

## HOST TOWN AGREEMENT

### **Champlain VT, LLC and the Town of Benson, Vermont**

This document (“Agreement”) sets out the terms of an agreement between the Town of Benson, Vermont (“Benson” or “the Town”), and Champlain VT, LLC d/b/a TDI New England, a Delaware limited liability company with its principal office at 600 Broadway, Albany, NY 12207 (“TDI-NE”): collectively, the “Parties.”

**Whereas**, TDI-NE has filed a Petition in December 2014 with the Vermont Public Service Board (“PSB”), requesting permission to develop, construct, and operate the New England Clean Power Link (“NECPL” or “Project”), a proposed electric transmission line; and

**Whereas**, it is anticipated that the electricity shipped through NECPL will be generated by renewable energy sources and will be delivered to Vermont and the New England electric grid. The transmission line will utilize high voltage direct current (“HVDC”) technology, capable of transmitting 1,000 megawatts (“MW”) of electricity; and

**Whereas**, the transmission line will begin at a converter station in the Province of Québec, Canada and transmit electricity from Alburgh, Vermont to Ludlow, Vermont, where it will tie into a new converter station; and

**Whereas**, the Ludlow converter station will convert the electrical power from direct current (“DC”) to alternating current (“AC”) and then connect to the 345 kV Coolidge Substation in Cavendish, Vermont that is owned by the Vermont Electric Power Company (“VELCO”); and

**Whereas**, the underwater portions of the transmission line, approximately 97 miles in length, will be buried in the bed of Lake Champlain, except at water depths of greater than 150 feet where the cables will be placed on the bottom. The terrestrial portions of the transmission line, approximately 57 miles in length, will be buried underground within existing public rights-of-way (“ROWS”); and

**Whereas**, an approximately 4.2 mile portion of the proposed transmission line will be located in the Town of Benson, Vermont in the rights-of-way of town roads; and

**Whereas**, TDI-NE believes that, subject to the terms of this Agreement, the Project can be constructed and operated in a manner that appropriately addresses any potential short-term impacts to the Town of Benson and that the long-term benefits of the Project clearly outweigh its short-term impacts; and

**Whereas**, TDI-NE recognizes that close cooperation with the Town of Benson is important to the delivery of those benefits and to the success of the Project; and

**Whereas**, the Town believes that minimizing and mitigating any potential impacts within the Town from construction and operation of the Project is important; and

**Whereas**, in the interests of establishing a mutually beneficial long-term relationship between the Town and TDI-NE, the Parties agree that it is in their mutual interests to reach understandings with respect to certain aspects of the Project;

**Therefore**, provided that the PSB approves the Project consistent with TDI-NE's application or as modified by the PSB or other regulatory entities and accepted by TDI-NE and TDI-NE chooses in its sole discretion to construct and operate the Project, the Parties agree as follows:

**1. Use of Town Roads**

- a. Based on the information and project plans provided by TDI-NE to the Town with respect to the portion of the Project to be installed within Town of Benson road rights-of-way, pursuant to 19 V.S.A. § 1111 and 30 V.S.A. § 2502, the Town hereby grants preliminary approval for TDI-NE to use and occupy a utility right-of-way within town highways TH 30 (Stony Point Road), TH 6 (North Lake Road - Glenn Road) and TH 1 (Stage Road – Hulett Hill Road) in the Town of Benson. The location and design of TDI-NE's utility right of way are set forth in the plans filed with the PSB in Docket No. 8400, as they may be amended from time to time. The Town's preliminary approval is conditioned on TDI-NE subsequently receiving the Town's approval of the final project plans prior to construction, including any reasonable conditions to be negotiated in good faith between TDI-NE and the Town; provided such approval shall not to be unreasonably withheld or conditioned.
- b. Subject to Section 1.a., TDI-NE shall have the right to utilize the ROWs for the construction, reconstruction, maintenance, movement, relocation, inspection, alteration, repair, replacement, and operation of an electric transmission line, including such surface or subsurface appurtenances and facilities as may be reasonably deemed necessary or convenient by TDI-NE for construction, operation, and maintenance of the Project. TDI-NE shall have the right to engage in all actions and activities necessary for such activities, including the right of ingress and egress to and from TDI-NE's utility right-of-way.
- c. TDI-NE shall have the right to permanently discontinue use of the electric transmission line and associated facilities and to permanently leave such equipment in place, provided that TDI-NE provides written notification to the Town at least 180 days prior to such discontinuance of use. After receipt of such notice, TDI-NE and the Town shall meet to discuss and resolve in good faith any issues with respect to the permanent discontinuance of the line. If appropriate and agreed to by the parties, inspection of any portion of the transmission line's right-of-way on town roads in Benson may occur.
- d. With respect to TDI-NE's construction in and use of the town roads for the Project, TDI-NE agrees to provide certain payments as follows: \$550,000 at the time of the Project's financial closing, and \$550,000 at the time the Project commences Commercial Operation. These payments shall be in addition to annual property tax payments, and will be earmarked by Benson to purchase road equipment and infrastructure that will allow for the maintenance of roads and emergency services in accordance with requirements of the Town and the State of Vermont. "Commercial Operation" is the date the Project has been approved to transmit electricity on a continuous, non-test basis, and delivered into the ISO-NE transmission system.

- e. A draft document entitled: *Attachment I to the TDI-NE—Town of Benson Host Town Agreement: Conditions Regarding the Use of Town Roads* is attached to this Agreement. This attachment will be finalized by the Parties following completion of the final design plans for the Project to ensure consideration of all impacts on Town roads and infrastructure, and to ensure consistency as appropriate with State requirements for the portion of the Project located in the state highway right of way. The final agreed-upon version of Attachment I will thereafter become part of this Agreement.

## **2. Municipal Property Taxes**

- a. Beginning in the tax year in which construction of the Project in Benson has commenced prior to April 1<sup>st</sup> and thereafter until the Project permanently ceases to be used by TDI-NE for the transmission of electric current, TDI-NE will pay property taxes to the Town, in accordance with applicable law and as further described below, on the segment of the Project's electric transmission cable and associated electric transmission equipment that is located within the Town of Benson (collectively, the "Equipment"). The tax rate and total taxes due on, and valuation of, the Equipment shall not be fixed by this Agreement, and as such, this Agreement shall not constitute a tax stabilization agreement pursuant to 24 V.S.A. § 2741.

The Parties agree to cooperate in determining the fair market value ("FMV") of the Equipment for purposes of placing the Equipment on the Town's Grand List. This determination shall be in accordance with the formulas and calculations used by the State of Vermont Department of Taxes to value the Project in effect at the time of valuation, subject to applicable law. Construction Work in Progress ("CWIP"), if applicable, shall be taxed based on CWIP in place as of April 1 of any given year. TDI-NE shall certify all costs of construction and other elements of valuation, subject to any appropriate claims concerning confidential or proprietary information.

- b. If TDI-NE exercises its rights under Section 1.c. to permanently discontinue use of the electric transmission line and associated facilities within the rights-of-way of town roads in Benson, the Parties acknowledge and agree that any such transmission line and facilities shall no longer be taxable, shall be deemed transferred by TDI-NE to the Town, and shall become the property of the Town in exchange for nominal consideration.
- c. In addition to the tax payments on the Equipment specified in subsection 2.a. above, TDI-NE shall be separately obligated to pay property taxes on any real property other than the Equipment that it owns in Benson; provided, however, that because any Equipment that may be located on such private property will be valued and placed on the Grand List separately pursuant to subsections 2.a. and b. above, such Equipment shall be excluded from the valuation of any real property owned by TDI-NE.
- d. The Town shall not impose any other fees, dues, or other types of payments beyond those provided for in this Agreement, with the exception of ordinary and applicable permit

fees. TDI-NE's payments under this Agreement shall satisfy any tax or other financial obligations that TDI-NE may have to the Town with respect to the construction and operation of the Project. Notwithstanding the foregoing, TDI-NE shall reimburse the Town for the reasonable costs incurred by the Town for engineering, plan review, survey, and legal support performed for the Town to assess proposed construction in the Town by TDI-NE. During construction, inspections shall be conducted through VTrans on behalf of the Town and TDI-NE shall reimburse the Town for the costs of the inspections. The scope and costs of all such services shall be discussed and agreed to in advance by the Parties.

### **3. Communications**

- a. TDI-NE will maintain a Vermont Office during construction, and will have a supervisory representative (an employee of TDI-NE or an employee of its contractor) present any time work is being conducted in or on Town rights-of-way. TDI-NE will conduct at least one pre-construction conference with the Town. In order to foster good communication and to address any potential concerns during construction and operation of the Project, a 24-hour/day telephone number will be established whereby Town representatives can talk to a person in authority who can act for TDI-NE in response to the Town's concerns or emergencies.
- b. TDI-NE shall apprise the Town of all site work taking place within the Town and will make available to the Town relevant plans and general specifications (in electronic form and, if requested, in hard copy form), the construction schedule, and the name, e-mail and postal addresses and phone numbers of the TDI-NE project manager (and of any other TDI-NE personnel whom the Town may contact when and if the project manager is not available). All communications shall be conducted through the project manager or his designee and the Town shall not directly contact any of TDI-NE's contractors or subcontractors.
- c. In the event that any significant construction or maintenance is deemed necessary or appropriate by TDI-NE beyond that which is approved in the Certificate of Public Good issued by the PSB ("CPG") or any post-CPG approval issued by the PSB that would have the likelihood of materially impacting town highways or Town-owned property, TDI-NE shall provide the Town with notice of the required work in a timely fashion in order to address any questions and concerns prior to commencement of work. Emergency repairs, however, shall not be subject to this notification requirement. This obligation is in addition to other obligations under Section 4 – Project Construction Impacts.
- d. In general, TDI-NE and the Town will make good faith efforts to ensure that open communications exist between TDI-NE and the Town, including briefing of a Town official, if requested, every two weeks during construction within the Town.

### **4. Project Construction Impacts**

- a. Twenty-one (21) days prior to TDI-NE's submission of final design plans to the PSB, TDI-

- NE shall submit to the Town (in electronic form and, if requested, in hard copy form) for review and approval those same plans for any work that abuts, joins or requires alteration of any town highways or trails (including work that affects drainage along, across, above or below town highways). Plans approved by the PSB and VTrans shall be deemed sufficient. If, in the Town's judgment, other plans that have not received such approval lack sufficient detail, the Town will so inform TDI-NE, and plans satisfactory to the Town shall be provided. The Town shall have twenty-one (21) calendar days after submittal of plans satisfactory to it to approve the plans, such approval not to be unreasonably withheld, conditioned, or delayed. No construction on Benson town roads shall commence until the Town provides such approval. Failure of the Town to act within this time period shall constitute approval of such plans.
- b. TDI-NE shall repair or correct any damage to town highways, drainage structures, or other Town-owned infrastructure caused by TDI-NE or its contractors during construction of the Project within one week of the occurrence of such damage, unless weather conditions prevent repairs, the repairs are too extensive to repair within one week, or other unforeseen circumstances beyond TDI-NE's control. In such an event, the repairs shall be made within one week after the intervening event abates sufficiently to allow repairs. Should TDI-NE fail to make such repairs in this period of time after receiving actual notice of the damage and the resulting conditions pose undue risks to public safety or the environment, the Town may elect to make the repairs itself. In such an event, TDI-NE shall pay all costs associated with the repairs. Alterations to town highways or Town-owned property that are consistent with Project plans approved by the PSB and by the Town will not constitute "damage" within the meaning of this section. Inspections of the Project shall be conducted by VTrans on behalf of the Town.
- c. TDI-NE shall provide to the Town the final "as-built" drawings (in electronic form and, if requested, in hard copy form) for any improvements on town highways or Town-owned property and shall provide as-built or equivalent drawings of the site work within a reasonable period of time after completion of construction activities within the Town. TDI-NE shall correct all problems related to construction of the Project within Town rights-of-way that are identified by a qualified third party inspector the selection of whom shall be mutually agreed upon by the Parties, within 90 days of their identification or such other commercially reasonable period of time as necessitated due to circumstances beyond TDI-NE's control. The provisions of Attachment I shall also apply to the plans and work covered under this section.
- d. Notwithstanding the Town's approval rights specified above, the Parties acknowledge that the PSB has ultimate review and approval authority over all Project plans. Any action taken by the Town hereunder may not be materially inconsistent with, or have the effect of altering or modifying, any order, judgment, decision or approval of the PSB, pursuant to 30 V.S.A. § 224; provided, however, that the Town does not waive any rights to present a case at the PSB consistent with Section 10 below, nor does it concede that it lacks any jurisdiction that it has by law. The Town shall retain the right to appeal a PSB decision regarding the Project, limited to the following: (i) the PSB decision is materially inconsistent

- with the Project as proposed by TDI-NE and reflected in this agreement (including any significant or material project changes of which TDI-NE has notified the Town and to which the Town has objected), and (ii) the PSB decision creates additional material burdens to the Town over and above any associated with the Project as originally proposed by TDI-NE, and those burdens are not otherwise mitigated by TDI-NE. Provided, however, that nothing in this paragraph shall diminish the rights of the Town to control and have authority over its rights-of-way and the location of Equipment in those rights-of-way subject to all applicable law under Titles 30 and 32 of the Vermont statutes.
- e. The Town represents that any approvals or permission given hereunder shall satisfy all its rights and obligations under local ordinances and state statutes.

## **5. Potential Impacts to Private Property**

- a. TDI-NE affirms that, at present, it anticipates and intends that it will either own any and all private lands within the Town upon which construction activities will occur or reach an agreement allowing such activities with the owner(s) of any such private lands.
- b. TDI-NE has worked and will continue to work with the Town, consulting engineers and state officials to ensure that the Project is built and operated in a safe and commercially sound manner. In addition:
- i. Before beginning construction in Benson, TDI-NE must provide certificates of insurance to show that the following minimum coverages are in effect. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of TDI-NE for its operations. These are solely minimums that have been established to protect the interests of the Town. Nothing in this subsection 5.b.i. shall in any way diminish or limit the obligations of TDI-NE elsewhere in this Agreement, in particular, but not limited to, those set forth in Section 7.c.

Workers Compensation: TDI-NE shall carry workers compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: TDI-NE shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations  
Products and Completed  
Operations Personal  
Injury Liability  
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$2,000,000 Per Occurrence  
\$2,000,000 General Aggregate  
\$2,000,000 Products/Completed Operations Aggregate  
\$ 50,000 Fire/Legal Liability

TDI-NE shall name the Town of Benson and its officers and employees as additional insureds for liability arising out of the portion of the Project within the Town of Benson.

Automotive Liability: TDI-NE shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Project. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

TDI-NE shall name the Town of Benson and its officers and employees as additional insureds for liability arising out of the portion of the Project within the Town of Benson.

TDI-NE will ensure that its contractors carry sufficient liability insurance to cover private property damage claims. Evidence of such insurance will be filed with the Town upon request.

- ii. Prior to construction, TDI-NE will undertake any necessary or appropriate baseline monitoring of conditions concerning private properties that have the potential to be affected by the Project, as determined by TDI-NE's consulting engineers and consistent with the baseline monitoring plan submitted by TDI-NE to the PSB for review and approval in connection with blasting activities. Such monitoring may include water well testing, surveying of septic systems, and/or inventorying the current condition of roads and drainage systems.
  - iii. TDI-NE agrees to identify a contact person and phone number that private property owners may contact.
  - iv. TDI-NE agrees that it will act in good faith to respond in a timely manner to any reports of physical damage to private property, to ascertain whether the damage was caused by the Project, and, if so, to remedy the damage.
- c. The Parties agree that any legal rights, responsibilities, and obligations with respect to private property damage claims are matters between TDI-NE and private landowners, and this Agreement shall not create any rights of persons or entities other than the Parties to enforce this Agreement or affect any rights of the Town to enter into, mediate, or enforce any such obligations in court or otherwise.

## **6. Changes to Project**

The Parties acknowledge that the PSB has ultimate regulatory authority over the Project. If the PSB grants a CPG and TDI-NE chooses in its sole discretion to proceed with the Project, TDI-NE must build the Project in accordance with the terms of such approval. The Agreement pertains only to the Project as it is presently proposed at the time the Agreement is executed. If it becomes apparent to either party that the Agreement needs to be amended to conform to the terms of the PSB approval, the requesting party shall provide notice and within 30 days thereafter the Parties shall commence to negotiate in good faith to amend the Agreement so that performance is possible within those terms.

## **7. Warranties and Representations**

- a. TDI-NE warrants and represents that, unless the Project is transferred or assigned to an unrelated entity while this Agreement is in effect:
  - i. TDI-NE will, at all times during the term of this Agreement, be the lessee or owner of the Project and have all appropriate rights to access the real property that is necessary to construct and operate the Project;
  - ii. TDI-NE will, at all times while this Agreement is in effect, maintain the adequate financial resources or have access to the adequate financial resources required to perform all of the obligations herein to be performed by it;
  - iii. TDI-NE will, at all times this Agreement is in effect, have the power to ensure that services or equipment or materials for the Project will be performed, furnished, or installed, as the case may be;
  - iv. TDI-NE will, at all times this Agreement is in effect, be responsible for the operation and maintenance of the buried cable system within the Town of Benson, either directly or through a contracted entity.
- b. TDI-NE will require insurance, performance bonds, or other appropriate forms of guaranty of all its contractors and others working on the Project, as determined by TDI-NE in accordance with good industry practice. Proof of such guaranties shall be furnished to the Town at the Town's request.
- c. TDI-NE shall hold harmless the Town from any and all claims, disputes, and legal or regulatory actions that may be brought against the Town as a direct or indirect result of any claims associated with TDI-NE's negligence or willful misconduct. Notwithstanding the above, TDI-NE shall not be obligated to indemnify the Town for acts of negligence or willful misconduct or for any other actions by the Town that are in derogation of its obligations under law or this Agreement.

## **8. Transferees, Successors, and Assigns**

- a. TDI-NE may assign this Agreement in connection with the financing supporting construction or operation of the Project as described in Section 8.c. below.

TDI-NE may also assign this Agreement otherwise, provided that any such assignment shall not become effective unless and until such assignee assumes in writing the obligations and rights of TDI-NE hereunder. Upon delivery of written confirmation of such assumption to the Town, TDI-NE shall be released from its obligations hereunder, provided that for any partial transfer of the Project or transfer of a component of the Project, TDI-NE shall remain liable for its obligations hereunder with respect to the portion or components of the Project it retains.

- b. This Agreement in its entirety shall apply to, inure to the benefit of, and, with the exception of an assignment in connection with the financing supporting construction of the Project as described in Section 8.c. below, be binding upon and enforceable against the Parties hereto and their successors and assigns.
- c. In addition to the foregoing, TDI-NE is authorized to collaterally assign the rights and interests afforded to TDI-NE by this Agreement to a party or parties providing the debt financing for the Project. Any assignment made in connection with financing the construction or operation of the Project shall not relieve TDI-NE from its obligations hereunder. The Town acknowledges that, in the case of any such collateral assignment, this Agreement shall not be binding upon or enforceable against such assignee or assignees unless and until, and then only to the extent that, such assignee or assignees elect to exercise its or their right to displace the assignor and assume the assignor's rights and obligations pursuant to this Agreement.
- d. As used throughout this Agreement, "TDI-NE" shall mean TDI-NE and its successors and assigns, subject to the provisions of this Section 8.

## **9. Maintenance and Fire Protection**

- a. TDI-NE warrants that it will operate the Project in accordance with prudent industry practices and in accordance with the manufacturers' requirements for maintenance of Project equipment.
- b. TDI-NE will ensure that emergency responders have sufficient access to respond to emergencies both at its construction and Equipment sites and at any other location in the Town.
- c. In the event that the Project receives fire protection or emergency services through the Town that result in a greater than normal expense to the Town, TDI-NE will reimburse the Town for the reasonable incremental expense attributable to the provision of such services to the Project, including additional training, if necessary.

#### **10. Cooperation by the Parties**

- a. Provided that TDI-NE complies with this Agreement, the Town agrees to support approval of TDI-NE's Section 248 petition at the PSB, including, if necessary, the filing of appropriate testimony, exhibits, and other filings related to the Project's compliance with the Section 248 criteria, including but not necessarily limited to subsections (b)(1) and (b)(5). The Town further agrees to cooperate with TDI-NE before the PSB and other state, federal, and county instrumentalities. The Parties acknowledge that the Town may present its independent position on issues to be decided by the PSB, provided the Town acts consistently with this Agreement.
- b. If, after the execution of the Agreement, TDI-NE discloses to the Town any proposed substantial changes to the Project that may materially impact the Town's rights hereunder and the Town concludes that such changes are acceptable, the Town, acting within the bounds of its authority, will cooperate with TDI-NE with respect to such changes in dealing with any state, federal, or county instrumentalities.
- c. TDI-NE and the Town each agree that they will not take actions during the 248 proceeding to undermine or otherwise breach this Agreement.

#### **11. Effective Date and Term of Agreement**

- a. The Agreement shall be effective upon its execution by the Parties.
- b. The Agreement shall remain in effect until the Project permanently ceases to be used by TDI-NE for the transmission of electric current, provided that Section 1.c. shall survive such event.
- c. Nothing in this Agreement shall obligate TDI-NE to build or operate the Project, any such decision being within TDI-NE's sole discretion. All payment obligations hereunder shall be in effect until the Project permanently ceases to be used by TDI-NE for the transmission of electric current.
- d. This Agreement shall terminate if the PSB denies TDI-NE's petition to construct and operate the Project and such denial is upheld on appeal, if an appeal is taken.
- e. TDI-NE's accrued and outstanding obligations to make payments, pay taxes, or reimburse the Town for expenses, if any exist at the time of termination, shall survive termination.

#### **12. Recording of the Agreement**

The parties shall record this Agreement in the land records of the Town of Benson at TDI-NE's expense.

**13. Governing Law and Jurisdiction**

This Agreement shall be construed in accordance with and governed by the laws of the State of Vermont. The Town and TDI-NE agree to ask that the PSB include the full terms of this Agreement, by reference or otherwise, in any Order or CPG authorizing construction of the Project and agree that this Agreement may be enforced by the PSB as a condition of construction and operation and transfer of the Project, and further agree that the state and federal courts situated in the State of Vermont have jurisdiction over the Parties to entertain and decide any and all actions that may arise under or in connection with this Agreement.

***REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE(S) TO FOLLOW***

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of June 10, 2015.

**CHAMPLAIN VT, LLC**

*[Signature]*  
Witness

By: *[Signature]*  
Donald Jessome, General Manager

**THE TOWN OF BENSON**

*Daphne Bartholomew*  
Witness

By: *Guy Charlton*  
Guy Charlton, Benson Selectboard Chair

*Daphne Bartholomew*  
Witness

By: *Sue Janssen*  
Sue Janssen, Benson Selectboard Member

*Daphne Bartholomew*  
Witness

*Regina L Cull*  
Regina Cull, Benson Selectboard Member

*Daphne Bartholomew*  
Witness

By: *Robert E Lussier*  
Robert Lussier, Benson Selectboard Member

*Daphne Bartholomew*  
Witness

By: *Sam Bartholomew*  
Sam Bartholomew, Benson Selectboard Member

**Attachment I to TDI-NE -- Town of Benson Host Town Agreement:**  
**Conditions Regarding the Use of Town Roads**

1. Prior to beginning work in any segment of town highway, TDI-NE shall consult with the Town regarding potential road projects or ongoing maintenance operations and will use commercially reasonable efforts to accommodate such activities with Project construction. Benson shall postpone or delay any conflicting projects that interfere with TDI-NE's construction schedule, except in the case of emergency road repair work. Major construction of the project will be completed during the months of May through October unless the Town and TDI-NE agree to construction practices to be followed to facilitate the road maintenance required during winter and spring months.
2. The Town of Benson may require that TDI-NE, at its own expense, relocate or adjust its facilities with a town highway should the Town determine, in writing, that relocation is necessary for the planning, construction, repair, expansion, or replacement of a town highway. In the event that the Town determines that such relocation is necessary, the Town shall (a) provide TDI-NE with twelve (12) months prior written notice and reasonable time to relocate its facilities, (b) endeavor to offer suitable substitute Town property upon which the relocation or adjustment can be effected, and (c) failing the availability of such suitable substitute Town property, collaborate with TDI-NE so that such property will be promptly obtained by the Town, through negotiation without expense to the Town.
3. TDI-NE shall engineer, construct, and install the Project so as to make it fully compatible with the continued operation and maintenance of existing utility infrastructure within the affected town highways. Infrastructure may include electric, gas, telecommunications, water, and wastewater lines and equipment, whether above ground, below ground, or submerged.
4. TDI-NE shall be responsible for rebuilding, repairing, restoring and making good all injuries or damage to any portion of the highway and highway rights-of-way caused by Project construction including highways and highway rights-of-way used to access construction sites with materials, supplies, and equipment. TDI-NE shall restore disturbed driveways, sidewalks and lawns located in the ROW that are maintained by abutting property owners back to their condition at the time they were disturbed by TDI-NE. Complete road resurfacing is anticipated for Class 3 gravel roads and partial or complete surface replacement on paved roads. State, Town and TDI representatives shall discuss and agree on road resurfacing guidelines as part of final plan approval.
5. Prior to beginning construction in Benson, TDI-NE shall enter into an inspection agreement, similar to the one used by VTTrans for state highways, which will cover periodic inspection by Town representatives or their agents of the work being conducted within town highways. Such agreement shall provide for (a) an initial inspection of all relevant town highways including town highways used to access construction sites with materials, supplies, and equipment, drainage structures, and other Town-owned infrastructure to determine baseline conditions, (b) a final inspection of the completed work, and (c) a process by which a certification by the inspector, binding on the Town, of completion of all restorative or repair work required by this agreement shall be issued. Such agreement shall include a follow-up inspection within 18 months of the completion of construction during a month to be determined by the Town.
6. A preconstruction meeting shall be held prior to TDI-NE starting construction in Benson. TDI-NE shall notify the Town seven (7) calendar days in advance of such meeting.

7. TDI-NE shall notify the Town five (5) working days in advance of the final inspection.
8. The Town shall not be responsible for maintaining the required cover over the transmission line. This cover shall be provided and maintained by TDI-NE.
9. The time period within which trenches and pits are left open will be minimized. All trenches and pits left open at the conclusion of the work day shall be properly marked and protected. These practices shall be in accordance with State guidelines and the inspection agreement.

### Safety

10. TDI-NE shall implement a Maintenance and Protection of Traffic (“MPT”) plan, similar to the plan to be approved by VTTrans for state highways, which identifies procedures to be used to maintain traffic and provide a safe construction work zone for those activities within ROW.
11. TDI-NE shall ensure that residents can maintain access to their homes in a safe manner and at reasonable times consistent with the ongoing construction activities. TDI-NE will provide advance notice to residents of any necessary road restrictions.
12. TDI-NE shall, in every case where there is a possibility of injury to persons or property from blasting, use blasting mats and bags of sand, if necessary, to prevent the stone from scattering. All existing utility facilities shall be protected from damage or injury from blasting. Such activity shall be in accordance with State requirements and guidelines.
13. TDI-NE shall erect and maintain barriers needed to protect the traveling public. The barriers shall be properly lighted at night.
14. TDI-NE shall ensure that all workers exposed to the risks of moving highway traffic and/or construction equipment wear high-visibility safety apparel meeting applicable industry standards.

### Drainage and Stormwater:

15. For each location where the Project involves construction across or within a ROW, TDI-NE shall follow the soil erosion and sediment control plans as required by its Vermont stormwater construction permit.
16. TDI-NE will take steps to ensure that culverts within the ROW are not damaged, crushed, or blocked by the Project during construction. TDI-NE will provide the Town with the proposed methodology to cross each culvert, as part of the plans submitted for PSB approval pursuant to Section 4.a. of the Agreement. It is anticipated that TDI transmission cables will be located below all culverts and drainage structures.
17. TDI-NE shall exercise extreme care when working adjacent to existing storm drainage pipes and drop inlets owned by the Town or the State. Any damage caused by TDI-NE to the storm

drainage system must be repaired using new materials. Repairs must be inspected by Town personnel.

#### Cutting or Trimming of Trees

18. TDI-NE shall provide at least seven (7) calendar days' notice to the Town prior to the cutting or trimming of trees within the town highway right of way. The notice shall specify where the cutting or trimming will take place. If the Town objects, the Parties shall reach a mutually satisfactory agreement on the places and extent of cutting and trimming before the work begins; provided, however, that if the Parties cannot reach agreement, any Town request concerning the cutting or trimming of trees may not materially interfere with the construction of the Project.

#### Hours of Construction

19. Unless otherwise approved by the Public Service Board, all work in the ROW shall be performed during normal daylight hours (with the exception of Horizontal Directional Drilling and culvert upgrade operations) and shall cease on Sunday and on all state holidays, and between December 24 and January 2.