

**POTENTIAL ADDITIONAL CONDITIONS
FEBRUARY 28, 2018**

1. ***Public Outreach.*** Further Ordered that, to ensure robust public outreach prior to and throughout construction, the Applicants shall adopt and submit to the SEC Administrator, within 30 days of issuance of a Certificate, a public outreach plan that sets forth the steps that will be taken to keep local government officials and local residents informed of each phase of project construction, in order to avoid, minimize and mitigate impacts arising from construction of the Project. Such plan shall include coordination with local emergency responders.
2. ***Business Outreach.*** Further Ordered that, to ensure robust business outreach prior to and throughout construction, the Applicants shall adopt and submit to the SEC Administrator, within 30 days of issuance of a Certificate, a business coordination plan that sets forth the steps that will be taken in order to avoid, minimize and mitigate impacts to businesses arising from construction of the Project. Such plan shall include the Independent Claims Process described at paragraph 11 of the Counsel for the Public's proposed conditions.
3. ***Land Use.*** Further Ordered that, in order to address potential localized impacts of the Project in host communities, the Applicants shall condition their funding commitment with the FNH Fund on earmarking \$25 million for economic development as follows: (i) to provide a one-time payment of \$100,000 to each of the thirty-one host municipalities for the purpose of developing and implementing Master Plans for development; and (ii) to promote community betterment in host communities.
4. ***Municipal MOUs (land use).*** Further Ordered that, in order to further limit construction related impacts in host communities, the Applicants shall enter a Memorandum of Understanding with any requesting municipality based on the template included as Attachment H to the March 24, 2017 Supplemental Testimony of William J. Quinlan.
5. ***Plymouth HDD (business impacts, land use).*** Further Ordered that, in order to avoid and limit construction impacts to businesses in Plymouth, the Applicants shall work with the Department of Transportation ("DOT") to provide for the installation of the underground segment of the transmission line in downtown Plymouth along Main Street using horizontal directional drilling ("HDD") construction techniques.
6. ***Franconia HDD (business impacts, land use).*** Further Ordered that, in order to avoid and limit construction impacts to businesses in Franconia, the Applicants shall work with the DOT to provide for the installation of the underground segment of the

- transmission line in Franconia on Main Street and Church Street using HDD construction techniques.
7. ***Tourism Growth Fund.*** Further Ordered that, in order to mitigate potential impacts to tourism in affected areas, the Applicants shall condition their funding commitment with the FNH Fund on 1) earmarking \$25 million for projects or initiatives promoting tourism and recreation in affected areas and 2) requiring the FNH Fund to consult with NH tourism leaders to identify, design and fund programs that will promote tourism and recreation in affected areas.
 8. ***Property Value.*** Further Ordered that, in order to address potential property value impacts of the Project in communities where overhead construction is anticipated, the Applicants shall condition their funding commitment with the FNH Fund on earmarking \$25 million to address property value impacts in these communities during the first five years following commencement of commercial operation, as follows: (i) to authorize the Independent Administrator to draw on these earmarked funds to fund the Property Value Guaranty; and (ii) to provide an offset for municipal property tax abatements attributable to Northern Pass. To the extent that the earmarked funds are not fully distributed on expiration of the five-year period, all remaining funds shall be available for distribution by the FNH Fund for the purpose of community investment in impacted municipalities.
 9. ***Property Value Guaranty.*** Further Ordered that the Applicants shall expand eligibility for the Property Value Guaranty Program described in Attachment L to the March 24, 2017 Supplemental Testimony of William J. Quinlan to include any detached residence or condominium unit located within 200 feet of the Project right-of-way along the overhead segments of the route, and including all transition stations, substation expansions, and the AC-DC converter terminal.
 10. ***Property Tax Pledge.*** Further Ordered that, the Applicants shall make a binding Tax Stabilization Pledge to each of the host communities substantially in the form attached as Attachment I to the March 24, 2017 Supplemental Testimony of William J. Quinlan.
 11. ***Energy Cost Relief Fund.*** Further ordered that, in order to provide a benefit comparable to the proposed 2016 power purchase agreement between PSNH and HRE, the Applicants shall secure 400,000 MWh in environmental attributes annually for the first 20 years of Northern Pass' operation at no cost to customers. The Applicants shall monetize such environmental attributes for the purpose of providing a reduction in energy costs to low income and business customers, in addition to the projected wholesale market price benefits of the Project. Such benefits may be delivered through rate credits to large commercial and industrial customers, directing funding to the Electric Assistance Program or its equivalent administered by the

Community Action Program agencies, or other means. By way of example, assuming a \$40/MWh price for renewable energy credits, such attributes have a potential value up to \$300 million over a 20-year period. See Testimony of James Daly, NH PUC Docket No. DE 16-693, page 9, lines 3-13.

12. ***Public Interest Programs.*** Further Ordered, that the Applicants shall condition their funding commitment with the FNH Fund on earmarking \$20 million for the purpose supporting programs that advance clean energy innovation, community betterment and economic development in the State of New Hampshire, including without limitation the Core Energy Efficiency Programs or successor programs, or as part of funds used to finance programs that are part of an Energy Efficiency Resource Standard, as provided in the Settlement Agreement dated May 20, 2016 and subsequently approved by the PUC.
13. ***Right-of-Way Lease Payment.*** Further Ordered that the Applicant, NPT, shall make annual lease payments to Applicant, PSNH, to be flowed back to customers through transmission rates, averaging \$460,000 over the 40-year term, commencing upon the start of construction pursuant to the Lease and Settlement Agreement approved by the NH PUC on February 12, 2018.
14. ***Additional Right-of-Way Lease Benefits.*** Further Ordered that the Applicant, NPT, shall make annual payments totaling approximately \$15 million into a fund under the direction and control of the NH PUC for programs, projects or other purposes that provide benefits to New Hampshire distribution customers, including but not limited to demand response, distributed generation (including energy storage), electric vehicles, and other non-transmission alternatives, pursuant to the conditions of the Settlement Agreement approved by the NH PUC on February 12, 2018. In addition, the Applicants shall collaborate with the New Hampshire Department of Environmental Services and Hydro Quebec to facilitate the build out of electric vehicle charging infrastructure along interstate highway corridors I-89 and I-93 in New Hampshire, including but not limited to development of appropriate rate treatment and US and Canadian compatible payment systems.