

DE12-210

**HYDRO MANAGEMENT GROUP, LLC**

C/O ESSEX HYDRO ASSOCIATES, LLC  
55 UNION STREET, 4<sup>TH</sup> FL  
BOSTON, MA 02108

TELEPHONE:  
E-MAIL:

+617-367-0032  
AL@ESSEXHYDRO.COM

July 12, 2012

Ms. Debra A. Howland  
Executive Director and Secretary  
State of New Hampshire  
Public Utilities Commission  
21 S. Fruit St, Suite 10  
Concord, NH 03301-2429

Attn: Executive Director and Secretary Howland

Dear Ms. Howland,



Pursuant to New Hampshire Administrative Code Puc 2500 Rule, Puc 2505.02 Application Requirements Laws of 2012, Chapter 0272, please find included with this letter an application for the qualification of Spaulding Ave Industrial Complex, LLC's Spaulding Pond hydroelectric generating facility as a New Hampshire Class IV RPS Resource.

An electronic copy of this application was emailed to you at executive.director@puc.nh.gov and Barbara Bernstein at barbara.bernstein@puc.nh.gov on Wednesday, July 12th and three hard copies were delivered to your attention at the New Hampshire PUC via overnight mail on Friday, July 13th, 2012.

Thank you in advance for review of this application and please contact me at 617-367-0032 or al@essexhydro.com with any questions

Sincerely,

Spaulding Ave Industrial Complex, LLC  
by Hydro Management Group, its agent  
as aggregator

  
Andrew Locke  
Vice President

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State of New Hampshire  
Public Utilities Commission

21 S. Fruit Street, Suite 10, Concord, NH 03301-2429



APPLICATION FORM FOR  
RENEWABLE ENERGY SOURCE ELIGIBILITY FOR CLASS IV

**HYDRO SOURCES WITH A TOTAL NAMEPLATE CAPACITY OF ONE MEGAWATT OR LESS**

Pursuant to New Hampshire Administrative Code [Puc 2500](#) Rules, [Puc 2505.02](#) Application Requirements  
Laws of 2012, Chapter 0272

- Please submit one (1) original and two (2) paper copies of the completed application and cover letter to:

Debra A. Howland  
Executive Director  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429

- Send an electronic version of the completed application and the cover letter electronically to [executive.director@puc.nh.gov](mailto:executive.director@puc.nh.gov).

The cover letter must include complete contact information and clearly state that the applicant is seeking certification as a Class IV source. Pursuant to Chapter 362-F:11 I, the Commission is required to render a decision on an application within 45 days upon receiving a completed application.

If you have any questions please contact Barbara Bernstein at (603)271-6011 or [Barbara.Bernstein@puc.nh.gov](mailto:Barbara.Bernstein@puc.nh.gov).

Please provide the following:

1. Applicant Name: Hydro Management Group LLC as agent for Spaulding Ave Industrial Complex, LLC

Mailing Address: c/o Essex Hydro Associates, L.L.C. 55 Union Street, 4<sup>th</sup> Floor

Town/City: Boston State: MA Zip Code: 02108

Primary Contact: Andrew Locke

Telephone: (617) 367-0032 Cell: (617)-367-0032

Email address: al@essexhydro.com

2. Facility Name: Spaulding Pond Hydroelectric Facility

(physical address) 20 Spaulding Pond Avenue

Town/City: Rochester State: NH Zip Code: 03868

If the facility does not have a physical address, the Latitude \_\_\_\_\_ & Longitude \_\_\_\_\_

(To qualify the electrical production for RECs, the facility must be registered with the NEPOOL – GIS).  
Contact information for the GIS administrator follows:

**James Webb, Registry Administrator, APX Environmental Markets**  
224 Airport Parkway, Suite 600, San Jose, CA 95110  
Office: 408.517.2174, [jwebb@apx.com](mailto:jwebb@apx.com)

3. The facility's ISO-New England asset identification number, if available. 35379
4. The facility's GIS facility code, if available. MSS35379
5. A description of the facility including the following:
  - 5.a. The gross nameplate capacity 0.300MW
  - 5.b. The facility's initial commercial operation date 08/17/2010
  - 5.c. The date the facility began operation, if different than the operation date \_\_\_\_\_
  - 5.d. A complete description of the facility including related equipment

The Spaulding Pond hydroelectric facility is located on the Salmon Falls River, in Rochester, New Hampshire

The project is operated as a run-of-river facility. Outflows from the project equal inflows on an instantaneous basis, and water levels above the dam are maintained at the crest of the dam and are not drawn down for the purposes of generating power. Project works consist of: (1) a 165 foot-long by 23 foot-high dam; (2) a power house located 1500 feet away with three head gates that total 5 feet high by 15 feet wide which allow water into the inlet race where the horizontal turbines are located; (3) a single shaft that goes thru a bulkhead and into the powerhouse where it is connected by flat belt drive to a 440volt, delta, 3 phase, synchronous GE generator with a name plate rating of 300 kw.

All electricity goes into a switch gear that is part of the old mill building where it connects to the power inside the mill building. Excess power goes back out into the Facility's substation where it is stepped up to 14,400 volts and then delivered to PSNH at the meter at a bi-directional meter. There is a separate meter installed at the generator to measure the amount of electricity generated at that point. There are no separate transmission lines for the operation of the hydro.

The project is located on the Salmon Falls River in Rochester, NH . The project utilizes a previously existing impoundment and the plant is unmanned, but operation is monitored on a 24/7 basis.

6. A copy of all necessary state and federal (FERC) regulatory approvals as **Attachment A**.
7. A copy of the title page of the Interconnection Agreement between the applicant and the distribution utility, the page(s) that identifies the nameplate capacity of the facility and the signature pages. *Please provide this information as Attachment B.*

8. A description of how the generation facility is connected to the distribution utility.

The Spaulding Pond 300 kW hydroelectric generating facility is interconnected with the electric system of Public Service Company of New Hampshire ("PSNH") in accordance with applicable New Hampshire Public Utilities Commission ("NHPUC") Orders and federal law. The delivery point is that point at which the facility interconnects with the 12.47 KV electric system of PSNH. All electric energy delivered to PSNH's system from the Facility is 12.47 KV, three phase, sixty hertz.

Under this Agreement, the Interconnector shall receive and pay for the services necessary for the purpose of connecting, and providing the continued connection of, the Spaulding Pond hydroelectric facility with the PSNH electrical system, including Pool Transmission Facilities ("PTF") as defined by NEPOOL, and non-PTF.

9. A statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standard and proof thereof.

The Weston Dam Hydroelectric Facility is not currently certified under another non-federal jurisdiction's renewable portfolio standard.

10. A statement as to whether the facility's output has been verified by ISO-New England.

The facility's output is verified by ISO-New England who is responsible for reporting the Facility's generation to the NEPOOL GIS.

11. An affidavit by the applicant attesting that the contents of the application are accurate. *Use either the Affidavit at the bottom of this page, or provide a separate document as **Attachment C**.*

12. The name and telephone number of the facility's operator, **if different from the owner**.

Facility Operator Name: Tom Cusano, Member, Spaulding Ave Industrial Complex, LLC

Phone: (603) 731-0196

13. Other pertinent information that you wish to include to assist in classification of the facility provide as **Attachment D**.

CHECK LIST: The following has been included to complete the application:	YES
• All contact information requested in the application.	x
• A copy of all necessary state and federal (FERC) regulatory approvals as <b>Attachment A</b> .	x
• A copy of the title page of the Interconnection Agreement between the applicant and the distribution utility, the page(s) that identifies the nameplate capacity of the facility and the signature pages as <b>Attachment B</b> .	x
• A signed and notarized attestation or <b>Attachment C</b> .	x
• A GIS number has been provided or has been requested.	x
• Other pertinent information has been provided (if necessary) as <b>Attachment D</b> .	N/A
• This document has been printed and notarized.	x
• The original and two copies are included in the packet mailed to Debra Howland, Executive Director of the PUC.	x
• An electronic version of the completed application has been sent to <a href="mailto:executive.director@puc.nh.gov">executive.director@puc.nh.gov</a> .	x

**AFFIDAVIT**

The Undersigned applicant declares under penalty of perjury that contents of this application are accurate.

Applicant's Signature  Date 7/12/12

Subscribed and sworn before me this 12<sup>th</sup> Day of July (month) in the year

County of Suffolk State of Massachusetts

  
Notary Public/Justice of the Peace

My Commission Expires July 29, 2016

## **Attachment A**

**Spaulding Pond Hydroelectric Project  
(MSS35379)**

**ORDER GRANTING EXEMPTION FROM LICENSING (FERC No. 3985)  
dtd June 30, 1981**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Spaulding Fibre Company, Inc. ) Project No. 3985-000

ORDER GRANTING EXEMPTION FROM LICENSING OF A  
SMALL HYDROELECTRIC PROJECT OF 5 MEGAWATTS OR LESS

( Issued June 30, 1981 )

The Applicant 1/ filed an application for exemption from all or part of Part I of the Federal Power Act pursuant to 18 C.F.R. Part 4 SUBPART K (1980) implementing in part Section 408 of the Energy Security Act (Act) of 1980 for a project as described in the attached public notice. 2/ 3/

Notice of the application was published in accordance with Section 408 of the Act and the Commission's regulations and comments were requested from interested Federal and State agencies including the U. S. Fish and Wildlife Service and the State Fish and Wildlife Agency. All comments, protests and petitions to intervene that were filed have been considered. No agency has any objection relevant to issuance of this exemption.

Standard Article 2 included in this exemption, requires compliance with any terms and conditions that Federal or State fish and wildlife agencies have determined appropriate to prevent loss of, or damage to, fish and wildlife resources. The terms and conditions referred to in Article 2 are contained in any letters of comment by these agencies which have been forwarded to the Applicant in conjunction with this exemption.

Should the Applicant contest any terms or conditions that were proposed by Federal or State agencies in their letters of comment as being outside the scope of Article 2, the Commission shall determine whether the disputed terms or conditions are outside the scope of Article 2.

2/ Spaulding Fibre Company, Inc., Project No. 3985, filed January 9, 1981.

3/ Pub. Law 96-294, 94 Stat. 611. Section 408 of the ESA amends Inter alia, Sections 305 and 408 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. §§2705 and 2708).

4/ Authority to act on this matter is delegated to the Director, Office of Electric Power Regulation under 18 C.F.R. 5375.308 (1980), as amended by 46 Fed. Reg. 14119 (1981).

The North Rochester Dam is classified as a "significant hazard" dam. A failure of the dam could cause appreciable economic loss. Non-standard Article 6, included in this exemption, would require that an emergency action plan be filed. It is ordered that:

(A) The North Rochester Dam Project No. 3985 as described and designated in the Spaulding Fibre Company, Inc.'s application filed on January 9, 1981, is exempted from all of the requirements of Part I of the Federal Power Act, including licensing, subject to the standard articles in 54.106 of the Commission's regulations, 18 C.F.R. 54.106 45 Fed. Reg. 76115 (November 18, 1980), and the following Special Article.

Article 6. This exemption is subject to 18 C.F.R., Part 12, Subpart C.

(B) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 1.7(d) of the Commission's regulations, 18 C.F.R. 1.7(d)(1979), as amended, 44 Fed. Reg. 46449 (1979). The filing of a petition appealing this order to the Commission or an application for rehearing as provided in Section 313(a) of the Act does not operate as a stay of the effective date of this order, except as specifically ordered by the Commission.

( S S A L )

*William M. Lindsay*  
William M. Lindsay  
Director, Office of Electric  
Power Regulation

## **Attachment B**

**Spaulding Pond Hydroelectric Project  
(MSS35379)**

**OPERATING AGREEMENT FOR PURPOSES OF WHEELING AND POWER  
SALES**

**dtd August 1, 2010**

**INTERCONNECTION AGREEMENT  
FOR  
PURPOSES OF GENERATION INTERCONNECTION**

AGREEMENT, dated *Aug 1<sup>st</sup>*, 2010 by and between Spaulding Avenue Industrial Complex, LLC, (hereinafter referred to as the "Interconnector"), and Public Service Company of New Hampshire, a New Hampshire corporation having its principal place of business in Manchester, New Hampshire (hereinafter referred to as "PSNH").

WHEREAS, Interconnector desires to interconnect its 300 kW Spaulding Pond hydroelectric generating facility(the "Facility"), (SESD # 642 ) located in Rochester, New Hampshire, with the electric system of PSNH in accordance with applicable New Hampshire Public Utilities Commission ("NHPUC") Orders and applicable laws; and

WHEREAS, Interconnector desires to, and PSNH agrees to, provide for the interconnection of the Facility with the electric system of PSNH, its successors and permitted assigns; and

WHEREAS, it is necessary that certain agreements be made prior to the interconnection of the Facility to ensure the safety, reliability and integrity of PSNH's electric system and the operation of the Facility; and

NOW, THEREFORE, the parties hereby agree as follows:

Article 1. Interconnection and Voltage Characteristics.

The interconnection point shall be that point at which the Facility interconnects with the 12.47 KV electric system of PSNH, as more fully described in Attachment A. Under this Agreement, the Interconnector shall receive and pay for the services necessary for the purpose of connecting the Facility with the PSNH electrical distribution system. The execution of this Agreement does not constitute a request for, or the provision of, transmission or distribution service.

Unless PSNH converts its interconnection circuit, all electric energy delivered to PSNH's system from the Facility shall be 12.47 KV, three phase, sixty hertz.

Article 2. Interconnection and Protection Requirements.

Interconnector shall install or provide for the installation of all interconnection, protection, and control equipment as specified in the Interconnection Report ("Report") dated ~~February 6, 2006~~, attached as Attachment A hereto, and incorporated herein by reference thereto, to ensure the safe and reliable operation of the Facility in parallel with the PSNH system. The Report may be modified from time to time in accordance with this Article 2. The Interconnector will be responsible for all study costs associated with the development of the Report, and those costs associated with the equipment and its installation, required by the Report.

Up to the interconnection point, all equipment shall be the sole property of Interconnector. Interconnector shall have sole responsibility for the operation, maintenance, replacement, and repair of the Facility, including the interconnection equipment owned by the Interconnector.

The Interconnection Report is subject to, and is based upon, current PSNH standards, as may be amended from time to time, regarding protection and control equipment requirements sufficient to ensure the safe and reliable operation of the PSNH electric distribution system. Interconnector hereby acknowledges that such PSNH standards are periodically reviewed and modified pursuant to standard utility practice, and that Interconnector is responsible for compliance with such standards, at its sole cost, as these standards may be modified from time to time. Additionally, the costs of any such review of the Interconnection Report in Attachment A performed by PSNH will be the responsibility of the Interconnector. Interconnector is responsible for any and all additional costs to ensure that all relevant protection and control equipment, software, hardware, and their capabilities meet then current PSNH standards for interconnection of generating facilities to the PSNH electric distribution system. PSNH will notify Interconnector if upgrades or changes to Interconnector's protection and control equipment are necessary by issuing a new or updated Interconnection Report. Within a mutually agreeable period following the issuance of a new or updated Interconnection Report the Interconnector shall modify the Facility, at the Interconnectors sole expense, to meet the revised requirements thereof. Any disputes will be addressed in accordance with Article 8 of this Agreement.

Prior to the interconnection to PSNH's system under this agreement, Interconnector shall have tested, and every twelve months thereafter, Interconnector shall test, or cause to be tested, all protection devices including verification of calibration and tripping functions; and Interconnector shall provide PSNH with a copy of the tests and results.

If either party reasonably determines that the operation or use of any portion of the protection system will or may not perform its protective function, Interconnector shall immediately open the interconnection between PSNH's system and the Facility. Interconnector shall promptly notify PSNH of this action and the reason for this action. The interconnection shall remain open until Interconnector has satisfactorily cured the defect. Any repair or replacement of Interconnector's equipment shall be at no cost to PSNH, except PSNH shall be responsible for any loss or damage requiring repair or replacement of all or a portion of the Interconnector's equipment as a result of the negligence or misconduct of PSNH, its agents or employees.

If PSNH suspects that the Facility is causing problems on the electric distribution system or is in any way degrading the service quality of PSNH customers, PSNH has the right to install monitoring equipment at a mutually agreed upon location to determine the exact cause of the problem. If the operation of the Facility is reasonably determined to be causing such problems, the Interconnector must take immediate corrective actions to eliminate the problem and shall cease operation of the Facility until the problem is resolved. If the Interconnector fails to take immediate and appropriate corrective actions, PSNH has the right to disconnect the Facility.

PSNH shall operate its electric distribution system in a manner so as not to unreasonably interfere with the operation of the Facility. The Interconnector shall protect the Facility from normal disturbances propagating through the electric distribution system in accordance with Good Utility Practice. Normal disturbances include single-phasing events, voltage fluctuations from remote faults, and equipment outages.

Article 3. Right of Access.

Upon prior written or oral notice to Interconnector, PSNH shall have the right to enter the property of Interconnector at mutually agreed upon reasonable times and shall be provided reasonable access to Interconnector's metering, protection, control, and interconnection equipment to review for compliance with this Agreement. PSNH shall provide Interconnector with a copy of any notes, reports or other documents made relating to any such inspection or review.

Article 4. Modification of Facility.

If Interconnector plans any modifications to its Facility as described in Attachment A, which modifications would reasonably be expected to affect its interconnection with the PSNH System, Interconnector shall give PSNH ninety (90) day prior written notice of its intentions. PSNH will review the modifications at the Interconnectors expense and provide a written notice of approval or notification that the modification will require revised protection and control equipment. The cost of any and all upgrades to either the Facility interconnection equipment or the PSNH electric distribution system required to permit the Facility modification shall be the responsibility of the Interconnector.

Article 5. Term of Agreement.

This Agreement shall become effective between the parties on the date of execution of this agreement. This Agreement shall remain in full force and effect subject to the suspension and termination rights contained in this Article 5.

Interconnector may terminate this Agreement by giving PSNH not less than sixty (60) days prior written notice of its intention to terminate. PSNH may terminate the interconnection under this Agreement by giving not less than sixty (60) days prior written notice should Interconnector fail to substantially perform with the interconnection, metering and other safety provisions of this Agreement, and such failure continues for more than sixty (60) days from date of notice without cure. The PSNH notice shall state with specificity the facts constituting the alleged failure to perform by Interconnector. If the parties are unable to reach agreement within 60 days on a cure for the failure to perform, either party may elect to submit the dispute to the NHPUC for resolution.

If changes in applicable federal or state statutes, regulations or orders; or changes in applicable ISO or NEPOOL requirements occur which materially affect this Agreement, the parties

shall negotiate in good faith to modify this Agreement to accommodate such changes. If the parties are unable to reach agreement within 60 days, either party may elect to submit the dispute to the NHPUC for resolution.

PSNH may also terminate its obligation contained in this Agreement if applicable laws, regulations and orders mandating interconnections from qualifying facilities are repealed, or declared invalid by a Court or Regulatory Agency, and no revised law is enacted providing for such interconnection on a similar basis.

After termination of this Agreement, both parties shall be discharged from all further obligations under the terms of this Agreement, excepting any liability which may have been incurred before the date of such termination. Any reasonable costs incurred by PSNH to physically disconnect the Facility as a result of the termination of this Agreement shall be paid by the Interconnector.

#### Article 6. Indemnification and Insurance.

Each party will be responsible for its equipment and the operation thereof and will indemnify and save the other harmless from any and all loss by reason of property damage, bodily injury, including death resulting there-from suffered by any person or persons including the parties hereto, employees thereof or members of the public, (and all expenses in connection therewith, including attorney's fees) whether arising in contract, warranty, tort (including negligence), strict liability or otherwise, caused by or sustained on, or alleged to be caused by or sustained on, equipment or property, or the operation or use thereof, owned or controlled by such party, except that each party shall be solely responsible for and shall bear all costs of its negligence, and willful misconduct, and claims by its own employees or contractors growing out of any workers' compensation law. The foregoing paragraph shall survive the termination of this Agreement and such termination will not extinguish any liabilities or obligations in respect of reimbursements under this paragraph, incurred up to the time of termination.

The Interconnector shall, at its own expense, continue to maintain throughout the term of this Agreement Comprehensive General Liability Insurance with a combined single limit of not less than \$ 1,000,000 for each occurrence.

The insurance policy specified above shall name PSNH, Northeast Utilities and its

subsidiaries, officers, directors and employees, as additional insured with respect to any and all third party bodily injury and/or property damage claims arising from Interconnector's performance of this Agreement. It is further agreed that PSNH shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for the payment of premium for such insurance. The policy shall not be canceled, terminated, altered, reduced or materially changed without at least thirty (30) days prior written notice to PSNH.

Evidence of the required insurance shall be provided to PSNH in the form of a Certificate of Insurance prior to the actual physical interconnection of the Facility, and annually thereafter.

The insurance coverage shall be primary and is not in excess to or contributing with any insurance or self-insurance maintained by PSNH or its affiliates and shall not be deemed to limit Interconnector's liability under this Agreement.

PSNH shall have the right to modify the limits of liability specified herein, at any time in the future, to remain consistent with those limits generally required by the NHPUC. PSNH must notify Interconnector in writing, at least ninety (90) days prior to any required change and these new liability limits will become effective upon renewal of the Insurance Policy.

In no event shall either party be liable, whether in contract, tort (including negligence), strict liability, warranty, or otherwise, for any special, indirect, incidental, punitive or consequential losses or damages, suffered by the other party or any person or entity and arising out of or related to this Agreement including but not limited to, cost of capital, cost of replacement power, loss of profits or revenues or the loss of the use thereof. This paragraph of Article 6 shall apply notwithstanding any other statement to the contrary, if any, in this Agreement and shall survive the termination of this Agreement.

#### Article 7. Force Majeure.

Neither party shall be considered to be in default hereunder and shall be excused from performance hereunder if and to the extent that it shall be prevented from doing so by storm, flood, lightning, earthquake, explosion, equipment failure, civil disturbance, labor dispute, act of God or the public enemy, action of a court or public authority, withdrawal of equipment from operation for necessary maintenance and repair, or any other cause beyond the reasonable control of either party and not due to the fault or negligence of the party claiming force majeure, provided that the party

claiming excuse from performance uses its best efforts to remedy its inability to perform.

Article 8. Dispute Resolution and Voluntary Arbitration.

In the event of any dispute, disagreement, or claim (except for disputes referred to the NHPUC under Article 5 of this Agreement) arising out of or concerning this Agreement, the Party that believes there is such a dispute, disagreement, or claim will give written notice to the other Party of such dispute, disagreement, or claim. The affected Parties shall negotiate in good faith to resolve such dispute, disagreement, or claim. If such negotiations have not resulted in resolution of such dispute to the satisfaction of the affected Parties within twenty (20) working days after notice of the dispute has been given, then, an affected Party may, upon mutual agreement of all of the affected Parties, submit such dispute, disagreement, or claim arising out of or concerning this Agreement to the NH PUC for arbitration in accordance with Order 14,797 in DE 80-246. If any of the affected Parties do not agree to submit the dispute to the NH PUC for arbitration, the arbitration process below will commence.

The arbitration proceeding shall be conducted by a single arbitrator, appointed by mutual agreement of the affected Parties, in Manchester, New Hampshire, under the Commercial Arbitration Rules of the American Arbitration Association in effect at the time a demand for arbitration under such rules was made. In the event that the affected Parties fail to agree upon a single arbitrator, each shall select one arbitrator, and the arbitrators so selected shall, within twenty (20) days of being selected, mutually select a single arbitrator to govern the arbitration. A decision and award of the arbitrator made under the Rules and within the scope of his or her jurisdiction shall be exclusive, final, and binding on all Parties, their successors, and assigns. The costs and expenses of the arbitration shall be allocated equitably amongst the affected Parties, as determined by the arbitrator(s). Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Each Party hereby consents and submits to the jurisdiction of the federal and state courts in the State of New Hampshire for the purpose of confirming any such award and entering judgment thereon.

Article 9. Modification of Agreement.

In order for any modification to this Agreement to be binding upon the parties, said modification must be in writing and signed by both parties.

Article 10. Prior Agreements Superseded.

Once effective, this Agreement with Attachment A represents the entire agreement between the parties with respect to the interconnection of the Facility with the PSNH electric system and, as between Interconnector and PSNH, all previous agreements including previous discussion, communications and correspondence related thereto are superseded by the execution of this Agreement.

Article 11. Waiver of Terms or Conditions.

The failure of either party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall remain at all times in full force and effect. Any waiver is only effective if given to the other party in writing.

Article 12. Binding Effect; Assignment

This Agreement shall be binding upon, and shall inure to the benefit of, the respective successors and permitted assigns of the parties hereto. PSNH shall not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Interconnector except to a successor-in-interest. PSNH shall provide written notice to Interconnector of any such assignment to a successor-in-interest within fifteen (15) days following the effective date of the assignment. Interconnector shall have the right to assign this Agreement to any person or entity that is a successor-in-interest to the Facility without the consent of PSNH. In the event of any such assignment, Interconnector shall notify PSNH in writing within fifteen (15) days following the effective date of the assignment. Interconnector may make such other assignment of this Agreement as it determines, subject to the prior written consent of PSNH, which consent shall not be unreasonably withheld or delayed. Any assignment in violation of this Article shall be void at the option of the non-assigning party.

Article 13. Applicable Law.

This Agreement is made under the laws of the State of New Hampshire and, to the extent applicable, the Federal Power Act, and the interpretation and performance hereof shall be in accordance with and controlled by such laws, excluding any conflicts of law provisions of the State of New Hampshire that could require application of the laws of any other jurisdiction.

Article 14. Headings.

Captions and headings in the Agreement are for ease of reference and shall not be used to and do not affect the meaning of this Agreement.

Article 15. Notices and Service.

All notices, including communications and statements which are required or permitted under the terms of this Agreement, shall be in writing, except as otherwise provided or as reasonable under the circumstances. Service of a notice may be accomplished and will be deemed to have been received by the recipient party on the day of delivery if delivered by personal service, on the day of confirmed receipt if delivered by telecopy, registered or certified commercial overnight courier, or registered or certified mail or on the day of transmission if sent by telecopy with evidence of receipt obtained, and in each case addressed as follows:

Interconnector: Spaulding Avenue Industrial Complex, LLC  
20 Spaulding Ave.  
Rochester, New Hampshire 03868  
Attention: Thomas J. Cusano

PSNH: Public Service Company of New Hampshire  
780 North Commercial Street  
P. O. Box 330  
Manchester, NH 03105-0330  
Richard C. Labrecque  
Manager, Supplemental Energy Sources Department

IN WITNESS WHEREOF, the parties, each by its duly authorized representative, have hereunto caused their names to be subscribed, as of the day and year first above written.

Spaulding Avenue Industrial Complex, LLC

Signature: Tom Cusano

Name: TOM CUSANO

Title: SOLE MEMBER  
Duly Authorized

Public Service Company of New Hampshire

Signature: Gary A. Long

Name: Gary A. Long

Title: President - PSNH  
Duly Authorized