&R Stations in Maine; and Exhibit “D” -- Photos Showing Physical Limits of Responsibility at M&R Stations in New Hampshire.¹

The revisions in Exh. Northern-1 (Revised) are intended to include all agreed-upon revisions necessary to clarify the agreement. The changes are summarized as follows:

<u>Page Reference</u>	<u>Revision</u>
<u>Throughout</u>	Administrative edits to change the reference for Granite State Gas Transmission from “Granite State” to “Granite”;
<u>Section I. Term</u>	Additional text to describe termination situation when gas permanently ceases to flow through regulator station;
<u>Section V. Granite’s Responsibilities, (5)(b)</u>	Addition to Indemnification clause to reference the April 5, 2007 incident at the Moody Street regulator station in Saco, ME;
<u>Section VI. Northern’s Responsibilities, (6)(b)</u>	Addition to Indemnification clause to reference the April 5, 2007 incident at the Moody Street regulator station in Saco, ME;

¹ Because of their size, Exhibits “C” and “D” of Attachment Northern-1 (Revised) are provided electronically, on compact disk.

Section VI. Northern's Responsibilities, (9)

Additional text to define cost sharing between Northern and Granite for maintenance performed under this section;

Section VII. Mutual Obligations, (3)

Additional text to specify time periods for Northern's witnessing of inspection and calibration of measurement equipment;

Section VII. Mutual Obligations, (6)

Additional text to allow notice by facsimile or e-mail and clarification of notice allowed in event of emergency;

Section VII. Mutual Obligations, (9)

Delete original text in entirety and replace with definition of each Party's support for the agreement;

Section VII. Mutual Obligations, (10)

Additional text to clarify acknowledgement by the Parties of regulatory approvals in case of material amendment to the agreement.

Accordingly, Northern seeks the Commission's approval of Northern's proposed revised affiliate M&R Agreement, set forth in Exh. Northern-1 Revised, as consistent with the public interest under 35-A M.R.S.A. sec. 707 and Commission Rules Chapter 820.

Thank you for your attention to this matter. If you have any questions, please feel free to telephone me at 508-836-7394.

Very truly yours,

Patricia M. French/SBK

Patricia M. French

cc: Carol MacLennan, Esq., Hearing Examiner
Lucretia Smith, Utility Analyst
Gary Farmer, Safety Specialist

OPERATING AND MAINTENANCE AGREEMENT

THIS OPERATING AND MAINTENANCE AGREEMENT ("Agreement") is made effective this ____ day of _____, 2007, by and between GRANITE STATE GAS TRANSMISSION, INC., a New Hampshire corporation with an office in Portsmouth New Hampshire ("Granite") and NORTHERN UTILITIES, INC., a New Hampshire corporation with an office in Westborough, Massachusetts ("Northern"). Granite and Northern may be referred to herein individually as a "Party" or collectively as "Parties".

WHEREAS, Granite owns and operates an interstate natural gas transmission system, a portion of which is located in Maine and a portion of which is located in New Hampshire; and

WHEREAS, Granite and Northern desire to identify the areas of responsibility for the operation and maintenance of certain measurement and pressure regulation facilities located within the States of Maine and New Hampshire, subject to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and agreements described herein, Granite and Northern hereby agree as follows:

I. Term. This Agreement shall expire with respect to each of the measurement and regulator stations identified on Exhibit "A" attached hereto and made a part hereof by this reference (which stations are collectively referred to herein as the "M&R Stations", and are individually referred to herein as the "M&R Station") on the earlier of either (i) the expiration and/or termination of authorized tariff agreements, as such tariffs may be amended or superseded from time to time, regarding the delivery of gas by authorized shipping entities to such M&R Station, or (ii) the date on and after which Granite is authorized by the Federal Energy Regulatory Commission, pursuant to §7(b) of the federal Natural Gas Act (15 U.S.C. §717 et seq.) to abandon all service at such M&R Station; provided, however, that this Agreement may be terminated by either party by giving written notice of termination to the other party at least 90 days in advance of the effective date of the termination. Notwithstanding, if gas ceases permanently to be moved physically through the regulator stations, the purpose of the agreement will deemed to be frustrated and either party may declare it void and without further effect, subject to final payments under reasonable terms to be negotiated by the Parties in that event.

II. General Operating and Maintenance Duties. Each Party shall perform the specific areas of its respective responsibilities at the M&R Stations, as more fully set forth in this Agreement. A summary of the specific responsibilities of Granite and Northern hereunder is shown in Exhibit "B" attached hereto and made a part hereof by this reference.

III. Contractors. Either Party may meet its obligations hereunder through the use of any combination of employees, agents, officers, affiliates or contractors; provided, however, that the respective obligations of Granite and Northern are non-delegable and that the use of such employees, agents, officers, affiliates or contractors shall not diminish the respective obligations of either Party. Wherever the terms "Granite" and/or "Northern" are used in this Agreement, those terms shall include any employees, agents, officers, affiliates or contractors engaged by either Party to discharge its obligations hereunder.

IV. Assumption of Risk. Northern and Granite shall assume all risks, latent and patent, which shall arise in connection with their respective responsibilities and shall take all necessary and reasonable precautions to prevent injury or damage to persons or property, including without limitation other pipelines, that may be caused directly or indirectly by the operation and maintenance of that portion of the particular M&R Station for which Northern or Granite, as the case may be, is responsible. Nothing, however, in the Agreement shall create rights in a third person.

V. Granite's Responsibilities. Throughout the term of this Agreement, Granite agrees to:

1. Operate and maintain as the United States Department of Transportation operator, in compliance with C.F.R. Title 49, Parts 192 and 199, as may be amended from time to time, all piping facilities from Granite's interstate natural gas transmission pipeline up to, and including, the first above-ground welds or the first above-ground valve, as the case may be, downstream of the main line tap at each of the M&R Stations, excluding gas heating equipment and associated piping and excluding also the inlet filter assembly for which Northern is responsible as further described in Exhibit "B" #12. The point that demarcates the limits of Granite's responsibility at: (a) each M&R Station located in Maine is more particularly designated and shown in the photograph(s) of the pertinent facility attached hereto as Exhibit "C" and made a part hereof by this reference; and (b) each M&R Station located in New Hampshire is more particularly designated and shown in the photograph(s) of the pertinent facility attached hereto as Exhibit "D" and made a part hereof by this reference.
2. Assume full responsibility for: (a) corrosion control on the facilities operated and maintained by Granite pursuant hereto; and (b) cathodic protection on the facilities operated and maintained by Northern pursuant hereto, until such time as appropriate break points are installed in the cathodic protection system at each M&R Station in order to separate the cathodic protection system that serves the facilities for which Northern is responsible from those for which Granite is responsible.

3. Operate, maintain, promptly repair and/or replace equipment and facilities under its responsibility so as not to adversely affect Northern's distribution system or delivery of natural gas to Northern.
4. Limit its access as necessary to, and the operation of, those facilities that are to be operated and maintained by Granite. In common use areas, Granite shall exercise due care to avoid obstructing Northern's access to its facilities.
5. Indemnify, hold harmless and release Northern, its officers, employees, agents, and affiliates from and against all liabilities or causes of action, claims, demands, suits, damages, judgments, fees, fines, penalties, costs and expenses arising from or related to:
 - (a) any injury to or death of any person, any damage to property or any losses of any kind, resulting from or caused by the negligence or willful misconduct of Granite in carrying out its responsibilities under this Agreement, except to the extent and in the proportion that such injury, death, damage or loss is caused by the negligence or willful misconduct of Northern;
 - (b) any investigation, suit, administrative action or other event or proceeding that may result from Granite's actions or inactions as such may be deemed directly related to the April 5, 2007 incident at the Moody Street regulator station in Saco, Maine; and
 - (c) Granite's past activities at any M&R Station, including without limitation that certain suit now pending in the Circuit Court of Rockingham County, New Hampshire, styled Carol Freeman and Norman Freeman, Sr., Trustees v. Granite Transmission, Inc., and designated as action no. 06-E-0621.
6. Comply with all applicable federal, state and local laws, rules and regulations in the performance of Granite's obligations and responsibilities under this Agreement and in the exercise of Granite's rights hereunder.
7. Comply with all valid and applicable federal, state and local laws, ordinances, rules, regulations and orders pertaining to the generation, transportation, storage and disposal of toxic and/or hazardous substances and/or wastes with respect to the specific items which Granite operates, maintains, or owns or over which Granite exercises control. Granite agrees to indemnify and hold harmless Northern from and against any loss, injury, liability, damage to persons or property, or fines, penalties or compliance orders issued by any governmental agency or any other party relating to pollution or protection of the environment including without limitation, laws and regulations relating to emissions, discharges, releases

or threatened releases of chemicals, pollutants, contaminants, waste petroleum, toxic substances, hazardous substances as that term is defined in the Federal Comprehensive Environmental Response Compensation Liability Act ("CERCLA"), and solid waste as that term is defined in the Federal Resource Conservation Recovery Act ("RCRA") occurring on said property due to the acts or omissions of Granite or its subcontractors, except to the extent and in the proportion that such emission, discharge, release or threatened release is caused by the negligence or willful misconduct of Northern, its subcontractors, or any third party under Northern's control.

VI. Northern Responsibilities. Throughout the term of this Agreement, Northern agrees to:

1. Operate and maintain as the responsible operator in compliance with C.F.R. Title 49, Parts 192 and 199, as may be amended from time to time, and in accordance with all appropriate state and local laws, codes and regulations, all facilities starting from the first above-ground welds or the first above-ground valve, as the case may be, downstream of the main line tap at each M&R Station, including gas heating equipment and associated piping and including also the inlet filter assembly for which Northern is responsible as further described in Exhibit "B" No. 12. These limits are more particularly shown in Exhibit "C" with respect to M&R Stations located in Maine, and in Exhibit "D" with respect to M&R Stations located in New Hampshire.
2. Assume full responsibility for corrosion control of those facilities operated and maintained by Northern pursuant hereto; provided that Granite shall be responsible for cathodic protection on the facilities operated and maintained by Northern pursuant hereto, until such time as appropriate break points are installed in the cathodic protection system at each M&R Station in order to separate the cathodic protection system that serves the facilities for which Northern is responsible from those for which Granite is responsible.
3. Operate, maintain, and assume full responsibility for gas odorant equipment, if any, associated with each M&R Station, as well as the appurtenances necessary to operate said gas odorant equipment.
4. Limit its access as necessary to, and the operation of, those facilities that are to be operated and maintained by Northern. In common use areas, Northern shall exercise due care to avoid obstructing Granite's access to its facilities.

5. Operate, maintain, promptly repair and/or replace equipment and facilities under its responsibility so as not to adversely affect Granite's M&R station facilities or the operation thereof.
6. Indemnify, hold harmless and release Granite, its officers, employees, agents, and affiliates from and against all liabilities, or causes of action, claims, demands, suits, damages, judgments, fees, fines, penalties, costs and expenses arising from or related to:
 - (a) any injury to or death of any person, any damage to property or any losses of any kind resulting from or caused by the negligence or willful misconduct of Northern in carrying out its responsibilities under this Agreement, except to the extent and in the proportion that such injury, death, damage or loss is caused by the negligence or willful misconduct of Granite;
 - (b) any investigation, suit, administrative action or other event or proceeding that may result from Northern's actions or inactions as such may be deemed directly related to the April 5, 2007 incident at the Moody Street regulator station in Saco, Maine; and
 - (c) Northern's past activities at any M&R Station.
7. Comply with all applicable federal, state and local laws, rules and regulations in the performance of Northern's obligations and responsibilities under this Agreement and in the exercise of Northern's rights hereunder.
8. Comply with all valid and applicable federal, state and local laws, ordinances, rules, regulations and orders pertaining to the generation, transportation, storage and disposal of toxic and/or hazardous substances and/or wastes with respect to the specific items which Northern operates, maintains, or owns or for which Northern exercises control. Northern agrees to indemnify and hold harmless Granite from and against any loss, injury, liability, damage to persons or property, or fines, penalties or compliance orders issued by any governmental agency or any other party relating to pollution or protection of the environment including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, waste petroleum, toxic substances, hazardous substances as that term is defined in the Federal Comprehensive Environmental Response Compensation Liability Act ("CERCLA"), and solid waste as that term is defined in the Federal Resource Conservation Recovery Act ("RCRA") occurring on said property due to the acts or omissions of Northern or its subcontractors, except to the extent and in the proportion that such emission, discharge, release or threatened release is caused by the

negligence or willful misconduct of Granite, its subcontractors, or any third party under Granite's control.

9. Maintain access to the facilities shared by Northern and Granite, including the access road or driveway that runs from each M&R Station to the nearest public roadway. This maintenance shall include, but shall not be limited to, any reasonably required snow removal. Northern will also be responsible for maintaining the M&R Station facility grounds, including, but not limited to, reasonable vegetation control. The costs of maintenance under this section shall be shared equally with Granite based upon on actual cost incurred.

VII.M mutual Obligations.

1. Northern and Granite acknowledge that this Agreement is subject to the jurisdiction of various applicable state and federal regulatory authorities. To that end, either Northern or Granite may file this Agreement with any regulatory authority having appropriate jurisdiction over the subject matter hereof.
2. Each of the Parties will report to the other Party in writing at the end of each successive calendar quarter with respect to the specific actions taken during that calendar quarter to fulfill its responsibilities under this Agreement. Each of the Parties will: (a) immediately notify the other Party of any "incident" (as defined by 49 C.F.R. § 191.3) that occurs at any M&R Station; and (b) also immediately report to the other Party any safety-related condition that is observed at any M&R Station, including without limitation those safety-related conditions specified in 49 C.F.R. § 191.23 and those safety-related conditions which would require immediate repair or response, regardless of whether the Party observing the condition is responsible to perform that maintenance or repair at issue pursuant hereto.
3. Northern and Granite will mutually agree upon a schedule to permit Northern or its assigns to witness the inspection and calibration of Granite's measurement equipment within a reasonable period at the commencement of this agreement and at the termination of this agreement. Unless emergency circumstances exist, a forty-eight (48) hour notice shall be given.
4. In the event that either Party shall fail to perform its obligations and responsibilities hereunder and such failure shall continue for a period of ten (10) days after receipt of written notice from the other Party, setting forth the nature of such failure, then the other Party shall have the right, but not the obligation, to remedy such failure at the cost and expense of the non-performing Party; provided that, if the Party receiving such a

notice commences efforts to cure the non-performance within such ten-day (10-day) period and thereafter continues to diligently pursue those efforts but is unable with due diligence to cure the non-performance within said ten-day (10-day) period, then the other Party shall allow the Party obligated to perform a reasonable period of time, not to exceed thirty (30) days from the date of receipt of notice of non-performance, in which to cure the specified non-performance, before taking steps to remedy such failure of performance.

5. In the event of a conflict among this Agreement, Exhibit "A", Exhibit "B" and/or Exhibit "C" or "D" (as applicable), the following order of priority shall prevail: (a) with respect to any conflict involving the physical demarcation of responsibility, first, Exhibit "C" or "D" (as applicable), second, Exhibit "A", and third, the body of the Agreement; and (b) with respect to any other conflict, first, the Agreement, second, Exhibit "B", third, Exhibit "C" or "D" (as applicable).
6. Except as herein otherwise provided, all notices required or permitted to be given hereunder shall be in writing and delivered by (i) hand, (ii) mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows, (iii) reputable overnight courier which provides evidence of delivery or refusal, addressed as follows, (iv) facsimile to the following number, with the transmitting party retaining confirmation of receipt, or (v) e-mail to the following e-mail address, with the sending party retaining confirmation of receipt:

If to Northern:

Attn: _____

_____ (facsimile)
_____ (e-mail address)

If to Granite State:

Attn: _____

_____ (facsimile)
_____ (e-mail address)

or in the case of either Party to such other address, facsimile number or e-mail address as shall be designated by written notice given to the other

Party in accordance with this paragraph. The effective date of any notice issued pursuant to this Agreement shall be as of the addressee's receipt or refusal of receipt of such notice.

In the event of emergency requiring immediate response, verbal notice by telephone shall be acceptable, provided that (i) any such notice is given live, person-to-person, and not by leaving voice mail messages, and (ii) is promptly followed by written notice directed as required herein above.

7. Northern and Granite shall carry the types and amounts of insurance, through a combination of self-insured retention and insurance policies, which are consistent with that maintained by other entities similar to Granite and Northern. Each Party's insurers shall waive their rights of subrogation against the other Party.
8. Northern and Granite each represent that this Agreement is in full force and effect upon execution, has been duly executed as delivered by their authorized representative, and constitutes the legal, valid and binding obligations of Granite and Northern, subject to lawful limitations imposed upon its enforceability (a) as a result of Bankruptcy, insolvency, reorganization or any other similar laws affecting the enforcement of creditor's rights severally, (b) by the final, non-appealable action of a regulatory agency having jurisdiction over the subject matter hereof, including without limitation any approval that must be obtained from any such regulatory agency as a pre-condition to its validity or enforceability, and (c) general equitable principles.
9. Each Party warrants to provide support for this agreement in good faith consistent with the law and regulations to which each is subject.
10. This Agreement shall (a) with respect to those M&R Stations that are located in the State of Maine, be governed by and construed in accordance with the laws of the State of Maine, and (b) with respect to those M&R Stations that are located in the State of New Hampshire, be governed and construed in accordance with the laws of the State of New Hampshire. Further, this Agreement may only be amended by written agreement signed by both Parties. This Agreement represents the entire understanding of the Parties with respect to the subject matter hereof. No parole evidence such as, but not limited to, oral representations and statements, or the course of conduct between Granite and Northern, shall operate to modify, supersede or add to the terms hereof. The Parties acknowledge that regulatory approval must be obtained for any material amendments to this agreement, other than typographical errors or changes in business names of the existing Parties. Any assignment of this agreement, even if otherwise agreed to by the Parties, would be considered a material amendment.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly hereunto authorized representatives as of the date and year first above written.

GRANITE STATE GAS TRANSMISSION, INC.

By: _____

Title: _____

NORTHERN UTILITIES, INC.

By: _____

Title: _____

Attachments:

- Exhibit "A": Schedule of M&R Stations
- Exhibit "B": Responsibility Matrix
- Exhibit "C": Photos Showing Physical Limits of Responsibility
at M&R Stations Located in the State of Maine
- Exhibit "D": Photos Showing Physical Limits of Responsibility
at M&R Stations Located in New Hampshire

EXHIBIT A

G.S.G.T. STATIONS - SUPPLYING NORTHERN UTILITIES INC.					
Station Name	Location	State	Demarcation Location	Measuring Station #	Regulating Station #
Forrest Street	Plaistow	NH	Inlet Supply to Station Off of the Bridle Set (4")	MS637407	RS637407
Sweet Hill Road	Plaistow	NH	1st Weld Inside Station	MS637408	RS637408
East Kingston Station	East Kingston	NH	1st Weld Inside Station	MS637409	RS637409
Exeter West	Exeter	NH	1st Weld Inside Station	MS637410	RS637410
Newfields Road 2"	Exeter	NH	1st Weld at Inlet to Heater	N/A	RS637411
Newfields Road 3"	Exeter	NH	1st Weld at Inlet to Heater	MS637412	RS637412
Route 151	Greenland	NH	1st Weld Inside Station	MS637413	RS637413
Ocean Road	Greenland	NH	Valve Outside Station/Outside Fence	MS637414	RS637414
Panaway	Portsmouth	NH	Outlet Flange on Inlet Valve to Station/Outside of Building	MS637415	RS637415
Portsmouth - Lateral	Portsmouth	NH	1st Weld Inside Station	MS637416	N/A
Pease	Portsmouth	NH	Inlet Flanges to Station & By-pass Valves	MS637417	RS637417
Gosling Road	Newington	NH	1st Weld Inside Station	MS637418	RS637418
Newington	Newington	NH	Weld on 2" Side of Concentric Reducer at Station Inlet	MS637419	RS637419
Dover Point	Dover	NH	1st Weld Inside Station on 4" Side of Concentric Reducer	MS637420	RS637420
Bellamy Road	Dover	NH	Top of Inlet Valve/Inside of Station	MS637421	RS637421
Varney Brook	Dover	NH	Top Flange of Inlet Valve	MS637422	N/A
Debbie Lane	Eliot	ME	Utilize Demarcation Point from M&N System Piping	MS637433	RS637433
Marshwood High School	Eliot	ME	1st Weld Inside Station	MS637434	RS637434
Northeast Mill Works	N. Berwick	ME	Top Flange of Inlet Valve to Station	N/A	RS637435
Hussey Seating	N. Berwick	ME	Top Flange of Inlet Valve to Station	MS637436	RS637436
Pratt & Whitney	N. Berwick	ME	Insulating Flange at Station Inlet	MS637437	RS637437
Rte-109	Wells	ME	1st Weld Inside Station	MS637438	RS637438
Twine Mill	Kennebunk	ME	2 Welds on Lower Flanges of Inlet Valves	MS637439	RS637439
Biddeford Industrial Park	Biddeford	ME	Bottom Weld of Inlet Valve to Station	MS637440	RS637440
209 South Street	Biddeford	ME	Inlet Thread to Inlet Valve in Tub	N/A	RS637442
Railroad Ave	Biddeford	ME	Inlet Weld on 4" x 2" Tee	MS637443	RS637443
North St - Saco Brick	Saco	ME	1st Weld at Inlet to Station	MS637444	RS637444
Moody Street	Saco	ME	2 Welds on Lower Flanges of Inlet Valves	MS637445	RS637445
Cascade Road	Old Orchard	ME	1st Weld at Inlet to Station	MS637446	RS637446
Scarborough Ind Pk	Scarborough	ME	1st Weld at Inlet to Station	MS637447	RS637447
Eastern Road	Scarborough	ME	Weld on Inlet Weld Neck Flange	MS637448	RS637448
Roundwood	Scarborough	ME	Inlet 2" Weld on 4" x 2" Weld Tee	MS637449	RS637449
Southborough	Scarborough	ME	Inlet Weld on 2" Side of 4" x 2" Tee	MS637450	RS637450
Payne Road	S. Portland	ME	1st Weld Inside Station	MS637451	RS637451
Congress Street	Portland	ME	Inlet Weld on 4" Elbow	MS637452	RS637452
Blueberry Road	Portland	ME	Inlet Weld at Station	MS637453	RS637453
Larrabee Road	Westbrook	ME	Inlet Weld at Station	MS637455	RS637454

**EXHIBIT "B"
RESPONSIBILITY MATRIX**

<u>Facilities/Equipment</u>	<u>Operation, Control & Minor Maintenance Responsibility</u>	<u>Ownership</u>
1. Tap Valves and Piping from Granite' Pipeline to measurement runs excluding the horizontal Gas filter and bypass piping.	GS	GS
2. Measurement Station; including Meters, Runs, Risers, Piping, Valves & Instrumentation*	NU	GS
3. Cathodic Protection System & Grounding System for Facilities Operated and maintained by Granite	GS	GS
4. Granite' Data Acquisition and Electronic Measurement Equipment	GS	GS
5. Regulator Station: including Pressure Regulators, Over Pressure Protection, Valves, Heaters, Piping and Instrumentation, electric service.	NU	GS
6. Cathodic Protection System & Grounding System for Facilities Operated and Maintained by Northern	GS**	GS
7. Northern Gas Odorant Equipment	NU	NU
8. Northern Data Acquisition and Electronic Measurement Equipment	NU	NU
9. Land on which Measurement and Regulation Facility is Located	NU	GS
10. Buildings: Data Building Measurement and Regulator Bldg.	NU	GS
11. Security (fences;locks)	NU	GS

12. Filter Assembly including Inlet, outlet, bypass valves and filter vessel.	NU	GS
13. Inlet insulating flanges, Piping and check valve.	NU	GS

GS = Granite State Gas Transmission, Inc.; NU = Northern Utilities, Inc.

* Please note, this item does not apply to the Debbie Lane M&R Station located at Eliot, Maine, because the meter at that location is owned and operated by Maritime & Northeast Pipelines, L.L.C.

** Please note, GS is only responsible to provide cathodic protection on the facilities operated and maintained by NU pursuant hereto, until such time as appropriate break points are installed in the cathodic protection system at each M&R Station in order to separate the cathodic protection system that serves the facilities for which NU is responsible from those for which GS is responsible

EXHIBIT "C"
PHOTOS SHOWING PHYSICAL LIMITS OF RESPONSIBILITY
AT M&R STATIONS LOCATED IN STATE OF MAINE

EXHIBIT "D"
PHOTOS SHOWING PHYSICAL LIMITS OF RESPONSIBILITY
AT M&R STATIONS LOCATED IN STATE OF NEW HAMPSHIRE

OPERATING AND MAINTENANCE AGREEMENT

THIS OPERATING AND MAINTENANCE AGREEMENT ("Agreement") is made effective this ____ day of _____ March, 2007, by and between GRANITE STATE GAS TRANSMISSION, INC., a New Hampshire corporation with an office in Portsmouth New Hampshire ("Granite State") and NORTHERN UTILITIES, INC., a New Hampshire corporation with an office in Westborough, Massachusetts ("Northern"). Granite State and Northern may be referred to herein individually as a "Party" or collectively as "Parties".

WHEREAS, Granite State owns and operates an interstate natural gas transmission system, a portion of which is located in Maine and a portion of which is located in New Hampshire; and

WHEREAS, Granite State and Northern desire to identify the areas of responsibility for the operation and maintenance of certain measurement and pressure regulation facilities located within the States of Maine and New Hampshire, subject to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and agreements described herein, Granite State and Northern hereby agree as follows:

I. Term. This Agreement shall expire with respect to each of the measurement and regulator stations identified on Exhibit "A" attached hereto and made a part hereof by this reference (which stations are collectively referred to herein as the "M&R Stations", and are individually referred to herein as the "M&R Station") on the earlier of either (i) the expiration and/or termination of authorized tariff agreements, as such tariffs may be amended or superseded from time to time, regarding the delivery of gas by authorized shipping entities to such M&R Station, or (ii) the date on and after which Granite State is authorized by the Federal Energy Regulatory Commission, pursuant to §7(b) of the federal Natural Gas Act (15 U.S.C. §717 et seq.) to abandon all service at such M&R Station; provided, however, that this Agreement may be terminated by either party by giving written notice of termination to the other party at least 90 days in advance of the effective date of the termination. Notwithstanding, if gas ceases permanently to be moved physically through the regulator stations, the purpose of the agreement will deemed to be frustrated and either party may declare it void and without further effect, subject to final payments under reasonable terms to be negotiated by the Parties in that event.

II. General Operating and Maintenance Duties. Each Party shall perform the specific areas of its respective responsibilities at the M&R Stations, as more fully set forth in this Agreement. A summary of the specific responsibilities of Granite State and Northern hereunder is shown in Exhibit "B" attached hereto and made a part hereof by this reference.

III. Contractors. Either Party may meet its obligations hereunder through the use of any combination of employees, agents, officers, affiliates or contractors; provided, however, that the respective obligations of Granite State and Northern are non-delegable and that the use of such employees, agents, officers, affiliates or contractors shall not diminish the respective obligations of either Party. Wherever the terms "Granite State" and/or "Northern" are used in this Agreement, those terms shall include any employees, agents, officers, affiliates or contractors engaged by either Party to discharge its obligations hereunder.

IV. Assumption of Risk. Northern and Granite State shall assume all risks, latent and patent, which shall arise in connection with their respective responsibilities and shall take all necessary and reasonable precautions to prevent injury or damage to persons or property, including without limitation other pipelines, that may be caused directly or indirectly by the operation and maintenance of that portion of the particular M&R Station for which Northern or Granite State, as the case may be, is responsible. Nothing, however, in the Agreement shall create rights in a third person.

V. Granite's Granite State' Responsibilities. Throughout the term of this Agreement, Granite State agrees to:

1. Operate and maintain as the United States Department of Transportation operator, in compliance with C.F.R. Title 49, Parts 192 and 199, as may be amended from time to time, all piping facilities from Granite's Granite State's interstate natural gas transmission pipeline up to, and including, the first above-ground welds or the first above-ground valve, as the case may be, downstream of the main line tap at each of the M&R Stations, excluding gas heating equipment and associated piping and excluding also the inlet filter assembly for which Northern is responsible as further described in Exhibit "B" #12. The point that demarcates the limits of Granite's Granite State's responsibility at: (a) each M&R Station located in Maine is more particularly designated and shown in the photograph(s) of the pertinent facility attached hereto as Exhibit "C" and made a part hereof by this reference; and (b) each M&R Station located in New Hampshire is more particularly designated and shown in the photograph(s) of the pertinent facility attached hereto as Exhibit "D" and made a part hereof by this reference.
2. Assume full responsibility for: (a) corrosion control on the facilities operated and maintained by Granite State pursuant hereto; and (b) cathodic protection on the facilities operated and maintained by Northern pursuant hereto, until such time as appropriate break points are installed in the cathodic protection system at each M&R Station in order to separate the cathodic protection system that serves the facilities for which Northern is responsible from those for which Granite State is responsible.

3. Operate, maintain, promptly repair and/or replace equipment and facilities under its responsibility so as not to adversely affect Northern's distribution system or delivery of natural gas to Northern.
4. Limit its access as necessary to, and the operation of, those facilities that are to be operated and maintained by Granite State. In common use areas, Granite State shall exercise due care to avoid obstructing Northern's access to its facilities.
5. Indemnify, hold harmless and release Northern, its officers, employees, agents, and affiliates from and against all liabilities or causes of action, claims, demands, suits, damages, judgments, fees, fines, penalties, costs and expenses arising from or related to:
 - (a) any injury to or death of any person, any damage to property or any losses of any kind, resulting from or caused by the negligence or willful misconduct of Granite State in carrying out its responsibilities under this Agreement, except to the extent and in the proportion that such injury, death, damage or loss is caused by the negligence or willful misconduct of Northern; and
 - (b) any investigation, suit, administrative action or other event or proceeding that may result from Granite's actions or inactions as such may be deemed directly related to the April 5, 2007 incident at the Moody Street regulator station in Saco, Maine; and
 - (c) Granite's Granite State's past activities at any M&R Station, including without limitation that certain suit now pending in the Circuit Court of Rockingham County, New Hampshire, styled Carol Freeman and Norman Freeman, Sr., Trustees v. Granite State-Transmission, Inc., and designated as action no. 06-E-0621.
6. Comply with all applicable federal, state and local laws, rules and regulations in the performance of Granite's Granite State's obligations and responsibilities under this Agreement and in the exercise of Granite's Granite State's rights hereunder.
7. Comply with all valid and applicable federal, state and local laws, ordinances, rules, regulations and orders pertaining to the generation, transportation, storage and disposal of toxic and/or hazardous substances and/or wastes with respect to the specific items which Granite State operates, maintains, or owns or over which Granite State exercises control. Granite State agrees to indemnify and hold harmless Northern from and against any loss, injury, liability, damage to persons or property, or fines, penalties or compliance orders issued by any governmental agency or any other party relating to pollution or protection of the

environment including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, waste petroleum, toxic substances, hazardous substances as that term is defined in the Federal Comprehensive Environmental Response Compensation Liability Act ("CERCLA"), and solid waste as that term is defined in the Federal Resource Conservation Recovery Act ("RCRA") occurring on said property due to the acts or omissions of Granite State or its subcontractors, except to the extent and in the proportion that such emission, discharge, release or threatened release is caused by the negligence or willful misconduct of Northern, its subcontractors, or any third party under Northern's control.

VI. Northern Responsibilities. Throughout the term of this Agreement, Northern agrees to:

1. Operate and maintain as the responsible operator in compliance with C.F.R. Title 49, Parts 192 and 199, as may be amended from time to time, and in accordance with all appropriate state and local laws, codes and regulations, all facilities starting from the first above-ground welds or the first above-ground valve, as the case may be, downstream of the main line tap at each M&R Station, including gas heating equipment and associated piping and including also the inlet filter assembly for which Northern is responsible as further described in Exhibit "B" No. 12. These limits are more particularly shown in Exhibit "C" with respect to M&R Stations located in Maine, and in Exhibit "D" with respect to M&R Stations located in New Hampshire.
2. Assume full responsibility for corrosion control of those facilities operated and maintained by Northern pursuant hereto; provided that Granite State shall be responsible for cathodic protection on the facilities operated and maintained by Northern pursuant hereto, until such time as appropriate break points are installed in the cathodic protection system at each M&R Station in order to separate the cathodic protection system that serves the facilities for which Northern is responsible from those for which Granite State is responsible.
3. Operate, maintain, and assume full responsibility for gas odorant equipment, if any, associated with each M&R Station, as well as the appurtenances necessary to operate said gas odorant equipment.
4. Limit its access as necessary to, and the operation of, those facilities that are to be operated and maintained by Northern. In common use areas, Northern shall exercise due care to avoid obstructing Granite's Granite State's access to its facilities.

5. Operate, maintain, promptly repair and/or replace equipment and facilities under its responsibility so as not to adversely affect ~~Granite's~~ Granite State's M&R station facilities or the operation thereof.
6. Indemnify, hold harmless and release ~~Granite—State~~, its officers, employees, agents, and affiliates from and against all liabilities, or causes of action, claims, demands, suits, damages, judgments, fees, fines, penalties, costs and expenses arising from or related to:
 - (a) any injury to or death of any person, any damage to property or any losses of any kind resulting from or caused by the negligence or willful misconduct of Northern in carrying out its responsibilities under this Agreement, except to the extent and in the proportion that such injury, death, damage or loss is caused by the negligence or willful misconduct of ~~Granite; State; and~~
 - (b) any investigation, suit, administrative action or other event or proceeding that may result from Northern's actions or inactions as such may be deemed directly related to the April 5, 2007 incident at the Moody Street regulator station in Saco, Maine; and
 - (c) Northern's past activities at any M&R Station.
7. Comply with all applicable federal, state and local laws, rules and regulations in the performance of Northern's obligations and responsibilities under this Agreement and in the exercise of Northern's rights hereunder.
8. Comply with all valid and applicable federal, state and local laws, ordinances, rules, regulations and orders pertaining to the generation, transportation, storage and disposal of toxic and/or hazardous substances and/or wastes with respect to the specific items which Northern operates, maintains, or owns or for which Northern exercises control. Northern agrees to indemnify and hold harmless ~~Granite State~~ from and against any loss, injury, liability, damage to persons or property, or fines, penalties or compliance orders issued by any governmental agency or any other party relating to pollution or protection of the environment including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, waste petroleum, toxic substances, hazardous substances as that term is defined in the Federal Comprehensive Environmental Response Compensation Liability Act ("CERCLA"), and solid waste as that term is defined in the Federal Resource Conservation Recovery Act ("RCRA") occurring on said property due to the acts or omissions of Northern or its subcontractors, except to the extent and in the proportion that such emission, discharge, release or threatened release is caused by the

negligence or willful misconduct of Granite~~State~~, its subcontractors, or any third party under Granite's~~Granite State's~~ control.

9. Maintain access to the facilities shared by Northern and Granite~~State~~, including the access road or driveway that runs from each M&R Station to the nearest public roadway. This maintenance shall include, but shall not be limited to, any reasonably required snow removal. Northern will also be responsible for maintaining the M&R Station facility grounds, including, but not limited to, reasonable vegetation control. The costs of maintenance under this section shall be shared equally with Granite based upon on actual cost incurred.

VII. Mutual Obligations.

1. Northern and Granite ~~State~~ acknowledge that this Agreement ~~is~~ may be subject to the jurisdiction of various applicable state and federal regulatory authorities. To that end, either Northern or Granite ~~State~~ may file this Agreement with any regulatory authority having appropriate jurisdiction over the subject matter hereof.
2. Each of the Parties will report to the other Party in writing at the end of each successive calendar quarter with respect to the specific actions taken during that calendar quarter to fulfill its responsibilities under this Agreement. Each of the Parties will: (a) immediately notify the other Party of any "incident" (as defined by 49 C.F.R. § 191.3) that occurs at any M&R Station; and (b) also immediately report to the other Party any safety-related condition that is observed at any M&R Station, including without limitation those safety-related conditions specified in 49 C.F.R. § 191.23 and those safety-related conditions which would require immediate repair or response, regardless of whether the Party observing the condition is responsible to perform that maintenance or repair at issue pursuant hereto.
3. Northern and Granite ~~State~~ will mutually agree upon a schedule to permit Northern or its assigns to witness the inspection and calibration of Granite's~~Granite State's~~ measurement equipment within a reasonable period at the commencement of this agreement and at the termination of this agreement. Unless ~~Except for~~ emergency circumstances exist, a forty-eight (48) hour notice shall be given ~~by Granite State to Northern.~~
4. In the event that either Party shall fail to perform its obligations and responsibilities hereunder and such failure shall continue for a period of ten (10) days after receipt of written notice from the other Party, setting forth the nature of such failure, then the other Party shall have the right, but not the obligation, to remedy such failure at the cost and expense of the non-performing Party; provided that, if the Party receiving such a

notice commences efforts to cure the non-performance within such ten-day (10-day) period and thereafter continues to diligently pursue those efforts but is unable with due diligence to cure the non-performance within said ten-day (10-day) period, then the other Party shall allow the Party obligated to perform a reasonable period of time, not to exceed thirty (30) days from the date of receipt of notice of non-performance, in which to cure the specified non-performance, before taking steps to remedy such failure of performance.

5. In the event of a conflict among this Agreement, Exhibit "A", Exhibit "B" and/or Exhibit "C" or "D" (as applicable), the following order of priority shall prevail: (a) with respect to any conflict involving the physical demarcation of responsibility, first, Exhibit "C" or "D" (as applicable), second, Exhibit "A", and third, the body of the Agreement; and (b) with respect to any other conflict, first, the Agreement, second, Exhibit "B", third, Exhibit "C" or "D" (as applicable).

6. Except as herein otherwise provided, all notices required or permitted to be given hereunder shall be in writing and delivered by (i) hand, (ii) or mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed as follows, (iii) or by reputable overnight courier which provides evidence of delivery or refusal, addressed as follows, (iv) facsimile to the following number, with the transmitting party retaining confirmation of receipt, or (v) e-mail to the following e-mail address, with the sending party retaining confirmation of receipt:

If to Northern:

Attn: _____

_____ (facsimile)
_____ (e-mail address)

If to Granite State:

Attn: _____

_____ (facsimile)
_____ (e-mail address)

or in the case of either Party to such other address, facsimile number or e-mail address as shall be designated by written notice given to the other

Party in accordance with this paragraph. The effective date of any notice issued pursuant to this Agreement shall be as of the addressee's receipt or refusal of receipt of such notice.

In the event of emergency requiring immediate response, verbal notice by telephone shall be acceptable, provided that (i) any such notice is given live, person-to-person, and not by leaving voice mail messages, and (ii) is promptly followed by written notice directed as required herein above.

7. ~~Northern and Granite State~~ shall carry the types and amounts of insurance, through a combination of self-insured retention and insurance policies, which are consistent with that maintained by other entities similar to ~~Granite State~~ and Northern. Each Party's insurers shall waive their rights of subrogation against the other Party.
8. ~~Northern and Granite State~~ each represent that this Agreement is in full force and effect upon execution, has been duly executed as delivered by their authorized representative, and constitutes the legal, valid and binding obligations of ~~Granite State~~ and Northern, subject to lawful limitations imposed upon its enforceability (a) as a result of Bankruptcy, insolvency, reorganization or any other similar laws affecting the enforcement of creditor's rights severally, (b) by the final, non-appealable action of a regulatory agency having jurisdiction over the subject matter hereof, including without limitation any approval that must be obtained from any such regulatory agency as a pre-condition to its validity or enforceability, and (c) general equitable principles.
9. Each Party warrants to provide support for this agreement in good faith consistent with the law and regulations to which each is subject~~Granite State and Northern each warrant that it shall not file any petition, motion, request, pleading or other document with a regulatory agency having jurisdiction over the subject matter hereof that is inconsistent with the express terms of this Agreement. Granite State and Northern further agree that the Agreement shall operate as a bar to such petition, motion, request, pleading or other document.~~
10. This Agreement shall (a) with respect to those M&R Stations that are located in the State of Maine, be governed by and construed in accordance with the laws of the State of Maine, and (b) with respect to those M&R Stations that are located in the State of New Hampshire, be governed and construed in accordance with the laws of the State of New Hampshire. Further, this Agreement may only be amended by written agreement signed by both Parties. This Agreement represents the entire understanding of the Parties with respect to the subject matter hereof. No parole evidence such as, but not limited to, oral representations and statements, or the course of conduct between ~~Granite State~~ and Northern,

shall operate to modify, supersede or add to the terms hereof. The Parties acknowledge that regulatory approval must be obtained for any material amendments to this agreement, other than typographical errors or changes in business names of the existing Parties. Any assignment of this agreement, even if otherwise agreed to by the Parties, would be considered a material amendment.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly hereunto authorized representatives as of the date and year first above written.

GRANITE STATE GAS TRANSMISSION, INC.

By: _____

Title: _____

NORTHERN UTILITIES, INC.

By: _____

Title: _____

Attachments:

Exhibit "A": Schedule of M&R Stations

Exhibit "B": Responsibility Matrix

Exhibit "C": Photos Showing Physical Limits of Responsibility
at M&R Stations Located in the State of Maine

Exhibit "D": Photos Showing Physical Limits of Responsibility
at M&R Stations Located in New Hampshire

EXHIBIT A

G.S.G.T. STATIONS - SUPPLYING NORTHERN UTILITIES INC.					
Station Name	Location	State	Demarcation Location	Measuring Station #	Regulating Station #
Forrest Street	Plaistow	NH	Inlet Supply to Station Off of the Bridle Set (4")	MS637407	RS637407
Sweet Hill Road	Plaistow	NH	1st Weld Inside Station	MS637408	RS637408
East Kingston Station	East Kingston	NH	1st Weld Inside Station	MS637409	RS637409
Exeter West	Exeter	NH	1st Weld Inside Station	MS637410	RS637410
Newfields Road 2"	Exeter	NH	1st Weld at Inlet to Heater	N/A	RS637411
Newfields Road 3"	Exeter	NH	1st Weld at Inlet to Heater	MS637412	RS637412
Route 151	Greenland	NH	1st Weld Inside Station	MS637413	RS637413
Ocean Road	Greenland	NH	Valve Outside Station/Outside Fence	MS637414	RS637414
Panaway	Portsmouth	NH	Outlet Flange on Inlet Valve to Station/Outside of Building	MS637415	RS637415
Portsmouth - Lateral	Portsmouth	NH	1st Weld Inside Station	MS637416	N/A
Pease	Portsmouth	NH	Inlet Flanges to Station & By-pass Valves	MS637417	RS637417
Gosling Road	Newington	NH	1st Weld Inside Station	MS637418	RS637418
Newington	Newington	NH	Weld on 2" Side of Concentric Reducer at Station Inlet	MS637419	RS637419
Dover Point	Dover	NH	1st Weld Inside Station on 4" Side of Concentric Reducer	MS637420	RS637420
Bellamy Road	Dover	NH	Top of Inlet Valve/Inside of Station	MS637421	RS637421
Varney Brook	Dover	NH	Top Flange of Inlet Valve	MS637422	N/A
Debbie Lane	Eliot	ME	Utilize Demarcation Point from M&N System Piping	MS637433	RS637433
Marshwood High School	Eliot	ME	1st Weld Inside Station	MS637434	RS637434
Northeast Mill Works	N. Berwick	ME	Top Flange of Inlet Valve to Station	N/A	RS637435
Hussey Seating	N. Berwick	ME	Top Flange of Inlet Valve to Station	MS637436	RS637436
Pratt & Whitney	N. Berwick	ME	Insulating Flange at Station Inlet	MS637437	RS637437
Rte-109	Wells	ME	1st Weld Inside Station	MS637438	RS637438
Twine Mill	Kennebunk	ME	2 Welds on Lower Flanges of Inlet Valves	MS637439	RS637439
Biddeford Industrial Park	Biddeford	ME	Bottom Weld of Inlet Valve to Station	MS637440	RS637440
209 South Street	Biddeford	ME	Inlet Thread to Inlet Valve in Tub	N/A	RS637442
Railroad Ave	Biddeford	ME	Inlet Weld on 4" x 2" Tee	MS637443	RS637443
North St - Saco Brick	Saco	ME	1st Weld at Inlet to Station	MS637444	RS637444
Moody Street	Saco	ME	2 Welds on Lower Flanges of Inlet Valves	MS637445	RS637445
Cascade Road	Old Orchard	ME	1st Weld at Inlet to Station	MS637446	RS637446
Scarborough Ind Pk	Scarborough	ME	1st Weld at Inlet to Station	MS637447	RS637447
Eastern Road	Scarborough	ME	Weld on Inlet Weld Neck Flange	MS637448	RS637448
Roundwood	Scarborough	ME	Inlet 2" Weld on 4" x 2" Weld Tee	MS637449	RS637449
Southborough	Scarborough	ME	Inlet Weld on 2" Side of 4" x 2" Tee	MS637450	RS637450
Payne Road	S. Portland	ME	1st Weld Inside Station	MS637451	RS637451
Congress Street	Portland	ME	Inlet Weld on 4" Elbow	MS637452	RS637452
Blueberry Road	Portland	ME	Inlet Weld at Station	MS637453	RS637453
Larrabee Road	Westbrook	ME	Inlet Weld at Station	MS637455	RS637454

EXHIBIT "A"
SCHEDULE OF M&R STATIONS

Exh. Northern-1 (Revised) (Redlined)
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EXHIBIT "B" RESPONSIBILITY MATRIX

<u>Facilities/Equipment</u>	<u>Operation, Control & Minor Maintenance Responsibility</u>	Ownership
1. Tap Valves and Piping from Granite Granite State Pipeline to measurement runs excluding the horizontal Gas filter and bypass piping.	GS	GS
2. Measurement Station; including Meters, Runs, Risers, Piping, Valves & Instrumentation*	NU	GS
3. Cathodic Protection System & Grounding System for Facilities Operated and maintained by Granite State	GS	GS
4. Granite Granite State Data Acquisition and Electronic Measurement Equipment	GS	GS
5. Regulator Station: including Pressure Regulators, Over Pressure Protection, Valves, Heaters, Piping and Instrumentation, electric service.	NU	GS
6. Cathodic Protection System & Grounding System for Facilities Operated and Maintained by Northern	GS**	GS
7. Northern Gas Odorant Equipment	NU	NU
8. Northern Data Acquisition and Electronic Measurement Equipment	NU	NU
9. Land on which Measurement and Regulation Facility is Located	NU	GS
10. Buildings: Data Building Measurement and Regulator Bldg.	NU	GS
11. Security (fences;locks)	NU	GS

12. Filter Assembly including Inlet, outlet, bypass valves and filter vessel.	NU	GS
13. Inlet insulating flanges, Piping and check valve.	NU	GS

GS = Granite State Gas Transmission, Inc.; NU = Northern Utilities, Inc.

* Please note, this item does not apply to the Debbie Lane M&R Station located at Eliot, Maine, because the meter at that location is owned and operated by Maritime & Northeast Pipelines, L.L.C.

** Please note, GS is only responsible to provide cathodic protection on the facilities operated and maintained by NU pursuant hereto, until such time as appropriate break points are installed in the cathodic protection system at each M&R Station in order to separate the cathodic protection system that serves the facilities for which NU is responsible from those for which GS is responsible

EXHIBIT "C"
PHOTOS SHOWING PHYSICAL LIMITS OF RESPONSIBILITY
AT M&R STATIONS LOCATED IN STATE OF MAINE

EXHIBIT "D"
PHOTOS SHOWING PHYSICAL LIMITS OF RESPONSIBILITY
AT M&R STATIONS LOCATED IN STATE OF NEW HAMPSHIRE