

## **POWER PURCHASE AGREEMENT**

**Between**

**NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.**

**And**

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**

This POWER PURCHASE AGREEMENT is made and entered into as of August 15, 2008 (“Effective Date”) by and between the New Hampshire Electric Cooperative, Inc., a New Hampshire corporation having its principal place of business at 579 Tenney Mountain Highway, Plymouth, NH 03264, hereinafter referred to as “NHEC”, and Public Service Company of New Hampshire, a New Hampshire corporation having its principal place of business at Energy Park, 780 North Commercial Street, Manchester, New Hampshire 03101, hereinafter referred to as “PSNH” (NHEC and PSNH are referred to herein individually as a “Party” and collectively as the “Parties”).

WHEREAS, PSNH and NHEC are jointly cooperating in the development of the electrical interconnection for a new wind powered generation project developed by Lempster Wind, LLC, known as the Lempster Wind Project (the “Project”), to be sited in the Town of Lempster, New Hampshire, and have entered into an Agreement for the Joint Use of Pole Structures, dated February 2, 2008;

WHEREAS, PSNH is a party to a Power Purchase Agreement with Lempster Wind, LLC, dated January 2, 2008 (the “Lempster PPA”) and a Renewable Energy Certificate Option Agreement, also dated January 2, 2008 (the “Lempster REC Option Agreement”);

WHEREAS, pursuant to the Lempster PPA, PSNH receives and pays for all the Energy and Capacity generated by the Project and delivered to PSNH, and all the NH Class I Renewable Energy Certificates (“PSNH RECs”) attributable to the Project; and

WHEREAS, pursuant to the REC Option Agreement, Lempster Wind, LLC has the exclusive option to repurchase certain percentages of those NH RECS; and

WHEREAS, PSNH and NHEC have agreed that PSNH shall sell to NHEC a ten percent (10%) portion of the Energy and Capacity that PSNH purchases from the Project under the Lempster PPA, and a ten percent (10%) portion of the Renewable Energy Certificates that PSNH purchases initially under the Lempster PPA and ultimately retains following the expiration of repurchase options under the Lempster REC Option Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the Parties hereby agree as follows:

**ARTICLE 1  
DEFINITIONS**

Any capitalized terms not defined herein shall have the meanings set forth in the Lempster PPA or Lempster REC Option Agreement, as applicable.

“Agreement” means this Power Purchase Agreement between New Hampshire Electric Cooperative, Inc. and Public Service Company of New Hampshire.

“Damages” has the meaning set forth in Section 11.1.

“Effective Date” has the meaning set forth in the first paragraph of this Agreement.

“Indemnified Party” has the meaning set forth in Section 11.1.

“Indemnifying Party” has the meaning set forth in Section 11.1.

“Lempster Interconnection Agreement” means the Interconnection Agreement for Lempster Wind Project between Lempster Wind, LLC and PSNH, dated January 2, 2008, which is attached hereto as Appendix C.

“Lempster PPA” means the Power Purchase Agreement for the Lempster Wind Project between Lempster Wind, LLC and PSNH, dated January 2, 2008, which is attached hereto as Appendix A.

“Lempster REC Option Agreement” means the Renewable Energy Certificate Option Agreement between Lempster Wind, LLC and PSNH dated January 2, 2008, which is attached hereto as Appendix B.

“Monthly Charges” has the meaning set forth in Article 5.

“NHEC Capacity” means ten percent (10%) of the PSNH Capacity.

“NHEC Capacity Value” has the meaning set forth in Section 3.3.

“NHEC Contract Products” means the NHEC RECs, NHEC Energy and NHEC Capacity.

“NHEC Energy” means ten percent (10%) of the PSNH Energy.

“NHEC Energy Value” has the meaning set forth in Section 3.2.

“NHEC REC Payment” has the meaning set forth in Section 3.4.

“NHEC RECs” means ten percent (10%) of the PSNH RECs.

“PSNH Capacity” means the Capacity that PSNH purchases from Lempster Wind, LLC under the Lempster PPA as credited into PSNH’s settlement account by ISO-NE.

“PSNH Energy” means the Energy that PSNH purchases from Lempster Wind, LLC under the Lempster PPA.

“PSNH RECs” means the RECs that PSNH ultimately purchases following the expiration of repurchase options under the Lempster REC Option Agreement.

“REC Attestation and Bill of Sale” means the form set forth in Appendix B of the Lempster PPA.

## **ARTICLE 2 TERM**

2.1 This Agreement shall become effective on the Effective Date and shall remain in effect until the end of Project Year 15, unless the Lempster PPA is terminated pursuant to its terms prior to that date (“Term”).

2.2 Upon expiration of the Term, the Parties shall have no further liability to each other hereunder.

## **ARTICLE 3 NHEC CONTRACT PRODUCTS**

3.1 PSNH shall financially settle the NHEC Energy and the NHEC Capacity with NHEC and PSNH shall deliver, make available and sell and NHEC shall take and purchase the NHEC RECs as described below.

3.2 **NHEC Energy.** The Parties shall financially settle the NHEC Energy from the Project at the Delivery Point. For each month of the Term, PSNH will calculate the “NHEC Energy Value” as ten percent (10%) of the difference obtained by subtracting the Energy Purchase Price (as defined in Section 7.2.1 of the Lempster PPA) from the Gross Monthly Energy Value (as defined in Section 1.17 of the Lempster PPA). Such amount shall be a credit to NHEC if positive and a charge to NHEC if negative.

3.3 **NHEC Capacity.** The Parties shall financially settle the NHEC Capacity. For each month of the Term, PSNH will calculate the “NHEC Capacity Value” as ten percent (10%) of the difference obtained by subtracting the Capacity Payment (as defined in Section 7.2.4 of the Lempster PPA) from the dollar amount PSNH is credited for the Project’s Capacity in PSNH’s ISO-NE settlement account. Such amount shall be a credit to NHEC if positive and a charge to NHEC if negative.

3.4 **Renewable Energy Credits.**

3.4.1 For each month of the Term, PSNH shall calculate the “NHEC REC Payment” as 10% of the monthly net amount associated with the administration of Section 7.4.4 of the Lempster PPA and Sections 7.1 and 7.2 of the Lempster REC Option Agreement. NHEC will be charged this amount if the amount due is from PSNH to Lempster Wind, LLC and credited this amount if the amount due is from Lempster Wind, LLC to PSNH).

3.4.2 If PSNH incurs any costs, losses or expenses as a result of a Governmental Change pursuant to the first sentence of Section 7.4.2 of the Lempster PPA, then PSNH shall submit an invoice to NHEC for ten percent (10%) of the total costs, losses or expenses incurred by PSNH. Such invoice must document such costs, losses or expenses in sufficient detail for NHEC to review and understand the basis for such costs, losses or expenses. NHEC shall pay PSNH in accordance with Article 6.

3.4.3 If a Governmental Change occurs where PSNH under the Lempster PPA realizes the monetary value of any PSNH RECs and the Project is unable to transfer such PSNH RECs, then PSNH hereunder shall, within thirty (30) days of actual receipt, pay to the NHEC hereunder ten percent (10%) of the dollar amount that PSNH hereunder actually is credited for or receives as a result and/or in recognition of the value of the PSNH RECs.

3.4.4 No later than twenty days after the date the NEPOOL GIS transfers the PSNH RECs into PSNH’s NEPOOL GIS account with respect to each quarter PSNH shall deliver the NHEC RECs into NHEC’s NEPOOL GIS account and also deliver to NHEC a REC Attestation and Bill of Sale substantially in the form attached as Appendix B to the Lempster REC Option Agreement with respect to the NHEC RECs; *provided* that PSNH shall have the right to utilize instead such other forms of documents or instruments as PSNH may propose, subject to NHEC’s approval (such approval not to be unreasonably withheld and such approval or rejection not to be unreasonably delayed) and PSNH may propose less frequent deliveries of such REC Attestation and Bill of Sale (but not less frequently than once every twelve (12) months), subject to NHEC’s approval (such approval not to be unreasonably withheld and such approval or rejection not to be unreasonably delayed).

#### **ARTICLE 4 TRANSFER OF TITLE**

Title to the RECs delivered or received hereunder shall transfer from PSNH to NHEC at the same time that PSNH receives title to the RECs under the Lempster PPA.

#### **ARTICLE 5 MONTHLY CHARGES**

For and in consideration of the sale, financial settlement, and/or delivery of the NHEC Contract Products by PSNH to NHEC, each month during the Term PSNH shall calculate an amount equal to the sum of the applicable NHEC Energy Value, the NHEC Capacity Value, and the NHEC REC Payment (collectively the “Monthly Charges”, all as determined in accordance with Article 3). If the amount of the Monthly Charges is positive, then NHEC shall pay such

amount to PSNH. If the amount of the Monthly Charges is negative, then PSNH shall pay such amount to NHEC.

## ARTICLE 6 BILLING AND PAYMENT

6.1 PSNH shall submit a statement for the Monthly Charges to NHEC as soon as practicable after the end of each calendar month during the Term following calculation of the monthly invoice by PSNH as set forth in Section 7.3 of the Lempster PPA and Section 7.2 of the Lempster REC Option Agreement. PSNH shall include with the statement submitted to NHEC a copy of the monthly invoice(s) calculated by PSNH and submitted to Lempster Wind, LLC for approval by the Project under the Lempster PPA and Lempster REC Option Agreement for the previous month. The statement shall include information in such reasonable detail to enable NHEC to determine the basis for the Monthly Charges for such month. The Party that owes the Monthly Charges shall pay the amount due under the statement for the Monthly Charges to the other Party by the later of: (i) the 23<sup>rd</sup> day of the month; or (ii) ten (10) days after NHEC's receipt of PSNH's invoice. If any adjustment is made to the monthly invoice that is calculated and submitted to Lempster Wind, LLC, then PSNH shall charge or credit NHEC, as appropriate, an amount that corresponds to ten (10%) percent of such adjustment on the next invoice that PSNH submits to NHEC, to the extent that such amount has not already been accounted for in a billing.

6.2 The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing under this Agreement to each other on the same date, in which case all amounts owed by each Party to the other Party during the monthly billing period under this Agreement, including any related damages, interest, and payments or credits, shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it. If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, including, but not limited to, any related damage amounts, interest, and payments or credits, that Party shall pay such sum in full when due, subject to the provisions addressing disputed amounts set forth in Section 6.4. Except as set forth above in this Section 6.2, all payments hereunder shall be made without set-off or deduction.

6.3 Any payment not made by the date required by this Agreement shall bear interest from the date on which such payment was required to have been made through and including the date such payment is actually received at an annual rate equal to the Interest Rate.

6.4 If either Party disputes the amount of any statement, it shall so notify the other Party in writing. Each Party receiving a statement shall pay to the other Party any undisputed amount of the statement or charges when due. The disputed amount may, at the discretion of the paying Party, be held by that Party until the dispute has been resolved; provided that the paying Party shall be responsible to pay interest on any withheld amounts that are determined to have been properly billed, which shall be calculated in the same manner as interest on late payments under Section 6.3. The disputed amount may be held by the paying Party provided that the paying Party has an Investment Grade Rating or by a Qualified Institution if the paying Party does not have such a rating. Neither Party shall have the right to challenge any monthly

statement or to bring any court or administrative action of any kind questioning the propriety of any statement after a period of twenty four (24) months from the date the statement was due; provided, however, that in the case of a statement based on estimates, such twenty-four month period shall run from the due date of the final adjusted statement.

## **ARTICLE 7 TAXES**

7.1 NHEC shall pay or cause to be paid all present and future taxes, fees and levies on or with respect to the purchase of the Renewable Energy Certificates at, from and after the Delivery Point. NHEC shall not be responsible for any present or future taxes, fees and levies on or with respect to the purchase of the Renewable Energy Certificates prior to the Delivery Point.

7.2 With respect to the financial settlement of NHEC Energy and NHEC Capacity hereunder, each Party shall be responsible for taxes incurred by or assessed to such Party in connection with the financial settlement of such NHEC Energy and NHEC Capacity.

7.3 Each Party shall use reasonable efforts to administer this Agreement and implement its provisions in accordance with the intent of the Parties to minimize the imposition of taxes, fees and levies.

## **ARTICLE 8 FORCE MAJEURE**

Neither Party shall be considered to be in default hereunder and shall be excused from performance hereunder (other than an obligation to pay money when due) if and to the extent that it shall be prevented or delayed from doing so during the continuation of any Force Majeure Event suffered by the Party whose performance is delayed or prevented in respect thereof, provided that the Party claiming excuse from performance uses commercially reasonable efforts to remedy or otherwise mitigate, in all material respects, its inability to perform and to resume performance hereunder as soon as practicable under the circumstances. The Party experiencing the delay or hindrance shall notify the other Party in writing of the occurrence of such Force Majeure Event and the anticipated period of delay within ten (10) Business Days after the commencement of the Force Majeure Event, provided that the failure of the Party experiencing the delay or hindrance to notify the other Party within such ten (10) Business Day period shall not preclude such Party from claiming a Force Majeure Event hereunder. Notwithstanding the foregoing, any provision declared or rendered unlawful by any applicable court of law or regulatory agency or deemed unlawful because of a statutory change that constitutes a Force Majeure Event, including pursuant to clause (v) of the definition thereof (individually or collectively, such events referred to as "Regulatory Event"), will not otherwise affect the remaining lawful obligations that arise under this Agreement; and provided, further, that if a Regulatory Event occurs, the Parties shall use their reasonable efforts to reform this Agreement in order to give effect to the original intention of the Parties.

**ARTICLE 9  
EVENTS OF DEFAULT**

The Events of Default set forth in Article 8.1 of the Lempster PPA are incorporated by reference, and "Party" means either PSNH or NHEC, as applicable. Without limitation of its rights at law, in equity and/or hereunder, either Party shall be entitled to terminate this Agreement upon the occurrence of an Event of Default by the other Party.

**ARTICLE 10  
DISCLAIMER AND LIMITATION OF LIABILITIES**

NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES. LOST PROFITS OR REVENUES (EXCEPT AS A PART OF DIRECT DAMAGES OR AS SPECIFICALLY PROVIDED IN THIS AGREEMENT) OR OTHER BUSINESS INTERRUPTION DAMAGES, WHETHER OR NOT SUCH LIABILITY IS CLAIMED IN CONTRACT, EQUITY, TORT, STRICT LIABILITY OR INDEMNITY, BY STATUTE, UNDER ANY INDEMNITY OR OTHER PROVISION OF THIS AGREEMENT OR OTHERWISE. EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, A PARTY'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

**ARTICLE 11  
INDEMNITY**

11.1 Each Party (the “Indemnifying Party”) shall indemnify, defend and hold harmless the other Party and its Affiliates and their respective officers, trustees, directors, agents, employees and representatives (each an “Indemnified Party”, and collectively the “Indemnified Parties”) from and against any and all claims, actions, demands, losses, liabilities and expenses (including reasonable attorneys’ fees and costs), and judgments, fines, settlements and other amounts (“Damages”) arising from or out of any event, circumstance, act or incident first occurring or existing during the period when the Indemnifying Party has control and title to the RECs, as applicable; except to the extent caused by an act of gross negligence, fraud or willful misconduct of the other Party. Each Party shall indemnify, defend and hold harmless the other Party against any taxes, fees and levies for which such Party is responsible under Article 7.

11.2 Promptly after receipt by an Indemnified Party of any claim or notice of the commencement of any action, administrative or legal proceeding, or investigation as to which the indemnity provided for in this Article 11 may apply, the Indemnified Party shall notify the Indemnifying Party in writing of such fact. The Indemnifying Party shall assume the defense thereof with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party; provided that, if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it that are different from or additional to, or inconsistent with, those available to the Indemnifying Party, then the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party’s expense, unless a liability insurer will pay the expenses of such separate counsel.

**ARTICLE 12  
ASSIGNMENT**

This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and assigns. This Agreement shall not be assigned or transferred by either Party without the prior written consent of the other Party.

**ARTICLE 13  
CONFIDENTIALITY**

13.1 The terms of this Agreement, including the attached Lempster PPA and REC Option Agreement, and any other information exchanged by NHEC and PSNH relating to this Agreement, shall not be disclosed to any person not employed or retained by NHEC or PSNH or their Affiliates, except to the extent disclosure is (1) required by law, required to be made to any Governmental Authority for obtaining any approval, permits and licenses, or making any filing in connection therewith, required by the Interconnection Agreement, (2) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of any litigation or dispute, (3) otherwise permitted by consent of the other Party, which consent shall not be unreasonably withheld, (4) required to be made in connection with regulatory proceedings (including proceedings relating to FERC, the United



States Securities and Exchange Commission or any other federal, state or provincial regulatory agency). In the event disclosure is made pursuant to this provision, the Parties shall use reasonable efforts to minimize the scope of any disclosure and have the recipients maintain the confidentiality of any documents or confidential information covered by this provision, including, if appropriate, seeking a protective order or similar mechanism in connection with any disclosure. This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision). The Parties specifically agree that any press release or other public statement that addresses specific commercial terms of this Agreement shall be mutually agreed upon by the Parties.

13.2 The obligations of the Parties under this Article 13 shall remain in full force and effect for three (3) years following the expiration or termination of this Agreement.

#### **ARTICLE 14 REPRESENTATIONS AND WARRANTIES**

As a material inducement to entering into this Agreement, each Party represents and warrants with respect to itself to the other Party as of the date of this Agreement:

14.1 It is a corporation duly incorporated, validly existing and in good standing under the laws of the State of New Hampshire; and it has all requisite power and authority under such laws to conduct its business, to own its properties and to execute, deliver and perform its obligations under this Agreement.

14.2 The execution, delivery, and performance of its obligations under this Agreement by it has been duly authorized by all necessary action under the laws of the State of New Hampshire, and do not and will not:

- (a) violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award having applicability to it, the violation of which could reasonably be expected to have a material adverse effect on the ability of it to perform its obligations under this Agreement;
- (b) result in a breach of or constitute a default under any agreement relating to the management or affairs of it or any indenture or loan or credit agreement or any other agreement, lease or instrument to which it is a party or by which it or its properties or assets may be bound or affected, the breach or default of which could reasonably be expected to have a material adverse effect on the ability of it to perform its obligations under this Agreement; or
- (c) result in, or require the creation or imposition of, any mortgage, deed of trust, pledge, lien, security interest, or other charge or encumbrance of any nature upon or with respect to any of the assets or properties of it now owned or hereafter acquired, the creation or imposition of which could reasonably be expected to have a material adverse effect on the ability of it to perform its obligations under this Agreement.

14.3 This Agreement is the valid and binding obligation of it, enforceable against it in accordance with its terms, subject to general principles of equity.

14.4 The execution, delivery and performance of this Agreement will not conflict with or constitute a breach or default under any contract or agreement of any kind to which it is a party that could reasonably be expected to have a material adverse effect on the ability of it to perform its obligations under this Agreement or any judgment, order, statute or regulation that is applicable to it.

14.5 There are no approvals, authorizations, consents or other actions required by any other Governmental Authority to authorize its execution, delivery and performance under this Agreement which have not already been obtained or which are not reasonably expected to be obtained in due course, except with respect to PSNH, the obligations related to the Interconnection Agreement.

14.6 There is no action, suit, grievance, arbitration or proceeding pending or, to the knowledge of it threatened against or directly affecting it at law or in equity, before any federal, state, municipal or other governmental court, department, commission, board, arbitrator, bureau, agency or instrumentality that prohibits or impairs its ability to execute and deliver this Agreement or that would materially adversely affect its ability to perform its obligations under this Agreement. It has not received notice of any such pending or threatened investigation, inquiry or review by any governmental entity.

## **ARTICLE 15 DISPUTE RESOLUTION**

Any disputes between the Parties under this Agreement shall be resolved pursuant to the process set forth in Article 15 of the Lempster PPA. Further, PSNH and NHEC expressly agree that the results of any dispute(s) addressed under the Lempster PPA shall be reflected in this Agreement as an allocation of ten percent (10%) of the impact of such resolution on PSNH to NHEC, to be reflected in the monthly billing, consistent with the allocation of 10% of the value of the Project to NHEC under this Agreement.

**ARTICLE 16**  
**GENERAL PROVISIONS**

16.1 Prior Agreements Superseded. Once effective, this Agreement represents the entire agreement between the Parties with respect to the purchase or financial settlement of NHEC Contract Products hereunder and, as between PSNH and NHEC, all previous agreements including previous discussions, communications and correspondence related thereto with respect to the purchase or financial settlement of NHEC Contract Products hereunder are superseded by the execution of this Agreement.

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

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

PSNH: Public Service Company of New Hampshire  
780 North Commercial Street  
P. O. Box 330  
Manchester, NH 03105-0330  
Attn.: Manager, Supplemental Energy Sources Department  
Phone: 603-634-2312  
Fax: 603-634-2449  
Email: [psnhsesd@psnh.com](mailto:psnhsesd@psnh.com)

NHEC: Vice President of Power Resources and Access  
New Hampshire Electric Cooperative, Inc.  
579 Tenney Mountain Highway  
Plymouth, N.H. 03264-3154  
Phone: 603-536-8655  
Fax: 603-536-8682

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

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

16.6 Survivability. This Agreement shall survive termination, expiration, cancellation, suspension, or completion of the agreements set forth herein to the extent necessary to allow for final accounting, final billing, billing adjustments, resolution of any billing dispute, resolution of any court or administrative proceeding and final payments. All indemnity defense and hold harmless obligations and billing verification rights shall survive for two (2) years beyond the applicable terms and confidentiality obligations shall survive as provided in Section 13.2.

16.7 Forward Contract. The Parties acknowledge and agree that this Agreement and the transactions contemplated by this Agreement constitute a "forward contract" within the meaning of the United States Bankruptcy Code.

16.8 Records. The Parties shall keep (or as necessary cause to be kept by their respective agents) for a period of two (2) years after final billing copies of accounts and records pertaining to any bill or charge; provided, however, that in the event of any billing dispute or pending accounting, the Parties shall maintain all such accounts and records pertaining to any bill or charge in dispute or pending accounting until such later time as the billing dispute is resolved or the accounting is completed.

16.9 Audit. Each Party shall have the right, at its sole expense and during normal working hours upon reasonable notice, to examine copies of the records of the other Party relating to this Agreement to the extent necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid; provided, however, that no adjustment for any statement or payment will be made unless objection to the accuracy thereof was made prior to the lapse of twenty four (24) months from the rendition thereof, and thereafter any objection shall be deemed waived.

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

16.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

16.12 Interpretation. This Agreement shall be interpreted in a manner consistent with the Lempster PPA and Lempster REC Option Agreement.

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

**PUBLIC SERVICE COMPANY OF  
NEW HAMPSHIRE**

By: Gary A Long

Name: Gary A. Long  
Title: President and Chief Operating Officer

**NEW HAMPSHIRE ELECTRIC  
COOPERATIVE, INC.**

By: Fred Anderson

Name: Fred Anderson  
Title: President and CEO

**APPENDIX A**

**Lempster PPA**

**APPENDIX B**

**Lempster REC Option Agreement**

**APPENDIX C**

**Lempster Interconnection Agreement**