

MAR 10 2004 10:13 MIRANT NEW YORK 043 337 8885 P.10/23

SUBSTATION AGREEMENT

This Agreement, dated this 10th day of March, 2004, is by and between Mirant Kendall, LLC, having a place of business at 265 First Street, Cambridge, Massachusetts ("Mirant") and Cambridge Electric Light Company, having a place of business at 800 Boylston Street, Boston, Massachusetts (the "Company"). Mirant and the Company may be referred to herein collectively as the "Parties" or individually as a "Party."

Recitals

This Agreement regards certain aspects of the proposed siting by the Company of a new electric distribution substation (the "East Cambridge Substation") on property owned by Mirant at 265 First Street, in Cambridge, Massachusetts (the "Kendall Station") and the provision of certain transmission services by each Party to the other, among other matters.

The Company and Mirant are parties to a certain Amended and Restated Tie Agreement, dated March 10, 2004 (the "Tie Agreement") regarding the design, engineering, construction and operation of certain interconnection facilities at Kendall Station between the Company's 13.8 kV system at Kendall Station and Mirant's 115 kV on-site equipment (the "Interconnection Project").

The Company and Mirant are also parties to a certain Interconnection Agreement dated October 9, 2001 (the "Interconnection Agreement") regarding the construction of certain transmission facilities required to allow Mirant's New Generator (having the meaning given the "Customer's New Generator" in the Interconnection Agreement), at the Kendall Station to interconnect with the New England transmission grid.

NOW, THEREFORE, the Parties agree as follows:

I. Conveyance of Property Interests

1.1 Grant of Easement. Upon Mirant's receipt of the Commitment Notice, described in Section 7.1, the Parties shall execute, deliver and record the Grant of Easement attached hereto as Exhibit A, under which the Company will be granted an exclusive easement allowing the permitting, construction, operation and maintenance of its proposed East Cambridge Substation on a portion of Kendall Station described on that certain site plan attached hereto as Exhibit B, such portion being referred to on the site plan as the "Proposed Transformer Yard" (the "Substation Site").

1.2 Transfer of Title. In addition to the Grant of Easement and subsequent to Mirant's receipt of the Commitment Notice, Mirant shall, subject to all applicable law and subject to Mirant's receipt of all necessary or required waivers, variances or approvals, if any, from applicable governmental and quasi-governmental authorities, without additional consideration from the Company, convey and transfer to the Company

all of Mirant's right, title and interest in and to that portion of the Substation Site other than the Non-Exclusive Area, which shall remain subject to the Grant of Easement. Upon such conveyance, the Company shall accept all of Mirant's right, title and interest in and to the Substation Site pursuant to a Massachusetts quitclaim deed. The Company shall, to the extent necessary and requested by Mirant, assist Mirant to obtain such waivers, variances or approvals, if any, from applicable governmental and quasi-governmental authorities as may be necessary to enable Mirant to subdivide the Substation Site from the remaining Kendall Station for the purpose of so deeding the Substation Site to the Company. Each Party shall be responsible for its own internal costs and any consultant costs it incurs, at its sole discretion, in connection with such subdivision process. Mirant shall reimburse the Company for any other reasonable out-of-pocket costs incurred by the Company with regard to such subdivision process.

1.3 Encumbrances. Mirant shall seek approval from the United States Bankruptcy Court for the Northern District of Texas Fort Worth Division ("Bankruptcy Court"), by the Effective Date, to convey, pursuant to Sections 1.1 and 1.2, the Grant of Easement and, if applicable, the Substation Site free and clear of all claims, liens, interests and encumbrances, excluding (a) those matters specifically identified in Schedule B II (Exceptions) of the Fidelity National Title Commitment for Title Insurance, a copy of which is attached to the Grant of Easement as Exhibit C, and (b) any claims, liens, interests and encumbrances that may arise on the Substation Site as a result of the Company's activities (together, the "Permitted Encumbrances"), existing as of the date of such Bankruptcy Court order. Mirant's failure or inability to convey the Grant of Easement or fee interest in the Substation Site to the Company free and clear of any liens, interests and encumbrances, including any new liens, interests or encumbrances that may arise with respect to the Substation Site after the date of the Bankruptcy Court order and prior to the date on which the Grant of Easement or fee interest in the Substation Site is conveyed to the Company, but excluding the Permitted Encumbrances, shall entitle the Company to terminate this Agreement in its entirety. In the event the Company accepts the Grant of Easement or the quitclaim deed with knowledge of liens, interests or encumbrances other than the Permitted Encumbrances, the Company waives its right to terminate this Agreement pursuant to this Section.

II. Effective Date

This Agreement shall become effective upon the later of (a) approval of the Bankruptcy Court and (b) approval in writing of Mirant's debtor-in-possession lender ("DIP Lender") (the "Effective Date"). The Company shall have the right to provide notice of termination to Mirant if the Bankruptcy Court and the DIP Lender do not provide such approval on or before April 7, 2004; provided, however, that this right shall expire if the Company has not exercised such termination rights on or before the Effective Date.

III. Construction of East Cambridge Substation

3.1 Removal of Jet. Mirant will hire such contractors as it deems necessary, to dismantle, disconnect, remove appurtenances to, ship, and unload the 21 MW jet turbine

("Jet") currently located on the Substation Site to a destination to be designated by Mirant (collectively, the "Removal Services"). Prior to executing any contract for Removal Services, Mirant shall obtain the approval of the Company, not to be unreasonably withheld, delayed or conditioned, for the scope of the Removal Services to be performed pursuant to any such contract. The Parties shall use good-faith efforts to manage the costs associated with the Removal Services. All costs and expenses, including insurance costs, but excluding storage costs, associated with the Removal Services, shall be paid for by the Company; provided, however, that in no event shall the Company's liability for third-party costs and expenses associated with the Removal Services exceed Five Hundred and Twenty-Five Thousand Dollars (\$525,000). Mirant will be responsible for any costs and expenses that exceed the cap amount in the preceding sentence. Provided the Company has given the Commitment Notice, the removal of the Jet shall commence on the later of (a) September 15, 2004 and (b) fifteen (15) days after all necessary approvals for the removal thereof have been obtained. Such removal activity shall be completed no later than thirty (30) days thereafter. The Parties will work cooperatively to secure permission from the appropriate regulatory bodies, including ISO New England, Inc. ("ISO-NE") and NEPOOL, if any, to remove the Jet from service.

3.2 Removal of Other Facilities. In addition to the Removal Services, Mirant shall, at its own cost and expense, remove or have removed any other facilities not included in the Removal Services and existing on the Substation Site as of the date of the Grant of Easement that it deems necessary to retain for its own purposes. The Company shall be responsible, at its own cost and expense, for the removal of any other facilities.

3.3 Coordination and Cooperation. The Parties shall, at all times during the term of this Agreement, work to expedite (a) removal of the facilities in Sections 3.1 and 3.2, and (b) construction of the East Cambridge Substation. This obligation shall extend to securing necessary permits and approvals from appropriate governmental and other authorities. Each Party shall be responsible for its own internal costs and any consultant costs it incurs, at its sole discretion, in connection with securing such necessary permits and approvals. Mirant shall reimburse the Company for any other reasonable out-of-pocket costs incurred by the Company in connection with securing necessary permits and approvals required of Mirant. Likewise, the Company shall reimburse Mirant for any other reasonable out-of-pocket costs incurred by Mirant in connection with securing permits and approvals required of the Company.

IV. The Interconnection Project

4.1 Scope of Work. Attachment A, attached hereto and made a part hereof, sets forth the scope of work and the respective responsibilities of Mirant and the Company for the Interconnection Project (the "Mirant Scope of Work" and the "Company Scope of Work," respectively). Mirant and the Company will provide resources and work cooperatively toward an in-service date for the Interconnection Project by as soon as practicable. The Company and Mirant agree that the Interconnection Project shall not require an outage of all or a part of the Kendall Station generation, and that all work on the Interconnection Project shall be scheduled in a manner which does not adversely impact the operation of the Kendall Station.

4.2 Required Easements. The Parties agree to grant non-exclusive perpetual easements or other necessary rights for all of the required equipment directly related to the Interconnection Project including access for operations and maintenance of said equipment under mutually acceptable terms and conditions, to the extent not covered by existing easements. Specifically, upon completion of the Interconnection Project, the Parties shall execute the Equipment Access and Maintenance Agreement, attached hereto as Attachment C, regarding Mirant-owned equipment directly associated with the Interconnection Project located within the Company-owned "S-Bus" building.

4.3 Maintenance of Equipment. The Parties will maintain equipment supplied for the Interconnection Project based on ownership. The "Zig-Zag" transformer, the reactor and the metering will be owned and maintained by the Company and Mirant will maintain all of the associated Mirant owned cables and breakers.

4.4 Cost of Interconnection Project.

4.4.1 All of the costs and expenses of the Interconnection Project shall be paid by the Company, subject to the limitations and credits described below. Attachment B, attached hereto and made a part hereof, sets forth the incurred and estimated costs of the Mirant Scope of Work and the Company Scope of Work. The costs and expenses associated with the Interconnection Project shall include any third-party costs and expenses incurred or paid by Mirant in the design, engineering, procurement (including any cancellation charges incurred or paid, if any, on materials and equipment procured by Mirant for the Interconnection Project) and construction of the Interconnection Project.

4.4.2 Notwithstanding anything to the contrary contained herein, the amount that the Company shall be required to pay for the Mirant Scope of Work (the "Rebate") shall not exceed Seven Hundred Thousand Dollars (\$700,000) (the "Cap"); provided, however, that (a) all costs and expenses incurred or paid by the Company or Mirant in connection with the Company Scope of Work, including the Company's use of Mirant's outside engineers or construction contractors to perform work associated with the Company Scope of Work, shall not be subject to the Cap and, to the extent incurred or paid by Mirant, shall be reimbursed by the Company, and (b) all costs and expenses incurred or paid by Mirant due to Company non-performance, missed appointments, Company caused delays, or overtime and/or special shifts required to remedy any of the aforesaid shall not be subject to the Cap and shall be reimbursed by the Company. On the other hand, any third-party charges incurred by Mirant or the Company due to Mirant's non-performance, missed appointments, Mirant originated delays, or overtime of special shifts required to remedy any of the aforesaid shall be considered as costs related to Mirant's Scope of Work (Mirant and the Company acknowledge that as of the date hereof there have been no such charges). All reimbursement payments due Mirant under this Agreement shall be paid by the Company in accordance with Sections 4.4.5 and 4.4.6 below.

4.4.3 The Parties shall work cooperatively to manage the costs of the Interconnection Project. Mirant shall provide the Company with backup data for all costs and expenses for which Mirant seeks reimbursement pursuant to this Agreement.

4.4.4 Mirant acknowledges that pursuant to the Tie Agreement, the Company has paid Mirant Ninety Thousand Three Hundred Dollars (\$90,300), which represented the estimated costs (as of December 23, 2003) to complete the Mirant Scope of Work and the Company Scope of Work, plus Fifty Thousand Dollars (\$50,000), which represented a portion of the third-party costs incurred by Mirant as of December 23, 2003 with regard to the Interconnection Project.

4.4.5 Within five (5) days of Mirant's notice of completion of the Interconnection Project, the Company shall pay Six Hundred Eighteen Thousand Eight Hundred and Ninety Six Dollars (\$618,896), which represents the estimated remaining portion of the third-party costs incurred by Mirant with regard to the Interconnection Project. Mirant agrees that immediately upon its receipt of such payment by the Company, it shall make available to the Company the facilities which comprise the Interconnection Project.

4.4.6 Within five (5) days of Mirant's notice of completion of the Interconnection Project, Mirant shall provide to the Company a reconciliation report for all costs associated with the Mirant Scope of Work and the Company Scope of Work for which Mirant is entitled to reimbursement pursuant to this Agreement ("Reconciliation Report"). If the total amount Mirant is entitled to be reimbursed for the Mirant Scope of Work and the Company Scope of Work is less than the Company payments made pursuant to Sections 4.4.4 and 4.4.5, Mirant shall refund any such overpayment to the Company within fifteen (15) days of its issuance of the Reconciliation Report. If the total amount Mirant is entitled to be reimbursed for the Mirant Scope of Work and the Company Scope of Work is greater than the Company payments made pursuant to Sections 4.4.4 and 4.4.5, the Company shall forward any underpayment to Mirant within fifteen (15) days of its receipt of the Reconciliation Report.

V. Mirant's Wheeling Rights

5.1 115 kV Transmission System. Upon completion of the Interconnection Project and the Company's access to the Interconnection Project, the Company shall provide Mirant with firm point-to-point transmission service, pursuant to a Service Agreement for Firm Point-to-Point Transmission Service between the Company and Mirant's affiliate, Mirant Americas Energy Marketing, LP ("115 kV Service Agreement") under the Company's open access transmission tariff ("Tariff"), across the Company's 115 kV transmission system from Putnam Station to Boston Edison Company's Station #509 ("PTF Delivery Point") in perpetuity for generation originating at Kendall Station at a maximum of 294 MW. In the event Station 509 is no longer classified PTF, as defined under the Restated NEPOOL Agreement (or the equivalent of such definition as may be

adopted under successor documents governing the regional transmission system in New England), the Company shall provide firm point-to-point transmission service for generation originating at Kendall Station from Putnam Station to an alternate PTF point on the Company's transmission system ("Alternate PTF Delivery Point"); provided, however, in the event upgrades to the transmission system are required to provide such service, the cost of these upgrades shall be borne by Mirant. Mirant shall have the option to decrease the requested firm point-to-point transmission service if any system impact study reveals the need for system upgrades. The Company shall not assess a transmission wheeling charge to Mirant for the transmission service being described herein. To the extent it has not otherwise done so, Mirant shall request service on the Company's OASIS, as required for the services described herein.

5.2 13.8 kV Transmission System. Upon completion of the Interconnection Project and the Company's access to the Interconnection Project, the Company shall provide Mirant with firm point-to-point transmission service, pursuant to a Service Agreement for Firm Point-to-Point Transmission Service between the Company and Mirant's affiliate, Mirant Americas Energy Marketing, LP ("13.8 kV Service Agreement") under the Company's Tariff, across the Company's 13.8 kV transmission system from the Kendall Station to the Company's 115 kV transmission system at Putnam Station for a maximum of 133 MW. The Company shall not assess a wheeling charge to Mirant for this transmission service. Except for 25 MW from the remaining jet turbine at Kendall Station ("Remaining Jet"), this service shall terminate upon the happening of (a) the placement into service of the East Cambridge Substation and (b) Mirant's receipt of all third party approvals, if any, and third party actions, if any, necessary to move Mirant's Existing Generators, (having the meaning given the "Customer's Existing Generators" in the Interconnection Agreement), except for the Remaining Jet, to the Company's 115 kV transmission system. With respect to the 25 MW from the Remaining Jet, the transmission service shall continue, without charge, in perpetuity. Upon termination of the transmission service as provided in this paragraph, except for transmission service for 25 MW from the Remaining Jet, the bus ties between Mirant's generation (other than the Remaining Jet) and the Company's 13.8 kV transmission system shall be operated in a normally open manner; provided, however, that if, at any time after the in-service date of the East Cambridge Substation, either (i) the Company requests closure of the bus ties between Mirant's generation and the Company's 13.8 kV transmission system; or (ii) Mirant requests closure of the bus ties between Mirant's 13.8 kV generation and the Company's 13.8 kV transmission system because Mirant's normal station service facilities are unavailable for use, the Company shall not assess a wheeling charge to Mirant for any of Mirant's Kendall Station generation wheeled across the Company's 13.8 kV transmission system as a result of the happening of such event. With respect to a request by Mirant to close the ties between Mirant's 13.8 kV generation and the Company's 13.8 kV transmission system, to the extent the Company maintains such tie points, the Company will accommodate such a request. To the extent it has not otherwise done so, Mirant shall request this service on the Company's OASIS. Further, the Company shall not invoice or otherwise charge Mirant for any wheeling services prior to the date of the completion of the Interconnection Project, and the Company hereby

forever waives and discharges any such prior charges for wheeling services that have not been paid as of the date of this Agreement.

VI. Company's Operating Privileges

6.1 Use of Interconnection Facilities and Interconnection Project. Subject to the Operating Procedures described in Section 6.2 below and the satisfaction of the conditions subsequent set forth in Section 8.12 below, Mirant agrees that immediately upon its receipt of the payment in Section 4.4.5 it will allow the Company, at no additional cost, to use the Interconnection Facilities and to direct the operation of the Interconnection Project as provided in Section 6.2 below (the "Company's Operating Privileges").

6.2 Operating Procedures.

6.2.1 The Company may direct Mirant to close the Interconnection Project's circuit breaker(s) which interconnect the Company's Kendall 13.8 kV system to the Company's 115 kV system, in accordance with the operating procedures set forth in Attachment D, attached hereto and made a part hereof (the "Operating Procedures"). If so directed in accordance with the Operating Procedures, Mirant shall close such circuit breaker(s) in accordance with the Operating Procedures.

6.2.2 It is the intention of the Parties that the fundamental principle upon which the Operating Procedures are based is that the aforesaid circuit breakers shall only be closed (a) in the event that (i) Mirant's Existing Generators that are available to be on line are on line or have been called on line or suddenly become unavailable, and (ii) the Company requires more generation than such operating Existing Generators are able to provide to support the reliability of the Company's local distribution system or (b) in response to or in reasonable anticipation of a Company system emergency; provided, however, that the Company shall call the available Existing Generator(s) on line to address such emergency and once such Existing Generator(s) ramp up, the Company shall direct that the aforesaid circuit breakers may be reopened in accordance with the Operating Procedures. To the extent that anything in the Operating Procedures conflicts with this fundamental principle, the Operating Procedures shall be amended to correct the inconsistency.

6.2.3 The Operating Procedures shall be modified only upon the mutual written agreement of the Parties. Upon energization of the proposed East Cambridge Substation, these Operating Procedures and this Section 6.2.3 of this Agreement shall be revised by mutual agreement of the Parties.

6.2.4 Mirant represents as of the date hereof, that its existing permits, licenses and other approvals from governmental authorities do not limit the hours that the Jet or the Remaining Jet may operate.

VII. Payment and Other Obligations of the Company

7.1 Commitment. On or before July 1, 2005, the Company shall provide written notification to Mirant ("Commitment Notice") that it desires to build its proposed East Cambridge Substation on the Substation Site. In the event the Company does not provide the Commitment Notice by July 1, 2005, this Agreement shall become null and void.

7.2 Payment. Within fifteen (15) days after the Company provides the Commitment Notice, but in no event earlier than January 15, 2005, the Company shall pay Four Million Seven Hundred and Four Thousand Seven Hundred Seventy-Six Dollars (\$4,704,776) ("Payment"), which includes a credit of Five Hundred Seventy-One Thousand Seven Hundred Forty-Six Dollars (\$571,746) for the Rebate. Such credit shall be subject to the Reconciliation described in Section 4.4.6.

The Parties agree and stipulate that (a) pursuant to the Interconnection Agreement, Mirant owes the Company Four Million Six Hundred and Fifty Thousand Fifty-Nine Dollars (\$4,650,059) (the "Cure Amount"), which represents all amounts owing by Mirant to the Company under the Interconnection Agreement on or prior to July 15, 2003, (b) the Payment includes a credit for the Cure Amount, (c) in the event Mirant assumes the Interconnection Agreement pursuant to Section 365 of the Bankruptcy Code on or prior to July 1, 2005, Mirant shall not be required to satisfy the Cure Amount until after July 2, 2005, but no later than August 2, 2005; provided, however, that in the event the Company pays the Payment on or prior to July 16, 2005, the Cure Amount shall be deemed to be satisfied finally and in full. In the event the Company receives a distribution, if any, on account of the Cure Amount, whether as a result of Mirant's assumption of the Interconnection Agreement, a distribution through a plan of reorganization or otherwise, prior to paying the Payment, the cash value of such distribution, as determined on the date of the Payment, shall be added to the amount of the Payment to be paid by the Company.

7.3 Metering and Billing Issues. In consideration of settling all metering and billing issues raised by Mirant, the Company agrees to make a payment of One Hundred Fifty-Nine Thousand Dollars (\$159,000) to Mirant within thirty (30) days of completion of the Interconnection Project. The Company shall immediately address the metering and billing issues involving AES, such that from and after April 30, 2003, Mirant shall not be billed for any energy charges and/or demand charges associated with the supply of electricity to AES at its facilities at Kendall Station and the AES energy and/or demand shall not be deducted from Kendall's generation output for any purpose.

7.4 Annual Facilities Charge Credit. The Company agrees that Mirant's obligation under Section 5.6 of the Interconnection Agreement regarding Annual Facilities Charges shall be reduced by Twenty Thousand Dollars (\$20,000) per year upon completion of the Interconnection Project; provided, however, that such credit shall expire when and if the Company determines and notifies Mirant that the Company will no longer use the Interconnection Project. In the event the Company's Operating Privileges terminate for

any reason and Mirant requires removal of the Interconnection Project, then this credit shall terminate.

7.5 System Impact Studies. The Company agrees that any application required to be made to ISO-NE pursuant to Section 18.4 of the Restated NEPOOL Agreement (or the equivalent provisions of successor documents governing the regional transmission system in New England) and associated system impact studies for the Interconnection Project or to interconnect Mirant's Existing Generators to the Company's 115kV system from the Putnam Station to the PTF shall be filed and performed by the Company. No costs will be assessed to Mirant by the Company for such application. Further, any system impact study necessary for any of the interconnections or wheeling services to be provided hereunder, shall be performed at the Company's sole cost, and in a manner which appropriately reflects the operation of Kendall Station, the Interconnection Project, the operation of the East Cambridge Substation and the operation of the Company's transmission system, and shall be performed in a manner which would minimize the upgrade costs, if any, to Mirant to interconnect Mirant's Existing Generators to the Company's 115 kV system from the Putnam Station to the PTF. Notwithstanding any other provision in this Agreement to the contrary, any upgrades resulting from the removal of the Jet or the construction or operation of the Interconnection Project or East Cambridge Substation shall be at the Company's sole cost and expense.

7.6 Compliance with Interconnection Agreement. Except as provided below, the Company hereby agrees that the design, construction and operation of the New Generation are in full compliance with the terms and conditions of the Interconnection Agreement. The Company hereby waives and forever releases Mirant from any claims that the design, construction and operation of Mirant's New Generator or Mirant's Existing Generators are not in compliance with the terms and conditions of the Interconnection Agreement. Notwithstanding the foregoing, in the event that the Interconnection Project is not completed because of Mirant's failure to perform any of its obligations hereunder, the foregoing waiver and release shall be null and void and of no further force or effect, and the Company shall have all of its rights and remedies against Mirant under the Interconnection Agreement; provided, however, that nothing herein shall be deemed to be an admission by Mirant that it is not in compliance with the Interconnection Agreement.

VIII. Miscellaneous

8.1 Mothball of Generation. The Parties hereby agree that in the event Mirant mothballs its Generators (having the meaning given the "Customer's Generators" in the Interconnection Agreement), such event is not and shall not be deemed to be the cessation of commercial operations as contemplated by the Interconnection Agreement.

8.2 Waiver of Rights. Upon the Company's payment to Mirant pursuant to Section 7.2 above, the Company shall irrevocably waive and release any claims or rights it may have to receive any amounts due from Mirant for services rendered on or before July 15, 2003 under the Interconnection Agreement and Mirant shall irrevocably waive and

release any claims or rights to receive any reimbursement under Section 5.1(b) of the Interconnection Agreement.

8.3 References. References in this Agreement to other documents, including, but not limited to, the Interconnection agreement, the Tie Agreement, the 115 kV Service Agreement and the 13.8 kV Service Agreement, are for definitional and reference purposes only and shall not in any way diminish or alter the Parties rights and obligations under this Agreement.

8.4 Assignment. This Agreement shall inure to the benefit of and bind the respective successors and assigns and successors in title of the Parties hereto. No assignment by any Party of its rights and obligations hereunder shall be made or become effective without the prior written consent of the other Party in each case being obtained, which consent shall not be unreasonably withheld or delayed, except that this Agreement may be assigned without such consent to an affiliate or successor of either Party, or to a person acquiring all or a controlling interest in the business assets of such Party. No assignment or transfer of rights shall relieve the assigning Party from full liability and financial responsibility for performance unless both the assignee or transferee and the other Party have so consented in writing. Upon assignment of this Agreement, the Parties and the assignee of this Agreement shall execute an Assignment and Assumption Agreement.

In addition to the foregoing, Mirant shall be entitled in its discretion to assign its interests in this Agreement collaterally as security to the party or parties providing long-term financing for its Generators without the Company's prior written consent, but Mirant shall provide the Company with written notice of such collateral assignment within seven (7) days following such collateral assignment. The Company shall execute any documentation required by such financing parties in connection therewith, so long as such documentation does not diminish the Company's rights or increase the Company's liabilities under this Agreement.

Mirant Americas Energy Marketing, LP shall be afforded all rights and shall comply with all obligations under this Section 8.4.

8.5 Subcontractors. Nothing in this Agreement shall prevent a Party from utilizing the services of such subcontractors as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor. Except as may be specifically set forth to the contrary herein, no subcontractor is intended to be, nor will it be deemed to be, a third-party beneficiary of this Agreement.

The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Party for acts or omissions of any subcontractor it hires as if no subcontract has been made. Any applicable obligation imposed by this Agreement upon a Party shall be equally

binding upon, and shall be construed as having application to, any subcontractor of such Party.

The obligations under this Section 8.5 will not be limited in any way by any limitation of subcontractor's insurance.

8.6 State and Federal Laws. This Agreement and all rights and obligations of the Parties hereto are subject to all applicable state and federal laws and regulations and all duly promulgated orders and duly authorized actions of governmental authorities. The interpretation and performance of this Agreement shall be subject to and determined in accordance with the laws of the Commonwealth of Massachusetts, exclusive of its conflicts of law rules.

8.7 Amendments. No modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of each of the Parties hereto.

8.8 No Third Party Beneficiaries. This Agreement is for the benefit of the Parties hereto and the Parties, by execution of this Agreement, do not intend to create any rights for the benefit of, or grant any remedies to, any third party, except for those rights expressly given hereunder to Mirant Americas Energy Marketing, LP.

8.9 Waiver of Performance. The failure of either Party to require compliance with any term, condition or provision of this Agreement shall not affect that Party's right to later enforce the same. It is agreed that the waiver by either Party of performance of any of the terms of this Agreement or of any breach thereof shall not be held or deemed to be a waiver by that Party of any subsequent failure to perform the same or any other term or condition of this Agreement or of any breach thereof.

8.10 Notices. Any notice, bill, demand, or request permitted or required under this Agreement shall be delivered in person against receipt, transmitted by electronic means with appropriate confirmation, or mailed by certified mail, postage prepaid, return receipt requested, or otherwise confirmed receipt to:

To the Company:
NSTAR Electric & Gas Corporation
800 Boylston Street, P1700
Boston, MA 02199-8003
Attention: Legal Department
Facsimile: (781) 424-2733

To Mirant:

Mirant Kendall, LLC
265 First Street
Cambridge, MA 02142
Attention: Tom Herlihy, Plant Manager
Facsimile: (617) 354-1301

With a copy to:

Mirant Corporation
1155 Perimeter Center West
Atlanta, GA 30338
Attention: Sonnet Edmonds, Assistant General Counsel
Facsimile: (678) 579-5890

The Parties may change the name and address of the individual to whom notices are to be given by giving the other Party written notice of such change.

8.11 Rights under Interconnection Agreement. Except as specifically stated herein, nothing in this Agreement is intended, nor shall it be deemed, to affect the Parties' rights and obligations under the Interconnection Agreement.

8.12 Conditions Subsequent.

8.12.1 The acceptance for filing, without material modifications or subject to conditions unacceptable to either Party, by the Federal Energy Regulatory Commission ("FERC") pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824e (the "Federal Power Act"), shall be a condition subsequent to the continuing effectiveness of this Agreement and the continuing obligations of the Parties under the Tie Agreement, including, but not limited to, Mirant's obligations under Sections 5 and 6 of the Tie Agreement. Without limitation, it shall be deemed to be a material modification and/or a condition reasonably unacceptable to the Company if, in connection with the filing of this Agreement and the Tie Agreement, FERC orders that the Company make any payments to Mirant other than those already expressly required by this Agreement and the Tie Agreement. Mirant shall be responsible for filing this Agreement with FERC no later than five (5) days following execution of this Agreement. The Company agrees to support such filing.

8.12.2 The acceptance for filing of the 115 kV Service Agreement and the 13.8 kV Service Agreement, without material modifications or subject to conditions unacceptable to either Party, by FERC pursuant to Section 205 of the Federal Power Act, shall be a condition subsequent to the continuing effectiveness of this Agreement. Without limitation, it shall be deemed to be a material modification and/or a condition reasonably unacceptable to Mirant if, in connection with the filing of the 115 kV Service Agreement, FERC orders that Mirant make

additional payments to the Company with respect to past or future transmission across the Company's 115 kV transmission system from Putnam Station to the PTF Delivery Point or any Alternate PTF Delivery Point. The Company shall be responsible for filing the 115 kV Service Agreement and the 13.8 kV Service Agreement with FERC within five (5) days of the Effective Date of this Agreement. Mirant agrees to support such filings.

8.13 Supercession. Upon the Effective Date, this Agreement shall supercede, in its entirety, the Site Access Agreement between the Parties, dated February 27, 2004.

8.14 Release of Easement. In the event this Agreement terminates pursuant to Section 1.3, 8.12.1, or 8.12.2, the Company shall release the Grant of Easement to Mirant.

8.15 Nonwaiver of Claims. Except with respect to (i) the waiver and discharge of prior wheeling service charges described in Section 5.2, (ii) the metering and billing issues described in Section 7.3, and (iii) the waiver and release of claims described in Section 7.6, in the event this Agreement terminates and becomes null and void, neither Party shall be deemed, by having entered into this Substation Agreement, to have waived any legal position or argument, or any claim, counterclaim, demand, action or cause of action each Party may have against the other, and all such legal positions, arguments, claims and disputes, and all rights and defenses in respect thereof, shall be expressly preserved. Notwithstanding anything to the contrary herein, in the event Mirant assumes the Interconnection Agreement and this Agreement subsequently terminates and becomes null and void, neither Party shall be deemed, by having entered into this Agreement, to have waived any legal position or argument or claim, counterclaim, demand, action or cause of action with respect to the Cure Amount each Party may have otherwise had against the other Party at the time of Mirant's assumption of the Interconnection Agreement and had this Agreement not been entered into.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, Mirant and the Company have caused this Agreement to be executed by and through their respective duly authorized representatives as of the day and year first above written.

CAMBRIDGE ELECTRIC LIGHT COMPANY

MIRANT KENDALL, LLC

By: 
Name: Paul D. Vaitkus
Title: Vice President

By: 
Name: Mark Lynch
Title: President

EXHIBIT A

Grant of Easement

GRANT OF EASEMENT

This Grant of Easement (“Agreement”) is entered into by and between MIRANT KENDALL, LLC, a Delaware limited liability company, having an address at 265 First Street, Cambridge, Massachusetts 02142, hereinafter called the Grantor, and CAMBRIDGE ELECTRIC LIGHT COMPANY, a Massachusetts corporation and electric company, having its principal place of business at 800 Boylston Street, Boston, Massachusetts 02199, hereinafter called the Grantee.

Recitals:

- A. Grantor is the owner of certain property in the City of Cambridge, Middlesex County, Massachusetts, commonly known as “Kendall Station” and more specifically described on Exhibit A attached hereto (“Grantor’s Land”);
- B. Grantee is an electric transmission and distribution company and desires to construct and operate an electric substation on a portion of Grantor’s Land;
- C. Grantee is the holder of certain easement rights in Grantor’s Land pursuant to that certain Grant of Easements dated as of December 30, 1998, recorded with the Middlesex South District Registry of Deeds in Book 29606, Page 95 (the “Existing Easements”); and
- D. Grantor is willing to provide Grantee with the necessary additional rights and easements to permit the construction and operation of such a substation on a portion of Grantor’s Land, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing, the payment of Ten Dollars (\$10.00) by Grantee to Grantor and other, non-monetary consideration consisting of the provision of certain transmission and related services by each party to the other pursuant to separate agreements, the receipt and sufficiency of which is hereby acknowledged by Grantor and Grantee, the parties hereby agree as follows:

1. Grant of Easements.

1.1 Substation Easement.

- (a) Grantor hereby grants to Grantee, its successors and assigns, with quitclaim covenants, a perpetual, exclusive easement in gross upon that portion of Grantor’s Land (the “Easement Area”) referenced as the “Proposed Transformer Yard” on the plan captioned “Mirant Kendall Plant - Permit Plan of Land in Cambridge, Massachusetts,

Middlesex County”, prepared for NSTAR Electric & Gas Corporation, dated June 16, 2003, prepared by Gunther Engineering, Inc. and attached hereto as Exhibit B (the “Easement Plan”) for all purposes now or in the future useful or necessary for the construction, use and operation of an electric bulk power substation, it being the intention of the Grantor to grant to Grantee the exclusive use of the surface, subsurface and air space of the Easement Area (the “Easement”), including, without limitation, but subject to all applicable laws and the issuance of all necessary governmental approvals, the right, at Grantee’s sole cost and expense, except as provided herein, to erect, install, construct, reconstruct, replace, repair, maintain, inspect, use, and operate the substation, consisting of (i) one or more lines for the transmission of high and low voltage electric current, which lines may consist of towers, poles or pole structures, or conduits, pipes or ducts and manholes, with wires, cable and ground wires strung upon and from or installed within the same, or of wires, cables and ground wires buried in the ground, or of combinations of all or any of the same, (ii) switchgear and telecommunications equipment, (iii) one or more transformers, (iv) all necessary foundations, anchors, guys, braces, insulators, hardware, fittings, equipment and appurtenances for all of the foregoing; and (v) lines for telecommunications, relay, signal and control purposes (collectively, (i) through (v) are referred to as the “Facilities”).

(b) Notwithstanding anything else to the contrary herein, with respect to the portion of the Easement Area described as the “Non-exclusive Area” on the Easement Plan, the rights granted under this Agreement shall be non-exclusive, but shall be exercised in common with Grantor, and neither party shall unreasonably interfere with the operations of the other party within the Easement Area or Grantor’s Land. The parties hereby agree that the surface of the Non-exclusive Area shall be used solely for access and that no part of the Facilities shall be constructed thereon, but that Grantee may, without unreasonable interference with the Grantor’s activities, install, construct, maintain, use and operate underground conduit and duct banks for electric transmission and distribution lines and appurtenances within the subsurface of the Non-exclusive Area. The parties shall also, by mutual written agreement and without unreasonable interference with the activities of the Grantor, provide for temporary construction lay-down areas on Grantor’s Land in the vicinity of the Easement Area during the period of substation construction.

(c) Pursuant to the order (the “Order”) of the bankruptcy court having jurisdiction over Grantor’s Land, which Order is attached hereto as Exhibit C, this Grant of Easement has priority over any and all interests, liens and encumbrances affecting the Grantor’s Land as of the date of such Order other than those matters specifically identified in Schedule B II (Exceptions) of the Fidelity National Title Commitment for Title Insurance dated _____, 2004, a copy of which is attached hereto as Exhibit D (the “Permitted Encumbrances”), and all such matters existing as of the date of such Order, other than the Permitted Encumbrances, are subordinated to this Easement.

(d) In the event that additional claims, liens, interests or encumbrances, not caused by Grantee and which affect the Easement Area, arise after the date of such Order and prior to the recording of this Agreement, Grantor shall use commercially reasonable efforts to remove such, liens, interests or encumbrances (provided, however, that Grantor

shall not have the obligation to expend any sums to remove such encumbrances) and if Grantor shall not remove or cure such, liens, interests or encumbrances, then Grantor shall promptly notify Grantee in writing thereof and Grantee shall have the right, exercisable on or before the date which is ten (10) days following receipt of Grantor's notice, to either (i) terminate this Agreement upon written notice to Grantor received on or before the end of such ten (10) day period, or (ii) waive its rights to object to such additional liens, interests or encumbrances.

(e) In the event that additional liens, interests or encumbrances, not caused by Grantee and which affect the Easement Area, arise after the recording of the Grant of Easement but prior to the date of conveyance of the Exclusive Area of the Easement Area to Grantee as described in that certain Substation Agreement of even date hereof, entered into by and between Grantor and Grantee, Grantor shall use commercially reasonable efforts to remove such liens, interests and encumbrances (provided, however, that Grantor shall not have the obligation to expend any sums to remove such liens, interests or encumbrances) and if Grantor shall not remove or cure such liens, interests or encumbrances, then Grantor shall promptly notify Grantee in writing thereof and Grantee shall have the right, exercisable on or before the date which is ten (10) days following receipt of Grantor's notice, to either (i) decline the conveyance upon written notice to Grantor received on or before the end of such ten (10) day period, or (ii) waive its rights to object to such additional liens, interests or encumbrances.

(f) In the event that Grantee fails to terminate this Agreement or decline the conveyance as set forth in subparagraphs (d) and (e) above, Grantee shall be deemed to have waived its objections to such additional liens, interests or encumbrances.

1.2 Ancillary Easements. In addition, Grantee shall have the right, at Grantee's sole cost and expense, except as provided herein, and subject to all applicable laws and the issuance of all necessary governmental approvals, (a) to construct the Facilities, or any of them, at any time hereafter and at the same or different times and to renew, add to, replace, remove and otherwise change the Facilities and each and every part thereof and the location thereof within the Exclusive Area of the Easement Area; (b) to connect the Facilities to facilities of Grantor or Grantee located on Grantor's property adjoining the Easement Area, through easement corridors to be determined by mutual agreement of Grantor and Grantee, consistent with the Existing Easements; (c) to clear and keep clear by physical, chemical or other means the Exclusive Area of the Easement Area, or any part thereof, of trees, underbrush, buildings or other surface or underground structures or facilities; (d) to trim at any time trees in said Easement Area which in the judgment of the Grantee may endanger said Facilities or the operation thereof; and (e) to enter upon said Easement Areas, on foot and with vehicles, as required, to and from Grantor's Land (using, in common with Grantor and others, such curb cuts, gates, service roads, ways and passages as may exist on Grantor's Land from time to time) for all of the above purposes, and to enclose, fence in, secure the Exclusive Area of the Easement Area, excavate and grade the Exclusive Area of the Easement Area as required for the foregoing purposes (the "Ancillary Easements"). Each party agrees to abide by any applicable security or access requirements of the other party, including, if applicable, any

required use of escorts to access the Exclusive Area of the Easement Area or Grantor's Land, as the case may be.

2. Location of Easement. The Easement Area comprises an area of approximately 13,846 square feet, which includes an area of approximately 12,779 square feet (the "Exclusive Area") and a strip of land containing approximately 1,067 square feet which is designated by cross-hatching on the Easement Plan and labeled "Non-exclusive Area" thereon.

3. Grantor's Covenants. The Grantor, for itself and its successors, assigns and successors in title to the premises, covenants and agrees with the Grantee, its successors and assigns and successors in title, that neither the Grantor nor any of said parties will (a) use, alter, disturb or otherwise directly or indirectly adversely affect the Easement Area, by change in the grade or ground level of the surface of adjoining areas by construction, excavation, filling or otherwise in any manner that may unreasonably interfere with the operation or maintenance of the Facilities; or (b) do any other act which may be inconsistent with, or unreasonably interfere with the rights and easements herein granted.

4. Taxes. The parties agree that the Facilities and the structures and appurtenances comprising the same, whether or not attached to the realty, shall be and remain the property of the Grantee and that the Grantee shall pay all taxes assessed thereon. In addition, Grantee shall be responsible, and shall reimburse Grantor upon presentation of appropriate documentation, for six and fifteen hundredths percent (6.15 %) of the real property taxes assessed on the land value of the assessor's parcel(s) of which the Easement Area forms a part. Such percentage shall not be affected by any future subdivision or consolidation of lots involving the assessor's parcel(s) of which the Easement Area forms a part. Grantee's obligations under this Section 4 shall cease upon a determination by the City of Cambridge Assessors Department to treat the Easement Area as a separate tax parcel. Grantee shall undertake to obtain such determination as soon as practicable under the normal process provided by the City of Cambridge, and Grantor shall reasonably cooperate with Grantee in such effort, to the extent required to obtain such determination. Each party shall be responsible for its own internal costs and any consultant costs it incurs, at its sole discretion, in connection with such determination.

5. Construction Activities. Grantee hereby agrees that any construction or other activities conducted by Grantee, its employees, agents, contractors and invitees within the Easement Area pursuant to this Agreement shall be conducted in a workmanlike, safe and efficient manner, in accordance with good utility practices and in compliance with all applicable laws, ordinances or regulations, including all environmental laws and regulations, and that Grantee shall obtain all licenses and permits required by applicable governmental authorities for the exercise of any rights granted hereunder with respect to the Easement Area, and upon request, shall provide copies of the same to Grantor. Grantor shall, at its cost, expeditiously remove or relocate any of its facilities located on, within or under the Exclusive Area of the Easement Area that may interfere with the construction, operation or maintenance of the substation, except for the existing combustion turbine, the existing guard shack and the existing water

hydrant, which will be removed, relocated or reconstructed (as applicable) by Grantee as part of its substation construction.

6. No Interference. In exercising its rights granted hereunder, Grantee shall not unreasonably interfere with Grantor's operations on Grantor's Land or in the Non-exclusive Area.

7. Indemnity. (a) Grantee shall indemnify, defend (with counsel reasonably acceptable to Grantor), and hold Grantor harmless from and against any and all administrative proceedings, costs (including reasonable attorney's and consultant's fees and expenses, and court costs), damages, claims, fines, judgments, liabilities, losses, penalties, suits and expenses incurred by or claimed against Grantor, in any way arising out of or relating to (a) the negligence or willful misconduct of Grantee, its employees, agents, contractors and invitees (collectively, the "Grantee Parties") with respect to (i) the activities of the Grantee Parties on the Easement Area or Grantor's Land, and (ii) the exercise by the Grantee Parties of Grantee's rights or obligations under this Grant of Easement whether located on the Easement Area or on Grantor's Land, and (b) any remediation requirement under applicable environmental laws and regulations, whether pertaining to a historical or current release of any hazardous substance on or within the Easement Area. The scope of Grantee's obligation under clause (b) above shall in all instances be limited to the perimeter of the Easement Area only, except with respect to any releases requiring remediation and first occurring after the date hereof, whether on the Easement Area or on the Grantor's Land. This provision shall survive the termination of this Agreement, or the conveyance of the Exclusive Area to Grantee.

(b) Grantor shall indemnify, defend (with counsel reasonably acceptable to Grantee), and hold Grantee harmless from and against any and all administrative proceedings, costs (including reasonable attorney's and consultant's fees and expenses, and court costs), damages, claims, fines, judgments, liabilities, losses, penalties, suits and expenses incurred by or claimed against Grantee, in any way arising out of or relating to (a) the negligence or willful misconduct of Grantor, its employees, agents, contractors and invitees (collectively, the "Grantor Parties") with respect to the (x) the activities of the Grantor Parties on the Grantor's Land and on the Non-exclusive Area, and (y) the exercise by the Grantor Parties of Grantor's rights and obligations under this Grant of Easement, and (b) any remediation requirement under applicable environmental laws and regulations, whether pertaining to (i) a historical or current release of any hazardous substance on or within the Grantor's Land (excluding the Easement Area), or (ii) any current release within the Easement Area, including the Non-exclusive Area, by Grantor Parties first occurring after the date hereof. This provision shall survive the termination of this Agreement, or the conveyance of the Exclusive Area to Grantee.

(c) Nothing in this document is intended to modify, alter, diminish, suspend, supersede, terminate or otherwise affect in any way any release, indemnity or other provision in any other document or instrument between the parties or their respective affiliates concerning the Grantor's Land.

8. Insurance. Before entering upon the Easement Area, Grantee shall furnish Grantor with a certificate of public liability insurance in an amount not less than \$3,000,000 per individual and \$5,000,000 per occurrence (or, at the reasonable request of Grantor, such larger amounts as may be carried by prudent utility property owners in similar situations), which may be under a blanket or umbrella policy or policies, with such commercially reasonable deductibles or self-insured amounts, and with such carriers as Grantee maintains with respect to its other facilities. Such certificate shall designate Grantor, and (if requested by Grantor) any lender of Grantor, as an additional insured and shall specifically insure the liability of Grantee under Section 7 hereof. Such insurance coverage shall remain in full force and effect for so long as the substation, or any portion thereof, shall exist on the Exclusive Area of the Easement Area. This obligation shall terminate upon any conveyance of the fee interest in the Easement Area to Grantee.

9. Remedies. Each party shall have the right to prosecute any proceedings at law or in equity if the other party violates any provision of this Agreement, and to recover damages for any such violation or default. All of the remedies permitted or available to either party under this Agreement or at law or in equity shall be cumulative, and the election of any such right or remedy shall not constitute a waiver of any other available right or remedy.

10. No Liens. Grantee shall not permit, in connection with the construction, use, operation or maintenance of the Facilities or the substation, or any rights granted under this Easement, any mechanic's or materialman's lien to be filed against the Easement Area or Grantor's Land. Any mechanic's lien filed against the Easement Area or Grantor's Land for work claimed to have been done for, or materials claimed to have been furnished to, Grantee shall be discharged by Grantee within ten (10) business days thereafter, at Grantee's expense by filing the bond required by law or otherwise. If Grantee fails so to discharge any lien, Grantor may do so at Grantee's expense and Grantee shall reimburse Grantor for any expense or cost incurred by Grantor in so doing, within ten (10) days after receipt of an invoice therefor.

11. Notices. All notices required or permitted under this Agreement shall be effective only if made in writing and only if delivered by hand with provision for a receipt, or transmitted by telecopier with written confirmation receipt, or sent by overnight mail by a commercial overnight carrier with provision for a receipt, or mailed by registered or certified U.S. mail with return receipt requested, postage and delivery charges prepaid to the addresses set forth below or to such other addresses as the parties may from time to time designate in writing. Such notices shall be effective on the date of delivery or refusal of delivery, as reflected by the receipt.

To Grantor:

Mirant Kendall, LLC
265 First Street,
Cambridge, MA 02142
Attention: Tom Herlihy, Plant Manager
Fax: 617.354.1301

with a copy to:

Mirant Corporation
1155 Perimeter Center West
Atlanta, GA 30338
Attention: Sonnet Edmonds, Assistant General Counsel
Fax: 678.579.5890

To Grantee: Cambridge Electric Light Company
C/o NSTAR Electric & Gas Corporation
800 Boylston Street, 17th Floor
Boston, MA 02199
Attn: Legal Department

With a copy to: Cambridge Electric Light Company
One NSTAR Way
Westwood, MA 02090
Attn: Vice President, Engineering

12. Easements Run With Land. The rights, duties, easements and agreements herein contained shall be binding on and inure to the benefit of Grantor and Grantee, and their respective successors and assigns, and successors in title.

13. Negation of Partnership. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the parties hereto in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. Each party shall be considered a separate party, and neither Grantor nor Grantee shall have the right to act as an agent for the other, unless expressly authorized to do so herein or by separate written instrument signed by the party to be charged.

14. Governing Law. This Agreement and the performance hereof shall be subject to and governed by the laws of the Commonwealth of Massachusetts.

15. Cooperation and Further Assurances. The parties hereto agree that each shall reasonably cooperate with the other to the extent necessary to give effect to the terms and conditions of this Agreement.

16. Amendment. This Agreement may be amended or terminated only by the execution and recording with the Middlesex County Registry of Deeds of a written instrument signed by the parties hereto.

17. AUL. All activities of either party pursuant to this instrument shall be subject to a Notice of Activity and Use Limitation dated November 20, 1998, recorded on November 24, 1998 at Book 29415, Page 515, as affected by Amendment and Ratification of Notice of

Activity and Use Limitation, dated as of April 28, 2003, recorded May 9, 2003 as Instrument 1245.

18. Counterparts. This Agreement may be executed in any number of counterparts, which together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned have executed this grant of easement under seal by and through their respective duly authorized representatives, as of the date first written above.

GRANTOR:

MIRANT KENDALL, LLC

By: _____

Name:

Title:

GRANTEE:

CAMBRIDGE ELECTRIC LIGHT COMPANY

By: _____

Name:

Title:

COMMONWEALTH OF MASSACHUSETTS

On this ____ day of _____, 2004, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding document, and acknowledged to me that s/he signed it voluntarily for its stated purpose, as an officer of Mirant Kendall, LLC, a limited liability company.

Notary Public

My Commission Expires: _____

COMMONWEALTH OF MASSACHUSETTS

On this ____ day of _____, 2004, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding document, and acknowledged to me that s/he signed it voluntarily for its stated purpose, as an officer of Cambridge Electric Light Company, a corporation.

Notary Public

My Commission Expires: _____

EXHIBIT A

Legal Description of Grantor's Land

EXHIBIT B

Easement Plan of Land

EXHIBIT C

Bankruptcy Court Order

EXHIBIT D

Permitted Encumbrances

Schedule B II of Title Commitment

Fidelity National Title
INSURANCE COMPANY OF NEW YORK

File No. 98-BOS-0019MA/EASE
Revised March 8, 2004

COMMITMENT FOR TITLE INSURANCE

Schedule B II
(Exceptions)

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquired for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Easements or claims of easements not shown by the public records, boundary-line disputes, overlaps, encroachments and any matters not of record arising subsequent to December 31, 1998, which would be disclosed by an accurate survey and inspection of the premises.
3. Such matters as would be disclosed by a current certificate of municipal liens.

Note (i): Item 2 will be deleted upon receipt of a satisfactory survey and surveyor's report. Item 3 to be revised upon receipt of certificate of municipal liens.

4. Survey entitled ALTA/ACSM Land Title Survey in Cambridge, Massachusetts, dated 21 October 1998, by Gunther Engineering, Inc. (the Survey), discloses the following:
 - a. concrete pad with transformer encroaches into land n/f COM/Energy to the north;
 - b. chain link fence along COM/Energy's land to the west.
5. Easement granted by Cambridge Electric Light Company to Com/Energy Steam Company and Commonwealth Gas Company, dated August 16, 1982, and recorded in Book 14698, Page 288, as affected by Release, Amendment and Grant of Easements, dated as of July 12, 2002, recorded July 15, 2002 as Instrument 979.
6. Easement granted by Cambridge Electric Light Company to Com/Energy Steam Company and Commonwealth Gas Company, dated August 16, 1982, and recorded in Book 14698, Page 291.
7. License to fill issued by the Commonwealth of Massachusetts, Harbor Commissioners's Office, dated July 8, 1874, recorded at Book 1320, Page 219.
8. Grant of Easement from Cambridge Electric Light Company to Commonwealth Gas Company, dated December 30, 1998, recorded December 31, 1998 at Book 29606, Page 82.
9. Grant of Easements from Southern Energy Kendall, L.L.C. to Cambridge Electric Light Company, dated December 30, 1998, recorded December 31, 1998 at Book 29606, Page 95.

Fidelity National Title
INSURANCE COMPANY OF NEW YORK

File No. 98-BOS-0019MA/EASE
Revised March 8, 2004

COMMITMENT FOR TITLE INSURANCE

10. Notice of Activity and Use Limitation, dated November 20, 1998, recorded November 24, 1998 at Book 29415, Page 515, as affected by Amendment and Ratification of Notice of Activity and Use Limitation, dated as of April 28, 2003, recorded May 9, 2003 as Instrument 1245.
11. License Agreement by and between Southern Energy Kendall LLC and Kendall Square LLC, dated September 12, 2000, recorded at Book 31913, Page 420.
12. License issued by the Massachusetts Department of Environmental Protection, No. 8772, dated March 15, 2001, recorded at Book 32549, Page 285.

NOTE: Although excluded from coverage, the following items 13 - 15 are noted for informational purposes only:

13. Cambridge Board of Appeal Variance, Case No. 8218, recorded at Book 32125, Page 467.
14. Order of Conditions issued by the Cambridge Conservation Commission, DEP File 123-150, recorded at Book 32143, Page 178.
15. Notice of Decision, Cambridge Board of Zoning Appeal, Case No. 8775, filed with the City Clerk December 19, 2003, recorded at Book 41820, Page 62.

EXHIBIT B

Site Plan

ATTACHMENT A

Interconnection Project Scope of Work

ATTACHMENT A

**Interconnection Project
Scope of Work**

**13.8kV SYSTEM UPGRADE
ORDER OF MAGNITUDE COST ESTIMATE**

MIRANT SCOPE OF WORK DESCRIPTION		QUANTITY	ESTIMATED COST	Cancellation Charge
1	MATERIALS			
a	Transformer T2 termination enclosure including flexible disconnect link	1		
b	24" Galv Stl Cable Tray including supports - Transformer T2 Trenwa trench, Trenwa trench up S Bus building wall into S Bus building to CLR, CLR to existing building using existing tray supports to Long Bus	300'		
c	24", H-20 loading Trenwa concrete trench from Transformer T2 firewall to S Bus building wall	50'		
d	Long Bus Termination Enclosure	1		
e	Current Transformers	9		
f	Zero sequence traps, lockout relays, test switches, ammeter terminal blocks	Lot		
g	Misc conduit and support	Lot		
h	Misc cable, grounding materials, bollards etc	Lot		
	SUBTOTAL		\$80,000	
2	LABOR			
a	Install items 1a through 1h above	Lot		
b	Install and terminate 2500 MCM 13.8kV cable	2,100'		
	SUBTOTAL	Lot	\$300,000	
3	ENGINEERING AND DESIGN			
	<u>Stone & Webster (items a - g)</u>		\$125,000	
a	Electrical Engineering including protection specialist			
b	Controls Engineering Three Line Schematics Relay Panel Modification:			
c	Electrical Design Cable Tray and Conduit Plan Trench Plan and Detail Cable Schedules and Routing Grounding Plan Revision Station One Line Revision: Relay Panel Outline Revision: Wiring Diagram Revision:			
d	Civil Engineering and Design - Wall Penetration			
e	Mechanical Engineering			
f	Mechanical Design Deluge Piping Plan Modification			
g	Project Engineer			
h	Mirant Contracted Engineering/Station support		\$50,000	
	SUBTOTAL		\$175,000	
	TOTAL Mirant Scope of Work		\$555,000	
	AFI - 15%		\$638,250	

COMPANY SCOPE OF WORK DESCRIPTION

a	Material cost and shipping to site of zig-zag transformer	1		
b	Modification to S Bus building to accommodate zig-zag transformer	Lot		
c	Installation of zig-zag transformer in S Bus building	Lot		
d	Material cost of current limiting reactor	1		
e	Material cost and shipping to site of 2500 MCM cable and terminations	Lot		
f	Disconnection of Long Bus from K and Q Buses	Lot		
g	Disconnection, rerouting and splicing of 13.8kV cables and raceway at existing CLF	Lot		
h	Revenue metering additions/modifications as a result of this change including meters, CTs, PTs, and wiring, etc."	Lot		
i	Operating procedures for new configuration	Lot		
j	Any subsequent modifications/removal of zig-zag and CLF	Lot		

ASSUMPTIONS

a	CLR in S Bus building can be used
b	Short circuit study results are acceptable
c	Acceptable space for zig-zag transformer in S Bus building can be found
d	S2 (115kV side of station service transformer) can be remote operated from control room
e	No required outage on either 13.8 kV generation or 115 kV generation in order to perform modifications, testing or place service.
f	Does not include expedited material cost or overtime labor. In addition, assumes no schedule delays for switching postponements due to system conditions or any other NSTAR requests.

ATTACHMENT B

Estimated Costs of Interconnection Project Scope of Work

ATTACHMENT B

Interconnection Project
Cost Breakdown

	Total	Mirant	Company
		Scope of Work	Scope of Work
	\$	\$	\$
Mirant Supplied Labor & Material Billed as of 6/25/03 for work thru 6/9/03	540,149.48	329,264.02	210,885.46
Est Mirant Supplied Labor 6/10 - 6/25 (Est. requires Mirant Verification)	<u>128,746.21</u>	<u>81,381.71</u>	<u>47,364.50</u>
Total Cost through 6/25/03	668,895.69	410,645.73	258,249.96
Est to go cost	<u>90,300.00</u>	<u>54,200.00</u>	<u>36,100.00</u>
Total Est Cost Mirant Supplied Labor & Material	\$759,195.69	\$464,845.73	\$294,349.96
Company Supplied Material	131,300.00	86,900.00	44,400.00
Est Labor for Future Meter Installation	40,000.00	20,000.00	20,000.00
Total Project Est. Cost	\$930,495.69	\$571,745.73	\$358,749.96

ATTACHMENT C

Equipment Access and Maintenance Agreement

EQUIPMENT ACCESS AND MAINTENANCE AGREEMENT

THIS EQUIPMENT ACCESS AND MAINTENANCE AGREEMENT (“Agreement”), dated _____, 2004, is entered into by and between MIRANT KENDALL, LLC, a Delaware limited liability company, having an address at 265 First Street, Cambridge, MA 02142, hereinafter called Mirant, and CAMBRIDGE ELECTRIC LIGHT COMPANY, a Massachusetts corporation and electric company, having its principal place of business at 800 Boylston Street, Boston, Massachusetts 02199, hereinafter called the Company.

Recitals:

- A. Mirant is the owner of certain property in the City of Cambridge, Middlesex County, Massachusetts, commonly known as “Kendall Station” and more specifically described on Exhibit A attached hereto (“Mirant’s Land”);
- B. The Company is the holder of certain easement rights in Mirant’s Land pursuant to that certain Grant of Easements dated as of December 30, 1998, recorded with the Middlesex South District Registry of Deeds in Book 29606, Page 95 (the “Existing Easements”), which Existing Easements include the perpetual and exclusive right to construct, maintain and operate electrical substation equipment within an area designated as “Electric Station Service Easement K” (“Easement Area K”) on the plan captioned “Easement Plan of Land in Cambridge, Massachusetts, Middlesex County”, dated December 15, 1998, prepared for Cambridge Electric Light Company by Gunther Engineering, Inc. (the “Plan”);
- C. Pursuant to the terms of a separate agreement between the parties, Mirant has constructed certain electric facilities, more specifically described on Exhibit B attached hereto (the “Intertie Facilities”) within Easement Area K, for the use of both Mirant and the Company; and
- D. The parties desire to memorialize their agreement concerning Mirant’s right to access, maintain and operate the Intertie Facilities within Easement Area K.

NOW, THEREFORE, in consideration of the foregoing, the payment of Ten Dollars (\$10.00) by Mirant to the Company, and other, non-monetary consideration consisting of the provision of certain transmission and related services by each party to the other pursuant to separate agreements, the receipt and sufficiency of which is hereby acknowledged by the Company and Mirant, the parties hereby agree as follows:

1. Notwithstanding the exclusive nature of the Company’s easement rights in Easement Area K, Mirant shall have the perpetual, non-exclusive right, for as long as the Intertie Facilities remain within Easement Area K, to access the Intertie Facilities for the purpose of maintaining, repairing and operating such facilities within the Company-owned “S-Bus” Building located within Easement Area K, subject to reasonable operating procedures and other written agreements between the parties, including without

limitation, security and safety procedures of both parties, as in effect from time to time (“Mirant’s Access Rights”).

2. Mirant shall exercise Mirant’s Access Rights in a manner that is not inconsistent with, and shall not unreasonably interfere with the rights of the Company in Easement Area K.

3. Mirant shall indemnify, defend (with counsel reasonably acceptable to the Company), and hold the Company harmless from and against any and all administrative proceedings, costs (including reasonable attorney’s and consultant’s fees and expenses, and court costs), damages, claims, fines, judgments, liabilities, losses, penalties, suits and expenses incurred by or claimed against the Company, in any way arising out of or relating to the negligence or willful misconduct of Mirant, its employees, agents, contractors and invitees (collectively, the “Mirant Parties”) with respect to (i) the activities of the Mirant Parties on Easement Area K, and (ii) the exercise by the Mirant Parties of Mirant’s Access Rights, including any remediation requirement under applicable environmental laws and regulations arising from the exercise of Mirant’s Access Rights.

4. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and successors in title.

5. Except to the extent expressly provided herein, the Existing Easements, including the rights of the Company within Easement Area K, are not altered, amended or modified hereby, and shall remain in full force and effect.

6. This Agreement and the performance hereof shall be subject to and governed by the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the undersigned have executed this Agreement under seal by and through their respective duly authorized representatives, as of the date first written above.

MIRANT KENDALL, LLC

By: _____
Name:
Title:

CAMBRIDGE ELECTRIC LIGHT
COMPANY

By: _____
Name:
Title:

COMMONWEALTH OF MASSACHUSETTS

On this ____ day of _____, 2004, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding document, and acknowledged to me that s/he signed it voluntarily for its stated purpose, as an officer of Mirant Kendall, LLC, a limited liability company.

Notary Public

My Commission Expires: _____

COMMONWEALTH OF MASSACHUSETTS

On this ____ day of _____, 2004, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding document, and acknowledged to me that s/he signed it voluntarily for its stated purpose, as an officer of Cambridge Electric Light Company, a corporation.

Notary Public

My Commission Expires: _____

EXHIBIT A

Mirant's Land

EXHIBIT B

Intertie Facilities

ATTACHMENT D

Operating Procedures

Final Oct. 23, 2003



Attachment D
to
Substation Agreement
dated March 10, 2004

Operating Procedures
For
NSTAR Station #850 and the
Mirant Kendall Generating Station

Prepared by:
System Planning
NSTAR Electric
October 23, 2003

PURPOSE

This Operating Procedure is intended to provide NSTAR system operators and Mirant's Kendall plant operators guidance concerning the Kendall Station equipment operating procedures associated with insuring the adequacy and reliability of supply for loads served by Kendall Station. These procedures specifically address the use of the Interconnection Project at Kendall Station (the "Kendall Inter-tie") as defined below.

Upon energization of the proposed East Cambridge Substation, the Parties agree that these operating procedures shall be revised by mutual agreement of the Parties.

BACKGROUND

Until December 1, 2003, Kendall Station was obligated, pursuant to Section 12.4 of the Interconnection Agreement, to provide generation support for the Company's electric system in accordance with the Operating Conditions for Support of Transmission System set forth in Schedule 6 of the Interconnection Agreement, which states in part:

"1. Customer [Mirant] shall provide electric generation reasonable within the operating parameters of Customer's Existing Generators or equivalent capacity on demand as required to relieve operating constraints on the Company Transmission System due to load level, contingency conditions or other unforeseen circumstances."

The term Emergency is defined in Section 1.11 of the Interconnection Agreement as:

"1.11 Emergency. Any abnormal system condition that requires automatic or immediate manual action to prevent or limit loss of transmission facilities or generation supply that could adversely affect the reliability of the Company Transmission System or the systems to which the Company is directly or indirectly connected. Company's inability to meet load because of insufficient generation shall not constitute an Emergency for purposes of this Agreement."

The Company may direct Mirant to close the circuit breaker(s) which interconnect the Kendall 13.8 kV NSTAR supply busses to the Mirant 115 kV system, in accordance with these operating procedures. If so directed in accordance with these operating procedures, Mirant shall close the circuit breaker(s) which interconnect the Kendall 13.8 kV NSTAR supply busses to the Mirant 115 kV system, in accordance with these operating procedures. It is the intention of the Parties that the fundamental principle upon which the Operating Procedures are based is that the aforesaid circuit breakers shall only be closed (1) in the event that (i) Mirant's Existing Generators (having the meaning given "Customer's Existing Generators" in the Interconnection Agreement) that are available to be on line are on line or have been called on line or suddenly become unavailable, and (ii) the Company requires more generation than such operating Existing Generators are able to provide to support the reliability of the Company's local distribution system or (2) in response to or in reasonable anticipation of a Company system emergency; provided, however, that the Company shall call one or more of the available Existing Generators on line to address such emergency and once such Existing Generator(s) ramp up, the Company shall direct that the aforesaid circuit breakers may be reopened in accordance with these operating procedures. To the extent that anything in the Operating Procedures conflicts with this fundamental principle, the Operating Procedures shall be amended to correct the inconsistency. Further, such Operating Procedures shall be modified only upon the mutual written agreement of the Parties.

DEFINITIONS

The Kendall Inter-tie is defined here as encompassing the Kendall 13.8 kV Long Bus (LDKQR Bus Tie) as modified for the Interconnection Project including 1) the original Long Bus and an electrical extension along with associated cables, connecting links at terminals, a 0.5 Ohm series reactor, a solidly grounded zig-zag grounding transformer, protective relaying modifications, and other associated bus equipment and 2) the Kendall 117/13.8 kV transformer T43 (T2), rated H:60/80/100/112, X:30/40/50/56, Y:30/40/50/56 MVA OA/FA/FA at 55C/65C encompassing the connection of the Y winding through normally closed disconnect links to the cable terminations of the Long Bus, protective relaying modifications, and other associated bus equipment.

The Kendall Inter-tie is defined as "Operable" if all of the components are connected and either energized or readily energized subject only to the closure of one or more circuit breakers.

If the Kendall Inter-tie is Operable, it is further defined as "Connected" if at least one of the essential combinations of circuit breakers (including necessary normally closed disconnect switches) is or can be closed to complete the circuit allowing power flow between the 115 kV system and the NSTAR 13.8 kV electric system. It should be noted that the SS4014 breaker being closed on the 115 kV side of T43 is essential to all combinations, and additionally, at least one of the following 13.8 kV breaker configurations are required to complete the circuit:

1. NSTAR's Breaker #QDKLR2 is closed
2. NSTAR's Breaker #KDLQR2 is closed

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3. Mirant's Breaker #RQ2 and Breaker #RDKLQR2 are closed
4. Mirant's Breaker #LDKQR2 and Breaker #LKN2 are closed
5. Mirant's Breaker #DLQR2 and Breaker #DHK2 are closed

Kendall Inter-tie "Closed" is defined as follows: 1) the Long Bus is energized, 2) the 115/13.8 kV transformer T43 is energized, 3) the 115 kV breaker SS4014 is closed, 4) the 115 kV line side of breaker SS4014 is energized, 5) either configuration 1 or 2 shown above is met and, 6) at least one of the configuration 3, 4 or 5 shown above are met.

Kendall Inter-tie "Open" is defined as follows: 1) the Long Bus is energized, 2) all five of the Long Bus 13.8 kV breakers are Normally Closed, however individual breakers may be open, 3) the 115/13.8 kV transformer T43 is energized, 4) the 115 kV breaker SS4014 is open, and 5) the 115 kV line side of breaker SS4014 is energized. This is intended to be the normal state.

Kendall Inter-tie "Out of Service" is defined as follows: 1) the Long Bus is not energized, with all five of the Long Bus 13.8 kV breakers are open, or 2) the 115/13.8 kV transformer T43 is not energized with the 115 kV breaker SS4014 not closed, or 3) the 115 kV line side of breaker SS4014 is not energized.

Normal Rating – The continuous load carrying capability of equipment.

Long Term Emergency Rating (LTE) – The longer term limited duration carrying capability of equipment as constrained by thermal characteristics of the equipment. Generally considered an abnormal condition that needs to be alleviated.

Steam Turbine Generator (STG) – Are the existing steam driven generators connected to the Kendall 13.8 kV system

Combustion Turbine Generator (CTG) - Is the new generator that will provide steam to the existing Kendall steam generators (STG).

Jet(s) - Is(are) the existing jet engine driven generators connected to the Kendall 13.8 kV system.

PROTECTIVE RELAY NOTE

The trip functions of protective relays for the Long Bus, transformer T43, and zig-zag grounding transformer, and related breaker failure scheme generally trip Lockout relays to trip the entire Kendall Inter-tie. This sends trip signals to all seven breakers. The Lockout relays also block the closure of those breakers until the Lockout relays are reset. Subject relays are in both the original switchboard room of the Steam plant as well as the new switchboard room of the Unit 4 CT.

COMMUNICATIONS

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NSTAR will initiate a request for a change of state of the Kendall generation by notifying ISO-NE and REMVEC of the amount of generation necessary to support the Cambridge system load. NSTAR will also direct a change of state of the Kendall Inter-tie necessary to meet system reliability requirements to Mirant's Kendall plant operator. The Kendall Plant operator will promptly notify ISO-NE of any known or expected changes to the state of Kendall generation. The Kendall Plant operator will promptly notify NSTAR of any known or expected changes to the state of the Kendall Inter-tie.

OPERATING PROCEDURES

The following procedures cover the various conditions for operation of generation at Mirant's Kendall Station. These conditions consider 1) normal system conditions with Inter-tie Open, Inter-tie Closed, and Inter-tie Out of Service, and 2) start up conditions.

SYSTEM CONDITION 1: NORMAL OPERATION

Normal Condition: Provides for the normal level of Company system reliability during non-stressed or normal conditions on the Company system with all transmission and distribution system elements in service and with Kendall Inter-tie Open.

Normal Criteria:

1. Maintain generation and transmission to supply projected load while covering reasonably foreseeable Contingencies.
2. Pre-contingency loadings should not exceed NORMAL ratings.

Contingency Conditions:

1. Loss of any single element, such as a: generator, transformer, breaker, or bus section.
2. Acceptable post-contingency loadings are limited to the LTE ratings of equipment.
3. Contingency conditions should not cause instability, unacceptably high or low voltage, voltage collapse or unacceptable thermal loadings.

Specific Switching Procedures:

Procedure 1.A: Kendall Inter-tie Open, Loss of generation unit

Assumed conditions: Kendall Inter-tie Open, and one or more generators operating

Event: Sudden loss of one or more of the units that are operating

Switching Procedure:

1. Mirant plant operators close breaker SS4014 before any other action.
2. Mirant plant operators notify NSTAR system operators of events.
3. NSTAR system operators will immediately make a request to ISO-NE/REMVEC for dispatch of 13.8 kV generation to a level required to assure system reliability.
4. NSTAR system operators will coordinate with Mirant Kendall plant operators to open breaker SS4014 once needed generation level or pre-contingency level is attained by Kendall Generation.

Procedure 1.B: Kendall Inter-tie Open, Loss of system element

Assumed conditions: Kendall Inter-tie Open

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Event: Sudden loss of a distribution supply system element supporting local area loads

Switching Procedure:

1. NSTAR system operators will analyze the system condition
2. NSTAR system operators will coordinate with Kendall plant operators to close breaker SS4014, and make an ISO-NE/REMVEC request to ramp up STG, and/or start jets which ever is available and able to be dispatched to assure that the remaining elements in the system that are overloaded will be relieved and returned to their normal rating.
3. NSTAR system operators will coordinate with Mirant Kendall plant operators to open breaker SS4014 once needed generation level is attained by Kendall Generation.

Procedure 1.C: Kendall Inter-tie Open, Insufficient Kendall Generation

Assumed conditions: Kendall Inter-tie Open, and all available generating units are dispatched to full output

Event: Combined output of all available generation is not sufficient to meet projected system load supply requirements

Switching Procedure:

1. NSTAR system operators will analyze the system condition.
2. NSTAR system operators will coordinate with Kendall plant operators to close breaker SS4014.
3. NSTAR system operators will coordinate with Mirant Kendall plant operators to open breaker SS4014 once available generation is sufficient to meet projected system load supply requirements.

Procedure 1.D: Kendall Inter-tie Out of Service, Loss of generation unit

Assumed conditions: Kendall Inter-tie is Out of Service, and one or more generators operating

Event: Sudden loss of one or more of the units that are operating

Switching Procedure:

1. Mirant plant operators notify NSTAR system operators of events.
2. NSTAR system operators will immediately make a request to ISO-NE/REMVEC for dispatch of 13.8 kV generation to a level required to assure system reliability.

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3. NSTAR system operators will coordinate with Mirant Kendall plant operators to restore Kendall Inter-tie to Available.

Procedure 1.E: Kendall Inter-tie Out of Service, Loss of system element

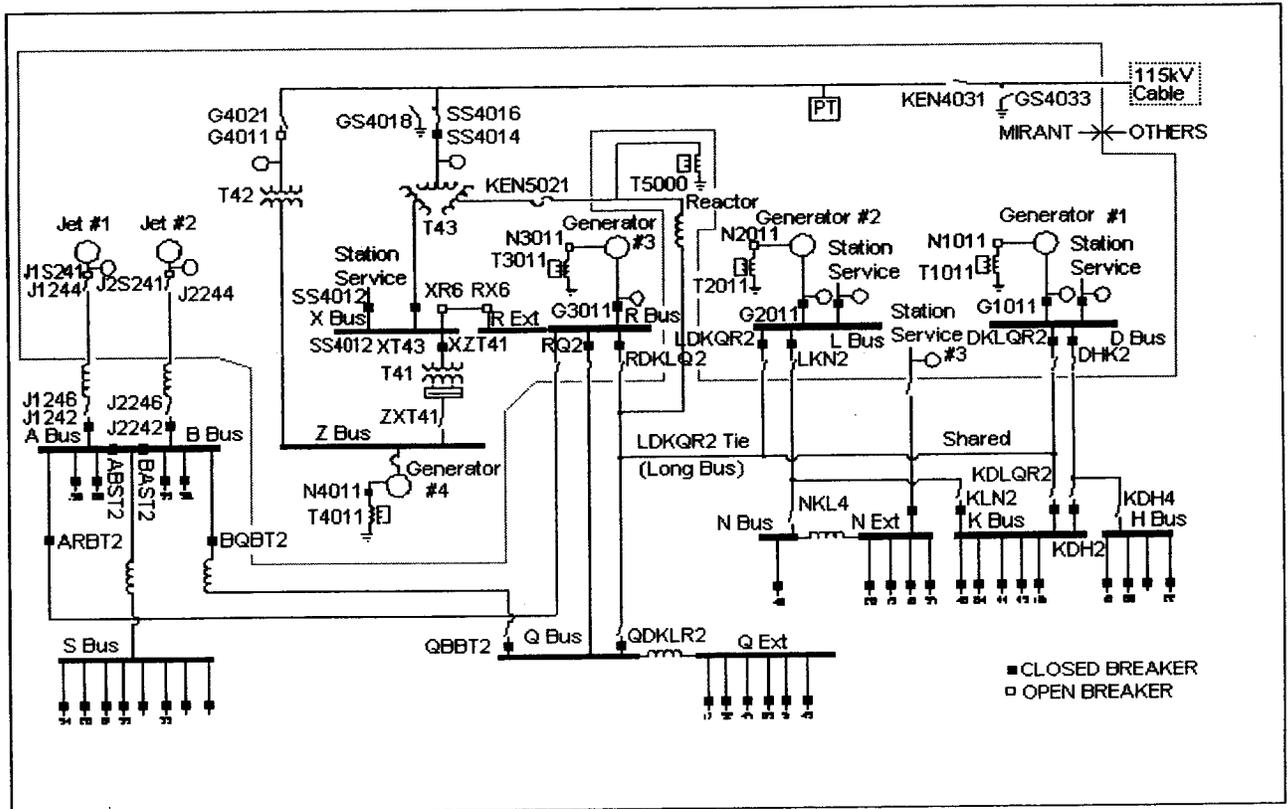
Assumed conditions: Kendall Inter-tie is Out of Service

Event: Sudden loss of a distribution supply system element supporting local area loads

Switching Procedure:

1. NSTAR system operators will analyze the system condition
2. NSTAR system operators make an ISO-NE/REMVEC request to ramp up STG, and/or start jets which ever is available and able to be dispatched to assure that the remaining elements in the system that are overloaded will be relieved and returned to their normal rating.
3. NSTAR system operators will coordinate with Mirant Kendall plant operators to restore Kendall Inter-tie to Available.

Procedure 2.A: Start Up Of CTG with SS4014 Closed



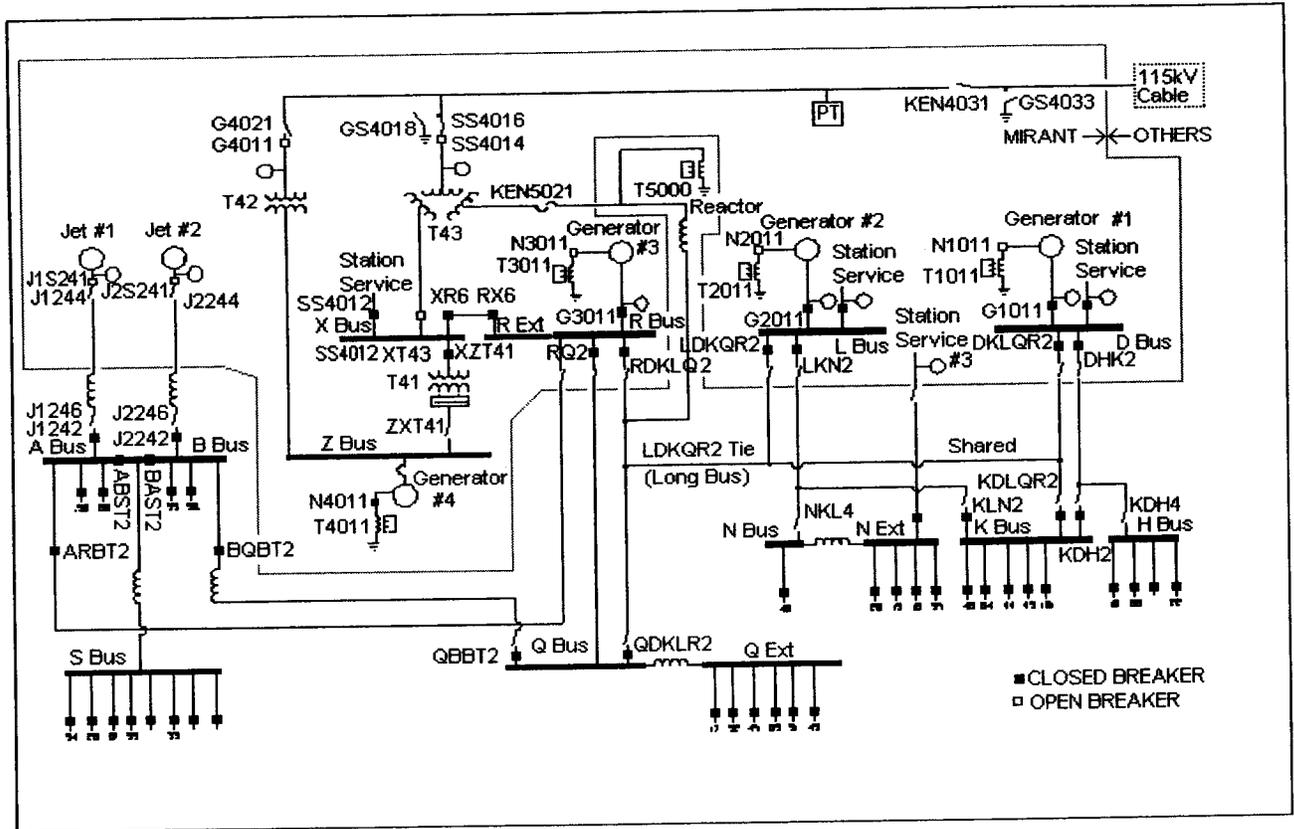
Description:

Start-up of the CTG will be off the 115kV system via transformer T43 and the X bus. Both the Kendall S Bus supply and the T43 transformer are feeding The Cambridge Kendall Station #850 busses: D, H, K, L, N, N-Ext, Q, Q-Ext, R, and R-Ext. This procedure is the preferred procedure during heavy load conditions.

Procedure:

1. Kendall plant operators will confirm with NSTAR operators the availability of capacity to start the CTG unit and the closure of the Kendall Inter-Tie
2. Kendall plant operators will start the CTG per their normal procedures and in accordance with good utility practice.
3. The STG units will be started per Kendall plant generator operating procedures.
4. Upon startup and closure of the generator breakers the Kendall plant operators may synchronize across breaker R6X and close the breaker.
5. The breaker SS4014 may be opened after the CTG has started.

Procedure 2.B: Start Up of CTG with SS4014 Open



Description:

Start-up of the CTG off the 13.8kV system via the X bus is possible but not recommended unless T43 is not available. Kendall Station #850 busses; D, H, K, L, N, N-Ext, Q, Q-Ext, R, and R-Ext are being supplied by the STGs and by the S Bus supply. This procedure can be employed under moderate to light load conditions.

Procedure:

1. Kendall plant operators will confirm with NSTAR operators the availability of capacity to start the CTG unit without closure of the Kendall Inter-Tie
2. Alternatively one or more of the STGs may be running and are fed by the steam produced by the backup steam boilers
3. Kendall plant operators will start CTG per their procedures and processes in accordance with good utility practice
4. Close the generator breaker
5. Reconfigure the station breakers for normal operation