

First Amendment to Agreement Between
Vermont Transco LLC/Vermont Electric Power Company, Inc.
and
Champlain VT, LLC

This First Amendment (“Amendment”) to the Parties’ December 4, 2014 Agreement (“Agreement”) is made as of the 20th day of August, 2015 between Vermont Transco LLC and Vermont Electric Power Company, Inc., the managing member of Vermont Transco LLC (collectively referred to as “VELCO”), and Champlain VT, LLC d/b/a TDI New England (“TDI-NE” and with VELCO, the “Parties,” and each, a “Party”) in order to preserve the bargained-for benefits afforded by the original Agreement in the event that TDI-NE ultimately seeks to fund the Project in a manner that recovers Project costs from Vermont ratepayers. The Parties hereby amend the Agreement as follows, leaving all other provisions in the Agreement in full force and effect:

New Paragraph 16 is added:

“16. Vermont Retail Electric Customer Benefit Protection. To the extent that the Project is funded through the Federal Energy Regulatory Commission Order 1000 process, or another regional cost sharing mechanism, TDI-NE shall indemnify Vermont’s regionally allocated share of the costs to ensure that the net benefit identified in Schedule I accrues to Vermont’s retail electric customers, by making additional payments to Vermont Transco LLC. Vermont Transco LLC or the SPE shall distribute these additional funds in accordance with Paragraph 1 and the other relevant provisions of this Agreement. In the event that the FERC Order 1000 process or another regional cost sharing mechanism is utilized and for so long as Project costs are being recovered by such process or mechanism, these additional indemnification payments shall not be suspended. Paragraphs 5 and 6 shall apply to these payments. TDI-NE will not seek cost recovery for these additional indemnification payments whether under the ISO-NE Tariff or any other cost sharing mechanism that allocates costs to Vermont ratepayers.”

New Paragraph 17 is added:

“17. TDI-NE Payments to Vermont Distribution Utilities. Contingent on receipt of necessary approvals from its board of directors and the Vermont Public Service Board to do so, VELCO will establish a special class of stock (directly or through a special purpose entity) in order to receive and distribute the quarterly payments to be made by TDI-NE under Paragraph 1 of the Agreement to the Vermont Electric Distribution Utilities (DUs) for the benefit of their ratepayers. The DUs shall be the owners of such stock with their respective ownership in proportion to each DU’s load ratio share, in order to ensure an equitable distribution of benefits among Vermont ratepayers. VELCO shall distribute the TDI-NE quarterly payments (less any required taxes and administration costs) to the DUs as stock dividends on a quarterly basis, for the benefit of their ratepayers as required by the Agreement. VELCO and TDI-NE understand that the distributions would be credited by the DUs as revenues in their cost of service calculations. In the event that the VELCO board of directors fails to issue the necessary approval(s) in accordance with the above, VELCO shall propose a new payment arrangement to implement Paragraph 1 of the Agreement, subject to consent from TDI-NE and amendment of the Agreement.”

IN WITNESS WHEREOF the Parties hereto have caused their representatives to execute and deliver this Agreement as of the date hereinabove set forth.

Dated at Burlington, Vermont this 20th day of August, 2015.

Champlain VT, LLC d/b/a TDI New England

By: 
Donald Jessome, General Manager and
Chief Executive Officer

Dated at Rutland, Vermont this 20th day of August, 2015.

Vermont Electric Power Company, Inc.
Vermont Transco LLC

By: 
Thomas Dunn, President and CEO