

WATER SUPPLY AGREEMENT

THIS AGREEMENT made as of the _____ day of _____, 2018 ("Effective Date") by and between the Heritage Village Water Company, a specially chartered corporation organized and existing under the laws of the State of Connecticut and having a principal place of business at 450 Heritage Road, Southbury, Connecticut (the "Company") and CPV Towantic, LLC, a limited liability company organized and existing under the laws of the State of Delaware, and having a principal place of business at 50 Braintree Hill Office Park, Suite 300, Braintree, MA 02184("Towantic").

WHEREAS, the Company is a water company and a public service company subject to regulation by the Connecticut Public Utilities Regulatory Authority or its successor agency ("PURA") and owns and operates a water supply and distribution system for the purposes of supplying water for domestic, commercial and other uses; and

WHEREAS, pursuant to its charter granted by the Connecticut General Assembly, HVWC serves portions of the towns of Southbury, Oxford, and Middlebury, Connecticut as a franchised water company; and

WHEREAS, the Company has agreed to supply potable water to Towantic's 785 MW dual-fuel combined cycle electric generating facility in the Town of Oxford, Connecticut, which is located within its franchise area, in the quantities described below starting on the Effective Date; and

WHEREAS Towantic filed an Application for Water Service Connection with the Company, dated February 10, 2016, which Application is attached hereto as Attachment A and which contains a number of special conditions, including conditions related to water demand (the "Special Conditions"); and

WHEREAS THE Company and Towantic wish to clarify and affirm those Special Conditions.

NOW THEREFORE, in consideration of the promises, agreements and covenants contained herein, the Company and Towantic agree as follows:

1. Water Supply: The Company agrees that it shall make available to Towantic up to the quantities of water as set forth herein, all in accordance with the terms of and subject to the conditions of this Agreement and of the Rules and Regulations of the Heritage Village Water Company, revised April 1, 2009, as such Rules and Regulations may be further revised and approved by PURA.
 - A. Water Delivery and Use: Between April 16 and October 15 of any calendar year, Towantic may use up to 150,000 gallons per day ("gpd") in any single 24-hour period. For any other time period during the calendar year, Towantic may use up to 218,000 gpd in any single 24-hour period. However, the Company may, at its sole discretion, supply additional quantities of water to Towantic upon request by Towantic. At no time shall Towantic's instantaneous rate of water use exceed 300 gallons per minute, except as may be caused by fire or other emergency, or upon express approval of the Company. The parties agree the estimated water demand identified in Attachment A is a reasonable expectation of average water use.

Oil-fired facility operation shall be regulated by the conditions and requirements of Towantic's permits and approvals, as such permits and approvals may be modified or renewed from time to time.

Towantic agrees to provide notice to individuals designated by the Company of any planned oil-fired operation by 6:00 p.m. of the day prior to the planned oil-fired operation. In emergencies, CPV Towantic shall provide as much notice to the Company as is practicable.

Towantic shall also provide at least 24 hours notice to the individuals designated by the Company of any periodic oil testing and agrees to cooperate and coordinate any such testing, to the extent practical, with the Company to ensure water use will not adversely affect the Company's water system. All notices, cooperation and coordination shall not be construed, in any way, as an approval right being granted to the Company as it relates to oil-fired operation.

B. Offset Water:

- a. During the period July 1 through October 31, or when requested by Towantic, the Company will operate its Judd Hill Road interconnection in order to offset Towantic's entire daily water draw (the "Offset Water"). At all other times, depending on local water conditions and/or the instantaneous capacity of the Company's water supply sources, the Company may elect to operate its Judd Hill Road interconnection in order to make up for all or a portion of Towantic's daily water draw. Company-elected operation of the Judd Hill Road interconnection shall not be Offset Water for the purposes of section 1B of this Agreement.
- b. In addition to any water supply charges owed the Company for water delivered to the facility under section 2 of this Agreement, Towantic shall pay the Company for Offset Water during the period July 1 through October 31 or when requested by Towantic, as follows:
 1. For all Offset Water delivered to the facility, Towantic shall pay the Company the non-system user rate identified in Section 2.b. of Schedule A of the April 4, 2001 Installation and Services Agreement executed by and between the Town of Middlebury and The Connecticut Water Company (the "Middlebury Agreement"), attached hereto as Attachment B, as such rate may be modified from time to time in accordance with Schedule A and including, as applicable, any surcharges or credits. As of the date of this Water Supply Agreement, the quarterly rate is \$7.589 per thousand gallons (the applicable non-system user rate of $\$6.830 \div 0.9$) for the first 50,000 gallons of water delivered and \$9.984 (the applicable non-system user rate of $\$8.986 \div 0.9$) per thousand gallons of quarterly water volume delivered in excess of 50,000 gallons. As of the date of this Water Supply Agreement, the applicable "non-system user rates" are shown as the "Commodity Charges,

All Consumption "on the Connecticut Water Fact Sheet, Middlebury-Heritage System Rates attached hereto as Attachment C ; and

2. During periods of Offset Water use specified in Section 1.B.a (July 1 through October 31), for the unused portion of the minimum daily quantity established in Section 3 for a particular calendar month , in lieu of the Rate specified in Section 3, Towantic shall pay the Company the Connecticut Water Company's PURA approved Industrial commodity rate, as such rate may be modified from time to time, and as assumed by the Company pursuant to Section 2.B. of the Company's executed Water Supply Agreement with Connecticut Water Company (the "HVWC-CWC Agreement"), dated August 9, 2018, attached hereto as Attachment D, multiplied by the unused quantity expressed in thousands of gallons for such calendar month. As of the date of this Water Supply Agreement, the rate is \$6.730 per thousand gallons; provided, however, that if the minimum amount to be purchased by Towantic is not met because of use restrictions placed on Towantic by the Company due to water supply emergency, drought, or other unforeseen conditions, or due to the Company's inability to deliver the required volume of water, then Towantic shall not be charged for its failure to meet the minimum requirements on a per diem basis for the period in which its use was limited by the Company restrictions or inability to deliver the required volume of water. Such restrictions would only be placed on Towantic in accordance with the Company's Emergency Contingency Plan or any applicable orders from state or other governmental officials.
2. Water Supply Charges: The Company shall charge Towantic and Towantic shall pay the Company for all water delivered to Towantic at the water rates approved by the Connecticut Public Utilities Regulatory Authority applicable to the Towantic facility that are in effect from time to time during the term of this Agreement including, and as applicable, any surcharges or credits (the "Rate"). As of the date of this Water Supply Agreement, the Rate is \$2.66 per thousand gallons. The Company shall meter water usage and render invoices to Towantic in accordance with the Company's then-currently applicable Rules and Regulations as approved by PURA. Towantic shall pay the invoices in accordance with the timeframe set forth in such Rules and Regulations.
3. Minimum Charges: Beginning on the Commencement Date and during the term of this Agreement, Towantic agrees to pay for the following minimum amount of water:

Minimum: 150,000 gpd.

If the use by Towantic does not meet the minimum set forth above for a particular calendar month, outside the period of Offset Water use specified in Section 1.B.a (July 1 through October 31), Towantic shall pay to the Company a sum equal to the difference between the minimum required and the amount actually used multiplied by the Rate; provided, however, that if the minimum

amount to be purchased by Towantic is not met because of use restrictions placed on Towantic by the Company due to water supply emergency, drought, or other unforeseen conditions, or due to the Company's inability to deliver the required volume of water, then Towantic shall not be charged for its failure to meet the minimum requirements on a per diem basis for the period in which its use was limited by the Company restrictions or inability to deliver the required volume of water. Such restrictions would only be placed on Towantic in accordance with the Company's Emergency Contingency Plan or any applicable orders from state or other governmental officials. Towantic shall comply with any such water use restrictions imposed by the Company.

Attachment E hereto sets forth examples of Towantic's water supply charges based on Sections 1, 2 and 3 of this Agreement.

4. Conformance to Company Rules and Regulations: Except as otherwise expressly modified by this Agreement, Towantic shall conform to the Rules and Regulations of the Company on file from time to time with the Public Utilities Regulatory Authority of the State of Connecticut.
5. Water Quality: The Company shall supply water that meets the minimum potable water standards of the Connecticut Department of Public Health. Towantic shall be responsible for any further water treatment necessary to meet the needs of its equipment. All water delivered by the Company to Towantic shall become the property of Towantic at the meter and the Company shall have no liability for degradation of water quality and/or resulting damages that occur beyond the point of delivery.
6. Term: This Agreement shall remain in effect from the date hereof until the twentieth (20th) anniversary of the Effective Date and shall be automatically renewed for successive five (5) year terms unless either Party hereto gives written notice to the other not less than two (2) years prior to the expiration of the original or any renewal term of its intent not to renew this Agreement.
7. Default and Remedies:
 - A. Except as otherwise provided in paragraph 7 C below, in the event that either Party hereto fails to meet any of its obligations other than making payments under this Agreement, the failure to cure the same within a reasonable time after written notice specifying the same shall be an event of default hereunder. In the event of a default, the non-defaulting Party shall be entitled to any and all remedies in law or in equity. No remedy in law or in equity is intended to be exclusive of any other remedy and each shall be cumulative.
 - B. Defaults in payments shall subject Towantic to the late charges, shutoffs and other consequences provided by state law.
 - C. In the event that Towantic exceeds any of the maximum quantities provided in this Agreement unless otherwise authorized by the Company, in addition to any other remedies provided by law, the Company shall have the right to immediately physically restrict flows to the maximum amounts set forth in this Agreement without notice.

8. Force Majeure: Neither Party hereto shall be liable to the other for damages or otherwise for failure to perform any obligation of this Agreement, which failure is occasioned by or in consequence of any act of God, act of public enemy, war, acts of terrorism, blockades, insurrection, riot, epidemic, land slide, lightening, earthquake, fire, storm, flood, washout, civil disturbance, binding order, decree, regulation or judgment of any court or governmental authority, and any other cause, whether of the kind enumerated or otherwise, not within the control of either Party, which act, omission, or circumstance either Party is unable to prevent or overcome by the exercise of due diligence and/or good waterworks practices. Such non-performing party shall exercise all reasonable efforts to eliminate the Force Majeure Event and to resume performance of its obligations as soon as practicable.
9. Miscellaneous Provisions:
- A. Obligation of Parties; Assignment: This Agreement shall be binding upon and inure to benefit of the successors and permitted assigns of the parties hereto. Neither Party may assign this Agreement or any of its rights, interests or obligations without the prior written approval of the other Party, except that either Party may assign its rights and obligations under this Agreement to its parent company to any direct or indirect subsidiary of the Party, or to an entity that acquires all or substantially all of the assets or equity of the Party through merger, combination or otherwise, and that Towantic may collaterally assign this Agreement to any entity providing financing to it.
 - B. Company merger: In the event that the Company is merged with and into the Connecticut Water Company, the rate provisions of this Agreement that refer to the Company shall refer to the rates of the Heritage Village division or its successor.
 - C. Amendment: This Agreement may not be modified or amended except by a written agreement executed by all parties hereto. Any amendments shall be subject to any applicable regulatory approvals.
 - D. Laws: This Agreement shall be solely and exclusively governed by and construed in accordance with the laws of the State of Connecticut.
 - E. Notices: Except for the notices described in Paragraph 1A, any notice, report, demand, waiver, consent or other communication given by a Party under this Agreement (each a "Notice") to the other shall be in writing, may be given by such Party or its legal counsel, and shall be deemed to be duly given (i) when personally delivered, or (ii) upon delivery by United States Express Mail or similar overnight courier service which provides evidence of delivery, or (iii) when five days have elapsed after its transmittal by registered or certified mail, postage prepaid, return receipt requested, addressed to the Party to whom directed at that Party's address as it appears below or another address of which that Party has given notice, or (iv) when delivered by facsimile transmission if a copy thereof is also delivered in person or by overnight courier within two days of such facsimile transmission. Notices of address

change shall be effective only upon compliance with the provisions of the foregoing sentence.

Notice to the Company shall be sufficient if given to:

Heritage Village Water Company
c/o CTWS
93 West Main Street
Clinton, CT 06413
Attention: Chief Executive Officer

Notice to CPV Towantic shall be sufficient if given to:

CPV Towantic, LLC
16 Woodruff Hill Road
Oxford, CT 06478
Attention: Plant Manager

and

CPV Towantic, LLC
c/o Competitive Power Ventures, Inc.
50 Braintree Hill Office Park
Suite 300
Braintree, MA 02184
Attention: Asset Manager

- F. Entire Agreement: This Agreement, including the exhibits hereto, constitutes the entire agreement between the Parties pertaining to its subject matter, and it supersedes any and all written or oral agreements previously existing between the Parties with respect to such subject matter and may not be modified or amended except by an instrument in writing signed by the parties hereto. To the extent there is any conflict between this Agreement and Attachment A hereto, this Agreement shall govern.
- G. Waiver: Any Party's failure to insist on strict performance of any provision of this Agreement shall not be deemed a waiver of any of its rights or remedies, nor shall it relieve any other Party from performing any subsequent obligation strictly in accordance with the terms of this Agreement. No waiver shall be effective unless it is in writing and signed by the Party against whom enforcement is sought. Such waiver shall be limited to provisions of this Agreement specifically referred to therein and shall not be deemed a waiver of any other provision. No waiver shall constitute a continuing waiver unless the writing states otherwise.
- H. Counterparts: This Agreement may be executed in two or more counterparts and all such counterparts shall constitute one and the same instrument. Delivery of an executed signature page to this Agreement by facsimile transmission or portable document format shall be as effective as delivery of a manually signed counterpart of this Agreement.

- I. Consequential Damages: In no event shall a Party be liable to the other Party for any claim arising out of or related to this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, punitive, exemplary or statutory damages, whether based in whole or in part on contract, in tort, including negligence, strict liability, or any other theory of liability.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first mentioned above.

Witnesses:

_____ CPV TOWANTIC, LLC

_____ By: _____

Its:

_____ THE HERITAGE VILLAGE WATER COMPANY

_____ By: _____

Its:

STATE OF :
:SS.
COUNTY OF :

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by _____, the _____ of CPV Towantic, a limited liability corporation, on behalf of said corporation.

Notary Public:
My Commission expires: _____

