COMMUNITY BENEFITS AND SETTLEMENT AGREEMENT

This Community Benefits and Settlement Agreement (the "Agreement") is entered into on October 30, 2020 (the "Effective Date") between the Town of Weymouth, Massachusetts (the "Town"), acting by and through its Mayor, Robert L. Hedlund and his successors (the "Mayor"), and Algonquin Gas Transmission, LLC ("Algonquin") (collectively, the "Parties").

RECITALS

WHEREAS, Algonquin, together with Maritimes & Northeast Pipeline Company, L.L.C. (collectively, the "Applicants") jointly filed an application for a Certificate of Public Convenience and Necessity (the "AB Certificate") with the Federal Energy Regulatory Commission ("FERC") in FERC Docket Number CP16-9-000 (the "FERC Proceeding") in order to construct, operate and maintain the Atlantic Bridge Project (the "AB Project");

WHEREAS, in addition to the AB Certificate issued by FERC in January 2017, the Applicants received a Notice to Proceed ("NTP") issued by FERC on November 27, 2019 and an In-Service Authorization issued by FERC on September 24, 2020;

WHEREAS, the AB Project involves, in part, the construction, operation and maintenance of a compressor station and ancillary facilities (the "Compressor Station"), as described further in the Applicants' filings in the FERC Proceeding, that are located on parcels of land shown in a Plan of Land titled "Subdivision Plan of Land in Weymouth & Quincy, Massachusetts", prepared for Spectra Energy Partners, LLC, dated February 1, 2017, and received and recorded on March 22, 2017

at the Norfolk County Registry of Deeds at Plan Book 657, Page 15 (the "Subdivision Plan"). A copy of this Subdivision Plan is attached hereto as "Exhibit A." Algonquin acquired the Parcel from Calpine Fore River Energy Center, LLC ("Calpine") by Quitclaim Deed dated December 1, 2016 recorded at the Norfolk County Registry of Deeds at Book 34726, Page 482 which was deemed null and void and not to be relied upon for any purposes by virtue of the recording of a Corrective Confirmatory Quitclaim Deed dated June 21, 2018, recorded at the Norfolk County Registry of Deeds at Book 36146, Page 163 on July 17, 2018;

WHEREAS, Calpine's property had historically been divided by Bridge Street into two separate parcels referred to as the "North Parcel" and the "South Parcel;"

WHEREAS, the Site Algonquin acquired from Calpine to construct, operate and maintain the Compressor Station is a portion of the North Parcel, but does not include Parcels H-1, H-2, H-3 and AQ1, as such parcels appear on the Subdivision Plan, attached as Exhibit A;

WHEREAS, the Town intervened in the FERC Proceeding and other state agency proceedings and filed the following pending civil actions in opposition to various state permitting decisions involving the construction, operation and maintenance of the Compressor Station:

- 1. <u>Air Appeals:</u> Town of Weymouth, et al v. DEP, First Circuit Dkt. No. 19-1794; and Town of Weymouth v. Dep't of Envtl. Prot., Mass. Super. Ct., C.A. No. 1982CV01016;
- 2. <u>CZM Appeal</u>: *Hedlund v. DEP, Algonquin, Maritimes, Mass. Super. Ct., C.A. No.* 19-1501;
- 3. Wetlands Appeal: Hedlund v. DEP & Algonquin Gas Transmission LLC, Mass. Super. Ct. C.A. No. 19-1500; and

4. <u>Waterways Appeal</u>: *Hedlund v. DEP & Algonquin*, Mass. Super. Ct., C.A. No. 19-1502;

(collectively, the "Civil Actions");

WHEREAS the Applicants filed the following pending civil action against the Town and other defendants, in an effort to constrain the relief available to them in the Civil Actions pending in Superior Court:

5. Algonquin v. Town of Weymouth and FRRACS, C.A. No. 1:19-cv-12338-DJC and

WHEREAS, Algonquin and the Town have agreed to enter into this Agreement to settle all disputes and issues concerning Algonquin's construction, operation and maintenance of the Compressor Station on the Site under the AB Certificate and other federal, state or local permits, licenses, or other authorizations related thereto, whether issued, pending or subject to further review or action.

THEREFORE, Algonquin and the Town agree as follows:

1. Algonquin's Payment to the Town: Algonquin shall make a one-time payment to the Town of Ten Million Dollars (\$10,000,000) (the "Capital Project Payment"). The Parties mutually acknowledge that such payment will be deposited in the Town's General Fund and that its use will be subject to appropriation; provided, however, that the Parties agree that their intent is for these funds to be used for one or more capital projects determined by the Town to address a health, safety, environmental or economic priority identified by the Town, in its sole discretion. Payment of the Capital Project Payment shall be paid to the Town no

later than December 1, 2020 and said payment shall not be dependent on the Compressor Station going into service or any other condition expressed or implied.

- 2. Algonquin's Air Monitoring Station: In connection with the construction of the Compressor Station under the AB Certificate, Algonquin has worked cooperatively with the Town to support the installation of an air monitoring station by the Massachusetts Department of Environmental Protection ("MassDEP") in the Fore River basin. The air monitoring station was approved by MassDEP contemporaneously with the August 26, 2019 Air Quality Plan Approval issued by MassDEP and the Parties agree that the monitoring station should be located at the site designated as the "Monitor Location" as shown on Exhibit B attached hereto.
- 3. **Emergency Response Planning:** The Parties acknowledge that comprehensive emergency response plans and protocols are necessary in order for emergency response personnel to be able to provide suitable and effective responses in the event of an emergency or other unanticipated injurious conditions at the Site or resulting from the Compressor Station and the meter and regulator station and HubLine pipeline on or immediately adjacent to the Site.
 - a. Algonquin will participate with Weymouth emergency response officials by providing input regarding Algonquin's facilities on the Site for use by the Town in its development of a comprehensive Contingency Plan (the "Plan"), which includes a plan for evacuation of persons within agreed upon distances, under appropriate conditions and various emergency scenarios, of the Compressor Station. The Town's Plan includes significant input from Algonquin, including documents containing Critical Energy Infrastructure Information ("CEII"), Sensitive Security Information ("SSI"), and

confidential business/commercial information protected from disclosure under FOIA, 5 U.S.C. § (see also 18 C.F.R. § 388.113(c)(1)), and/or state law (see G.L. c. 66, § 10 and G.L. c. 4, § 7). Together the Town's plans contain specific protocols to be followed by its emergency response personnel in response to emergencies or other unanticipated conditions at the Site, with said Plan and related materials to be developed exclusively by and be the responsibility of the Town.

- b. Algonquin will provide input regarding Algonquin's facilities on the Site to Weymouth's Emergency Management Director, Fire Chief, and Police Chief in support of the Town's development of the Plan.
- c. Algonquin shall participate in the Town's annual review of its Plan, and other emergency response documents developed by the Town; and
- d. Algonquin shall conduct at least annual, and more frequently upon request of either party, liaison meetings with the Town's management which oversees the Town's emergency response personnel to the Town's various response scenarios, with the first such meeting to occur no later than November 30, 2020. Algonquin also agrees at the annual liaison meeting to update the Town concerning the prior year's compliance activities as relate to the Compressor Station.
- e. Algonquin also agrees to sponsor relevant fire response training for the Weymouth Fire Department, including training conducted locally or at the Massachusetts State Fire Academy.
- f. Algonquin shall participate in the development and use of a system for dedicated and secure pre-arrival information to emergency responders in the event of an emergency occurring at the Site. Said system shall include a dedicated phone number or other communication protocol for Town emergency responders to contact the Enbridge Gas Control 24-hour call line at 1-800-726-8383.

- 4. Coastal Bank Delineation: The coastal bank on the eastern side of the peninsula where the Compressor Station is located was delineated during the wetlands proceedings before the Massachusetts Department of Environmental Protection ("MassDEP"). The delineation is shown on the revised plans, dated August 7, 2018, which are referenced in: (i) the October 16, 2019 Recommended Final Decision, which was adopted by MassDEP in the Commissioner's October 24, 2019 Final Decision, and (ii) in the Final Order of Conditions.
- 5. Massachusetts Contingency Plan Response Actions: Algonquin shall, by July 28, 2024 (as set forth in a letter from MassDEP to Algonquin Gas Transmission, LLC dated June 29, 2020, RE: Weymouth BWSC, Release Tracking Numbers: 4-0026230 and 4-0028186, 6-50 and 82-90 Bridge Street, Revised Deadlines for Comprehensive Response Actions, Interim Deadlines, 00009825), or such other date as is approved by MassDEP, achieve a Permanent or Temporary Solution, as appropriate, respecting Releases of Oil or Hazardous Materials at the properties along Bridge Street owned by Algonquin or Calpine to which MassDEP has assigned Release Tracking Numbers ("RTN") 4-28186 and RTN 4-26230, into which RTN 4-26243 has been consolidated, in compliance with provisions of Massachusetts General Laws Chapter 21E and the Massachusetts Contingency Plan, 310 CMR 40.0000, et seq.
- 6. Public Access to the Bulkhead Area/West Waterfront Area: The Parties agree to work cooperatively with each other to pursue discussions with Calpine and other parties concerning the potential to secure greater public access to

the so-called Bulkhead Area/West Waterfront area, including but not limited to an extension of the existing walking path which currently traverses the Lovell's Grove/King's Cove conservation area, shown on Exhibit A to the Re-executed Reserved Easements Agreement, recorded in the Norfolk Registry of Deeds Book 34908, Page 319.

7. Notifications by Algonquin to the Town Related to the Release of Natural Gas: Algonquin shall provide the Town with the notifications required under the August 26, 2019 Air Quality Plan Approval issued by MassDEP including but not limited to notifications regarding scheduled or unscheduled releases of natural gas. Said notifications shall include advance notice of a scheduled release of natural gas and a notification to the Town within two (2) hours of an unplanned release of natural gas. Algonquin shall further provide the Town with copies of all notifications submitted to any state regulator.

No later than three (3) business days after Algonquin provides a notification or copy of a notification to the Town as required by this Section 7, or as soon as possible thereafter if the Parties mutually agree, upon written request Algonquin shall meet with the Town's Emergency Management Director and other emergency response personnel designated by him or her. Thereafter, at least weekly until completion of any steps necessary to remediate conditions at the Site or otherwise respond to the incident, Algonquin shall provide updates to the Town's Emergency Management Director regarding progress toward completion of remediation or other responsive activities.

- 8. Maintenance Activities Associated with the Lovell's Grove/King's Cove Conservation Area: The Parties agree to work cooperatively with one another and Calpine to establish responsibility for the various maintenance activities associated with the Lovell's Grove and King's Cove conservation areas, including snow plowing, trash removal, mowing and the repaving of the parking area.
- 9. **System Maintenance Activities:** Algonquin shall maintain the facilities associated with the AB Project in full compliance with the requirements of PHMSA regulations and all applicable federal and state permits issued for the AB Project.
- 10. **Decommissioning:** Algonquin shall comply with all federal requirements for the decommissioning of interstate natural gas facilities pursuant to 5 U.S.C. §717f(b) or other applicable law, including but not limited to 18 C.F.R. Part 157, as amended, and will update the Town in a timely fashion at such time as a decision is made in the future to remove the Compressor Station from service.
- that, in consideration of Algonquin's obligations set forth above, the Town has agreed to cease its opposition in its entirety to the construction or operation of the Compressor Station at the Site as currently permitted and authorized without substantial modification and in accordance with the terms and conditions as set forth in the AB Certificate and other federal or state permits, licenses, or other authorizations that have already been issued or are currently pending before an issuing authority, including those subject to further review or action.

To implement that agreement, the Town agrees to the following:

a. **Dismissals of Current Opposition Efforts**: On the same day this Agreement is executed by the Mayor, the Town shall submit to FERC a letter in which the Mayor, on behalf of the Town, withdraws the Town's opposition to the AB Project while retaining its party status to continue to receive notices in FERC Proceeding CP16-9-000. The Town shall also execute those dismissals, letters, and notifications that either of the Parties reasonably deem appropriate or necessary to withdraw, dismiss and rescind the Town's opposition to any authorizations and/or permits as submitted to any federal or state agencies or courts related to the AB Project and/or the Weymouth Compressor Station and, if requested by Algonquin, will send a letter to that effect to such agency or court within seven (7) business days of each such request. Said matters include the Civil Actions and such permits or authorizations that may have been remanded by a court or are otherwise subject to appeal or additional review, including but not limited to the appeals associated with the MassDEP Air Quality Plan Approval, including the action filed with the U.S. Court of Appeals for the First Circuit and any remand proceedings pending before MassDEP; the appeals in Norfolk Superior Court concerning MassDEP's Wetlands, Chapter 91 and Air Quality Plan Approval decisions; and the appeal in Norfolk Superior Court concerning the Massachusetts Office of Coastal Zone Management's Consistency Determination. Notwithstanding the above, the Town reserves the right to oppose the future expansion of the existing natural gas infrastructure, including the Compressor Station, which may be proposed at the Site in the future by the Applicants.

As of the Effective Date, the Town shall not oppose, object to, appeal, file testimony or briefs opposing, or challenge in any way: (1) the AB Certificate; (2) the NTP or such additional authorizations issued by FERC or PHMSA and related to the Compressor Station, including, but not limited to, the Applicants' request for authorization to place the Compressor Station into service; or (3) other federal or state permits, licenses, or other authorizations issued for the construction, operation or maintenance of the Compressor Station at the Site that have already been issued, or are currently pending before an issuing authority, including those subject to further review or action.

b. Town Reservation of Rights: Notwithstanding the provisions of Section 11.a., the Town reserves and does not waive its rights to oppose any future activities or actions at the Compressor Station, proposed by Algonquin or any other entity, that would: (1) expand or substantially modify the Compressor Station's configuration or physical structures, or substantially alter, change, or otherwise modify the Compressor Station's operations or maintenance, (2) require construction or other impacts to land other than the Site, (3) require the issuance of any new or amended federal, state, or local permits, licenses, or other authorizations to expand or substantially modify the Compressor Station's configuration or physical structures, or substantially alter, change, or otherwise modify the Compressor Station's operations or maintenance, or (4) modify any term, condition, or other

requirement set forth in the AB Certificate. Notwithstanding the provisions of Section 11.a., the Town further reserves and does not waive all rights to seek enforcement of the terms, conditions, and other requirements set forth in the AB Certificate and other federal or state permits, licenses, or other authorizations issued, currently pending before an issuing authority or subject to further review or action pursuant to which the Compressor Station has been or will be constructed, operated or maintained now and in the future.

- c. Algonquin's Acquisition of The North Parcel: The Town shall not directly or indirectly unreasonably interfere with Algonquin's acquisition or enjoyment of the North Parcel.
- d. *Calpine's Obligations to the Town*: Except as stated in this Agreement or as assumed by Algonquin in any existing or future agreement between Algonquin and Calpine, the Town agrees that Algonquin is not responsible for any of Calpine's obligations to the Town relating to the North Parcel.
- e. Non-interference with the AB Certificate or Project and Dismissal of Appeals: The Town shall not directly or indirectly oppose, object to, appeal, file testimony or briefs opposing, or challenge in any way: (i) the AB Certificate, the NTP or such additional authorizations issued by FERC or PHMSA and related to the Compressor Station, including, but not limited to, the Applicants' request for authorization to place the Compressor Station into service; or (ii) any permit, license, approval, or any other authorization sought by or issued to Algonquin in connection with the Compressor Station and the AB Project under any federal law

or regulation or under any applicable state or local law, regulation, ordinance, or bylaw (the "Permits"). The Town further agrees to secure dismissal of the Civil Actions
and any and all complaints, claims or appeals now pending before any state or federal
court or MassDEP that seek to challenge any of the Permits, the Compressor Station
or the AB Project. Within seven (7) business days of the Effective Date of the
Agreement, the Town shall further file: (i) stipulations of dismissal with prejudice in
each of the Civil Actions, dismissing all of the Town's claims in the Civil Actions, and
(ii) a stipulation of dismissal with prejudice in its appeal of MassDEP's BACT
determination pending before MassDEP on remand from the First Circuit.
Notwithstanding the above, nothing in this Agreement shall preclude the Town from
taking appropriate measures to enforce or seek enforcement of applicable
requirements and conditions of any Permit issued for the AB Project or the terms of
this Agreement.

- f. *Non-opposition with the AB Certificate or Project*: The Town shall not take a position in any regulatory, administrative or judicial proceeding in which the Town directly or indirectly opposes or disagrees with the AB Project.
- g. Cooperation with Algonquin's Efforts to Construct and Operate the Project: The Town shall: (i) cooperate with Algonquin in obtaining any Permit, including any water and sewer connection permits and/or curb cut permits, sought by Algonquin from the Town to construct, operate, and maintain the Compressor Station in connection with the AB Project and in conformance with the terms, conditions, and requirements of the AB Certificate and other federal or state permits, licenses, or

other authorizations issued, currently pending before an issuing authority or subject to further review or action; (ii) shall timely issue any Permit sought by Algonquin from the Town to construct, operate, and maintain the Compressor Station in connection with the AB Certificate and in conformance with the terms, conditions, and requirements of the AB Certificate and other federal or state permits, licenses, or other authorizations issued, currently pending before an issuing authority or subject to further review or action; and (iii) not otherwise engage in any acts or omissions that may or will cause Algonquin to incur any additional costs or delays in connection with the construction, operation, and maintenance of the Compressor Station under the AB Certificate. If the Town believes any requested permit is prohibited by law, the Town shall immediately notify Algonquin, and if the matter has not been resolved by the parties within seven (7) business days, the Town shall deny the permit and immediately file a civil action to obtain a declaratory judgment on an accelerated basis whether said permit, license or authorization is prohibited by law.

- h. *Waiver of any Additional Compensation*: The Town shall not seek any additional payment from Algonquin in connection with Algonquin's construction, operation and maintenance of the Compressor Station under the AB Certificate.
- 12. **Dismissal of Algonquin D. Mass. Lawsuit**: Algonquin filed on October 19, 2020 a Notice of Dismissal pursuant to Fed.R.Civ.P. 41(a)(1)(A) of its lawsuit against the Town currently pending in the United States District Court for

the District of Massachusetts, and shall take all additional, reasonable actions requested by the Town as are necessary to secure dismissal of that action.

- 13. Lovell's Grove/King's Cove Conservation Restriction: The Conservation Restriction on the North Parcel that is recorded in Book 26454, Page 446 of the Norfolk County Registry of Deeds (the "Lovell's Grove/King's Cove CR") shall remain in full force and effect. Algonquin's acquisition of the Site is subject to this restriction, which shall remain in effect.
- 14. Release of Past and Present Claims: Except for those claims and rights expressly reserved in this Agreement, including the Town's reservation of rights in Section 11.b., the Parties unconditionally and irrevocably release one another from all claims that either ever had, now has, may have or otherwise could, can or might assert from the beginning of time through and including the Effective Date of this Agreement that arises out of or relates to the construction, operation and maintenance of the Compressor Station under the AB Certificate and other federal, state or local permits, licenses, or other authorizations issued, currently pending before an issuing authority or subject to further review or action. The term "claims" for this section shall mean and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys' fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature or description whatsoever, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen,

matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed

or contingent.

15. Agreement to Support a Change in DOR's Tax Policy as to

Natural Gas Pipelines and Facilities: The Town and Algonquin will cooperate in

their efforts to have the Massachusetts Department of Revenue (the "DOR") change

its methodology for allocating value to a municipality between a pipeline and

compressor station equipment which is currently based on the allocated value of the

pipeline and related equipment as determined by the formula used by DOR under

G.L. c.59, § 38A. By letter dated February 11, 2016, which is attached as Exhibit C,

Algonquin previously supported such a change in methodology to the DOR.

Algonquin will cooperate with the Town by re-submitting, within fourteen (14) days

of the Effective Date of the Agreement, the February 11th letter. Said cooperation

shall include, without limitation, meetings with state officials to support changes to

effect the necessary change in DOR methodology. The Town and Algonquin also

agree and acknowledge that such change in methodology is within the exclusive

purview of the DOR and that Algonquin bears no additional financial or other

obligation should such change in methodology not occur.

16. **Notices**: Any notices provided in connection with this Agreement shall

be sent as follows:

to: Town of Weymouth

Town Hall

75 Middle Street

Weymouth, MA 02189

Attention: Mayor

15

with copies to:

Town of Weymouth Town Hall 75 Middle Street Weymouth, MA 02189 Attention: Town Solicitor

to: Algonquin Gas Transmission, LLC 5400 Westheimer Court Houston, Texas 77056-5310 Attn: Legal Department

with copies to:

Enbridge Inc. c/o Tax Department 5400 Westheimer Court Houston, Texas 77056-5310

and

Algonquin Gas Transmission, LLC Legal Department 890 Winter Street, Suite 300 Waltham, Massachusetts 02451

- 17. **Binding upon Successors:** This Agreement is binding upon the Parties' successors and assigns
- 18. Assignment: Neither this Agreement nor any right, interest, or obligation herein may be assigned, transferred, or delegated to a third party without the prior written permission of the other Party. No assignment or delegation hereof shall relieve the assignor of its obligation under this Agreement. Without limiting the generality of the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties' respective successors and assigns and the assigning party will remain liable for the performance of any assignee.
- Agreement on behalf of the Town, as this Agreement: The Mayor has executed this Agreement on behalf of the Town, as this Agreement resolves all outstanding issues, including potential litigation or appeal, between the Town and Algonquin over the AB Certificate, the AB Project or any individual permit or authorization and represents that the Mayor has the authority to do so. The Parties agree that if the Weymouth Town Council, another Weymouth public body, or Weymouth town official takes a position in any regulatory, administrative or judicial proceeding in which it directly or indirectly opposes or disagrees with, or otherwise engages in any acts or omissions that may or will impact, the AB Project or the construction, operation, and maintenance of the Compressor Station under the AB Certificate, the Mayor shall cause the Town to intervene and immediately seek to dismiss and otherwise oppose any litigation, claim, or appeal asserted on behalf of the Town that are covered by sections 11.a., 11.c., 11.e., 11.f., 11.g., 14, and 19. If the Mayor, on behalf the Town,

fails to intervene immediately in any such regulatory, administrative or judicial proceeding for the purpose of seeking its dismissal and otherwise opposing it, Algonquin shall be entitled to specific performance of this provision of the Agreement.

- 20. Integration, Amendments, Modifications, and Lack of Reliance: This Agreement constitutes the complete agreement of the Parties with respect to all matters referenced in this Agreement. This Agreement may not be modified or amended except by a written instrument signed by each of the Parties. In executing this Agreement, neither party is relying upon any oral representation, promise or statement made by the other party that is not set forth in this Agreement.
- 21. *Termination*: This Agreement will terminate automatically if Algonquin provides the Town with notice of its election not to proceed with operation of the Compressor Station. If Algonquin terminates this Agreement pursuant to this Section 21, then Algonquin shall be deemed to have relinquished such rights or entitlements as may have been conferred by any permit issued to Algonquin, the Town may keep any payments Algonquin made for any reason under this Agreement, and Algonquin shall make any unpaid payments due or owed before the date of termination.
- 22. **Execution of the Agreement**: This Agreement may be signed in counterparts, each of which, taken together, shall be deemed an original. Execution of this Agreement will be effective if the signature is received by facsimile or other electronic means.

- 23. Governing Law and Venue: Except to the extent that federal law governs, this Agreement shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts. Any action to enforce the provisions of the Agreement shall be brought in the United States District Court for the District of Massachusetts in Boston, except for matters in which that Court does not have jurisdiction, in which case such action shall be brought in Norfolk Superior Court or such other state court as has jurisdiction whose venue is Norfolk County.
- 24. **No Ambiguity:** All words, clauses, terms, sentences, paragraphs, portions, parts, paragraphs, and sections of this Agreement, and this Agreement as a whole, are unambiguous.
- 25. No Presumption against Drafting Party: Algonquin and the Town and their respective counsel have cooperated in the drafting and the preparation of this Agreement and, accordingly, the rule of construction that any ambiguities are to be resolved against the drafting party will not be employed in any interpretation of this Agreement.
- 26. **No Third-Party Beneficiaries**: There are no third-party beneficiaries to this Agreement.
- 27. *Materiality of Any Breach:* All words, clauses, terms, sentences, paragraphs, portions, parts, paragraphs, and sections of this Agreement are material.
- 28. **Remedies for Breach:** The only remedies for any breach of this Agreement shall be an action for specific performance or as provided in Paragraph

- 19. The non-breaching party shall not be entitled to any damages, interest, attorneys' fees, costs, or expenses.
- 29. Notice of Default and Time to Cure: If either party claims the other party has breached this Agreement, the party asserting the breach shall give the other party written notice of the nature of the breach in accordance with Section 16 and seven (7) calendar days to cure the breach before availing itself of the remedies available for breach set forth in Section 28.
- 30. No Reliance upon the Other Party's Counsel: Algonquin and the Town are each an independent party that has been represented by separate counsel. Nothing in this Agreement shall be construed as making Algonquin, the Town, or their counsel an agent or legal representative of the other.
- 31. Warranty as to Authority. Each person who signs this Agreement acknowledges, warrants, and represents under the pains and penalties of perjury with his or her signature the following: he or she: (a) is legally and mentally competent to execute this Agreement; (b) is of legal age; (c) has the authority to bind with his or her signature the party on whose behalf it is executing this Agreement; (d) has carefully read all of the provisions of this Agreement with care and with the advice and counsel of; and (e) knows and fully understands each and every word, clause, term, sentence, paragraph, portion, part, paragraph, and section of this Agreement, and this Agreement as a whole. In affixing his or her signature below, he or she has affixed his or her signature to this Agreement intentionally, willingly,

and free from any compulsion or duress and as his or her own free act and deed after having obtained the advice of counsel.

(*** The remainder of this page is blank ***)

WHEREFORE, Algonquin and the Town have executed this Agreement as of the Effective Date.

ALGONQUIN GAS TRANSMISSION, LLC

By its Operator,

SPECTRA ALGONQUIN MANAGEMENT, LLC

By:

Printed Name: William T. Yardley

Title: Executive VP Gas Transmission & Midstream

TOWN OF WEYMOUTH

By: //////

Robert L. Hedlund, Mayor

Approved as to form

By:

Joseph Callanan, Town Solicitor

Exhibit A

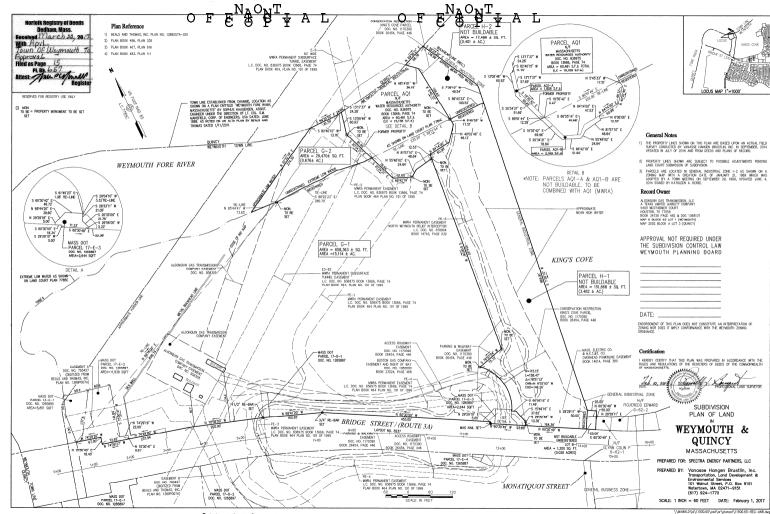
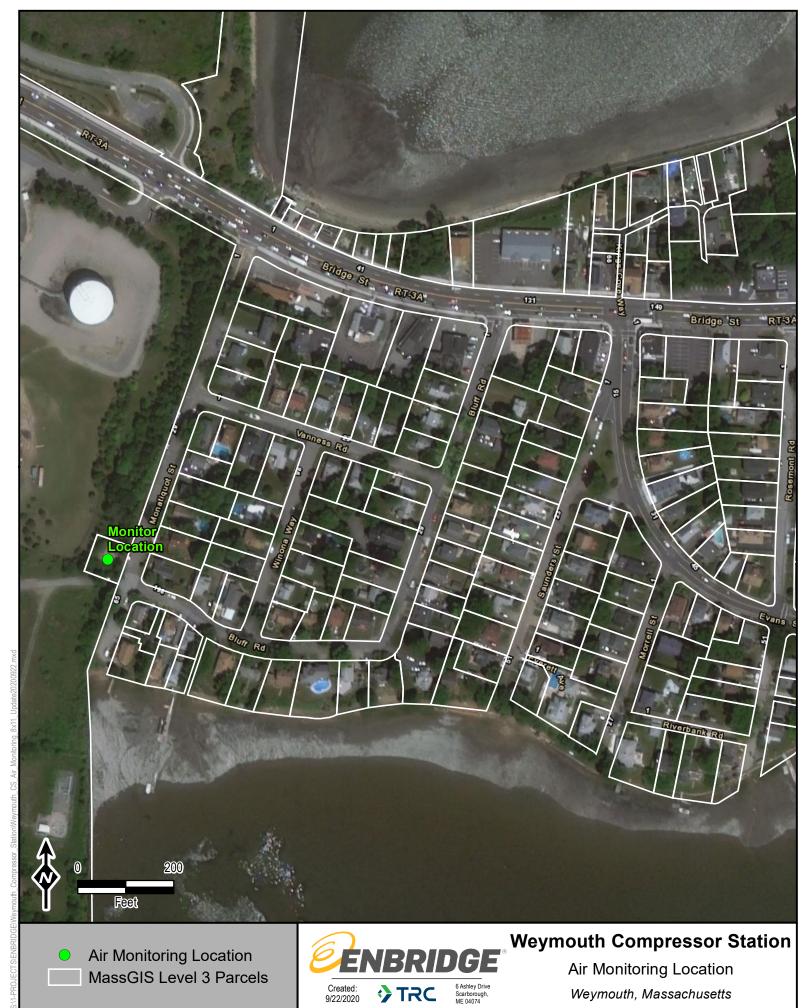


Exhibit B



Sources: ESRI, TRC, Enbridge, MassGIS

Exhibit C

ALGONQUIN GAS TRANSMISSION, LLC

5400 Westheimer Court Houston, TX 77056-5310

713.627.5400 main

Mailing Address: P.O. Box 1642 Houston, TX 77251-1642



February 11, 2016

To:

Stephen Sullivan, Certification Supervisor, Massachusetts Department of Revenue

From:

Kelly Voelkel, Director, Property and Transactional Taxes

Christine Ruelas, Manager, Property Tax

Subject:

Discussion on how to split MA base value between compressor station equipment and pipeline

Per our conversation last week, we respectfully request the Massachusetts Department of Revenue (DOR) to consider modifying their existing methodology to properly allocate value to a City/Town that has a compressor station. Massachusetts General Law Chapter 59, Section 38A requires that a return be filed annually by certain natural gas pipelines; such as Algonquin Gas Transmission (AGT), with the Commissioner of Revenue for the determination of value.

Please consider the following:

- AGT is required to file an annual return that reports an inventory of all pipeline situated in Massachusetts by City/Town and the report must include the investment in FERC accounts 367.xx to 371.xx which represent the Transmission Plant section of the Gas Plant In Service accounts as filed in the FERC Form No. 2 by AGT. This includes Compressor Station Equipment in FERC 368.xx
- Currently, AGT does not have any Compressor Station Equipment in the State of Massachusetts
- The DOR methodology used to determine the value for AGT would not change; however, we are proposing that an additional step be added to split this value for allocation between Pipeline (to include FERC accounts 367.xx, 369.xx, 370.xx, 371.xx) and Compressor Station Equipment (FERC account 368.xx)
- Once the value is determined the split would still be based on the Gross Investment for Pipeline (FERC accounts 367.xx, 369.xx, 370.xx, 371.xx) and Gross Investment for Compressor Station Equipment (FERC account 368.xx)
- The Pipeline portion of the value would be allocated by City/Town on the same basis as prior years
- The Compressor Station Equipment portion of the value would be allocated to a City/Town based on its respective percentage of the Gross Investment for Compressor Station Equipment

Example:

- For illustrative purposes we have adjusted the tax year 2016 model to reflect the addition of \$100,000,000 for Compressor Station Equipment (FERC 368.xx) in City/Town ABC
 - o This increases Utility Plant by \$100,000,000 to \$2,142,318,439
 - This increases Net Utility Plant by \$100,000,000 to \$1,406,196,498
 - This increases the Net System Value by \$100,000,000 to \$1,536,657,390
 - o The Gas Plant In Service (FERC 367.xx 371.xx) changes to \$935,120,009
- Calculate Ratio of Massachusetts Gross Investment to System Plant Investment (\$935,120,009/\$2,142,318,439) = .43649907
 - o The \$935,120,009 = \$100,000,000 Compressor Station Equipment & \$835,120,009 Pipeline
- Massachusetts Base Value (Net System Value x Ratio)
 - o (\$1,536,657,390 x .43649907) = \$670,749,522 rounded to \$670,750,000
- NOTE AT THIS POINT \$670,750,000 WOULD HAVE BEEN ALLOCATED ACROSS ALL THE CITY/TOWN USING THE EXISTING ALLOCATION METHOD

***PROPOSED ADDITIONAL STEP TO SPLIT MASSACHUSSETS BASE VALUE BETWEEN COMPRESSOR STATION EQUIPMENT AND PIPELINE

- PROPOSAL IS TO SPLIT THE VALUE DETERMINATION OF \$670,750,000 BETWEEN COMPRESSOR STATION EQUIPMENT AND PIPELINE
- ALLOCATION OF VALUE TO COMPRESSOR STATION EQUIPMENT WOULD TAKE THE GROSS INVESTMENT IN FERC 368.XX DIVIDED BY MASSACHUSETTS GROSS INVESTMENT MULTIPLIED BY THE VALUE DETERMINATION
 - o \$100,000,000/\$935,120,009 = .10693815
 - .10693815 X \$670,750,000 = \$71,728,74 ROUNDED TO \$71,728,800
- ALLOCATION OF VALUE TO PIPELINE WOULD TAKE THE GROSS INVESTMENT IN FERC 367.XX, 369.XX, 370.XX AND 371.XX DIVIDED BY MASSACHUSETTS GROSS INVESTMENT MULTIPLIED BY THE VALUE DETERMINATION
 - o \$835,120,009/\$935,120,009 = .89306185
 - .89306185 X \$670,750,000 = \$599,021,238 ROUNDED TO \$599,021,200
- When the Compressor Station Equipment Value (\$71,728,800) is added to the Pipeline Value (\$599,021,200) they total \$670,750,000 which is the same as the Massachusetts Base Value as determined originally with both components combined

This change would result in the proper allocation of the Massachusetts Base Value to a City/Town with Compressor Station Equipment instead of spreading the value of the Compressor Station Equipment across all Cities/Towns in the State. Also, using this approach would not result in any value loss to the Cities/Towns with Pipeline.