KeySpan Corporate Services LLC

SERVICE AGREEMENT

This Service Agreement ("Agreement") dated as of October 1, 2007 by and between KeySpan Corporate Services LLC ("KCS"), a New York limited liability company and each of the companies listed on Schedule A hereto (individually a "Client Company" and collectively, the "Client Companies"). KCS and the Client Companies may each be referred to herein as a "Party," and collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, KCS is an indirect wholly owned subsidiary of National Grid USA ("National Grid") which is a holding company under the Public Utility Holding Company Act of 2005, as amended (the "Act");

WHEREAS, KCS is now deemed a Traditional Centralized Service Company, as defined under the Act and the provisions promulgated thereunder by the Federal Energy Regulatory Commission ("FERC"), and was an approved and authorized service company pursuant to Section 13(b) of the former Public Utility Holding Company Act of 1935, and the regulations promulgated thereunder; and

WHEREAS, KCS and the Client Companies desire for KCS to provide, and the Client Company to accept, the services provided for hereunder in accordance with the terms of this Agreement.

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 SERVICES

offers to furnish to a Client Company (in accordance with the terms and conditions set forth herein) upon written request of such Client Company. In addition to the services described in Exhibit I hereto, KCS may also provide a Client Company with such special services, as may be requested by such Client Company in writing, which the Service Company concludes it is able to perform. In supplying services hereunder to a Client Company, KCS may arrange, where it deems appropriate, for the services of such experts, consultants, advisers and other persons with necessary qualifications as are required for, or pertinent to, the performance of such services.

1.2 Services Selected.

(a) Each Client Company shall make its initial selection of the services set forth in Section 1.1 above that it agrees to receive from KCS by providing KCS an executed service request in the form set forth in Exhibit II.

- (b) By December 1 of calendar year, KCS shall send an annual service proposal to each Client Company listing the services proposed for the next calendar year. By December 31, each Client Company shall notify KCS in writing of the services it elects to receive from KCS during the next calendar year.
- 1.3 Modification of Services. A Client Company shall have the right from time to time to amend, alter or rescind any activity, project, program or work order provided that (i) such amendment or alteration which results in a material change in the scope of the services to be performed or equipment to be provided is agreed to by KCS, (ii) the cost for the services covered by the activity, project, program or work order shall include any expense incurred by KCS as a direct result of such amendment, alteration or rescission of the activity, project, program or work order, and (iii) no amendment, alteration or rescission of an activity, project, program or work order shall release a Client Company from liability for all costs already incurred by or contracted for by KCS pursuant to the activity, project, program or work order, regardless of whether the services associated with such costs have been completed. Any request made by a Client Company pursuant to this Section 1.3 shall be in writing to KCS and shall take effect on the first day of the first calendar month which is at least thirty (30) days after the day that the Client Company sent the written notice to KCS.

1.4 Service Receipt Limitations.

- (a) Each of the companies listed on Schedule B hereto agree that:
- (i) They will not incur a charge hereunder except in accordance with their respective state and the rules, regulations and orders of their respective state Public Service Commission or its equivalent promulgated thereunder; and
- (ii) They will not seek to reflect in rates any cost incurred hereunder to the extent disallowed by their respective state Public Service Commission or its equivalent.
- (b) Notwithstanding anything in this Agreement to the contrary, KCS and the companies listed on Schedule B hereto agree that because of the agreements set forth in Section 1.4(a) above, such companies listed on Schedule B will not accept services from KCS hereunder if the cost to be charged for such services differs from the amount of the charges such companies are permitted to incur under their respective state and the rules, regulations and orders of their respective state Public Service Commission or its equivalent promulgated thereunder.

ARTICLE 2 COMPENSATION AND BILLING

- 2.1 <u>Compensation</u>. As and to the extent required by law, KCS shall provide the services hereunder at cost. Exhibit I hereto set forth the rules KCS shall use for determining and allocating costs to the Client Companies. KCS shall advise the Client Companies from time to time of any material change in the method of assignment or allocation of costs hereunder.
- 2.2 <u>Invoices</u>. By the 20th day of each month, KCS shall render a monthly bill to each Client Company which shall reflect the billing information necessary to identify the costs charged for the services KCS provided in the preceding month. A Client Company shall pay its

invoice by check, wire transfer or money pool transaction to KCS (at the account designated by KCS) within 30 days after receiving the invoice. If an invoice is not paid by the 30th day after the invoice is received (the "Due Date"), the Client Company shall pay interest on any amount outstanding after the Due Date at the current money pool rate.

ARTICLE 3 TERM AND TERMINATION

- 3.1 <u>Effective Date</u>. This Agreement shall become effective on the date hereof, subject to receipt of all required federal or state regulatory approvals.
- 3.2 Termination. This Agreement shall continue in full force and effect with respect to KCS and a Client Company until (a) terminated by the Client Company upon sixty (60) days advance written notice to KCS, or (b) terminated by KCS upon sixty (60) days advance written notice to a Client Company. This Agreement shall also be subject to termination or modification at any time, without notice, if and to the extent performance under this Agreement may conflict with the Act, or with any rule, regulation or order of the FERC adopted before or after the date of this Service Agreement.

ARTICLE 4 MISCELLANEOUS

- 4.1 <u>Modification</u>. Except as set forth in Article 2 and Sections 1.3, 3.2 and 4.4, no amendment or other modification of this Agreement shall be effective unless made in writing and executed by all of the Parties to this Agreement.
- 4.2 <u>Notices</u>. Where written notice is required by this Agreement, said notice shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To KCS:

KeySpan Corporate Services LLC One MetroTech Center Brooklyn, New York 11201

To Client Company:

The name and address of the person designated in writing to KCS on the date the Client Company executes this Agreement.

4.3 Accounts. All accounts and records of KCS shall be kept in accordance with the rules and regulations promulgated by FERC pursuant to the Act, in particular, the record retention requirements and the Uniform System of Accounts for Service Companies in effect from and after the date hereof. Upon request, KCS shall permit a Client Company reasonable access to the accounts and records of KCS relating to the services performed for such Client Company hereunder.

- 4.4 Additional Client Companies. After the effective date of this Agreement, any new or existing direct or indirect subsidiary of National Grid may become an additional Client Company under this Agreement by becoming a signatory to this Agreement.
- 4.5 <u>Waiver</u>. Except as otherwise provided in this Agreement, any failure of a Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.
- 4.6 <u>No Third Party Beneficiaries</u>. Nothing in this Agreement is intended to confer upon any other person except the Parties any rights or remedies hereunder or shall create any third party beneficiary rights in any person. No provision of this Agreement shall create any rights in any such persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for thereunder.
- 4.7 <u>Governing Law</u> 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 principles of conflicts of law).
- 4.8 <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 4.9 Entire Agreement. This Agreement including the exhibits referred to herein or therein, constitutes the entire agreement and understanding of the Parties in respect of the transactions contemplated by this Agreement. KCS and each Client Company may enter into non-binding service level agreements (as described more fully in KCS' policies and procedures manual), the purpose of which will be to set forth in general terms the shared service expectations between KCS and the Client Company as a managerial tool to facilitate matching the Client Companies needs to the capabilities of KCS. There are no restrictions, promises, representations, warranties, covenants or undertakings other than those expressly set forth or referred to herein or therein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to the transactions contemplated by this Agreement.
- 4.10 <u>Severability</u>. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.
- 4.11 <u>Assignment</u>. KCS shall not assign this Agreement, or any of its rights or obligations hereunder without the prior written consent of the Client Companies, such consent not to be unreasonably withheld. A Client Company shall not assign this Agreement, or any of its rights or obligations hereunder without the prior written consent of KCS. This Agreement shall inure to the benefit and shall be binding upon the Parties and their permitted successors and assigns.

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

KeySpan Corporate Services LLC Name: Title: Vice President and Deputy General Counsel KeySpan Corporation Name. Alfred C. Bereche Title: Assistant Secretary KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island Name: Alfred C. Bereche Title: Assistant Secretary The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York By: Name: Ronald J. Macklin Title: Assistant Secretary KeySpan Generation LLC

Name: Alfred C. Bereche Title: Assistant Secretary IN WITNESS WHEREOF, KCS and the Client Companies have caused this Service Agreement to be signed by their respective duly authorized officers as of the date first above written.

KeySpan Corporate Services LLC

By:
Name: Michael A. Walker
Title: Vice President and
Deputy General Counsel
KeySpan Corporation
By: Wille
Name: Alfred C. Bereche
Title: Assistant Secretary
2-11-1-
KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island
By:
Name: Alfred C. Bereche
Title: Assistant Secretary
11110. 1 tobacult obvioury
The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York
Ву:
Name: Ronald J. Macklin
Title: Assistant Secretary
KeySpan Generation LLC
By:
Name: Alfred C. Bereche
Title: Assistant Secretary

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

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	CYUDALL	COLDULACO	COLVICOS	***	_

By: Name: Michael A. Walker Title: Vice President and Deputy General Counsel
KeySpan Corporation
By: Name: Alfred C. Bereche Title: Assistant Secretary
KeySpan Gas East Corporation d/b/a KeySpan Bnergy Delivery Long Island
By: Name: Alfred C. Bereche Title: Assistant Secretary
The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York
By: Royald J. Macklin Title: Assistant Secretary
KeySpan Generation LLC
By:

KeySpan Electric Services LLC By: Name: Alfred C. Bereche Title: Assistant Secretary KeySpan Services, Inc., and its subsidiaries Name: Alfred C. Bereche Title: Assistant Secretary KEDC Holdings Corp., and its subsidiaries By: Name: Alfred C. Bereche Title: Assistant Secretary KeySpan Energy Corporation By: Name: Alfred C. Bereche Title: Assistant Secretary

KeySpan Ravenswood, LLC

Name: Alfred C. Bereche
Title: Assistant Secretary

KeySpan Ravenswood Services, Corp.

By:
Name: Alfred C. Bereche
Title: Assistant Secretary

KeySpan Energy Trading Services LLC

By: Name: Alfred C. Bereche

Title: Assistant Secretary

Boston Gas Company d/b/a KeySpan Energy Delivery New England

By: Name: Alfred C. Bereche

Title: Assistant Secretary

Colonial Gas Company d/b/a KeySpan Energy Delivery New England

By: _______ Name: Alfred C. Bereche

Title: Assistant Secretary

Essex Gas Company d/b/a KeySpan Energy Delivery New England

By: _______ Name: Alfred C. Bereche

Title: Assistant Secretary

EnergyNorth Natural Gas Company d/b/a KeySpan Energy Delivery New England

By: Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan MHK, Inc.

Namer Alfred C. Bereche

Title: Assistant Secretary

KeySpan Technologies, Inc., and its subsidiaries

Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan Utility Services LLC

Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan Engineering & Survey, Inc.

Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan - Glenwood Energy Center, LLC

By: Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan - Port Jefferson Energy Center, LLC

By:

Name: Alfred C. Bereche Title: Assistant Secretary

KeySpan Energy Services Inc.

By: Name: Alfred C. Bereche

Title: **Assistant Secretary**

KeySpan Energy Supply, LLC

By: Name: Alfred C. Bereche

Assistant Secretary Title:

KeySpan Exploration and Production, LLC

By: Name: Alfred C. Bereche

Assistant Secretary Title:

Massachusetts Electric Company

Name: Robert G. Seega Name: Robert G. Seega / Title: Assistant Treasurer

Nantucket Electric Company

Title: Assistant Treasurer

The Narragansett Electric Company

Name: Robert G. Seega Title: Assistant Treasurer

Granite State Electric Company

Title: Assistant Treasurer

New England Power Company

By: All Assistant Treasurer

New England Electric Transmission Corporation

By: Ally D. Seega Name: Robert G. Seega Title: Assistant Treasurer

New England Hydro-Transmission Corporation

By: Shull Ally Name: Robert G. Seega Title: Assistant Treasurer

New England Hydro-Transmission Electric Company, Inc.

By: Abub . Ally .
Name: Robert G. Seega
Title: Assistant Treasurer

Niagara Mohawk Power Corporation

Name: Robert G. Seega
Title: Assistant Treasurer

National Grid USA Service Company, Inc.

Name: Robert G. Seega
Title: Assistant Treasurer

By: <u>Inances M. Shypeck</u> Name: Frances M. Skypeck Title: Assistant Treasurer
New England Hydro Finance Company, Inc.
Ву:
Name: Robert G. Seega
Title: Assistant Treasurer
Title: Assistant Heastrer
Metrowest Realty LLC
Ву:
Name: Shannon M. Larson
Title: President
National Grid Transmission Services Corporation
·
By:
Name: Robert G. Seega
Title: Assistant Treasurer
New England Energy Incorporated
By: Name: Peter G. Flynn
Title: Vice President
Patience Realty Corp.
Pay.
By: Name: Robert G. Seega
Title: Assistant Treasurer
THE ASSISTANT FEASURE

Dy
Name: Frances M. Skypeck
Title: Assistant Treasurer
Litto. Lindiamita Liamania.
New England Hydro Finance Company, Inc.
By: Robert G. Seega Title: Assistant Treasurer
Metrowest Realty LLC
incuovosi Roaty Liso
By:
Name: Shannon M. Larson
Title: President
Timo, Tiopidom
National Grid Transmission Services Corporation
By: Name: Robert G. Seega Title: Assistant Treasurer New England Energy Incorporated
By:
Patience Realty Corp.
" MAYANDA YEARTA' AAVIN
By: Robert G. Seega Title: Assistant Treasurer

Ву:
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Title: Assistant Treasurer
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By: Name: Robert G. Seega Title: Assistant Treasurer
Title: Assistant Freasurer
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By: Mannen W. Larson Name: Shannon M. Larson
Title: President
National Grid Transmission Services Corporation
By
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Title: Assistant Treasurer
New England Energy Incorporated
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Name: Peter G. Flynn
Title: Vice President
Patience Realty Corp.
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Name: Robert G. Seega
Title: Assistant Treasurer

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By: Name: Shannon M. Larson Title: President National Grid Transmission Services Corporation
By: Name: Robert G. Seega Title: Assistant Treasurer
New England Energy Incorporated
By: Potes A Flynn Name: Peter G. Flynn Title: Vice President
Patience Realty Corp.
By:
Name: Robert G. Seega
Title: Assistant Treasurer

Prudence Corporation

By: Kalland Stelling
Name: Robert G. Seega
Title: Assistant Treasure

Valley Appliance and Merchandising Company

By: Why All Name: Robert G. Seega

Name: Robert G. Seega
Title: Assistant Treasurer

Wayfinder Group, Inc.

By: ______ Name: Christopher E. Root

Title: Vice President

Prudence Corporation

By:	
Name:	Robert G. Seega
Title:	Assistant Treasurer
Valley Ap	pliance and Merchandising Company
Ву:	
Name:	Robert G. Seega
Title:	Assistant Treasurer
Wayfinder	Group, Inc.

EXHIBIT II Service Request

The undersigned requests from National Grid Corporate Services LLC (formerly named "KeySpan Corporate Services LLC") all of the services selected below. The services requested hereunder shall commence on January 1, 2010 and be provided through December 31, 2010.

Service	Yes	<u>No</u>
Corporate Affairs	<u>X</u>	
Customer Service	$\overline{\underline{\mathbf{X}}}$	atrianalità
Environmental Services	$\frac{X}{X}$ X	
Executive and Administrative	$\overline{\underline{\mathbf{X}}}$	
Financial Services		
Accounting/Auditing	$\underline{\mathbf{X}}$	
Financial Planning	$\overline{\underline{\mathbf{X}}}$	
Investor Relations and Shareholder Serv.	$\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ \underline{X}	
Risk Management	\overline{X}	**************************************
Tax	\overline{X}	
Treasury/Finance	$\overline{\overline{\mathbf{X}}}$	-
Human Resources	$\overline{\overline{\mathrm{X}}}$	
Information Technology	$\overline{\overline{\mathrm{X}}}$	******
Legal and Regulatory		*******
Legal and Regulatory	<u>X</u>	
Corporate Secretary's Office	$\overline{\underline{\mathbf{X}}}$	********
Operating Services		- Andrewson
Facilities Management & Real Estate	X	
Fleet Management	$\overline{\overline{\mathrm{X}}}$	
Materials Management and Purchasing	$\overline{\overline{\mathrm{X}}}$	-
Security	$\overline{\overline{X}}$	
Strategic Planning and Corp Performance	<u>X</u> <u>X</u> X X X	
	Quanty	

NEW ENGLAND POWER COMPANY (Client Company)

,

Name: Lorraine Lynch
Title: Assistant Treasurer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

New England Power Company 40 Sylvan Road Waltham, MA 02451

EXHIBIT II Service Request

The undersigned requests from National Grid Corporate Services LLC (formerly named "KeySpan Corporate Services LLC") all of the services selected below. The services requested hereunder shall commence on January 1, 2010 and be provided through December 31, 2010.

Service	Yes	No
Corporate Affairs	X	
Customer Service	<u>X</u> <u>X</u> X X	
Environmental Services	$\overline{\overline{\mathrm{X}}}$	
Executive and Administrative	\overline{X}	**********
Financial Services		***************************************
Accounting/Auditing	X	
Financial Planning	$\overline{\overline{\mathrm{X}}}$	***************************************
Investor Relations and Shareholder Serv.	$\overline{\overline{\mathrm{X}}}$	***************************************
Risk Management	$\overline{\overline{\mathbf{x}}}$	
Tax	\frac{X}{X} \\	
Treasury/Finance	$\overline{\overline{\mathrm{X}}}$	
Human Resources	$\overline{\overline{\mathbf{X}}}$	
Information Technology	$\overline{\overline{\mathbf{x}}}$	
Legal and Regulatory	Value of the second of the sec	
Legal and Regulatory	X	
Corporate Secretary's Office	$\frac{X}{X}$	
Operating Services		***************************************
Facilities Management & Real Estate	X	
Fleet Management	\overline{X}	*********
Materials Management and Purchasing	\overline{X}	-
Security	$\overline{\overline{X}}$	
Strategic Planning and Corp Performance	<u>X</u> <u>X</u> <u>X</u> <u>X</u> <u>X</u>	

NEW ENGLAND ELECTRIC TRANSMISSION CORPORATION (Client Company)

Rv

Name: Lorraine Lynch Title: Assistant Treasurer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

New England Electric Transmission Corporation 9 Lowell Road Salem, NH 03079

EXHIBIT II Service Request

The undersigned requests from National Grid Corporate Services LLC (formerly named "KeySpan Corporate Services LLC") all of the services selected below. The services requested hereunder shall commence on January 1, 2010 and be provided through December 31, 2010.

Service	Yes	No
Corporate Affairs	X	
Customer Service	$\frac{X}{X}$ $\frac{X}{X}$ X	
Environmental Services	X	***************************************
Executive and Administrative	$\overline{\overline{X}}$	Morrhoddina
Financial Services		endmeteur
Accounting/Auditing	X	
Financial Planning	$\overline{\overline{X}}$	**************************************
Investor Relations and Shareholder Serv.	X	********
Risk Management	$\overline{\overline{X}}$	***************************************
Tax	X	
Treasury/Finance	X	***************************************
Human Resources	$\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$ $\frac{\underline{X}}{\underline{X}}$	
Information Technology	X	*******
Legal and Regulatory	2.2	
Legal and Regulatory	$\underline{\mathbf{X}}$	•
Corporate Secretary's Office	$\frac{\overline{X}}{X}$	Manifestory.
Operating Services	22	
Facilities Management & Real Estate	X	
Fleet Management	$\frac{\overline{X}}{X}$	
Materials Management and Purchasing	X	
Security	<u>X</u> <u>X</u> <u>X</u> X X	***************************************
Strategic Planning and Corp Performance	X	
5	₹7	-

NEW ENGLAND HYDRO-TRANSMISSION ELECTRIC COMPANY, INC. (Client Company)

Name: Lorraine Lynch
Title: Assistant Treasurer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

New England Hydro-Transmission Electric Company, Inc. 40 Sylvan Road Waltham, MA 02451

KeySpan Engineering & Survey Inc.

SERVICE AGREEMENT

This Service Agreement ("Agreement") dated as of October 1, 2007 by and between KeySpan Engineering & Survey Inc. ("KENG"), a New York limited liability company and each of the companies listed on Schedule A hereto (individually a "Client Company" and collectively, the "Client Companies"). KENG and the Client Companies may each be referred to herein as a "Party," and collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, KENG is an indirect wholly owned subsidiary of National Grid USA ("National Grid") which is a holding company under the Public Utility Holding Company Act of 2005, as amended (the "Act");

WHEREAS, KENG is now deemed a Traditional Centralized Service Company, as defined under the Act and the provisions promulgated thereunder by the Federal Energy Regulatory Commission ("FERC"), and was an approved and authorized service company pursuant to Section 13(b) of the former Public Utility Holding Company Act of 1935, and the regulations promulgated thereunder; and

WHEREAS, KENG and the Client Companies desire for KENG to provide, and the Client Company to accept, the services provided for hereunder in accordance with the terms of this Agreement.

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 SERVICES

offers to furnish to a Client Company (in accordance with the terms and conditions set forth herein) upon written request of such Client Company. In addition to the services described in Exhibit I hereto, KENG may also provide a Client Company with such special services, as may be requested by such Client Company in writing, which the Service Company concludes it is able to perform. In supplying services hereunder to a Client Company, KENG may arrange, where it deems appropriate, for the services of such experts, consultants, advisers and other persons with necessary qualifications as are required for, or pertinent to, the performance of such services.

1.2 Services Selected.

- (a) Each Client Company shall make its initial selection of the services set forth in Section 1.1 above that it agrees to receive from KENG by providing KENG an executed service request in the form set forth in Exhibit II.
- (b) By December 1 of calendar year, KENG shall send an annual service proposal to each Client Company listing the services proposed for the next calendar year. By December 31, each Client Company shall notify KENG in writing of the services it elects to receive from KENG during the next calendar year.
- 1.3 Modification of Services. A Client Company shall have the right from time to time to amend, alter or rescind any activity, project, program or work order provided that (i) such amendment or alteration which results in a material change in the scope of the services to be performed or equipment to be provided is agreed to by KENG, (ii) the cost for the services covered by the activity, project, program or work order shall include any expense incurred by KENG as a direct result of such amendment, alteration or rescission of the activity, project, program or work order, and (iii) no amendment, alteration or rescission of an activity, project, program or work order shall release a Client Company from liability for all costs already incurred by or contracted for by KENG pursuant to the activity, project, program or work order, regardless of whether the services associated with such costs have been completed. Any request made by a Client Company pursuant to this Section 1.3 shall be in writing to KENG and shall take effect on the first day of the first calendar month which is at least thirty (30) days after the day that the Client Company sent the written notice to KENG.

1.4 Service Receipt Limitations.

- (a) Each of the companies listed on Schedule B hereto agree that:
- (i) they will not incur a charge hereunder except in accordance with New York State and the rules, regulations and orders of the New York State Public Service Commission promulgated thereunder; and
- (ii) they will not seek to reflect in rates any cost incurred hereunder to the extent disallowed by the New York State Public Service Commission.
- (b) Notwithstanding anything in this Agreement to the contrary, KENG and the companies listed on Schedule B hereto agree that because of the agreements set forth in Section 1.4(a) above, such companies listed on Schedule B will not accept services from KENG hereunder if the cost to be charged for such services differs from the amount of the charges such companies are permitted to incur under New York State and the rules, regulations and orders of the New York State Public Service Commission promulgated thereunder.

ARTICLE 2 COMPENSATION AND BILLING

- 2.1 <u>Compensation</u>. As and to the extent required by law, KENG shall provide the services hereunder at cost. Exhibit I hereto sets forth the rules KENG shall use for determining and allocating costs to the Client Companies. KENG shall advise the Client Companies from time to time of any material change in the method of assignment or allocation of costs hereunder.
- 2.2 <u>Invoices</u>. By the 20th day of each month, KENG shall render a monthly bill to each Client Company which shall reflect the billing information necessary to identify the costs charged for the services KENG provided in the preceding month. A Client Company shall pay its invoice by check, wire transfer or money pool transaction to KENG (at the account designated by KENG) within 30 days after receiving the invoice. If an invoice is not paid by the 30th day after the invoice is received (the "Due Date"), the Client Company shall pay interest on any amount outstanding after the Due Date at the current money pool rate.

ARTICLE 3 TERM AND TERMINATION

- 5.1 <u>Effective Date</u>. This Agreement shall become effective on the date hereof, subject to receipt of all required federal or state regulatory approvals.
- 3.2 <u>Termination</u>. This Agreement shall continue in full force and effect with respect to KENG and a Client Company until (a) terminated by the Client Company upon sixty (60) days advance written notice to KENG, or (b) terminated by KENG upon sixty (60) days advance written notice to a Client Company. This Agreement shall also be subject to termination or modification at any time, without notice, if and to the extent performance under this Agreement may conflict with the Act or with any rule, regulation or order of FERC adopted before or after the date of this Service Agreement.

ARTICLE 4 MISCELLANEOUS

- 4.1 <u>Modification</u>. Except as set forth in Article 2 and Sections 1.3, 3.2 and 4.4, no amendment or other modification of this Agreement shall be effective unless made in writing and executed by all of the Parties to this Agreement.
- 4.2 <u>Notices</u>. Where written notice is required by this Agreement, said notice shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To KENG:

KeySpan Engineering and Survey, Inc. 175 East Old Country Road Hicksville, New York 11801

<u>To Client Company</u>: The name and address of the person designated in writing to KENG on the date the Client Company executes this Agreement.

- 4.3 Accounts. All accounts and records of KENG shall be kept in accordance with the rules and regulations promulgated by FERC pursuant to the Act, in particular, the record retention requirements and the Uniform System of Accounts for Service Companies in effect from and after the date hereof. Upon request, KENG shall permit a Client Company reasonable access to the accounts and records of KENG relating to the services performed for such Client Company hereunder.
- 4.4 Additional Client Companies. After the effective date of this Agreement, any new or existing direct or indirect subsidiary of National Grid may become an additional Client Company under this Agreement by becoming a signatory to this Agreement.
- 4.5 <u>Waiver</u>. Except as otherwise provided in this Agreement, any failure of a Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.
- 4.6 No Third Party Beneficiaries. Nothing in this Agreement is intended to confer upon any other person except the Parties any rights or remedies hereunder or shall create any third party beneficiary rights in any person. No provision of this Agreement shall create any rights in any such persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for thereunder.
- 4.7 <u>Governing Law</u> 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 principles of conflicts of law).
- 4.8 <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 4.9 <u>Entire Agreement</u>. This Agreement including the exhibits referred to herein or therein, constitutes the entire agreement and understanding of the Parties in respect of the transactions contemplated by this Agreement. KENG and each Client Company may enter into

non-binding service level agreements (as described more fully in KENG's policies and procedures manual), the purpose of which will be to set forth in general terms the shared service expectations between KENG and the Client Company as a managerial tool to facilitate matching the Client Companies needs to the capabilities of KENG. There are no restrictions, promises, representations, warranties, covenants or undertakings other than those expressly set forth or referred to herein or therein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to the transactions contemplated by this Agreement.

- 4.10 <u>Severability</u>. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.
- 4.11 <u>Assignment</u>. KENG shall not assign this Agreement, or any of its rights or obligations hereunder without the prior written consent of the Client Companies, such consent not to be unreasonably withheld. A Client Company shall not assign this Agreement, or any of its rights or obligations hereunder without the prior written consent of KENG. This Agreement shall inure to the benefit and shall be binding upon the Parties and their permitted successors and assigns.

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

By:

Name: Alfred C. Bereche
Title: Assistant Secretary

KeySpan Corporate Services LLC

By:

Name: Michael A. Walker
Title: Vice President and
Deputy General Counsel

KeySpan Electric Services LLC

By:

Name: Alfred C. Bereche
Title: Assistant Secretary

KeySpan Generation LLC

By:

Name: Alfred C. Bereche

Title: Assistant Secretary

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

KeySpan Engineering & Survey, Inc.

Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan Corporate Services LLC

By:

Name: Michael A. Walker Title: Vice President and

Deputy General Counsel

KeySpan Electric Services LLC

Name: Alfred C. Bereche

Title: Assistant Secretary

KeySpan Generation LLC

Name: Alfred C. Bereghe

Title: Assistant Secretary

KeySpan Services, Inc., and its subsidiaries Name: Alfred C. Bereche Title: Assistant Secretary KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island Namé: Alfred C. Bereche Title: Assistant Secretary The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York By: Name: Ronald J. Macklin Title: Assistant Secretary KeySpan Ravenswood, LLC By: Name: Alfred C. Bereche Title: Assistant Secretary KeySpan Ravenswood Services, Corp.

By:

Name: Alfred C. Bereche Title: Assistant Secretary

KeySpan Services, Inc., and its subsidiaries

By:
Name: Alfred C. Bereche
Title: Assistant Secretary
· ·
KeySpan Gas East Corporation d/b/a KeySpan
Energy Delivery Long Island
By:Name: Alfred C. Bereche
Name: Alfred C. Bereche
Title: Assistant Secretary
The Dan Library Their Con Communication
The Brooklyn Union Gas Company d/b/a
KeySpan Energy Delivery New York
By: Ronald J. Macklin
Toward a Workely
By: 1 Total Till
Name: Konald J. Mackin
Title: Assistant Secretary
KeySpan Ravenswood, LLC
Reyspan Ravenswood, LLC
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By: Name: Alfred C. Bereche
Title: Assistant Secretary
Tate. Assistant Secretary
KeySpan Ravenswood Services, Corp.
reogram reavoid node ou vious, corp.
Ву:
Name: Alfred C. Bereche
Title: Assistant Secretary

KeySpan - Port Jefferson Energy Center, LLC

By:

Name: Alfred C. Bereche Title: Assistant Secretary

KeySpan - Glenwood Energy Center, LLC

By:

Name: Alfred C. Bereche Title: Assistant Secretary

KeySpan Energy Trading Services LLC

By:

Name: Alfred C. Bereche Title: Assistant Secretary

KEDC Holdings Corp., and its subsidiaries

Ву: _

Name: Alfred C. Bereche Title: Assistant Secretary

Massachusetts Electric Company

Name: Robert G. Seega Title: Assistant Treasurer

Nantucket Electric Company

Name: Robert G. Seega Title: Assistant Treasurer

The Narragansett Electric Company

Name: Robert G. Seega
Title: Assistant Treasurer

Granite State Electric Company

New England Power Company

By: (Name: Robert G. Seega Title: Assistant Treasurer

New England Electric Transmission Corporation

Name: Robert G. Seega

Title: Assistant Treasurer

New England Hydro-Transmission Corporation

Name: Robert G. Seega

Title: Assistant Treasurer

New England Hydro-Transmission Electric Company, Inc.

Name: Robert G. Seega Title: Assistant Treasure

Niagara Mohawk Power Corporation

Name: Robert G. Seega Title: Assistant Treasurer

National Grid USA Service Company, Inc.

Title: Assistant Treasurer

NEES Energy, Inc.

By: Name: Frances M. Skypeck Title: Assistant Treasurer

New England Hydro Finance Company, Inc.

Name: Robert G. Seega

Title: Assistant Treasurer

	,
Ву:	
	Robert G. Seega
Title:	Assistant Treasurer
Niagara M	ohawk Power Corporation
Ву:	
	Robert G. Seega
Title:	Assistant Treasurer
National C	Frid USA Service Company, Inc.
By: Name: Title:	Robert G. Seega Assistant Treasurer
NEES Ene	ergy, Inc.
By: <u>2</u> Name: Title:	ances M. Skypeck Frances M. Skypeck Assistant Treasurer
New Engl	and Hydro Finance Company, Inc
Ву:	
Name:	Robert G. Seega
Title	Assistant Treasurer

New England Hydro-Transmission Electric Company, Inc.

Metrowest Realty LLC

By: Mannon M. Larson Title: President
National Grid Transmission Services Corporation
By: Name: Robert G. Seega Title: Assistant Treasurer
New England Energy Incorporated
By: Name: Peter G. Flynn Title: Vice President Patience Realty Corp.
By: Name: Robert G. Seega Title: Assistant Treasurer Prudence Corporation
Ву:
Name: Robert G. Seega Title: Assistant Treasurer
THE ASSISTAL HEASTICE

Metrowest Realty LLC

By:
Name: Shannon M. Larson Title: President
National Grid Transmission Services Corporation
By: Robert G. Seega Title: Assistant Treasurer
New England Energy Incorporated
By: Name: Peter G. Flynn Title: Vice President Patience Realty Corp.
By: Aun M. Allen Name: Robert G. Seega Title: Assistant Treasurer
Prudence Corporation
By: Columb Julyan Name: Robert G. Seega Title: Assistant Treasurer

Metrowest Realty LLC

Ву:
Name: Shannon M. Larson
Title: President
National Grid Transmission Services
Corporation
- ONE OF THE OWNER OWNER OF THE OWNER OWN
D
Name: Robert G. Seega
Title: Assistant Treasurer
Tiue: Assistant Treasurer
New England Energy Incorporated
By: A. Flynn Name: Peter G. Flynn Title: Vice President
By: Thu /t, / Lynn
Name: Peter G. Flynn
Title: Vice President
Patience Realty Corp.
Takendo reducely Costs.
Ву:
Name: Robert G. Seega
Title: Assistant Treasurer
Prudence Corporation
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By:
Name: Robert G. Seega Title: Assistant Treasurer
LIUG. ASSISTAN HEASTIEL

Valley Appliance and Merchandising Company

Name: Robert G. Seega Title: Assistant Treasurer

Wayfinder Group, Inc.

Name: Christopher E Root
Title: Vice President

Valley Appliance and Merchandising Company

Ву:	
Name:	Robert G. Seega
Title:	Assistant Treasurer

Wayfinder Group, Inc.

Name: Christopher E Root Title: Vice President

EXHIBIT II

Service Request

The undersigned requests from National Grid Engineering & Survey Inc. (formerly named "KeySpan Engineering & Survey Inc.") the service selected below. The service requested hereunder shall commence on January 1, 2010 and be provided through December 31, 2010.

Service	<u>Yes</u>	<u>No</u>	
General Engineering	X		
Executive and Administrative	X		
	NEW ENGLAND POWER COMPANY (Client Company)		
	By: <u>&</u>	Muse M. Ayuk	
	Name: I	Lorraine Lynch	

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

Title: Assistant Treasurer

New England Power Company 40 Sylvan Road Waltham, MA 02451

EXHIBIT II

Service Request

The undersigned requests from National Grid Engineering & Survey Inc. (formerly named "KeySpan Engineering & Survey Inc.") the service selected below. The service requested hereunder shall commence on January 1, 2010 and be provided through December 31, 2010.

Service	<u>Yes</u>	No
General Engineering	$\underline{\mathbf{X}}$	Contracting to the
Executive and Administrative	$\underline{\mathbf{X}}$	MARKET

NEW ENGLAND ELECTRIC TRANSMISSION CORPORATION (Client Company)

D /ALA

Name: Lorraine Lynch
Title: Assistant Treasurer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

New England Electric Transmission Corporation 9 Lowell Road Salem, NH 03079

EXHIBIT II

Service Request

The undersigned requests from National Grid Engineering & Survey Inc. (formerly named "KeySpan Engineering & Survey Inc.") the service selected below. The service requested hereunder shall commence on January 1, 2010 and be provided through December 31, 2010.

Service	Yes	No
General Engineering	X	Printer of the Assessed
Executive and Administrative	X	

NEW ENGLAND HYDRO-TRANSMISSION ELECTRIC COMPANY, INC. (Client Company)

By:

Name: Lorraine Lynch

Title: Assistant Treasurer

Notice to Client Company:

Written notice pursuant to Section 4.2 of this Agreement to the Client Company should be sent to:

New England Hydro-Transmission Electric Company, Inc. 40 Sylvan Road Waltham, MA 02451