

EXECUTION VERSION

SITE AGREEMENT

By and Between

NEW ENGLAND POWER COMPANY

And

GRANITE STATE ELECTRIC COMPANY

Dated July 3, 2012

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SITE AGREEMENT

This Site Agreement, dated as of July 3, 2012, is entered into by and between New England Power Company (“NEP”), a Massachusetts corporation with a principal place of business located at 40 Sylvan Road, Waltham, Massachusetts 02451, and Granite State Electric Company (“GSEC”), a New Hampshire corporation with a principal place of business located at 11 Northeastern Boulevard, Salem, New Hampshire 03079 (the Site Agreement, along with the appendices attached hereto, this “Agreement”). Each of NEP and GSEC is referred to hereafter as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, NEP owns, operates, and/or controls certain electric transmission facilities that are used to provide service under Schedule 21 (the “Transmission System”) and GSEC owns, operates, and/or controls certain electric distribution facilities (the “Distribution System”);

WHEREAS, because of the history of the Parties, the physical construction of the Transmission System and the Distribution System is interconnected;

WHEREAS, National Grid USA, the current indirect parent company of NEP and GSEC, and Liberty Energy Utilities Co. (“Liberty Energy”) are parties to the Stock Purchase Agreement, entered into on December 8, 2010 and amended and restated January 21, 2011 (as amended, the “SPA”), between National Grid USA and Liberty Energy Utilities Co., as assigned by Liberty Energy to Liberty Energy Utilities (New Hampshire) Corp. (f/k/a Liberty Energy Utilities (New Hampshire) Co.) (“Liberty New Hampshire”), pursuant to which Liberty New Hampshire will acquire all of the common stock of GSEC (such sale the “Transaction”); and

WHEREAS, NEP and GSEC have agreed to this mutually acceptable Agreement in order to (a) define the continuing responsibilities and obligations of each Party with respect to

the use certain property, assets and facilities of the other Party following the closing of the Transaction, and (b) document the rights and obligations of each Party with respect to metering access and communication.

NOW THEREFORE, in consideration of the mutual representations, covenants and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE 1
DEFINITIONS

1.0 Definitions. Wherever used in this Agreement with initial capitalization, the following terms shall have the meanings specified or referred to in this Article 1.

1.0.1 "Affiliate" shall mean any person or entity that controls, is controlled by, or is under common control by another person or entity. For purposes of this definition, "control" means the possession, directly or indirectly, of the authority to direct the management or policies of an entity. A voting interest of ten (10) percent or more shall create a rebuttable presumption of control.

1.0.2 "Assigned Meter Reader" shall have the meaning provided to it in the Tariff.

1.0.3 "Business Day" shall mean any day other than Saturday, Sunday and any day which is a legal holiday or a day on which banking institutions in the States of Massachusetts, New York or New Hampshire are authorized by applicable law or other governmental action to close.

1.0.4 "Clearance and Control Rules" shall mean the rules and practices set forth in National Grid USA's Electric Operating Procedure General Clearance and Control, Document Number NG-EOP G014, dated December 11, 2009, or relevant successor provisions as in effect

from time to time. Copies of the existing Clearance and Control Rules are attached hereto in Appendix A.

1.0.5 “Closing Date” shall mean the date and time at which the closing of the Transaction occurs.

1.0.6 “Delineation Point” shall mean the point of change ownership between facilities that are owned by NEP and facilities that are owned by GSEC. With respect to each Substation, the Delineation Point means the lines within each Substation at which Substation Interconnection Facilities owned by NEP are interconnected with Substation Interconnection Facilities owned by GSEC. The Delineation Points are specified in Appendix B to this Agreement.

1.0.7 “Demarcation Line of Authority” shall mean the disconnecting device that can be operated by either NEP or GSEC to isolate one system from another.

1.0.8 “Easement” shall mean an easement or sub-easement, duly recorded in the appropriate registry of deeds, granting a Party the right to (i) place, operate and maintain Substation Interconnection Facilities and other associated equipment or structures on real property owned (or controlled through easement) by the other Party; and (ii) have access to such facilities, equipment or structures.

1.0.9 “Environmental Laws” shall mean all Federal, state, and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders applicable at or to any Substation and relating to pollution or protection of the environment, natural resources or human health and safety, including, without limitation, laws relating to Releases or threatened Releases of Hazardous Substances (including, without limitation, ambient air, surface water, groundwater, land, surface and subsurface strata) or

otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport or handling of Hazardous Substances.

1.0.10 "FERC" shall mean the Federal Energy Regulatory Commission.

1.0.11 "GSEC Switching, Tagging, and Grounding Rules" shall mean the Clearance and Control Rules until such time as different rules are adopted by GSEC.

1.0.12 "Hazardous Substances" shall mean (a) any petrochemical or petroleum products, oil or coal ash, radioactive materials, radon gas, asbestos in any form that is or could become friable, urea formaldehyde foam insulation and dielectric fluid which may contain levels of polychlorinated biphenyls; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "restricted hazardous materials", "extremely hazardous substances", "toxic substances", or "pollutants" under a Federal, state, or local law, regulation, rule or ordinance pertaining to a Substation or (c) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

1.0.13 "Host Participant" shall have the meaning set forth in the Tariff.

1.0.14 "Interconnection Service" shall mean the services provided by NEP to interconnect GSEC's Distribution System with NEP's Transmission System.

1.0.15 "ISO-NE" shall mean ISO New England Inc. or any successor entity.

1.0.16 "Meter Owner" shall mean the owner of the wholesale billing meter and metering equipment used to provide settlement information to ISO-NE.

1.0.17 "Metering & Settlement Agreement" shall mean the Metering and Settlement Agreement by and between NEP and GSEC, dated July 3, 2012.

1.0.18 “Release” shall mean release, spill, leak, discharge, dispose of, pump, pour, emit, empty, inject, leach, dump, or allow to escape into or through the environment.

1.0.19 “Schedule 21” shall mean Schedule 21 of Section II of the Tariff including those provisions common to all services provided by Participating Transmission Owners thereunder and those provisions applicable only to services provided by NEP.

1.0.20 “Service Agreement” means the Local Service Agreement, dated as of July 3, 2012, by and among ISO New England Inc., NEP, and GSEC, including all attachments and appendices thereto.

1.0.21 “SPCC” shall mean a Spill Prevention Control and Countermeasure Plan to be implemented for onshore facilities that includes physical structures and other measures to respond to and to prevent spills of oil or hazardous substances from reaching navigable waters.

1.0.22 “Special Services” shall mean the services to be provided by the Parties pursuant to Sections 3.4, 3.5 and 3.6.

1.0.23 “Stormwater Management” shall mean physical structures and other measures used to channel, collect, store, treat, or manage the pollutants in water present as a result of rain, snow, or other precipitation, including snow melt runoff, surface runoff and drainage.

1.0.24 “Substation” shall mean any of the substations identified in Appendix B within which NEP’s Transmission System is interconnected with GSEC’s Distribution System.

1.0.25 “Substation Interconnection Facilities” shall mean facilities or portions of facilities and associated equipment within each Substation that are used to interconnect the Transmission System of NEP with the Distribution System of GSEC as identified in Appendix B, as amended from time to time.

1.0.26 "SWPPP" shall mean a Stormwater Pollution Prevention Plan to be implemented to control and monitor stormwater discharges associated with industrial or construction activities.

1.0.27 "Tariff" shall mean the ISO-NE Transmission, Markets and Services Tariff.

ARTICLE 2
TERM, EFFECTIVENESS AND FILING

2.0 Term and Effectiveness.

2.0.1 This Agreement shall become effective as of the Closing Date. In the event the SPA is terminated without consummation of the Transaction, this Agreement shall automatically terminate and be of no further force or effect.

2.0.2 This Agreement shall have a term of ten (10) years following the Closing Date and shall automatically be renewed for each successive one year period thereafter, unless otherwise terminated pursuant to the terms hereof

ARTICLE 3
CONTINUING OBLIGATIONS AND RESPONSIBILITIES

3.0 Continuing Obligations and Responsibilities.

3.1 Interconnection Service. The Delineation Points between the systems (including lines and substations) of the Parties and the ownership of Substation Interconnection Facilities by each Party within each Substation are as identified in Appendix B. Responsibility for the maintenance costs of Substation Interconnection Facilities has historically been allocated between NEP and GSEC consistent with the ownership of such facilities reflected in the Delineation Points and with the other provisions of this Agreement.

3.2 Access, Easements, Conveyances, Licenses and Restrictions.

3.2.1 General. The Parties agree to grant each other access to facilities, properties, equipment, and records as may be necessary to enable each other to maintain their respective facilities, equipment, and property located at a Substation in a manner consistent with Good Utility Practice. Throughout this Agreement, including without limitation in connection with Interconnection Service and in connection with Special Services provided under Sections 3.4, 3.5, and 3.6, below, the term “maintain” shall mean to maintain, repair, reconstruct or replace, and the terms “maintenance”, “maintained”, and “maintaining” shall have correlative meanings. The access to be granted pursuant to this Section 3.2.1 shall be provided in a manner so as not to unreasonably interfere with the ongoing business operations, rights, and obligations of the other Party.

3.2.2 The sites upon which four of the Substations are located are owned by NEP in fee simple, and the site upon which one of the Substations is located is owned by GSEC in fee simple. NEP controls the site of a sixth Substation, the Monroe Substation, through an easement reserved by it in conjunction with a previous sale of the underlying land. In furtherance of Section 3.2.1 and as further specified in the Easements, each Party shall have the right to place, operate and maintain Substation Interconnection Facilities and related equipment and structures on, and have access to, each Substation site owned (or controlled through easement) by the other Party, as necessary or useful for the performance of this Agreement and Schedule 21. Copies of the Easements are included in Appendix C.

3.2.3 Said Easements granted by each Party to the other are intended to be of a permanent nature and shall not be revoked by the granting Party while this Agreement is in effect; nor shall the granting Party take any action that would impede, restrict, diminish, or terminate the rights of access or use granted by such Easements. Notwithstanding the foregoing (a) should a

Party receiving the benefit of an Easement decide to permanently abandon the use of any Easement or portion thereof, such Party shall send the granting Party written notice of such intent; and shall cause a release of said Easement or any portion thereof to be recorded in the appropriate registry of deeds; and (b) the Parties may mutually agree to relocate any or all of the Easement locations within a Substation. In the event of such relocation, the Party having granted the Easement shall execute or obtain in a form reasonably satisfactory to the Party requesting relocation and suitable for recording, all instruments necessary to establish and record the new easement location; provided, however, that the Party requesting the relocation shall pay all reasonable costs and expenses associated with the relocation. Both Parties agree to use their best efforts to establish a mutually agreeable location if requested.

3.2.4 Each Party shall grant to the other additional conveyances, easements, or licenses as are necessary for ownership, possession, maintenance, operation, or repair of its equipment and facilities as long as said conveyances, easements or licenses do not have a material adverse impact upon the granting Party's operations, and are consistent with the purpose of this Agreement and Schedule 21.

3.2.5 Each Party shall provide the other with keys, access codes, or other access methods as necessary to enter its Substation(s).

3.2.6 Neither Party shall make changes to any Substation site topography or accesses, including but not limited to grading or drainage, that could reasonably be expected to affect the other Party's facilities or common use drainage, Storm Water Management, SPCC or other pollution controls systems, without the prior written consent of the other Party, such consent not to be unreasonably withheld.

3.2.7 Each Party shall, unless prohibited by regulation, make available to the other Party at no cost existing data from the Substation RTU that the other Party requests and that is necessary to operate equipment or systems or to respond to any regulatory inquiries.

3.3 Facility and Equipment Maintenance.

3.3.1 Each Party shall maintain its own property, equipment, and facilities at each Substation, and except as otherwise provided in this Agreement, shall not be responsible for the maintenance of the other Party's property, equipment and facilities at any Substation. The Party owning each Substation site shall be responsible for maintenance of all common use roadways, walkways and control house/facilities accesses in or about the Substation site and except as may be provided for herein, shall be responsible for all other maintenance and improvements to each Substation site.

3.3.2 Power, control and instrumentation cables (including associated raceways) running between equipment or facilities external to a control house at each Substation and the first point of termination of such cables within such control house shall be maintained by the Party owning such equipment or facilities.

3.3.3 Power, control and instrumentation cables (including associated raceways) within each control house that interconnect equipment or facilities belonging to one Party to those of the other Party shall be maintained by the Party owning the control house.

3.3.4 Where any ground grid, duct banks, and cable raceways are jointly used, each Party is responsible for maintaining those jointly used items that it owns.

3.3.5 Prior to the Closing Date, each Party shall affix labels on the control switchboards, panel boards and protective relays that it owns within each Substation to identify ownership of such equipment.

3.3.6 In addition to the requirements set forth elsewhere in this Agreement, each Party shall maintain its equipment and facilities and perform its maintenance obligations that could reasonably be expected to affect the operations of the other Party in a safe and efficient manner and pursuant to Good Utility Practice.

3.4 Special Services.

3.4.1 General. The Parties agree that they will provide each other with the services set forth in Sections 3.5 and 3.6 below.

3.4.1.1 The Parties shall use their best efforts to ensure that services provided by one Party to the other Party pursuant to Sections 3.5 and 3.6 shall be available at all times and in the manner and at the prices specified herein.

Notwithstanding the foregoing, either Party may change the services, provided that there is no cost to the receiving Party and the quality, reliability or integrity of the replacement services is equivalent to the existing services.

3.4.1.2 Neither Party shall terminate any services set forth in Sections 3.5 and 3.6 below that it agrees to provide to the other Party, without the other Party's written consent or without at least twelve (12) months' prior written notification; provided, however, if either Party no longer needs or desires a particular service provided under Sections 3.5 or 3.6 said Party shall notify the other Party and the providing Party shall terminate said services as soon thereafter as practicable.

3.4.2 Temporary Suspension of Section 3.5 and 3.6 Services. The Party providing the services set forth in Sections 3.5 and 3.6 below shall notify and obtain approval from the affected Party of any scheduled temporary suspension of services at least five (5)

working days in advance of such suspension. Such notification shall include estimated time duration for a return to normal conditions.

3.4.2.1 In the event of any unplanned or forced suspension of the services set forth in Sections 3.5 and 3.6 below, the providing Party shall immediately notify the other Party first verbally and then in writing. The providing Party shall use all reasonable efforts to minimize the duration of said suspension.

3.4.2.2 The Parties agree to use all reasonable efforts to complete any repairs, modifications or corrections that are necessary to restore suspended services pursuant to Sections 3.5 and 3.6 below to the other Party as soon as reasonably practicable. The Party temporarily suspending the services shall reimburse the affected Party for the reasonable costs incurred by the affected Party in obtaining equivalent services.

3.5 NEP Provided Special Services.

3.5.1 Substation Service Power. Following the Closing Date, NEP shall provide GSEC at no charge with ac and dc substation service power in the quantities, at the levels, and in the Substation locations as have been historically provided from NEP's or its Affiliates' facilities to GSEC.

3.5.2 Building Services. Following the Closing Date, NEP shall at no cost to GSEC own, repair, maintain, and provide GSEC with heating, ventilation, air conditioning, lighting, and other building services, at the levels in existence for winter and summer conditions, as have been historically provided, for GSEC's storage spaces, offices, and control houses within NEP's facilities. If GSEC desires a higher level of service, GSEC and NEP shall mutually agree upon the upgrade and price for said upgrade. GSEC shall pay NEP for the upgrade.

3.6 GSEC Provided Special Services.

3.6.1 Substation Service Power. Following the Closing Date, GSEC shall provide NEP at no charge with ac and dc substation service power in the quantities, at the levels, and in the Substation locations as have been historically provided from GSEC's facilities to NEP. If NEP desires a higher level of service, NEP and GSEC shall mutually agree upon the upgrade and price for said upgrade. NEP shall pay GSEC for the upgrade.

3.6.2 Building Services. Following the Closing Date, GSEC shall at no cost to NEP own, repair, maintain and provide NEP with heating, ventilation, air conditioning, lighting, and other building services, at the levels in existence for winter and summer conditions as have been historically provided, for relay, control and communications room, offices, control houses or other related transmission areas or spaces within GSEC's facilities. If NEP desires a higher level of service, NEP and GSEC shall mutually agree upon the upgrade and price of said upgrade. NEP shall pay GSEC for the upgrade.

3.7 Safety.

3.7.1 General. The Parties agree to be solely responsible for and assume all liability for the safety and supervision of their own employees, agents, representatives, and subcontractors.

3.7.1.1 The Parties agree that all work performed by either Party which could reasonably be expected to affect the operations of the other Party shall be performed in accordance with all applicable laws, rules, and regulations pertaining to the safety of persons or property, including without limitation, compliance with the safety regulations and standards adopted under the Occupational Safety and Health Act of 1970

(OSHA) as amended from time to time, the National Electric Safety Code (NESC) as amended from time to time and Good Utility Practice.

3.7.2 Switching, Tagging and Grounding. Each Party shall comply with National Grid USA's Clearance and Control Rules with respect to all work performed on NEP's Substation Interconnection Facilities and otherwise to the extent provided by such rules, including as they apply with respect to work performed on GSEC's Substation Interconnection Facilities. NEP will promptly notify GSEC of all changes in the Clearance and Control Rules. Each Party shall comply with the GSEC Switching, Tagging and Grounding Rules with respect to all work performed on GSEC's Substation Interconnection Facilities that is not otherwise subject to the Clearance and Control Rules. GSEC will promptly notify NEP of all changes in the GSEC Switching, Tagging and Grounding Rules.

3.8 Environmental Compliance and Procedures.

3.8.1 Each Party shall notify the other first verbally and then in writing, of the discovery of any Release of a Hazardous Substance, of any asbestos or lead abatement or of any type of Hazardous Substance remediation activities within twenty-four (24) hours after occurrence with respect to an unplanned Release, or before the occurrence for planned abatement or remediation activities, if within the reasonable judgment of the Party said activities could reasonably be expected to have a material adverse impact upon the operations of the other Party.

3.8.2 Neither Party shall knowingly take any actions which might reasonably be expected to have a material adverse environmental impact upon the operations or property of the other Party, including, but not limited to, any action that would cause or could reasonably be expected to lead to a violation of Environmental Laws by the other Party, without prior written notification and agreement between the Parties.

3.8.3 Neither Party shall require the other to modify any Substation physical structures required by or included in any SPCC plan including containment systems, unless such modification is required by Environmental Laws, in which event the modification shall be a reasonable response as allowed under applicable Environmental Laws and as chosen by the Party owning (or with primary control of) the property in question, following consultation with the other Party. Neither Party shall require the other to modify its Stormwater Management systems unless such modification is required by Environmental Laws, in which event the modification shall be a reasonable response as allowed under applicable Environmental Laws and as chosen by the Party owning (or with primary control of) the property in question, following consultation with the other Party.

3.8.4 NEP and GSEC agree to coordinate with each other concerning any site plans required under Environmental Laws, including but not limited to SPCC plans and SWPPP required by the United States Environmental Protection Agency, Massachusetts or New Hampshire regulatory agencies or permits.

3.8.5 NEP and GSEC shall each fully comply with the requirements of applicable Environmental Laws as such apply to their respective activities or operations at each Substation, including, but not limited to, responding to any Release of a Hazardous Substance caused by or arising out of the Party's operations at the Substation, or which pertain to equipment owned or operated by that Party on, before or after the Closing Date. Each Party, shall be responsible for notifying, and after consultation with the other Party, determining, and implementing the course of action in response to any such Release agreed upon between itself and the appropriate environmental agency, or if consultation with the environmental agency is not required, implementing the reasonable course of action while ensuring that such action does

not have a material adverse impact on the other Party; provided that (i) such responsible Party shall promptly provide the other Party with a copy of all correspondence, reports, and other documents submitted to any environmental agency in connection with determining and implementing such course of action, (ii) if such responsible Party fails to implement any such course of action in accordance with the requirements of Environmental Laws after written notice from the other Party giving the responsible Party at least ten (10) days to commence implementing such course of action, the other Party shall have the right, in its sole discretion and upon written notice of the responsible Party, to undertake such course of action itself, using its own contractors, consultants, and agents and modifying such course of action as it may determine is appropriate in its reasonable judgment, and (iii) in the event the other Party does so undertake the course of action, the responsible Party shall promptly reimburse the other Party for the reasonable costs that the other Party incurs in bringing such course of action (and any reasonable modifications thereto) to completion in accordance with the Environmental Laws; provided, that such course of action was no more stringent than required under Environmental Laws, considering the then current land use; and provided further, that the Party owning (or having primary control of) the property in question shall benefit from the proviso set forth in the following sentence if the course of action involves the use of a deed restriction. To the extent impacting the other Party, both Parties agree, consistent with NEP's and GSEC's ownership/property interests in and operational use of the areas impacted by a Release of Hazardous Substance, to effectuate said course of action, including, but not limited to, such action as placing a reasonable deed restriction on the areas impacted by the Release; provided that the Party imposing any such deed restriction on real property of the other Party shall, at its own expense, (i) be responsible, either directly or through a qualified environmental consulting

firm, for periodic inspection of any cap, topsoil and vegetative cover, or other remedy (collectively, "Remedy") required under Environmental Laws in connection with the deed restriction, including preparing and filing any report or documentation required for such inspections, (ii) promptly provide the other Party with a copy of all such inspection reports or other documentation completed for the real property in question, (iii) be responsible for routine maintenance of any Remedy, as well as replacement or repair of the Remedy as necessary to keep it in compliance with Environmental Laws, (iv) be responsible for preparing and implementing, and promptly delivering to the other Party, any Soil Management and Health and Safety Plans required for the Party to undertake maintenance or repairs of any Remedy, or for the other Party to undertake any project on any portion of the real property subject to the deed restriction, and (v) promptly reimburse the other Party for any reasonable cost the other Party incurs in having to employ specialized work crews required to undertake a project in the portion of the real property subject to the deed restriction, as well as for the cost of disposing of any excess soil that may be generated in connection with any such project. Both parties agree to fully cooperate with each other to minimize the financial impact upon the other Party and the owner of the real property shall agree to the reasonable deed restriction, if necessary for a reasonable response to a Release of Hazardous Substances.

3.9 Service Restoration. After any transmission or distribution service interruption occurring with respect to a Party's equipment or facilities within or outside of a Substation, such Party shall take actions to restore service in accordance with Good Utility Practice and in a manner that is not unduly discriminatory to the other Party in comparison to the restoration of service to the restoring Party's other customers.

3.10 CyberSecurity. At this time the Substations listed in Appendix B are not classified as “NERC critical facilities” and do not require any specific treatment or separation. In the event these facilities are determined to be critical facilities in the future, both NEP and GSEC agree to work together to determine and comply with the new requirements at such time.

ARTICLE 4 **DOCUMENTATION**

4.0 Documentation.

4.1 General.

4.1.1 The Parties shall provide each other with appropriate documentation in the form of written test records, operation and maintenance procedures, drawings, material lists, or descriptions, whenever a Party makes an alteration, change, or modification to its property, equipment, or facilities that could reasonably be expected to affect the other Party.

4.1.2 All documentation furnished to or obtained by the Parties pursuant to this Agreement shall be confidential and shall be treated as confidential information.

4.1.3 A Party desiring to perform any modifications to equipment or portions of facilities that it owns within a Substation, which modifications could reasonably be expected to affect the other Party, shall submit the proposed modifications to the other Party for review. The Party initiating the modification shall allow the other Party sixty (60) days to review the proposed modification unless mutually agreed otherwise and shall use commercially reasonable best efforts to accommodate the reasonable concerns of the reviewing Party to such proposed modifications.

4.1.4 Upon completion of any such modifications, the Party initiating the modifications shall issue “as built” drawings to the other Party no later than sixty (60) days thereafter.

4.1.5 Each Party shall be responsible for its own equipment, inspections, maintenance, construction, and modifications, and the other Party's review of, or comments on any document provided by the initiating Party, shall not relieve the initiating Party of its responsibility for the correctness and adequacy of the work to be performed.

4.2 Drawings.

4.2.1 Following the execution of this Agreement, each Party shall promptly deliver to the other Party (i) all drawings in the delivering Party's possession that solely depict the other Party's property, equipment or facilities located at a Substation; and (ii) a duplicate set of any drawings in the delivering Party's possession that depict both property, equipment or facilities owned by the delivering Party and property, equipment or facilities owned by the other Party located at a Substation.

4.2.2 Following the execution of this Agreement, NEP shall provide GSEC with technical maintenance or operations documentation, if available, for protection, communications and primary electrical equipment owned by GSEC.

4.2.3 Except as otherwise noted on the drawing or document in question, neither Party makes any representations as to the accuracy, detail, or completeness of any drawings or documents provided to the other Party pursuant to this Article 4, and each Party hereby releases the other Party from any liability arising as a result of the releasing Party's use of such drawings or documents.

4.2.4 The Parties agree to meet promptly after the Closing Date to develop prospective procedures and protocols for the preparation, updating, maintenance and exchange of the drawings and documents that are the subject of this Article 4. Such procedures and protocols shall have the objective, among other things, of avoiding duplication of effort between the

Parties and ensuring that neither Party relies upon documents or drawings that are out of date, inaccurate or superseded.

ARTICLE 5 **ASSIGNMENT**

5.0 Assignment.

5.0.1 This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests, or obligations hereunder shall be assigned, except to an Affiliate of NEP or to an Affiliate of GSEC, by any Party hereto, without the prior written consent of the other Party, said consent not to be unreasonably withheld, conditioned or delayed. Any assignment of the Agreement in violation of the foregoing shall be, at the option of the non-assigning Party, void. Notwithstanding the foregoing, GSEC or its permitted assignee may assign, transfer, pledge or otherwise dispose of its rights and interests hereunder to a trustee or lending institution(s) for the purposes of financing or refinancing GSEC's Distribution System, including upon or pursuant to the exercise of remedies under such financing or refinancing, or by way of assignments, transfers, conveyances or dispositions in lieu thereof; provided, however, that no such assignment or disposition shall relieve or in any way discharge GSEC or such assignee from the performance of its duties and obligations under the Agreement (a "Collateral Assignment"). NEP agrees to execute a written acknowledgement of such Collateral Assignment in form and substance reasonably satisfactory to GSEC, so long as NEP's rights under the Agreement are not thereby altered, amended, diminished or otherwise impaired.

5.0.2 Except as set forth in Section 5.0.1 above, no assignment of rights or obligations under the Agreement by GSEC shall relieve GSEC from full liability and financial responsibility for the performance thereof after any such assignment unless and until the assignee

shall agree in writing to assume the obligations and duties of GSEC under the Agreement and NEP has consented in writing to such assumption; said consent not to be unreasonably withheld, conditioned or delayed.

5.0.3 Except as set forth in Section 5.0.1 above, no assignment of rights or obligations under the Agreement by NEP shall relieve NEP from full liability and financial responsibility for the performance after any such transfer or assignment unless and until the transferee or assignee shall agree in writing to assume the obligations and duties of NEP under the Agreement and GSEC has consented in writing to such assumption; said consent not to be unreasonably withheld, conditioned or delayed.

ARTICLE 6 **LABOR RELATIONS**

6.0 Labor Relations.

Each Party agrees to immediately notify the other Party, verbally and then in writing, of any labor dispute or anticipated labor dispute which may reasonably be expected to affect the operations of the other Party.

ARTICLE 7 **INDEPENDENT CONTRACTOR STATUS**

7.0 Independent Contractor Status.

Nothing in this Agreement shall be construed as creating any relationship between NEP and GSEC other than that of independent contractors.

ARTICLE 8 **METERING**

8.0 Metering Responsibility. In accordance with the terms of the Metering & Settlement Agreement, GSEC will assume the Assigned Meter Reader and Host Participant market settlement responsibilities in accordance with the Tariff. It is acknowledged by the Parties that

the Assigned Meter Reader and Host Participant may not be the Meter Owner. Each Meter Owner will be responsible to test, replace, and upgrade (where applicable) their respective wiring and metering equipment.

8.1 Sharing of Metering Information. Each of NEP and GSEC currently own meters or related equipment used to measure both transmission load and settlement load. The Party that currently owns the meter or related metering equipment will continue to maintain it. All meters are subject to periodic testing requirements and to witness verification pursuant to ISO New England Operating Procedure (OP) 18. Both Parties need access to the others' meter reads to ensure metering accuracy for their respective meter reading obligations under the Tariff. Both GSEC and NEP will allow sharing and reading of each other's relevant meters as required to fulfill each Party's monitoring responsibilities. The Parties will convey necessary metering data to each other on a daily basis either through email communication or by some other electronic transfer of data mutually agreed to by the Parties. In the case where NEP meters, remote access pulse recorders ("RAPRs") or other interval metering devices contain non-public, confidential, or proprietary information of NEP, NEP will redact such information prior to conveying such metering data to GSEC. In case of disagreement, as applicable FERC Order Nos. 889 and 775 will be followed.

8.2 Meter Telecommunication Lines. With the exception of any telecommunications circuits needed for NEP's Points of Delivery as defined and identified in Attachment 1 to the Service Agreement, the Parties generally acknowledge that GSEC shall acquire and maintain at its own expense all telecommunication circuits connected to meters and metering equipment owned by GSEC and NEP shall acquire and maintain at its own expense all telecommunication circuits connected to meters and metering equipment owned by NEP.

8.3 Mutual Assistance for Metering. Each Party will use its commercially reasonable efforts to provide mutual assistance in accordance with Good Utility Practice to the other Party in connection with such other Party's efforts to resolve metering issues or to implement emergency metering repair or changes to its metering process, as may be reasonably necessary from time to time, any such mutual assistance to be provided in accordance with such other terms and conditions as may be mutually agreed by the Parties at the time such mutual assistance is requested. Unless otherwise specifically agreed in writing by both Parties, (i) the Party requesting such mutual assistance shall pay all costs incurred by the other Party in connection with, or arising from, the rendering of such mutual assistance, (ii) in no event shall the Party rendering such mutual assistance (or its affiliates) be liable or responsible to the other Party or its affiliates for monetary damages of any kind or nature, including, without limitation, direct, indirect, incidental, special, punitive or consequential damages, arising from or in connection with such mutual assistance, and (iii) the rendering of mutual assistance is subject to the availability of appropriate personnel, equipment, supplies, and other resources, it being understood that the public service obligations of a Party to its customers shall have priority over the rendering of any requested mutual assistance hereunder.

ARTICLE 9 **NOTICES**

9.0 Notices.

9.0.1 At or prior to the Closing Date, each Party shall indicate to the other Party, by notice, the appropriate person during each eight-hour work shift to contact in the event of an emergency, a scheduled or forced interruption or reduction in services provided pursuant to this Agreement. The notice last received by a Party shall be effective until modified in writing by the other Party. All notices, requests, demands and other communications under this Agreement

shall be in writing and shall be deemed to have been duly given (a) when received, if delivered personally, (b) when sent, if sent by facsimile (provided that the sender confirms receipt of successful transmission), and (c) when received, if sent by overnight courier service or mailed by certified or registered mail, return receipt requested, with postage prepaid to the parties at the following addresses or such other address as is furnished in writing by the Parties:

If to NEP:

Attn: Director, Transmission Commercial Services
East Wing, 1st Floor
40 Sylvan Road
Waltham, MA 02451
Facsimile: 781-907-5706

If to GSEC:

11 Northeastern Boulevard
Salem, New Hampshire 03079
Facsimile: 603-896-6175

ARTICLE 10
EQUAL EMPLOYMENT OPPORTUNITY

10.0 Equal Employment Opportunities.

The Parties agree to comply with all applicable federal, state, and other applicable anti-discrimination laws, the standards and regulations issued thereunder, and the amendments thereto.

ARTICLE 11
INDEMNIFICATION

11.0 Indemnification.

NEP shall defend, indemnify and hold harmless GSEC and its respective officers, directors, employees, agents, successors and assigns from and against any and all losses, claims and/or liability for damage to property, injury or death of any person, including NEP's and its

subcontractors' or employees, incurred by GSEC, including all reasonable expenses, legal or otherwise, caused wholly or in part by gross negligence or willful misconduct, of NEP and its subcontractors and their respective affiliates, officers, directors, employees, agents, or assigns, arising out of this Agreement.

GSEC shall defend, indemnify and hold harmless NEP and its respective officers, directors, employees, agents, successors and assigns from and against any and all losses, claims and/or liability for damage to property, injury or death of any person, including GSEC's and its subcontractors' or employees, incurred by NEP, including all reasonable expenses, legal or otherwise, caused wholly or in part by gross negligence or willful misconduct, of GSEC and its subcontractors and their respective affiliates, officers, directors, employees, agents, or assigns, arising out of this Agreement.

ARTICLE 12
COMPLAINT ESCALATION AND DISPUTE RESOLUTION

12.0 Complaint Escalation. Any complaints arising out of or in connection with the Agreement will in the first instance be referred to the Parties' senior management, who will meet within three (3) Business Days of the referral. If the issue is not resolved at that meeting, the issue will be further escalated to a steering committee comprised of the Parties' most senior executives responsible for the Parties' performance under the Purchase Agreements (the "Transition Steering Committee"). The Transition Steering Committee shall meet within five (5) Business Days of the issue being escalated to them. If the unresolved issue is having a material effect on the provision of any Interconnection or Special Service, the parties will use their respective good faith efforts to reduce the elapsed time in reaching a resolution of the issue.

12.1 Proceedings. In the event any dispute which is not resolved by Section 12.0 above, each Party will have the right to commence an action or proceeding in a court of competent jurisdiction, subject to the terms of this Agreement.

ARTICLE 13
MISCELLANEOUS

13.0 Amendments. This Agreement may be amended, modified, or supplemented only by written agreement of both NEP and GSEC.

13.1 Severability. If any term or other provision of this Agreement is determined to be invalid, illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the agreements contemplated hereby are fulfilled to the extent possible.

13.2 Choice of Law; Jurisdiction.

13.2.1 This Agreement shall be governed by and construed in accordance with the Laws of the State of New York (regardless of the Laws that might otherwise govern under applicable New York principles of conflicts of Laws) as to all matters, including matters of validity, construction, effect, performance and remedies.

13.2.2 All judicial actions or proceedings brought against the Parties arising out of or relating to this Agreement, or any obligations hereunder, shall be brought exclusively in any courts of the United States of America for the Southern District of New York. By executing and delivering this Agreement, the Parties irrevocably: (i) accept generally and unconditionally the exclusive jurisdiction and venue of these courts; (ii) waive any objections which such Party

may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement brought in the courts referred to in clause (i) above and hereby further irrevocably waive and agree not to plead or claim in any such court that such action or proceeding brought in any such court has been brought in an inconvenient forum; (iii) agree that service of all process in any such action or proceeding in any such court may be made by registered or certified mail, return receipt requested, to such Party at their respective addresses provided in accordance with Section 6.3; and (iv) agree that service as provided in clause (iii) above is sufficient to confer personal jurisdiction over such Party in any such action or proceeding in any such court, and otherwise constitutes effective and binding service in every respect.

13.2.3 THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OTHER DOCUMENT DELIVERED IN CONNECTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE PARTIES HERETO. EACH OF THE PARTIES HERETO ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER DOCUMENT DELIVERED IN CONNECTION HERewith TO WHICH IT IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR SUCH PARTY ENTERING INTO THIS AGREEMENT AND EACH SUCH OTHER DOCUMENT.

13.3 No Third Party Beneficiaries. Subject to ARTICLE 11, the provisions of this Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person except the Parties any rights or remedies hereunder, there are no third party beneficiaries of this Agreement and this Agreement shall not provide any third person with any interests, benefits, remedies, claims, liabilities, reimbursements, causes of action, or other rights of any nature whatsoever under or by reason of this Agreement.

13.4 Relationship of the Parties. Nothing contained in this Agreement shall be construed as creating a partnership, joint venture, agency, trust or other association of any kind, each Party being individually responsible only for its obligations as set forth in this Agreement.

13.5 Headings. The insertion of headings is for convenience of reference only and does not affect, and will not be utilized in construing or interpreting, this Agreement.

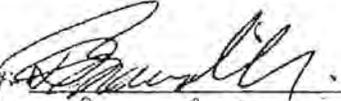
13.6 Counterparts. This Agreement may be executed in one or more counterparts (including by means of facsimile), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or e-mail delivery (in Adobe PDF format) shall be effective as delivery of a manually executed counterpart of this Agreement.

13.7 Entire Agreement. Except for the provisions in ARTICLE 8 as such provisions relate to the Metering & Settlement Agreement, this Agreement and the appendices hereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments, and conversations with respect to such subject matter and there are no agreements or understandings between the Parties with respect to such subject matter other than those set forth or referred to herein or therein.

IN WITNESS WHEREOF, NEP and GSEC have caused this Agreement to be signed by
their respective duly authorized officers as of the date first above written.

Granite State Electric Company

New England Power Company

By: 
Name: David Bronicheski
Title: Treasurer

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, NEP and GSEC have caused this Agreement to be signed by
their respective duly authorized officers as of the date first above written.

Granite State Electric Company

New England Power Company

By: _____
Name: _____
Title: _____

By: William L. Matee
Name: William L. Matee
Title: Director, Transmission Commercial