



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.

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.

Please provide the following:

1. Applicant Name: [Contoocook Hydro, LLC](#)

Mailing Address: [113 Bartlett Road](#)

Town/City: [Plainfield](#) State: [VT](#) Zip Code: [05667](#)

Primary Contact: [Lori Barg, President](#)

Telephone: [\(802\) 454-1874](#) Cell: [\(802\) 454-8458](#)

Email address: lori@communityhydro.biz

2. Facility Name: [Hopkinton Hydro Project](#)

(physical address) [33 1/2 Pine Street](#)

Town/City: [Contoocook](#) State: [NH](#) Zip Code: [03229](#)

If the facility does not have a physical address, the Latitude [43 degree 13 min. 21.97 sec. N.](#) & Longitude [71 degree 42 min. 56.52 sec. W.](#)

(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

3. The facility's ISO-New England asset identification number, if available. [MSS #919](#)

4. The facility's GIS facility code, if available. _____

5. A description of the facility including the following:

5.a. The gross nameplate capacity [0.250 MW](#)

5.b. The facility's initial commercial operation date [12 / 1 / 1984](#)

5.c. The date the facility began operation, if different than the operation date _____

5.d. A complete description of the facility including location, structures and equipment.

[Contoocook owns Hopkinton Hydro Project \(the "Project" or the "Facility"\), an operating 250 \(gross\), 250 \(net\) KW hydro-electric generator, located in Contoocook, New Hampshire at 33½ Pine Street. The Facility generates electrical energy using hydro energy. The Facility is interconnected to Public Service Company of New Hampshire's distribution line located along Pine Street. The Facility commenced initial operations on or about December 1, 1984.](#)

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 Facility is interconnected to Public Service Company of New Hampshire's local distribution system that runs along Pine Street in Contoocook, New Hampshire. The Facility's generator voltage is 480 V and is stepped up to 34.500 KV by the Facility's transformer located near 33 Pine Street at Contoocook, NH. That power is delivered to Public Service Company of New Hampshire's 34.500 KV distribution line that runs along Pine Street in Contoocook, New Hampshire.](#)

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

[Contoocook has self-certified the Facility as Maine Class II renewable resource. Contoocook intends to file RPS applications with the states of Connecticut, Maine and Rhode Island, seeking Class I treatment in Connecticut, Class I treatment in Maine and New treatment in Rhode Island for the Facility.](#)

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

[The Facility's electrical output, which is sold to Sterling Municipal Electric Light Department, is verified by Public Service Company of New Hampshire and is reported under MSS ID #919 to ISO New England,](#)

Inc. ISO New England, Inc., in turn, reports this information to APX, Inc., the operator of the NEPOOL Generation Information System.

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: Timothy Sweatt

Phone: (603) 724-0398

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.	
• A copy of all necessary state and federal (FERC) regulatory approvals as Attachment A.	
• 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 Attachment B.	
• A signed and notarized attestation or Attachment C.	
• A GIS number has been provided or has been requested.	
• Other pertinent information has been provided (if necessary) as Attachment D.	
• This document has been printed and notarized.	
• The original and two copies are included in the packet mailed to Debra Howland, Executive Director of the PUC.	
• An electronic version of the completed application has been sent to <u>executive.director@puc.nh.gov</u> .	

AFFIDAVIT

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

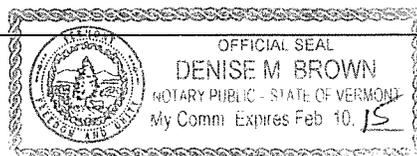
Applicant's Signature Joe By Date 9/6/12

Subscribed and sworn before me this 6 Day of Sept. (month) in the year 2012

County of Washington State of Vermont

Denise M. Brown
Notary Public/Justice of the Peace

My Commission Expires _____



Attachment A

Copy of

Regulatory Approvals

Required by

Local, State and Federal Authorities

For

Hopkinton Hydro Project

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

The Town of Hopkinton)

Project No. 5735-001

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

(Issued March 14, 1984)

The Applicant 1/ filed an application for exemption from all or part of Part I of the Federal Power Act (Act) pursuant to 18 C.F.R. Part 4 Subpart K (1980) implementing in part Section 408 of the Energy Security Act (ESA) 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 ESA 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.

1/ The Town of Hopkinton, Project No. 5735-001, filed on November 29, 1983.

2/ Pub. Law 96-294, 94 Stat. 611. Section 408 of the ESA amends inter alia, Sections 405 and 408 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. §2705 and 2708).

3/ Authority to act on this matter is delegated to the Deputy Director, Office of Electric Power Regulation, under §375.308 of the Commission's regulations, 18 C.F.R. §375.308 (1983). This order may be appealed to the Commission by any party within 30 days of its issuance pursuant to Rule 1902, 18 C.F.R. 385.1902, (1983). Filing an appeal and final Commission action on that appeal are prerequisites for filing an application for rehearing as provided in Section 313(a) of the Act. Filing an appeal does not operate as a stay of the effective date of this order or of any other date specified in this order, except as specifically directed by the Commission.

DC-A-2

WATER RESOURCES BOARD

-2-

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.

Based on the terms and conditions required by Federal and State fish and wildlife agencies, the environmental information in the application for exemption, other public comments, and staff's independent analysis, issuance of this order is not a major Federal action significantly affecting the quality of the human environment.

It is ordered that:

(A) The Hopkinton Project No. 5735 as described and designated in the Town of Hopkinton's application filed on November 29, 1983, is exempted from all of the requirements of Part I of the Federal Power Act, including licensing, subject to the standard articles in §4.106, of the Commission's regulations attached hereto as Form E-2, 18 C.F.R. §4.106 45 Fed. Reg. 76115 (November 18, 1980), and the following Special Article.

Article 5. Any exempted small hydroelectric power project that utilizes a dam which is more than 33 feet in height above streambed, as defined in 18 CFR 12.31(c) of this chapter, impounds more than 2,000 acre-feet of water, or has a significant or high hazard potential, as defined in 33 CFR Part 222, is subject to the following provisions of 18 CFR Part 12:

- (i) Section 12.4(b)(1)(i) and (ii), (2)(i), (iii)(A) and (B), (iv), and (v);
- (ii) Section 12.4(c);
- (iii) Section 12.5;
- (iv) Subpart C; and
- (v) Subpart D.

For the purposes of applying these provisions of 18 CFR Part 12, the exempted project is deemed to be a licensed project development and the owner of the exempted project is deemed to be a licensee.

Robert E. Cackowski
Robert E. Cackowski
Deputy Director, Office of
Electric Power Regulation

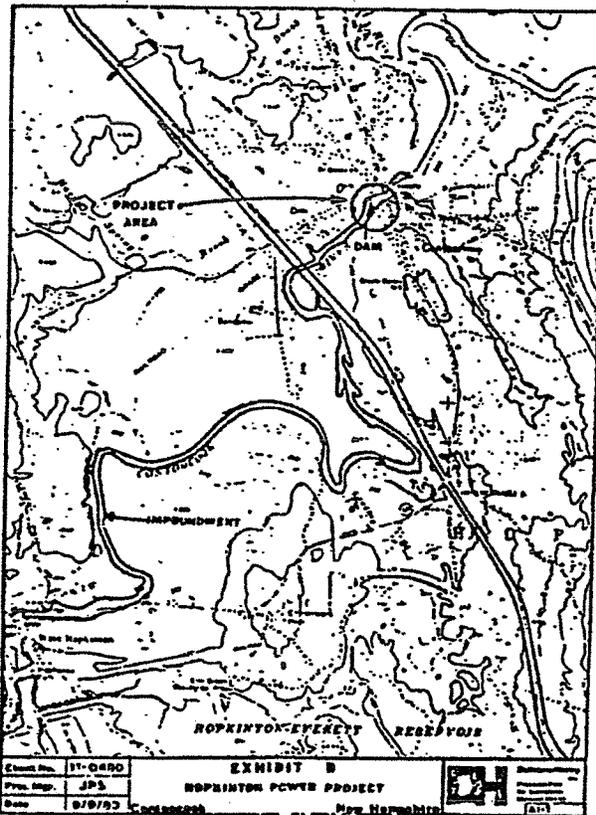
UNITED STATES OF AMERICA
 FEDERAL ENERGY REGULATORY COMMISSION

Notice of Application Filed with the Commission
 (December 30, 1963)

Take notice that the following hydroelectric application has been filed with the Federal Energy Regulatory Commission and is available for public inspection:

- a. Type of Application: 5 MW Exemption
- b. Project No: 3735-001
- c. Date Filed: November 29, 1963
- d. Applicant: The Town of Hopkinton
- e. Name of Project: Hopkinton Project
- f. Location: On the Contoocook River in Hillsborough County, New Hampshire.
- g. Filed Pursuant to: Federal Power Act, 16 U.S.C. §§791(a) - 8251(f).
- h. Contact Person: John R. Spencer, DeFrance-Henry, Inc., Precision Park, North Spring Field, Vermont 05156.
- i. Comment Date: FEB 14 1964
- j. Description of Project: The proposed project would consist of: (1) an existing 125-foot-long and 11-foot-high dam; (2) a reservoir with negligible storage capacity; (3) new intake structures at the upstream side of the dam; (4) a new powerhouse with an installed capacity of 249 kw; (5) a new tailrace; (6) a new 100-foot-long transmission line; and (7) other appurtenances. Applicant owns all existing facilities. It estimates an average annual generation of 1,300,000 kw-hr.
- k. Purpose of Project: Project energy would be sold to the Public Service Company of New Hampshire.
- l. This notice also consists of the following standard paragraphs: A1, A2, B, C, and D3a.
- m. Purpose of Exemption: An exemption, if issued, gives the Exemptee priority of control, development, and operation of the project under the terms of the exemption from licensing, and protects the Exemptee from permit or license Applicant that would seek to take or develop the project.

EC-1-70



§ 4.106. Standard terms and conditions of exemption from licensing.

Any exemption from licensing granted under this subpart for a small hydroelectric power project is subject to the following standard terms and conditions:

(a) Article 1. The Commission reserves the right to conduct investigations under sections 4(g), 306, 307, and 311 of the Federal Power Act with respect to any acts, complaints, facts, conditions, practices, or other matters related to the construction, operation, or maintenance of the exempt project. If any term or condition of the exemption is violated, the Commission may revoke the exemption, issue a suitable order under section 4(g) of the Federal Power Act, or take appropriate action for enforcement, forfeiture, or penalties under Part III of the Federal Power Act.

(b) Article 2. The construction, operation, and maintenance of the exempt project must comply with any terms and conditions that any Federal or state fish and wildlife agencies have determined are appropriate to prevent loss of, or damage to, fish or wildlife resources or otherwise to carry out the purposes of the Fish and Wildlife Coordination Act, as specified in Exhibit E of the application for exemption from licensing or in the comments submitted in response to the notice of the exemption application.

(c) Article 3. The Commission may accept a license application by any qualified license applicant and revoke this exemption if actual construction or development of any proposed generating facilities has not begun within 18 months, or been completed within four years, from the date on which this exemption was granted. If an exemption is revoked, the Commission will not accept a subsequent application for exemption within two years of the revocation.

(d) Article 4. This exemption is subject to the navigation servitude of the United States if the project is located on navigable waters of the United States.

(e) Article 5. This exemption does not confer any right to use or occupy any Federal lands that may be necessary for the development or operation of the project. Any right to use or occupy any Federal lands for these purposes must be obtained from the administering Federal land agencies. The Commission may accept a license application by any qualified license applicant and revoke this exemption, if any necessary right to use or occupy Federal lands for these purposes has not been obtained within one year from the date on which this exemption was granted.

Attachment B

Interconnection Service Agreement

Between

Public Service Company of New Hampshire

And

Contoocook Hydro, LLC

**Dated As Of
April 16, 2008**

INTERCONNECTION AGREEMENT

by and between

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

and

COONTOOCH HYDRO LLC

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ELECTRIC RATE SCHEDULE FERC NO. IA-PSNH-07

EFFECTIVE MARCH 18, 2012

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

AGREEMENT, dated ~~May 5~~ ^{APRIL 18}, 2008 by and between Contoocook Hydro 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's Contoocook Hydro electric generating facility (the "Facility"), (SESD #085) located on the Contoocook River in Hopkinton, New Hampshire, is interconnected with the electric system of PSNH in accordance with applicable New Hampshire Public Utilities Commission ("NHPUC") Orders and federal law; and

WHEREAS, Interconnector intends to certify its generator as a Qualifying Facility ("QF") as defined by the Public Utilities Regulatory Policies Act ("PURPA") as it may be amended from time to time; 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 Interconnector may have the right to sell the electric output of the Facility to PSNH and/or to such other third party purchasers with which Interconnector may make sales arrangements; and

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

WHEREAS, Interconnector and PSNH wish to provide for certain other matters pertaining to discretionary power sales from the Facility;

NOW, THEREFORE, the parties hereby agree as follows:

Article 1. Interconnection and Voltage Characteristics.

The delivery point shall continue to be that point at which the Facility presently interconnects with the 4.16 KV electric system of PSNH. 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 Facility with the PSNH electrical system, including Pool Transmission Facilities ("PTF") as defined by the New England Power Pool ("NEPOOL"), and non-PTF.

Unless PSNH converts its interconnection circuit, all electric energy delivered to PSNH's system from the Facility shall be 4.16 KV, three-phase, sixty hertz.

Article 2. Metering.

The metering shall continue to be configured so as to represent the electric power output delivered to the PSNH electric system as specified in the Interconnection Report which is or will be attached upon mutual agreement as Attachment A. The metering may be installed on the generation side of the transformer provided that transformer losses are subtracted from the measured generation by a suitable method. Interconnector shall be responsible for all costs associated with the metering required for sales to PSNH and/or other third parties from the Facility.

Interconnector has installed and will own, and maintain all metering equipment as referenced in Article 5, to measure the physical flow of electrical energy from the Facility into the PSNH electric system. If at any time the meter is found to be in error by more than two percent fast or slow (+ or - 2%), Interconnector shall cause such meter to be corrected and the meter readings for the period of inaccuracy shall be adjusted to correct such inaccuracy so far as the same can be reasonably ascertained, but no adjustment prior to the beginning of the preceding month shall be made except by agreement of the parties. All tests and calibrations shall be made in accordance with New Hampshire Code of Administrative Rules, Chapter PUC 300 Rules and Regulations for Electric Service, as amended, and any applicable Rules and Regulations of ISO-New England, Inc. ("ISO"). Interconnector is responsible for assuring that meter tests are performed as required at Interconnector's expense. The PSNH Meter Laboratory should be contacted in advance to arrange for said meter testing.

Interconnector shall cause the meter to be tested at any time upon request of either party and, at PSNH's option, in the presence of a representative of PSNH. If such equipment proves accurate within two percent fast or slow (+ or - 2%), the expense of the test shall be borne by the requesting party.

PSNH reserves the right to secure or seal the metering installation, but upon the written request of Interconnector will provide such information regarding, and access to, the metering installation as Interconnector requests. Interconnector is required to record electrical energy physically delivered to the PSNH electric system on an hour-by-hour basis, and to electronically make available to PSNH, Interconnector's generation in kilowatt-hours for each hour during the prior 24 hours.

To the extent necessary for Interconnector to receive credit and compensation for power sales to entities other than PSNH of electric energy and/or other power products generated at the Facility, PSNH shall cooperate with and assist Interconnector to ensure that the metering installations applicable to the Facility meet the required specifications and operational characteristics as necessary to accomplish such sales.

Article 3. Wheeling Arrangements.

If requested by Interconnector in connection with any sales of energy or other electric products to entities other than PSNH, PSNH (or other Northeast Utilities System Companies) shall transmit the electric output of the Facility, or such portion(s) thereof as are identified by Interconnector, to an appropriate PTF point or to such purchasers (as applicable to the transaction) under the terms and conditions and rates set forth in the Northeast Utilities System Companies Open Access Transmission Service Tariff No. 9 (the "NU OATT") filed with the Federal Energy Regulatory Commission ("FERC"), or its successor tariff, as those tariffs may be amended or supplemented from time to time hereafter. The wheeling of generation shall also be subject to any regulatory approved and applicable local transmission and distribution wheeling tariffs.

Article 4. Power Sales, Billing and Payment.

(a) PURPA Sales

This Agreement is contingent upon the Facility's continuing eligibility for status as a QF as defined by PURPA. As a QF, Interconnector may make sales to PSNH and PSNH shall purchase all or a portion of the electric energy and other electrical products generated at the Facility pursuant to the requirements of the PURPA, the New Hampshire Limited Electrical Energy Producers Act ("LEEPA"), and ISO.

Pursuant to PURPA, and as approved by the NHPUC in Docket No. DE 99-099, in accordance with the Settlement Agreement between PSNH and the State of New Hampshire, the rates paid to Interconnector for short-term, as available power sales to PSNH shall be the applicable market clearing price for such energy and/or other electrical product(s) or such replacement pricing methods as determined by the ISO or any successor entity for each period during which Interconnector has delivered such energy and/or other electrical power products for sale to PSNH. The above short-term prices shall be adjusted for line losses, wheeling costs, and administrative costs as they may be determined by PSNH or the NHPUC and as modified from time to time. The parties agree to abide by the ISO rules for recognition and determination of energy and capacity credit.

Facilities delivering all of their output to the PSNH grid will be assigned a Line Loss Adjustment Factor (the "LLAF"). The initial LLAF for the Facility is 1.0. If a recalculation of the LLAF is required, PSNH shall calculate a new LLAF to represent the change in PSNH's electrical system losses attributable to the generator characteristics and physical location of the Facility. The LLAF shall be applied to that portion of the generation output from the Facility which is sold to PSNH during a billing month by multiplying the LLAF times the kilowatt output. PSNH shall not have the right to use a new or materially different methodology for conducting any such LLAF study except as ordered by the NHPUC. The LLAF may be less than one or greater than one.

Should PSNH no longer be the load holding entity for the entire retail load connected to its System, the LLAF shall be proportionally reduced to reflect the percentage of retail load supplied by PSNH. This adjustment shall become effective with the billing months of February and August based upon the percentage of retail load supplied by PSNH over the previous six (6)

month period ending in December and June, respectively. The LLAF may be recalculated at the request of either party. The requesting party shall pay for the cost of performing the line loss study. Upon the completion of the updated LLAF study, the new LLAF shall be used at the start of the next billing month.

In addition, Interconnector shall have the right and option at any time to engage a third party consultant to validate and verify the methodology and results of any LLAF study performed by PSNH under this Agreement, at Interconnector's expense. If the review performed by such consultant concludes that the results of any study performed by PSNH are incorrect, then PSNH shall perform a new study, at its expense, to determine the correct LLAF. Any dispute between the parties related to such studies shall be resolved by the NHPUC.

PSNH shall read the meter, installed in accordance with Article 2, once each month and shall promptly send Interconnector an invoice showing the billing month's net generation and amount owed for energy and other electrical products generated for any sales to PSNH hereunder. Interconnector shall then return to PSNH the approved invoice for payment. PSNH shall make payments to Interconnector electronically for the total amount due within 23 days of the meter reading date, provided that PSNH receives a timely return of the approved invoice.

(b) Bilateral and Power Exchange Sales

At all times during the term of this Agreement, Interconnector shall have the right to sell any or all of the Facility's electric power output, including electric energy, installed capacity, spinning reserves, other operating reserves and/or automatic generation control and other products, to entities other than PSNH, either through bilateral transactions or through the markets administered by the ISO. With respect to any such bilateral or market sales by Interconnector, Interconnector may request that PSNH function as "Lead Participant", and/or "Designated Entity" (as those terms are defined and amended or replaced from time to time by the ISO) and/or other similar role (or function necessary to process and implement such sales) on Interconnector's behalf and, subject to Interconnector's instructions, perform any and all functions in such roles as are necessary to implement and consummate such sales, and shall submit to ISO and/or other appropriate entities (on Interconnector's behalf) all information, including, without limitation, standard or non-standard contracts, self-schedules, unit

characteristics, bid submissions and metering data, required to effect such transactions, provided that Interconnector provides PSNH with all information and direction reasonably required for the submission of such information by PSNH but no later than 9:30 am on the last business day prior to the commencement of such transaction or bid, unless PSNH can accommodate the transaction in less time.

As PSNH's full compensation when it acts as the "Lead Participant" for performing the administrative services described in this subsection, Interconnector shall pay to PSNH for each such month an amount equal to the greater of \$500 or 0.0126¢/kwhr of Interconnector's sales of generation for which PSNH is "Lead Participant" during such month made pursuant to this Article 4 (b). The foregoing shall only be due to PSNH when PSNH actually acts as "Lead Participant" in such sale.

Any contractual arrangements for the sale of electricity with others shall be in accordance with the requirements of the Federal Power Act, the rules of FERC and the rules of ISO New England as they all may be amended from time to time. The price and products associated with such sale shall be identified in the contractual arrangements.

Article 5. Interconnection and Protection Requirements.

Interconnector has installed interconnection, protection, metering, and control equipment as previously required to ensure the continued safe and reliable operation of the Facility in parallel with the PSNH system. The Interconnector has assumed responsibility for costs associated with the Interconnection Upgrade Requirements, Attached as Attachment B. No additional studies are required to be performed, no additional or different interconnection facilities, system upgrades or protection systems are required to be constructed, installed or implemented, in order to maintain the interconnection of the Facility with the PSNH System beyond what has been identified in Attachment B.

Up to the delivery point, all equipment shall remain 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.

Prior to the interconnection to PSNH's system under this Agreement, Interconnector tested, and every twelve months thereafter, Interconnector shall continue to 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.

Article 6. 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 7. 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 prior written notice of its intentions.

Article 8. Term of Agreement.

This Agreement shall become effective between the parties on the date of execution of this agreement but no earlier than the date PSNH receives notification from Interconnector that its status as a QF has been filed with FERC. This Agreement shall remain in full force and effect subject to the suspension and termination rights contained in this Article 8. PSNH

acknowledges that it has received a certificate of insurance as required by Article 9, and that the interconnection equipment as set forth in Attachment A has been properly installed and tested.

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 Interconnector's 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 all laws, regulations and orders mandating interconnections or purchases from qualifying facilities are repealed, or declared invalid by a Court or Regulatory Agency, and no revised law is enacted providing for such interconnection or sales 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 (including without limitation the obligation to pay for power delivered prior to any such termination which obligation shall survive the termination of this Agreement) 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. Termination of this Agreement shall not effect the parties' obligation to pay for power delivered prior to termination of that purchase obligation.

Article 9. 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 has named and shall continue to 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 has been provided to PSNH in the form of a Certificate of Insurance prior to the actual physical interconnection of the Facility, and annually thereafter. During the term of this Agreement, the Interconnector, upon PSNH's reasonable request, shall furnish PSNH with certified copies of the actual insurance policies described in this Article.

The insurance coverage is and shall continue to 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 9 shall apply notwithstanding any other statement to the contrary, if any, in this Agreement and shall survive the termination of this Agreement.

Article 10. 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 11. Dispute Resolution and Voluntary Arbitration.

In the event of any dispute, disagreement, or claim (except for disputes referred to the NHPUC under Article 8 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 ten (10) 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, including whether such dispute, disagreement, or claim is arbitrable, to binding arbitration.

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 12. 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 13. 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 Rate Orders/Contracts, discussion, communications and correspondence related thereto are superseded by the execution of this Agreement.

Article 14. 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 15. 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 16. 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 17. Qualifying Facility Status

Interconnector has stated its intent to seek FERC certification of its generator as a QF and this Agreement and the related Interconnection Report shall be null and void should

Interconnector fail to file for or should FERC deny the certification of QF status for the generator or later revoke the Project's QF status.

Article 18. 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 19. 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 telegram, 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: Contoocook Hydro LLC
113 Bartlett Rd.
Plainfield, VT 05667

Attn: Lori Barg, Manager
Telephone No: (802) 434-1874
Fax No: N/A
Email: lori@communityhydro.biz

PSNH: Public Service Company of New Hampshire
780 North Commercial St.
P. O. Box 330
Manchester, NH 03105-0330

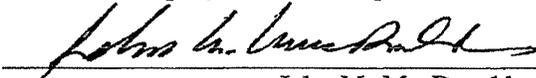
Attn.: Manager, Supplemental Energy Sources Department
Telephone No: (603) 634-2312
Fax No: (603) 634-2449
Email: psnhsesd@psnh.com

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.

Contoocook Hydro LLC

By: 
Title: President
Duly Authorized

Public Service Company of New Hampshire

By: 
Title: John M. MacDonald
Vice President - Energy Delivery & Generation
Duly Authorized

Interconnection Upgrade Requirements

Subject: Contoocook Hydro (#085)
Interconnection Upgrade

The following is a listing of interconnection upgrades and action items to be completed that are required for the project to continue operating interconnected to the PSNH electric system along with a price for the cost of PSNH involvement and a timeframe for completion:

This listing documents PSNH's understanding of what interconnection upgrades are required at the Contoocook Hydro facility to meet current interconnection requirements.

- Provide verification that the shutdown switch is maintained in the "OFF" position.
- Three-phase over/under voltage protective relays need to be installed.
- The existing single-phase IAV53K relay is no longer acceptable.

A payment of \$500 is due to PSNH as compensation for its involvement in reviewing drawings, providing relay settings and confirming all current interconnection requirements are in place and operational. This payment is due upon receipt of this notice.

A formal Interconnection Report has not been written for this project, however the project did comply with the original interconnection requirements that were in effect at the time of initial interconnection and by signing this Operating Agreement, Contoocook Hydro, Inc. has agreed to make the described upgrades in a timely manner. PSNH at some future time will write a formal Interconnection Report for this project.

The upgrades identified in this letter will be scheduled for installation at a time mutually acceptable to both PSNH and Contoocook Hydro, Inc. but no later than December 31, 2008.

Attachment C

Affidavit

Of

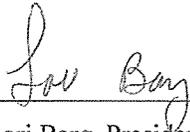
Lori Barg

**Dated
September 6, 2012**

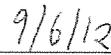
AFFIDAVIT

I hereby certify, under pains and penalties of perjury, that I have personally examined and am familiar with the information submitted herein and based upon my inquiry of those individuals responsible for obtaining the information. I believe that the information is true, accurate and complete. I am aware that there are significant penalties, both civil and criminal, for submitting false information, including both fines and punishment. My signature below certifies all information submitted on this application form.

Signature of Authorized Representative:



Lori Barg, President



Date