

**AGREEMENT BETWEEN
VERMONT TRANSCO LLC, VERMONT ELECTRIC POWER COMPANY, INC. and
CHAMPLAIN VT, LLC**

This Agreement made as of and deemed effective the 4th day of December, 2014, regardless of the signature dates, between Vermont Transco LLC and Vermont Electric Power Company, Inc. as the managing partner 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")

WITNESSETH THAT

WHEREAS, on October 19, 2013, TDI-NE submitted to the Independent System Operator—New England ("ISO-NE") an Elective Transmission Upgrade Application ("Interconnection Request") pursuant to Section I.3.9 of ISO-NE's Transmission, Markets and Services Tariff ("Tariff") and identified VELCO therein as the connecting Transmission Owner ("TO") with which it will enter into an Interconnection Agreement;

WHEREAS, on May 20, 2014, TDI-NE applied to the U.S. Department of Energy for a Presidential Permit for the New England Clean Power Link Project ("Project") and identified VELCO therein as the connecting TO (the "DOE Application");

WHEREAS, the Project is a 1,000 megawatt High Voltage Direct Current facility extending from Alburgh, Vermont to Ludlow, Vermont following a route within Lake Champlain and along public roads and highways and railways;

WHEREAS, the Project will connect to the transmission grid at VELCO's Coolidge 345 kilovolt substation for the purpose of serving the New England market;

WHEREAS, TDI-NE intends to apply for federal and state regulatory permits and approvals required to construct and operate the Project, including a Petition to the Vermont Public Service Board ("Board") pursuant to section 248 of Title 30 of the Vermont Statutes Annotated ("248 Petition"), within the next several months;

WHEREAS, VELCO is the electric transmission services provider in the State of Vermont and in that role seeks to serve the public good, and the Parties believe that, by entering into this Agreement, significant value will accrue to the Parties, the electricity ratepayers of Vermont, and the State as a whole;

WHEREAS, VELCO has conducted a preliminary review of the Project and finds it to be technically feasible with more detailed analysis still required to identify any system impacts of the Project;

WHEREAS, in connection with demonstrating that the Project will promote the general good of the state, and consistent with VELCO's objective to secure value for Vermont, VELCO and TDI-NE agree that this Agreement provides economic benefits to retail electricity ratepayers in the State of Vermont in a cost-effective manner; and

WHEREAS, VELCO has presented TDI-NE with a detailed invoice indicating reasonable costs incurred in connection with consultants and/or lawyers working to finalize the arrangements memorialized by this Agreement, such costs totaling \$95,140.00 and TDI-NE is making payment to VELCO of the aforesaid sum, simultaneously with the execution of this Agreement; and

WHEREAS, TDI-NE and VELCO have entered into a Confidentiality Agreement dated as of October 18, 2013, and the same remains in effect and relates to and governs any activities of the Parties described herein that may be relevant thereunder except as otherwise specified in this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Quarterly Annual Payments. TDI-NE shall make payments to Vermont Transco LLC following the Project's Commercial Operation Date ("COD") as follows: (a) in the twelve-month period starting with the COD (COD year 1), TDI-NE will pay Vermont Transco LLC or its permitted assignees, including any special purpose entity (SPE) created or used for that purpose, the sum of \$2,500,000, with the first payment of \$625,000 due on the date upon which the calendar quarter immediately following the COD begins (i.e., January 1, April 1, July 1, and October 1) or the next business day thereafter, and (b) in each succeeding twelve-month period (COD years 2, etc.), but ending with the one hundred sixtieth payment, TDI-NE will pay Vermont Transco LLC or its permitted assignees, including any special purpose entity (SPE) created or used for that purpose, a sum of money equal to the amount of the previous annual amount multiplied by a factor of 1.015 in equal quarterly installments to equal the aggregate amounts set forth on the attached Schedule I. For each of these succeeding COD years, the first of the quarterly payments will be made on the date upon which the calendar quarter immediately following the COD anniversary date begins or the next business day thereafter. For each year, Vermont Transco LLC, acting directly or through an SPE, shall distribute all funds received from TDI-NE pursuant to this paragraph, net of any required taxes or costs incurred in administering this arrangement, for the benefit of retail ratepayers in the State of Vermont. Notwithstanding the foregoing, TDI-NE's obligation to make the payments provided for above shall be suspended upon receipt by the Parties of documentation from ISO-NE confirming that the Project has ceased commercial operations for the foreseeable future; however, should the Project cease commercial operation following payment of any amount due under this Agreement, VELCO shall not be obligated to refund or return to TDI-NE any amounts paid. Should the Project resume commercial operations, TDI-NE shall resume payments, with the first payment being due upon the date that commercial operations re-commence ("RCOD") or the first business day thereafter, with quarterly payments following the RCOD being payable in the same manner as set forth above; and Schedule I shall be updated to reflect the then current payment schedule and amounts in accordance with the payment requirements herein. Subject to TDI-NE's prior approval of the scope and budget for such services, TDI-NE agrees to reimburse VELCO on a monthly basis for all reasonable costs incurred by VELCO from the effective date of this Agreement in connection with consultants and/or lawyers working to implement the terms and associated arrangements contemplated by this Agreement, including the creation or modification of an SPE to administer the payments provided for in this paragraph.

2. Subsequent Agreements. Subject to negotiation and execution of a mutually agreeable operation and maintenance contract, VELCO or its affiliate SPE shall be TDI-NE's preferred vendor for operation and maintenance services for the Project, and the Parties may explore further opportunities for cooperation and the prospects of entering into other agreements relating to management of physical assets, optimization of Project benefits, and similar matters.

3. Public Service Board Approvals. TDI-NE shall submit this Agreement as a part of its 248 Petition, and the Parties shall jointly request that the Board approve and require compliance with the terms of this Agreement as a condition to any Certificate of Public Good (CPG) issued for the Project. The Parties shall cooperate with respect to any modifications or additional conditions the Board may require in connection with such a CPG, and TDI-NE shall compensate VELCO for any associated work or costs. In addition, VELCO agrees that in the section 248 proceeding, performance of the payment obligations under this Agreement may be considered by the Board in connection with the economic benefit standard contained in 30 V.S.A. §248(b)(4), and the public good standard contained in 30 V.S.A. §248(a)(2)(B), which TDI-NE acknowledges constitutes adequate consideration for the performance of its payment obligations hereunder. TDI-NE further acknowledges and agrees that before the Project begins construction TDI must and will be subject to Board jurisdiction under 30 V.S.A. § 231. Within 30 days of receiving a section 248 CPG, TDI-NE shall file a petition with the Board requesting a section 231 CPG.

4. Communications Regarding the Project. TDI-NE shall periodically and in general terms advise VELCO as to its progress in the development of the Project. Neither party shall issue a press release regarding this Agreement without obtaining the prior written consent of the other Party, and in all other cases of press releases regarding the Project that directly or indirectly reference the non-releasing Party, the releasing Party will give the other Party 48-hours' notice and an opportunity to confer prior to the release. Notwithstanding the foregoing and the Confidentiality Agreement referenced above, the Parties agree that they may share information in general terms about this Agreement with the Department of Public Service and/or other interested Vermont state officials.

5. Payment Default. In the event that TDI-NE shall fail to pay any amount due and owing hereunder within five (5) days after written notice of such failure is received from VELCO, VELCO shall have all rights and remedies allowed by all applicable laws, including to immediately thereafter notify TDI-NE in writing of such default without further action of any kind, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by TDI-NE, and to seek enforcement of the Agreement.

6. Waiver by TDI-NE of Defenses to Payment. Effective with the issuance of the approvals described in Paragraph 3 hereof ("Approval Issuance"), which shall be deemed issued not later than the COD for purposes of this Paragraph 6, TDI-NE, for itself and its successors and assigns, hereby waives any and all defenses to payment, rights to set off from payment, and rights to seek a refund of payment, with respect to any and all payments listed on Schedule I, except as described in Paragraph 1 of this Agreement with respect to suspension of payments in the event the Project ceases commercial operations. TDI-NE acknowledges that upon the Approval Issuance, VELCO will have fully performed all of obligations constituting conditions precedent to payment under this Agreement.

7. Representations and Warranties of TDI-NE. In order to induce VELCO to enter into this Agreement, TDI-NE makes the following representations and warranties to VELCO, each of which shall be deemed to be independently material and relied upon by VELCO, regardless of any investigation made by, or information known to, VELCO:

(a) Organization and Qualification. Champlain VT, LLC is a limited liability company duly organized and validly existing under the Laws of the State of Delaware, and is qualified to transact business as a foreign corporation or organization in Vermont. Champlain VT, LLC is authorized to do business in Vermont as TDI New England.

(b) Authorization; Conflicting Obligations. This Agreement and the transactions contemplated hereby have been duly authorized by all necessary action of TDI-NE and its

member. The execution and delivery of this Agreement does not: (a) conflict with or violate any provisions of the articles of organization or operating agreement of TDI-NE; (b) conflict with or violate any provisions of, or result in the maturation or acceleration of, any obligations under any contract, order, license or law or regulation, to which TDI-NE is subject or to which TDI-NE is a party; or (c) violate any restriction or limitation, or result in the termination, or loss of any right (or give any third party the right to cause such termination or loss), of any kind to which it is bound or to which it has been made subject.

(c) Third Party Consents. Except as described in Paragraph 3 with respect to Public Service Board approvals, no third party consents, approvals or authorizations are necessary for the execution of the transactions contemplated hereby.

8. Representations and Warranties of VELCO. In order to induce TDI-NE to enter into this Agreement, VELCO makes the following representations and warranties to TDI-NE, each of which shall be deemed to be independently material and relied upon by TDI-NE, regardless of any investigation made by, or information known to, TDI-NE:

(a) Organization and Qualification. Vermont Electric Power Company, Inc. is a corporation duly organized and validly existing under the Laws of the State of Vermont and Vermont Transco LLC is a limited liability company duly organized and validly existing under the laws of the State of Vermont.

(b) Authorization; Conflicting Obligations. This Agreement and the transactions contemplated hereby have been duly authorized by all necessary action of VELCO and its Board of Directors. The execution and delivery of this Agreement does not: (a) conflict with or violate any provisions of the articles of incorporation or bylaws of VELCO (b) conflict with or violate any provisions of, or result in the maturation or acceleration of, any obligations under any contract, order, license or law or regulation, to which VELCO is subject or to which VELCO is a party; or (c) violate any restriction or limitation, or result in the termination, or loss of any right (or give any third party the right to cause such termination or loss), of any kind to which it is bound or to which it has been made subject.

(c) Third Party Consents. Except as described in Paragraph 3 with respect to Public Service Board approvals, no third party consents, approvals or authorizations are necessary for the execution of the transactions contemplated hereby.

9. Notices. All notices, requests, and statements shall be in writing and shall be sent to the recipients and addresses set out below, as the same may be modified by the parties from time to time:

VELCO:

Thomas Dunn, President and CEO
Vermont Electric Power Company, Inc.
366 Pinnacle Ridge Road
Rutland, Vermont 05701
Phone: 802-770-6267
Cell: 802-353-1891

TDI-NE:

Donald Jessome, General Manager and CEO
Champlain VT, LLC
PO Box 155
Charlotte, VT 05445
Phone: (802) 885-3890
Cell: 902-440-0664
Donald.Jessome@chvtllc.com

10. No Duty to Third Parties. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest, and their permitted assigns.

11. Binding Effect and Assignment. This Agreement shall inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective Parties hereto. Each of the Parties may assign its obligations hereunder; provided, however, that TDI-NE may not assign its rights, duties or obligations under this Agreement except to an entity to which ownership and operation of the Project has been transferred, and to which a Certificate of Public Good under 30 V.S.A. § 231 has been issued.

12. Non-Exclusivity. Nothing in this Agreement prevents VELCO from making similar arrangements and/or entering into agreements memorializing such arrangements with other transmission project developers.

13. Nature of Relationship. This Agreement shall not be interpreted or construed to create a legally-binding joint venture, principal-agent relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party or to create any relationship that imposes vicarious liability on one Party for the acts and/or omissions of the other Party. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, act on behalf of, act as or be an agent or representative of, or otherwise bind, the other Party. In the event, however, notwithstanding the declared intentions of the Parties not to create a legally-binding joint venture, principal-agent relationship, partnership or other relationship that imposes vicarious liability on one Party for the acts and/or omissions of the other Party, if a third party tribunal with jurisdiction over the Parties and the subject matter of this agreement shall make such determination, then each Party, for themselves, their successors and permitted assigns do hereby indemnify and hold the other Party harmless from any and all liability arising from the creation of such unintended relationship and shall defend the other Party from all suits, actions, causes of actions, demands or proceedings, whether judicial or administrative, and shall pay all demands, damages, whether general, special or punitive, costs and expenses, including all fees costs and reasonable attorneys' fees imposed on or incurred by the other Party as a result of the creation of such unintended relationship.

14. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Vermont without taking into account any effect that may arise from that State's conflict-of-laws principles. Any litigation relating to the subject matter hereof shall be initiated and maintained exclusively in the courts of the State of Vermont or the Federal District Court for the District of Vermont, which courts shall have exclusive jurisdiction.

15. Regulatory Considerations. The terms of this Agreement may be subject to any conditions or limitations imposed by the Board or any other regulatory body or tribunal having jurisdiction over the Project. The parties acknowledge that TDI-NE is developing the Project as a “merchant” transmission facility pursuant to authorization from the Federal Energy Regulatory Commission of the sale of power supplied thereby at negotiated market rates, and they also acknowledge that TDI-NE may explore other commercial structures, such as the New England States Committee on Electricity “Governor’s Initiative.”

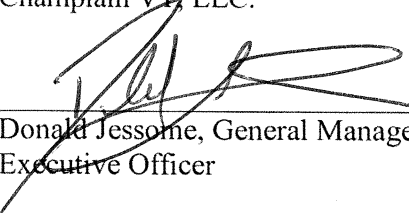
[signature page follows]

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

Dated at New York City, New York this 4th day of December, 2014.

Champlain VT, LLC.


By:


Donald Jessome, General Manager and Chief
Executive Officer

Dated at Rutland, Vermont this 4TH day of December, 2014.

Vermont Electric Power Company, Inc.

By:


Thomas Dunn, President and Chief Executive Officer

Schedule I

Year	Payment
1 (COD Year)	\$2,500,000
2	\$2,537,500
3	\$2,575,563
4	\$2,614,196
5	\$2,653,409
6	\$2,693,210
7	\$2,733,608
8	\$2,774,612
9	\$2,816,231
10	\$2,858,475
11	\$2,901,352
12	\$2,944,872
13	\$2,989,045
14	\$3,033,881
15	\$3,079,389
16	\$3,125,580
17	\$3,172,464
18	\$3,220,051
19	\$3,268,352
20	\$3,317,377
21	\$3,367,138
22	\$3,417,645
23	\$3,468,909
24	\$3,520,943
25	\$3,573,757
26	\$3,627,363
27	\$3,681,774
28	\$3,737,000
29	\$3,793,055
30	\$3,849,951
31	\$3,907,701
32	\$3,966,316
33	\$4,025,811
34	\$4,086,198
35	\$4,147,491
36	\$4,209,703
37	\$4,272,849
38	\$4,336,942
39	\$4,401,996
40	\$4,468,026
Total	\$135,669,735