

**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Petition of Champlain VT, LLC d/b/a TDI New England)
for a Certificate of Public Good, pursuant to 30 V.S.A. §248,)
authorizing the installation and operation of a high voltage)
direct current (HVDC) underwater and underground electric)
transmission line with a capacity of 1,000 MW, a converter)
station, and other associated facilities, to be located in Lake)
Champlain and in the Counties of Grand Isle, Chittenden,)
Addison, Rutland, and Windsor, Vermont, and to be known)
as the New England Clean Power Link Project (“NECPL”))

Docket No. 8400

**Stipulation between Champlain VT, LLC
and Vermont Electric Power Company**

This Stipulation (“the Stipulation” or “Stipulation”), dated the 24th day of July, 2015, sets forth stipulations reached by Champlain VT, LLC d/b/a TDI New England (“TDI-NE” or Petitioner), a Delaware limited liability company with its principal office at 600 Broadway, Albany, NY 12207, and Vermont Transco LLC and Vermont Electric Power Company, Inc. (together “VELCO”), collectively, the “Parties,” in connection with the above-captioned Vermont Public Service Board (“Board”) docket.

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

WHEREAS, the electricity shipped through the NECPL will be generated by renewable energy sources in Canada and will be delivered to Vermont and the New England electric grid. The transmission line will utilize high voltage direct current technology, capable of transmitting 1,000 megawatts 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. The Ludlow converter station will convert the electrical power from direct current to alternating current and then connect to the 345 kV Coolidge Substation in Cavendish, Vermont that is owned by the 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, the Parties have entered into an Agreement dated December 4, 2014 as amended July 24, 2015 (the “Agreement”); and

WHEREAS, the Parties intend to place the Agreement, as amended, before the Vermont Public Service Board in Docket #8400 for the purpose of incorporating its provisions as conditions of the Certificate of Public Good (“CPG”) to be issued for the Project; and

WHEREAS, VELCO is one of the owners of seven existing electric transmission cables traversing Lake Champlain and linking the electric grids of the states of Vermont and New York, said cables being commonly referred to as “PV20;” and

WHEREAS, VELCO has determined that the existing PV20 installation should be removed and replaced by new cables substantially performing the same functions in substantially the same location (the “PV20 Project”); and

WHEREAS, TDI-NE and VELCO have met and discussed the Project, including issues surrounding the construction of the route where it overlaps with PV20;

WHEREAS, ISO-New England’s (“ISO-NE”) review process for the NECPL as an Elective Transmission Upgrade is ongoing, and the final System Impact Study (“SIS”) and I.3.9 approval is controlled by ISO-NE; and

WHEREAS, ISO-NE will assume operational control of the Project once it is placed into service; and

WHEREAS, TDI-NE has entered into stipulation agreements with Green Mountain Power Corporation (“GMP”), the Vermont Agency of Natural Resources, the Vermont Public Service Department (“DPS”), and the Vermont Division for Historic Preservation on July 17, 2015, regarding the Project and proposed conditions to be incorporated into a CPG issued for the Project;

WHEREAS, the Parties have engaged in discussions concerning the Project and, subject to the terms of this Stipulation, agree that TDI-NE has adequately resolved the issues raised by VELCO in its pre-filed testimony, subject to the Conditions set forth here, in the Agreement as amended, and in the other stipulation agreements referenced herein.

THEREFORE, in consideration of the foregoing and provided that the Board approves the Project consistent with TDI-NE’s Petition and this Stipulation, and TDI-NE chooses in its sole discretion to construct and operate the Project, the Parties agree as follows:

1. System Impacts.

- a. The Parties agree that the Project may have adverse impacts on system stability and reliability (including impacts on Vermont's transmission and subtransmission system) which have not yet been identified in a SIS.
- b. The Parties agree that so long as the terms and conditions stipulated by TDI-NE and GMP and by TDI-NE and DPS regarding the SIS process are incorporated into a CPG issued by the Board for this Project, issues raised by VELCO with regard to system impacts to Vermont's transmission system are satisfactorily addressed by TDI-NE with respect to the section 248 proceeding.
- c. The Parties agree that the protections extended to GMP in section 5 of the GMP Stipulation Agreement dated July 17, 2015, will apply to, in addition to VELCO and GMP, all other electric load-serving utilities in the State of Vermont.

2. PV20 Conditions.

- a. The Parties agree that, provided TDI-NE fulfills the terms of this Stipulation and the Parties' Agreement, as amended, the Project will not adversely impact the PV20 Project. Specifically, the Parties agree that the CPG should include the following conditions:
 - i. TDI-NE and VELCO (and other utilities if applicable) will consult and coordinate regarding those aspects of the Project and those aspects of the existing PV20 installation and the PV20 Project brought about by the need to accommodate the crossing of the cables (the "Works") and will create a working group for this purpose, such group to meet on a regular basis and to consist of appropriate engineering and project management personnel empowered to make decisions pertaining to the Works on behalf of TDI-NE and VELCO (and other utilities if applicable).
 - ii. TDI-NE will construct, maintain, repair, and operate the Project in accordance with Good Utility Practice and avoid causing construction delays or other adverse impacts to the PV20 Project.
 - iii. TDI-NE will construct the Project in a manner that allows the safe and efficient removal of the existing PV20 and its replacement in its entirety, i.e., by employing for this purpose an underwater bridge or bridges or an alternative design that VELCO (and other utilities if applicable) agrees will provide a similar level of protection, at TDI-NE's cost.

- iv. TDI-NE will reimburse VELCO (or its designee) for all reasonable costs it (or its designee) incurs in connection with its obligations set forth in paragraph 2.a(i) above, including, without limitation, its review of TDI-NE's Project plans.
- v. The Parties will cooperate to minimize costs related to construction, maintenance, and/or repair of the Works. TDI-NE will reimburse VELCO (and its designee, if applicable) for all reasonable costs attributable to TDI-NE's actions or inactions that are incurred by VELCO (or its designee) in connection with the removal of the existing PV20 and the construction, maintenance, and repair of the proposed PV20 Project; provided, however, that in the event that the need to perform repair, removal, or maintenance activities regarding the new PV20 is caused by the alleged negligence or other legally culpable act or omission of a third party, TDI-NE shall not be required to make the reimbursements required above if VELCO has been indemnified pursuant to contracts of insurance or other risk-sharing arrangements, which arrangements VELCO shall make commercially reasonable efforts to secure prior to commencement of the PV20 Project. Upon occurrence of such negligence or other legally culpable act or omission of a third party, VELCO will advise TDI-NE of such occurrence in a timely fashion and will pursue the claim of indemnity in due course, consulting with TDI-NE as appropriate.
- vi. TDI-NE will indemnify and hold harmless VELCO and any other project owner for any physical damage that the Project causes to the existing and proposed PV20 installation and will hold harmless and indemnify and (at VELCO's option) defend VELCO against any third party claims of any nature whatsoever arising out of the Project, and VELCO will hold harmless and indemnify and (at TDI-NE's option) defend TDI-NE against any third party claims of any nature whatsoever arising out of the existing or proposed PV20 installation.

3. Other Provisions

- a. Any disputes arising under this Stipulation shall be resolved by the Board under Vermont Law.
- b. TDI-NE shall file supplemental testimony and exhibits that memorialize, as necessary, the conditions of this Stipulation.
- c. VELCO will not take actions during the section 248 proceeding inconsistent with this Stipulation, provided that the terms of this Stipulation have been satisfied.

VELCO also agrees that, provided TDI-NE fulfills the terms of this Stipulation and the Parties' Agreement, as amended, the issues raised by the testimony offered by VELCO in Docket #8400 have been resolved.

- d. The Parties agree that any action, whether formal or informal, that each may elect to take before any other federal, state, or municipal regulatory entity concerning the Project shall be consistent with this Stipulation.
- e. This Stipulation represents the entire Stipulation between the Parties with respect to the Project. It may be modified only upon mutual written Stipulation by the Parties and is subject to any necessary Board approvals.
- f. Other than as may be specifically provided herein, this Stipulation shall not constitute an admission of any fact or law by any Party concerning the Project or any impacts related to the Project. This Stipulation shall not be construed as having precedential impact in any future section 248 proceeding concerning the Project, except as necessary to implement this Stipulation or to enforce an order of the Board resulting from this Stipulation.
- g. This Stipulation should not be construed by any party or tribunal as having precedential or any other impact on any other proceeding involving a different project, different subject matter, or other parties. With respect to such proceedings, the Parties reserve the right to advocate positions that differ from those set forth in this Stipulation.
- h. This Stipulation pertains only to the Project as it is presently proposed at the time the Agreement is executed. Prior to CPG approval, if TDI-NE makes any changes to the Project that could materially impact any of VELCO's rights or interests hereunder, TDI-NE and VELCO shall negotiate in good faith to amend the Stipulation as necessary. TDI-NE and VELCO acknowledge that should they fail to reach agreement to amend the Stipulation, each may present its position to the Board concerning such Project changes, provided each party otherwise acts consistently with this Stipulation.
- i. This Stipulation is expressly conditioned upon the Board's acceptance of all of its provisions, without material change or condition. If the Board does not accept the Stipulation in all material respects, the Stipulation shall, at the option of either party, be deemed to be null and void and without effect and shall not constitute any part of the record in this proceeding and shall not be used for any other purpose. In the event the Board makes such material modification or change and as a result TDI-NE or VELCO exercises its option to void the Stipulation, each party shall be placed in the position that it enjoyed in this proceeding before entering into the Stipulation.

Exercise of the option to terminate this Stipulation shall be by written notice delivered to the Board and the non-exercising party no later than ten days after issuance of a Board Order triggering the option.

- j. This Stipulation does not amend the Agreement, and the Agreement shall be unaffected by the entering into the Stipulation, any action of the Board taken with respect to the Stipulation, or the termination of the Stipulation.

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DATED this 24th day of July, 2015

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

By: 

Geoffrey H. Hand, Esq.
Dunkiel Saunders Elliott Raubvogel & Hand, PLLC
Counsel for TDI New England

Vermont Transco LLC
Vermont Electric Power Company, Inc.

By: _____

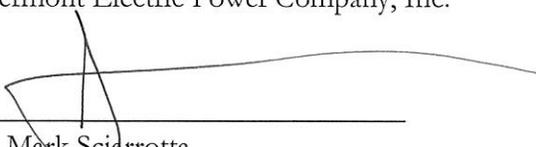
S. Mark Sciarrotta
Counsel for Vermont Electric Power Company, Inc. and Vermont Transco LLC

DATED this 24th day of July, 2015

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

By: _____
Geoffrey H. Hand, Esq.
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Counsel for TDI New England

Vermont Transco LLC
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