



AGREEMENT

BETWEEN

NATIONAL GRID USA SERVICE COMPANY

AND

**JBI HELICOPTER SERVICES, INC.
PEMBROKE, NEW HAMPSHIRE**

FOR

**HELICOPTER PATROL AND INSPECTION SERVICES
NEW YORK AND NEW ENGLAND**

**PO №. 0000149843
Oracle PO № 671821**

August 1, 2011

COPY 2

OWNER'S CONFIRMATION COPY

AGREEMENT

This Agreement, effective as of this 1st day of August 2011, or on the date when signed by the party signing last in time, made and entered into, by and between **National Grid USA Service Company, Inc.**, a corporation organized and existing under the laws of the Commonwealth of Massachusetts, with its principal place of business at 40 Sylvan Road, Waltham, Massachusetts 02451 for and on behalf of its affiliate companies which may include the following entities: **Massachusetts Electric Company, Nantucket Electric Company, New England Power Company, The Narragansett Electric Company Granite State Electric Company, Niagara Mohawk Power Corporation, National Grid Electric Services, LLC, The Brooklyn Union Gas Company, KeySpan Gas East Corporation, Boston Gas Company, Essex Gas Company, Colonial Gas Company, Energy North Natural Gas, Inc., Long Island Lighting Company** d/b/a LIPA ("LIPA" or "Company"), a corporation organized and existing under the laws of the State of New York and a wholly owned subsidiary of the Long Island Power Authority which is a corporate municipal instrumentality of the State of New York, with a principal place of business at 333 Earle Ovington Boulevard, Uniondale, New York 11553, by and through LIPA's agent, **National Grid Corporate Services, LLC**, a corporation organized and existing under the laws of the State of New York, with its principal place of business at 175 East Old Country Road, Hicksville, New York 11801; each d/b/a "National Grid" except for The Brooklyn Union Gas Company whose d/b/a is National Grid NY and Energy North Natural Gas, Inc. whose d/b/a is National Grid NH (hereinafter collectively the "COMPANIES" and individually the "Company") ("Owner"), and **Joe Brigham, Inc. d/b/a JBI Helicopter Services** ("Contractor"), a corporation organized and existing under the laws of the State New Hampshire, with its principal place of business at 720 Clough Mill Road, Pembroke, NH 03275 (hereinafter each, individually, a "Party" and, collectively, the "Parties") for the Services identified hereafter as:

HELICOPTER (Aerial) PATROL, INSPECTION, AND EMERGENCY SERVICES

NEW YORK & NEW ENGLAND

CONTRACT #SS-093009

Peoplesoft PO № 0000149843

Oracle PO № 6671821

ARTICLE 1 - SCOPE OF WORK

- 1.1 The Contractor hereby agrees to provide aerial services in various locations throughout New York, Massachusetts, New Hampshire, Rhode Island and Vermont all in accordance with this Agreement.
- 1.2 Said aerial services can include routine inspection patrols (with or without Owner's personnel as passengers), emergency patrols, infrared, corona, and other instrumented assessments, inspections for vegetation management, gas leak detection, and other similar work. Services can also include personnel transport, heavy lifting, and limited overhead electric line construction/maintenance services.
- 1.3 No work shall proceed without authorization. Additional Work may be identified by Owner for which Contractor shall submit a proposal. Owner, at its sole discretion may authorize

Contractor to perform said Work. All work shall be authorized only upon complete execution of a Work Authorization Form (WAF) (sample included in Schedule C-4). The Work Authorization Form shall identify the National Grid USA company for which the Work shall be performed and that National Grid USA company shall be the "Owner", for purposes of this Agreement and such Work. Contractor shall commence performance of authorized Work immediately and in accordance with this agreement unless otherwise mutually agreed and documented.

- 1.4 The Contractor agrees that there is no obligation to award any such Work or any specific quantity of Work to the Contractor.
- 1.5 The Owner has categorized this Work as "High Risk." The Contractor shall comply with all applicable requirements set forth in Schedule E, including those for "Medium Risk" Work.

ARTICLE 2 - CONTRACT DOCUMENTS

- 2.1 The following documents, including all attached schedules, appendices, exhibits or other attachments thereto, are incorporated by reference as if fully set forth herein, and are hereinafter referred to collectively and individually as the "Contract Documents" or the "Agreement" listed in order of precedence:

Agreement

Agreement Change Orders and Amendments

Schedule A, Terms and Conditions 00350, *dated June 14, 2011*

Schedule A-1, Supplemental Conditions

 Schedule A-2-1, Special Conditions

 Schedule A-2-2, Power Control Policy 12.4

 Schedule A-2-3, General Operating Procedure 98.R6

Schedule B Specification for Helicopter Services

Schedule C, Pricing and Schedules

Schedule D, Background Check Requirements

Schedule E, Safety Requirements, *dated February 01, 2011*

Schedule F, Environmental Requirements

Schedule G, Insurance Requirements and Certificate

Schedule H, Release and Bond Forms (Not Applicable)

- 2.2 Contractor acknowledges and agrees that various of the aforementioned documents, procedures, assumptions, conditions, proposals, and pricing that were associated with the on-line **Ariba bid event entitled "SS – Helicopter Services FY-11+– 093009"** and the Request for Proposals (RFP) published January 13, 2011 as **Doc17104892** and responses as submitted by the Contractor on and after February 22, 2011 are by reference made part of this Agreement.
- 2.3 Contractor acknowledges and agrees that corporate information and query responses entered by the Contractor into the www.ISNetworld.com application as a condition of the bid referenced in paragraph 2.2 are by reference made part of this Agreement.

ARTICLE 3 – TERM & SCHEDULE

- 3.1 This Agreement shall be effective beginning on August 1, 2011, or when the Agreement is executed by all parties, whichever occurs last in time. It shall continue in full force and effect until December 31, 2014, or in accordance with the provision of Articles 11 of the Terms and Conditions 0350.
- 3.2 Any Work to be performed under this Agreement shall be commenced in accordance with the schedule(s) developed by the Contractor and accepted by the Company's Project Manager for each individual Project. The Contractor shall prepare updated schedules as requested by the Project Manager(s).
- 3.3 The Contractor shall perform the Work in accordance with the schedule. Once commenced, the Work shall be prosecuted continuously to completion unless otherwise agreed to by the Company.
- 3.4 The Contractor shall maintain a labor force of sufficient size and competence to conform to and complete all Work on schedule and within the scheduled hours and days set forth in the schedule unless otherwise directed or approved by the Company.
- 3.5 Time is of the essence as to performance by the Contractor of its obligations under the Agreement. If, at any time during the term of the Agreement, in the opinion of the Company the Contractor does not meet the schedule, the Company may for each incident of delay, at no additional cost to the Company, at its sole option:

Require the Contractor to get back on schedule by working additional shifts and/or additional days and/or increasing its manpower, supervision, tools, and/or equipment.
and/or

Treat such failure as a material breach and repudiate and terminate the Agreement and recover damages in accordance with Terms and Conditions for Contractor Purchase Orders 11 Termination.

ARTICLE 4 - CONTRACT PRICE

- 4.1 This is a Unit Price Contract, plus Time and Equipment. The Contract Price shall be the total price to be paid by the Owner to the Contractor in accordance with the prices set forth in the Unit Price Schedule, attached hereto as Schedule C-1, and any authorized and approved extra work in accordance with the rates set forth in Schedule C-2.
- 4.2 Each unit price shall be all inclusive, unless otherwise stated, and shall include all work reasonably associated with or implied by the unit as applicable, including but not limited to, make ready work, temporary facilities, labor, materials (not specified as being supplied by Owner), services, equipment, documents, profit, taxes, insurance, and other overheads, and incidental and miscellaneous items necessary to perform the Work. Unless otherwise agreed to in writing by the Owner and Contractor each unit price shall remain applicable regardless of the final quantity of units used.
- 4.3 Unit prices will be fixed and firm for the first year of the contract, and annual Schedule C-1 unit rate, Schedule C-2 labor and equipment rate proposals may be submitted at twelve month intervals thereafter unless otherwise agreed to in writing between both parties.

- 4.4 The Contractor shall, on a daily basis, furnish the Owner with daily work reports (in a format acceptable to the Owner) which briefly describe the Work rendered during the preceding day and reflects the number of units and description completed. All quantities shall be verified by signature of the Field Representative. A duplicate of the original signed daily work report and receipts and invoices for Contractor-furnished materials, rented equipment and Subcontractors shall accompany all invoices which the Contractor shall present for payment.
- 4.5 The Contract Price shall be all inclusive for the Work required by this Agreement in accordance with all the Contract Documents including, but not limited to, the Terms and Conditions.

ARTICLE 5 - PAYMENTS

- 5.1 The Contractor shall submit one invoice upon Final Acceptance of the Work by the Owner. The invoice shall be submitted and payment made in accordance with and subject to the terms and conditions set forth in the Terms and Conditions.
- 5.2 All invoices shall be submitted and payments made in accordance with and subject to the Terms and Conditions. The invoice shall reference the Purchase Order Number and the name of Owner's representative, for whom the Work is being performed.
- 5.3 All invoices for scheduled Work shall be submitted and payments made in accordance with and subject to the Terms and Conditions. The invoice shall reference the Purchase Order Number and the of the Owner's Field Representative's who called for or supervised the Work.
- 5.3.1 All invoices for scheduled Work performed in NY-N and NE shall be submitted as follows:

Send Original Invoice to:

National Grid

Accounts Payable

300 Erie Boulevard West

Syracuse, NY 13202

Attn: Nicholas Gibson

PO 0000149843

5.3.2 All invoices **Long Island** Work shall be submitted as follows:

National Grid
Accounts Payable, Dept. K
300 Erie Boulevard West
Syracuse, NY 13202
Attn: John J. Dean
PO 671821

5.3.3 All invoices **for Emergency Restoration** (Storm) Work in NY-N or NE shall be submitted as follows:

Send Original Invoice to:

National Grid
Attn: Leonard Dietrich
PO 0000149843
EMERGENCY RESTORATION
Accounts Payable Dept., C-1
300 Erie Boulevard West
Syracuse, NY 13202

5.3.4 All invoices **for Emergency Restoration** (Storm) Work on Long Island shall be similarly annotated as such, but submitted as per 5.3.2 to Department K.

5.4 **Diversity Target Invoice Reporting.** It is understood that National Grid has established a goal of not less than 15% of the total contract value to be subcontracted to a certified Minority or Women-owned Business Enterprise (Diverse Supplier). National Grid has partnered with CVM Solutions to support their Diversity spend program, increasing visibility and spend with suppliers by managing and hosting an online Tier 2 reporting system. The online system supports National Grid's commitment to increase Supplier Diversity Spend by enabling a more efficient method to capture, analyze, and consolidate Tier 2 Diversity Spend data. This online tool enables our key prime suppliers to report Tier 2 Diversity Spend via a web portal on a Quarterly basis. As a National Grid Contractor, your firm will be required to report such 2nd Tier Diversity Spend.

ARTICLE 6 - NOTICES

6.1 Notices required or permitted under this Agreement shall be addressed to:

Contractor:

Raymond Newcomb
President
JBI Helicopter Services
720 Clough Mill Road
Pembroke, NH 03275

Owner:

Scott D. Shupe
Senior Buyer
National Grid Global Procurement
300 Erie Boulevard West
Syracuse, New York 13210

6.2 A copy of any such notice shall also be forwarded to the Owner's Field Representative.

ARTICLE 7 – SEVERAL LIABILITY

The rights and obligations of each National Grid company in connection herewith shall be several and not joint.

ARTICLE 8 - ENTIRE AGREEMENT

This Agreement, including all Contract Documents, constitutes the entire Agreement between the Owner and the Contractor, with respect to the Work specified, and all previous representations relative thereto, either written or oral are hereby annulled and superseded. No modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of each party hereto.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by its duly authorized representative on the day and year set forth below.

JBI Helicopter Services:

The National Grid USA Service Company:

Signature

Signature

Name

Ross Turrini

Name

Title

Vice President, US Procurement

Title

Date

Date

SCHEDULE A

SECTION 2

SCHEDULE A-1

NATIONAL GRID USA AND AFFILIATED COMPANIES

**GENERAL CONDITIONS OF CONTRACT
TERMS AND CONDITIONS**

FOR

AIRCRAFT (HELICOPTER) PURCHASE ORDERS

DOCUMENT NO. 00350, *REVISED 06/14/11*

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ARTICLE I - THE CONTRACT

- 1.1 **The Contract.** These terms and conditions, together with the purchase order and any special conditions of contract or specifications referenced in the purchase order and any purchase order changes constitute the entire agreement ("Contract") for the services specified in the scope of work described in the purchase order ("Work") which may be acquired by Granite State Electric Company, a New Hampshire corporation, with offices at 9 Lowell Road, Salem, New Hampshire, 030079; Massachusetts Electric Company, Nantucket Electric Company, and New England Power Company, Massachusetts corporations, with principle offices at 40 Sylvan Road, Waltham, Massachusetts, 01745; Niagara Mohawk Power Corporation, a New York corporation, with principle offices at 300 Erie Boulevard West, Syracuse, New York, 13202, and The Narragansett Electric Company, a Rhode Island corporation, with offices at 280 Melrose Street, Providence, Rhode Island, 02901; National Grid Electric Services, LLC, a limited liability company organized and existing under the laws of the State of New York, with its principal place of business at 175 East Old Country Road, Hicksville, New York 11801, National Grid Corporate Services, LLC, a limited liability company organized and existing under the laws of the State of New York, with its principal place of business at 175 East Old Country Road, Hicksville, New York 11801, each an affiliate company of National Grid USA Service Company, Inc., a

Massachusetts corporation with offices at 40 Sylvan Road, Waltham, Massachusetts 01745 ("National Grid") and the party or parties and their legally appointed representatives, successors and assigns entering into the Contract with National Grid and or its affiliate companies ("Contractor"). National Grid and its affiliate companies may collectively be referred to herein as "National Grid."

1.2 **Acceptance of Terms.** These terms and conditions shall govern the relationship between National Grid and Contractor regarding the performance of the Work. Contractor's express acknowledgement of the purchase order, or Contractor's performance of any portion of the Work, shall constitute acceptance by Contractor of each and every term of the Contract.

1.3 **Priority of Terms.** All component parts of the Contract are intended to be complementary. The Contract consists of the following parts, which, in the event of conflict between them, are listed in descending order of precedence:

Purchase Order Changes.

Purchase Order.

General Conditions of Contract for Aircraft Helicopter Services 00350.

Specifications, including drawings, referenced in the Purchase Order.

1.4 **Proposals.** Contractor's proposals shall not be part of the Contract unless specifically referenced in the purchase order or a purchase order change.

ARTICLE 2 - CONTRACTOR'S RESPONSIBILITIES

21 **General Responsibilities.** During the term of the Contract, Contractor shall have the following responsibilities:

2.1.1 Contractor shall perform the Work pursuant to the terms of the Contract. Contractor shall only employ personnel in the performance of the Work who are properly licensed and qualified for the type of helicopter being flown,

2.1.2 Unless otherwise specified in the Contract, Contractor, at its expense, shall obtain in advance of performing the Work, and maintain during performance of the Work, any necessary licenses, permits, and authorizations for Contractor and its employees, agents, subcontractors and any other person(s) performing the Work under Contractor's direction, and Contractor shall be responsible for performance of the Work in accordance with the provisions of such licenses, permits, and authorizations.

2.1.3 Contractor shall be responsible for protection of and damage to property, materials, supplies and equipment (including those supplied, owned or furnished by National Grid for Contractor's use). Any equipment supplied by National Grid to Contractor shall only be used by Contractor to perform the Work.

- 2.1.4 Risk of loss for all labor, material, supplies, and equipment provided under the Contract or owned by National Grid or one of its affiliate companies shall remain with Contractor until the Work is completed and accepted by National Grid. Contractor assumes responsibility for all delays, except to the extent such delays are caused by National Grid or to the extent such delays are otherwise beyond the control of Contractor.
- 2.1.5 Contractor shall not interfere with National Grid's operations or the operation of others at the Work site. In case of conflict between the operations of different Contractors, National Grid will determine the sequence of Contractor services.
- 2.1.6 Contractor shall not cause or permit any lien or security interest to attach to any real or personal property of National Grid.
- 2.1.7 Contractor shall give all notices and comply with all applicable federal, state, and local laws, ordinances, rules, regulations, codes, permits, licenses, authorizations, orders of any governmental body, agency, authority, or court having jurisdiction over any aspect of the Work, or requirements thereunder in connection with performance of the Work ("Laws"). If Contractor observes that any requirement specified in the Contract is at variance with any laws, Contractor shall promptly notify National Grid in writing before continuing performance of the Work affected by the variance or incurring any further liability, expense, or obligation in respect thereof.
- 2.1.8 Should the Contractor identify any conflict between or among any of the component parts of the Contract, Contractor shall notify National Grid of the conflict in writing and cease performance of the work affected by the conflict until it obtains resolution of the conflict from National Grid.
- 2.1.9 Contractor shall carry on the Work in accordance with Contract schedules during any dispute between itself and National Grid unless otherwise directed by National Grid.
- 2.2 **Independent Contractors.** Contractor and its employees are independent contractors with respect to National Grid and neither shall be deemed to be the servants, employees, or agents of National Grid. Contractor shall neither act, purport to act nor represent itself as National Grid's agent or representative for any purpose whatsoever.

ARTICLE 3 - CONTRACT PRICE

- 3.1 **Contract Price.** National Grid shall provide and Contractor accept, as Contractor's entire compensation for the Work, the amount provided in the National Grid purchase order and any applicable changes thereto ("Contract Price"). National Grid shall not be obligated to compensate Contractor or any other party for services, parts or materials provided under the Contract unless specified in a purchase order signed by an authorized representative of National Grid and acknowledged by Contractor. Unless otherwise

expressly provided in the purchase order, the Contract Price shall include all costs associated with performance of the Work, including but not limited to labor and associated employment benefits, materials, parts, transportation and delivery charges, insurance, and all other fees, duties or charges. Contractor shall be liable for and shall pay all compensation to its employees and shall be liable for and pay all applicable employment taxes, contributions, penalties, or other costs or charges imposed by law.

- 3.2 **Sales Tax.** Except as provided in this Section 3.2, the Contract Price shall in no event include sales taxes applicable to the Work. National Grid shall pay any sales tax applicable to the Work directly pursuant its Direct Payment Permit. Contractor shall be relieved of any obligation to charge or collect from National Grid said sales tax upon National Grid providing Contractor, at Contractor's request, a copy of National Grid's Direct Payment Permit.

Should National Grid pay for the Work by use of a corporate credit card, then Contractor shall itemize, charge and collect from National Grid all sales taxes applicable to the Work.

ARTICLE 4 - INVOICES

- 4.1 **Content of Invoices.** Contractor shall submit its invoice(s) for the Work in accordance with the Specifications, in a form acceptable to National Grid and supported by an authorized National Grid purchase order. The invoice(s) must, at a minimum, provide National Grid's purchase order number, Contractors invoice number, date of invoice and work covered by the invoice.
- 4.2 **Payment of Invoices.** National Grid will pay Contractor within thirty (30) days from receipt of an acceptable invoice. Unacceptable invoices may, at National Grid's option, be adjusted and paid as adjusted or returned to Contractor for correction and resubmittal. No interest, carrying charges or other penalty will be incurred or paid on any unpaid or adjusted invoice. National Grid shall have no obligation to pay the Contract Price or any invoice which Contractor submits pursuant to this Article 4 until Contractor has executed and returned to National Grid an acknowledgement copy of National Grid's purchase order and all purchase order changes for the Work.
- 4.3 **Withholding Payment.** National Grid may withhold payment, in whole or in part, to the extent and for the time reasonably necessary, in National Grid's opinion, to protect National Grid from loss because of (1) defective work, (2) third-party claims filed or reasonable evidence indicating a probability of filing of such claims, (3) reasonable evidence that the Work cannot be completed within the time period stated in the contract or for the unpaid balance due under the contract, (4) damage to National Grid or a third party for which Contractor is responsible, (5) claims or liens filed in connection with the Work, or (6) persistent failure to perform the Work in accordance with the Contract.

ARTICLE 5 - CONTRACTOR'S WARRANTY

- 5.1 **Warranty of Contractor:** Contractor warrants that in addition to all other warranties

implied in fact or law, all Work furnished by Contractor shall be performed by qualified and competent personnel in accordance with the highest standards of care, skill and diligence, consistent with recognized and sound professional practices and procedures.

- 5.2 If the services provided by Contractor or its subcontractors fail to conform to the warranties set forth above, in addition to all other remedies available at law, Contractor shall, at its sole expense and at National Grid's option, promptly: 1) re-perform the nonconforming Work; 2) refund the amount of money paid by National Grid for such nonconforming Work; or 3) reimburse National Grid for the cost of re-performing the nonconforming Work.

ARTICLE 6 - CONTRACT CHANGES

- 61 **General.** This Contract cannot be changed, altered, modified or discharged orally.
- 62 **Change Procedure.** National Grid shall have the right to initiate changes in the Work at any time until payment of Contractor's final invoice for the Work. The Contractor may request changes in the Work. Contractor shall submit all requests for changes in the Work in writing to National Grid for its approval. Upon receipt thereof, National Grid shall review the proposed change for consistency with National Grid's objectives, and its impact upon the work schedule and the Contract Price. No change in the Work or Contract terms shall bind the parties until the National Grid and Contractor execute and acknowledge respectively a purchase order change setting forth the terms of any such change or amendment, including but not limited to any adjustment in the contract price, if not provided under the contract, and any adjustment to the schedule for the performance of the Work.
- 63 **Material Deviations.** Whenever National Grid specifies that a particular item be incorporated in the work by reference to a manufacturer or supplier, trade name, catalog number or the like, it is so specified for the purpose of establishing a standard of quality. Contractor must submit to National Grid a request for a change in the work prior to substituting any item manufactured by others which the Contractor feels will meet or exceed National Grid's specified standard of quality.
- 64 **Documentation of Changes.** National Grid shall prepare and issue to Contractor for execution a written purchase order change which will specify the manner in which the contract has been modified. Upon National Grid execution and Contractor acknowledgement of such purchase order change, the contract shall be deemed amended in accordance with the terms of such purchase order change. Any work which Contractor performs that is not in compliance with the terms of this contract or an executed and acknowledged purchase order change is performed at the Contractor's sole risk, cost and expense and shall be subject to the provisions of Article 5.
- 65 **Contractor's Proposals or Requests for Changes.** Should Contractor insert, provide or include with its acknowledgement of any purchase order or purchase order change or in any other notice or writing, terms and conditions which supplement or conflict with the terms of the contract or the original of said purchase order or purchase order change, then the supplemental or conflicting terms and conditions shall be null, void and shall have no force and effect as

between National Grid and the Contractor, unless such supplemental or conflicting terms are set forth in a separate purchase order change that is executed and acknowledged in accordance with this Article 6. Notwithstanding Contractor's proposal of supplemental or conflicting terms with its acknowledgement of a purchase order or purchase order change, the Contractor's acknowledgement shall operate to bind National Grid and Contractor only as to the terms and conditions set forth in the original purchase order or purchase order change.

ARTICLE 7 – DRAWINGS

(N/A)

ARTICLE 8 - AUDIT AND MAINTENANCE OF RECORDS

- 8.1 **General.** As required in the Specifications, Contractor shall, through the expiration of the warranty period set forth in Article 5 or for such longer period as may be required by law or an National Grid purchase order, maintain full and complete records relating to Contractor's performance of the work and any charges invoiced to National Grid. National Grid has the right at any time, during the performance of the work and the pendency of the warranty period, and at National Grid's expense to audit Contractor's books and records insofar as they pertain to charges invoiced to National Grid. Such audits may be performed by National Grid's employees or by professional auditing firms or both. If an audit reveals a discrepancy in National Grid's favor, Contractor shall make an appropriate adjustment to the next applicable invoice issued to National Grid, or if no further invoice is issued, Contractor shall issue a refund to National Grid within thirty (30) days of the last invoice. Such adjustment or refund shall include all costs incurred by National Grid in connection with the audit.

ARTICLE 9 - INDEMNIFICATION BY CONTRACTOR

- 9.1 **General.** To the fullest extent allowable by law, Contractor shall indemnify, defend, and hold harmless National Grid, its affiliate companies, including but not limited to its direct and indirect parent companies, and subsidiaries, and its and their directors, officers agents, employees, successors and assigns ("Indemnified Parties") from and against any loss, damage, liability, cost, suit, charge, expense, claim, investigation, proceeding, or cause of action, whether unconditionally certain or otherwise, as they exist on the effective date of the Contract or arise at any time thereafter, (including attorneys' fees and disbursements incurred by an Indemnified Party in any action of proceeding between Contractor and an Indemnified Party or between an Indemnified Party and any third party or otherwise) arising out of any damage or injury to the property of an Indemnified Party, Contractor, and or third parties (including real property, personal property and environmental damages), person (including injuries resulting in death), or economic damages, directly or indirectly caused by or arising out of or in any way connected with the Contract, or the Work performed thereunder, or any equipment, materials, property or facilities used by Contractor, its agents, employees, contractors, subcontractors, suppliers, or material men whether or not such loss, damage, liability, cost, suit, charge, expense, claim, investigation, proceeding, or cause of action is claimed to be in any way attributable, in whole or in part, to the acts, fault, negligence, equipment, property or facilities of National

Grid.

The Contractor shall take prompt action to fully indemnify, defend and hold harmless the Indemnified Parties against claims, actual or threatened, but in no event later than notice by National Grid to Contractor of the service of a notice, summons, complaint, petition, or other service of process against an Indemnified Party alleging damage, injury, liability, loss, or expenses attributed in any way to the Contract, the Work or its performance, or the acts, fault, negligence, equipment, materials, properties, facilities, personnel, or property of Contractor, its agents, employees, contractors, subcontractors, suppliers or material men. If Contractor fails to defend National Grid or pay damages and interest thereon, National Grid shall have the right to pay the same and Contractor shall be obligated to reimburse National Grid upon demand for such costs. If National Grid undertakes its own defense or pays damages, whether by settlement or pursuant to judicial order, judgment or decree, then Contractor shall not raise or plead as a defense to a claim for reimbursement for all or any part of the expense so incurred that in doing so National Grid acted as a volunteer or waived its right to defense, indemnification, or insurance coverage reimbursement in accordance with the contract. Further, Contractor shall pay all costs and expenses, including attorneys' fees, incurred by National Grid to enforce this indemnification provision or insurance policy provisions in Article 10 against Contractor or its insurer.

- 9.2 **Applicability to Environmental and Safety Compliance.** The provisions of this Section shall apply to any failure of Contractor, its contractors, subcontractors, material men or suppliers to comply with the provisions of Articles 15 and 16 of this contract, and shall extend to civil and criminal penalties imposed upon National Grid as a result of such noncompliance.
- 9.3 **Patent Infringement and Indemnification.** All royalties for any patent, invention, article or arrangement that may be furnished by Contractor and used or embraced in the work hereunder shall be paid solely by Contractor. Contractor shall indemnify, defend and hold harmless National Grid from and against any and all claims, demands, proceedings, judgments and costs, including attorneys' fees, resulting from any royalty or claimed royalty, and shall pay all judgments against National Grid resulting there from before they become enforceable liens against National Grid's property. Should any suits for infringement of patents be brought against National Grid before the payments herein provided, or any of them, are made, Contractor shall give a bond in amount and with sureties satisfactory to National Grid to indemnify National Grid against judgments, costs and attorneys' fees before demanding any balance hereunder. Should any injunction be threatened or issued which would or might stop, hinder or delay the Work, Contractor shall promptly secure dissolution thereof by giving bond or otherwise, or at the option of National Grid shall promptly cease the use of the patented article or arrangement complained of.

ARTICLE 10 - INSURANCE

- 10.1 From the commencement of the Agreement, through final expiration or longer where specified below, Contractor shall provide and maintain, at its own expense, insurance

Bodily Injury and Property Damage

per Occurrence \$1,000,000

General Aggregate and

Product Aggregate \$2,000,000 each

This policy shall include Contractual Liability and shall include National Grid USA Service Company, Inc. and its direct and indirect parents, subsidiaries and affiliates as additional insureds as outlined in Section 10.4.

10.1.3 Automobile Liability, covering all owned, non-owned and hired vehicles used in connection with the work with minimum limits of:

Bodily Injury \$500,000/1,000,000

Property Damage \$500,000

or

Combined Single Limit \$1,000,000

Additional Insured as outlined in Section 10.4.

10.1.4 Risk of Loss: Contractor will be responsible for the replacement of any equipment owned by National Grid or one of its affiliate companies when such equipment is attached to the Contractor owned aircraft.

10.1.5 Aircraft Liability: with a Bodily Injury and Property Damage limit of liability of not less than \$10,000,000 combined single limit. Such coverage shall not include a per passenger or per seat coverage limit.

10.2 **Coverage Exclusions:** Any required coverage in this section shall not contain any exclusions which would prohibit the undertaking of the work scope activities currently contemplated under this agreement.

10.3 **Self-Insurance:** Proof of qualification as a qualified self-insurer, if approved in advance in writing by National Grid, will be acceptable in lieu of securing and maintaining one or more of the coverages required in this Insurance Section. Such acceptance by National Grid shall become a part of this insurance provision by reference herein.

For Workers' Compensation, such evidence shall consist of a copy of a current self-insured certificate for the State in which the work will be performed.

In order for self insurance to be accepted, Contractors unsecured debt must have a financial rating of at least investment grade. For purposes of this section, "Investment Grade" means (i) if Contractor has a Credit Rating from both S&P and Moody's then, a Credit Rating from S&P equal to or better than "BBB-" and a Credit Rating from Moody's equal to or better than "Baa3"; (ii) if Contractor has a Credit Rating from only one of S&P and Moody's, then a Credit Rating from S&P equal to or better than "BBB-" or a Credit Rating from Moody's equal to or better than "Baa3; or (iii) if the Parties have mutually agreed in writing on an additional or alternative rating agency, then the equivalent credit rating assigned to an entity by such additional or alternative rating agency that is equal to or better than "BBB-" from S&P and/or "Baa3" from Moody's.

- 10.4 **Additional Insured, and Alternate Employer:** The intent of the Additional Insured requirement under the CGL, Auto, and Aircraft policies is to include the Insured Entities, their directors, officers and employees, as Additional Insured's for liabilities associated with, or arising out of, all operations, work or services to be performed by or on behalf of Contractor, including ongoing and completed operations, under this Agreement. The following language should be used when referencing the additional insured status: ***National Grid USA Service Company, Inc., its direct and indirect parents, subsidiaries and affiliates shall be named as additional insured.***

For the "alternate employer" endorsement, the following language should be used: ***National Grid USA Service Company, Inc., its direct and indirect parents, subsidiaries and affiliates.***

To the extent Contractor's insurance coverage does not provide the full Additional insured coverage as required herein, Contractor agrees to indemnify and hold harmless the Insured Entities against any and all liability resulting from any deficiency in Contractor's insurance coverage that may be out of compliance with this insurance requirement.

- 10.5 **Waiver of Recovery:** Contractor and its insurance carrier(s) shall waive all rights of recovery against the Insured Entities and their directors, officers and employees, for any loss or damage covered under those policies referenced in this insurance provision, or for any required coverage that may be self-insured by Contractor. To the extent Contractor's insurance carriers will not waive their right of subrogation against the Insured Entities, Contractor agrees to indemnify the Insured Entities for any subrogation activities pursued against them by Contractor's insurance carriers. However, this waiver shall not extend to the gross negligence or willful misconduct of the Insured Entities or their employees, sub-contractors or agents.
- 10.6 **Sub-Contractors:** In the event Contractor uses sub-Contractors in connection with this Agreement, it is expressly agreed that Contractor shall have the sole responsibility to make certain that all sub-Contractors are in compliance with these insurance requirements and remains in compliance throughout the course of this Agreement, and thereafter as required. Contractor shall remain liable for the performance of the sub-Contractor, and such sub-contract relationship shall not relieve Contractor of its obligations under this agreement.

Unless agreed to in writing by the Risk Management Department of National Grid USA Service Company, Inc., any deductible or self insured retentions maintained by any sub-Contractor, which shall be for the account of the sub-Contractor, and shall not exceed \$100,000. In addition, sub-Contractor shall name both the Contractor and National Grid USA Service Company, Inc., (including their direct and indirect parents, subsidiaries, affiliates, officers and employees), as additional insured's under the Commercial General Liability and Umbrella/Excess Liability insurance. If requested by National Grid, Contractor shall provide National Grid with an insurance certificate from its sub-Contractor evidencing this coverage.

In the event any sub-Contractor is unable to maintain all of the same insurance coverage as required in this insurance article, Contractor agrees to indemnify and hold the Insured Entities harmless against any and all liability resulting from any deficiency in sub-Contractor's insurance coverage that may be out of compliance with these insurance requirements.

- 10.7 **Insurance Certification:** Prior to starting work, Contractor shall promptly provide National Grid with (a) Certificate(s) of Insurance for all coverage's required herein at the following address:

National Grid
Attn: Risk and Insurance, Bldg. A-4
300 Erie Boulevard West
Syracuse, NY 13202

Such certificates, and any renewals or extensions thereof, shall outline the amount of deductibles or self-insured retentions which shall be for the account of Contractor. Such deductibles or self-insured retentions shall not exceed \$100,000 unless agreed to in writing by the Risk Management Department of National Grid whose approval shall not be unreasonably withheld, delayed or conditioned.

Contractor shall provide National Grid with at least 30 days prior written notice of any cancellation or diminution of the insurance coverage required in this insurance article.

- 10.8 **Insurance Obligation:** If any insurance coverage is not secured, maintained or is cancelled before Final Payment by Contractor to National Grid, or the completion of all services, work or obligations provided for under this Agreement, whichever is later, and Contractor fails immediately to procure other insurance as specified, National Grid has the right, but not the obligation, to procure such insurance and to deduct the cost thereof from any sum due the Contractor under this Agreement or invoice Contractor for said coverage.
- 10.9 **Incident Reports:** Contractor shall furnish the Risk Management Department of National Grid with copies of any non-privileged accident or incident report(s)(collectively, the "Documents") sent to Contractor's insurance carriers covering accidents, incidents or events

occurring as a result of the performance of all operations, work and services to be performed by or on behalf of Contractor under or in connection with this Agreement, excluding any accidents or incidents occurring on Contractor property. If an Insured Entity is named in a lawsuit involving the operations and activities of Contractor associated with this Agreement, Contractor shall promptly provide copies of all insurance policies relevant to this accident or incident if requested by National Grid. However, in the event such Documents are deemed privileged and confidential (Attorney Client Privilege), Contractor shall provide the relevant facts of the accident or incident in a format that does not violate such Attorney Client Privilege.

- 10.10 **Other Coverage:** These requirements are in addition to any which may be required elsewhere in this Agreement. In addition, Contractor shall comply with any governmental site specific insurance requirements even if not stated herein. This includes providing evidence of insurance and additional insured status, if necessary, to any third party property owner on which Contractor's work activities associated with this Agreement may be taking place.
- 10.11 **Coverage Representation:** Contractor represents that it has the required policy limits available, and shall notify National Grid's Risk Management Department in writing when the minimum coverage's required in this article herein have been reduced as a result of claims payments, expenses, or both. However, this obligation does not apply to any claims that would be handled solely with in Contractor's deductible or self-insured retention.
- 10.12 **Responsibility:** The complete or partial failure of the Contractor's insurance carrier to fully protect and indemnify the Insured Entities, or the inadequacy of the insurance shall not in any way lessen or affect the obligations of the Contractor to National Grid and the Insured Entities.
- 10.13 **Coverage Limitation:** Nothing contained in this article is to be construed as limiting the extent of the Contractor's responsibility for payment of damages resulting from all operations, work and services to be performed by or on behalf of Contractor under or in connection with this Agreement, or limiting, diminishing, or waiving Contractor's obligation to indemnify, defend, and save harmless National Grid and the Insured Entities in accordance with this Contract.

ARTICLE 11 - TERMINATION

- 11.1 **General.** Contractor may not terminate the Contract or suspend the Work without the written consent of National Grid.
- 11.2 **Termination by National Grid for default.** National Grid may, in its sole discretion, terminate the Contract or suspend the Work, in whole or in part, or both, at any time, effective upon notice from National Grid of Contractor's default. Contractor's default shall include but not be limited to: (1) abandonment of the Work by Contractor, (2) Contractor's repudiation of its obligations under the Contract, (3) the reasonable belief by National Grid that Contractor will not be able to perform the Work in a satisfactory or timely manner, and (4) Contractor's breach of any obligation in the Contract. In the event of suspension, Contractor shall resume the Work within seventy-two (72) hours of notice to resume from National Grid.
- 11.2.1 Effective upon receipt of notice of termination or suspension, Contractor shall discontinue the affected portion of the Work, shall place no further orders with respect

to the affected portion of the Work and shall preserve and protect materials on hand purchased or committed for the Work, pending National Grid's instructions. Upon termination under this Section 11.2, National Grid may take over the terminated Work and prosecute the same to completion. In such event, Contractor and its insurers shall be liable to National Grid for all direct transitional administrative costs and expenses incurred by National Grid to engage another firm or to perform the Work itself, and for all costs to complete the terminated Work.

11.2.2 In the event of termination under this Section 11.2, Contractor's compensation shall *be* limited to the portion of the Contract Price with respect to the Work deemed by National Grid to be satisfactorily performed by Contractor up to the date of termination. National Grid may require Contractor to substantiate its partial performance to National Grid's satisfaction, and at National Grid's request, Contractor shall prepare an accurate and complete written summary of the Work. Contractor's compensation shall be subject to set-off for any back-charges, claims and costs (including costs pursuant to subsection 11.2.1) incurred by National Grid as a result of Contractor's default. If, after exercising the right of set off, Contractor's compensation is less than the cost of completing the Work or correcting defective Work, Contractor shall receive no compensation and shall pay the difference to National Grid upon demand.

No payment shall be made to Contractor until determination by National Grid of all costs associated with termination of the Work. In no event shall Contractor be entitled to incidental or consequential damages for termination or suspension, including lost or prospective profits. Contractor forfeits all retentions under the Contract upon termination for default.

11.2.3 If, after notice of termination or suspension pursuant to this Section 11.2, it is determined that Contractor was not in default in the performance of any obligation under the Contract, the rights and obligations of the parties shall be the same as if the notice had been originally issued pursuant to Section 11.3.

11.3 **Termination for Convenience.** National Grid may, in its sole discretion, terminate the Contract or suspend the Work, in whole or in part, or both at any time, for any reason whatever or for its convenience, effective upon written notice to Contractor. Upon receipt of notice of termination or suspension, Contractor shall discontinue the affected portion of the Work, shall place no further orders with respect to the affected portion of the Work and shall preserve and protect materials on hand purchased or committed for the Work, pending National Grid's instructions. In the event of suspension, Contractor shall resume the Work within seventy-two (72) hours of notice to resume from National Grid. If the Contract is terminated, Contractor shall be entitled to reasonable compensation for the portion of the Work deemed by National Grid to be satisfactorily performed by Contractor, and an amount mutually agreed by the parties for Contractor's costs and expenses incurred as a result of such termination. National Grid may require Contractor to substantiate its partial performance to National Grid's satisfaction. In no event shall Contractor be entitled to incidental or consequential damages for termination or suspension, including lost or prospective profits.

ARTICLE 12 - NON-DISCLOSURE

- 121 **Non-Disclosure of Information.** Contractor shall not disclose or use in any way, commercial or otherwise, any proprietary information, including information relating to the processes, products, compositions, machinery, apparatus, or trade secrets of National Grid or any affiliate except to the extent required for the proper performance of the Contract and where the person to whom the proprietary information may be disclosed has executed and delivered to National Grid, prior to any potential disclosure to the person, an agreement in the form of the attached Appendix "A" or Contractor has provided a written statement representing and warranting that it has in place a written agreement in the form of Appendix "A" for all persons it will use to satisfy its obligations under the Contract.
- 122 **Non-Disclosure of Information Obtained from National Grid.** Contractor agrees that it will not divulge to third parties, without the prior written consent of National Grid, any information obtained from or through National Grid in connection with the performance of the Contract unless (1) the information was independently known to Contractor prior to obtaining the same from National Grid, (2) the information is, at the time of disclosure by Contractor, then in the public domain, or (3) the information is obtained by Contractor from a third party who did not receive the same, directly or indirectly, from National Grid. Contractor further agrees that it will not, without the prior written consent of National Grid, disclose to any third party any information developed or obtained by Contractor in the performance of the Contract except to the extent that such information developed or obtained by Contractor in the performance of the Contract falls within one of the categories described in (1), (2), or (3) above.
- 123 **Precautions by Contractor.** Contractor shall take all reasonable precautions to prevent all employees and agents of Contractor from disclosing or using any proprietary information identified in Section 12.1 except as permitted by Section 12.2.

ARTICLE 13 - FEDERAL SUBCONTRACTING REQUIREMENTS AND EQUAL EMPLOYMENT OPPORTUNITY

- 13.1 **Incorporation of Provisions.** The provisions of the following laws, as they may be amended, are incorporated herein by reference as part of the contract:
- 13.1.1 Section 202 of Executive Order 11246 and 41 C.F.R. Section 60-1.4, relating to the incorporation of an equal opportunity clause for government contracts and subcontracts exceeding \$10,000.
 - 13.1.2 C.F.R. Section 60-1.8, relating to the certification of nonsegregated facilities for government contracts and subcontracts exceeding \$10,000.
 - 13.1.3 C.F.R. Section 60-1.40, relating to affirmative action compliance programs for government contracts and subcontracts of \$50,000 or more and employers of fifty (50) or more employees.
 - 13.1.4 C.F.R. Section 60-1 .7, relating to submission of EEO-1 (Standard Form 100) reports for government contracts and subcontracts of \$50,000 or more and employers of fifty (50) or more employees.

- 13.1.5 Section 503 of the Rehabilitation Act of 1973 and 41 C.F.R. Section 60-741.4, relating to affirmative action for handicapped workers for government contracts and subcontracts of \$2,500 or more.
- 13.1.6 Section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, Executive Order 11701 and 41 C.F.R. Part 60-250, relating to affirmative action for disabled veterans and veterans of the Vietnam era for government contracts or subcontracts of \$10,000 or more.
- 13.1.7 C.F.R. Subpart 19.7 and Federal Acquisition Regulation 52-219-8, relating to the utilization of small business concerns and small disadvantaged business concerns.
- 13.1.8 C.F.R. Subpart 19.9 and Federal Acquisition Regulation 52-219-13, relating to utilization of women-owned small businesses.
- 13.1.9 C.F.R. Section 20.301(a), and Federal Acquisition Regulation 52-220-3, relating to utilization of labor surplus area concerns for contracts or subcontracts not exceeding \$500,000.
- 13.1.10 C.F.R. Section 20.301(b), and Federal Acquisition Regulation 52-220-4, relating to utilization of labor surplus area concerns for contracts or subcontracts exceeding \$500,000.

13.2 **Compliance by Contractor.** Contractor agrees to fully comply with such applicable provisions and any amendments thereof. In addition, all agreements that Contractor enters into to accomplish the Work shall require compliance with the provisions set forth in this Article 13.

ARTICLE 14 - FITNESS FOR DUTY

14.1 **General Requirement.** Contractor and its employees, agents, contractors, and subcontractors shall be fit for duty at all times during their performance of the Work, and shall not be under the influence of alcohol or illegal drugs. Contractor, its employees, agents, contractors, and subcontractors shall not use, possess, distribute or sell illegal drugs or alcoholic beverages on National Grid's facilities or during performance of the Work. Contractor shall not assign any individual to perform any portion of the Work, or permit any individual access to National Grid's facilities, where such individual is in violation of this Article 14, and Contractor shall remove any such individual from performance of the work and/or from National Grid's facilities, immediately, where Contractor discovers any such individual to be in violation of this Article 14. Any violation of this Article 14, including incidents of use, possession, distribution, or sale of illegal drugs, shall be immediately reported by Contractor to National Grid's Security Department and may result in denial of access to National Grid's facilities by the defaulting person. Costs of violation of this fitness for duty covenant shall be borne by the Contractor.

ARTICLE 15 - ENVIRONMENTAL COMPLIANCE

- 15.1 **Contractor's Responsibility.** Contractor shall comply fully with all applicable federal, state and local laws, ordinances, rules, regulations and permits for the protection and preservation of the environment, as may be amended from time to time, and all applicable environmental policies and practices prescribed by National Grid, including without limitation, the Resource Conservation and Recovery Act, the Hazardous Materials and Transportation Act, the Occupational Safety and Health Act of 1970 ("OSHA"), the New York Environmental Conservation Law, regulations of the Environmental Protection Agency, the Department of Transportation and the New York Department of Environmental Conservation issued pursuant thereto, regulations and guidelines of the Nuclear Regulatory Commission, if applicable, and the terms of National Grid's Special Conditions of Contract - Environmental, if incorporated as a Contract Document by National Grid. Contractor shall legally impose the requirements of this Article upon its contractors and suppliers.
- 15.2 **Material Safety Data Sheets.** Contractor shall provide to National Grid and post in a conspicuous location at the work site material safety data sheets ("MSDS") as required for products used in the performance of the Work. Contractor shall post, control and disseminate MSDS in accordance with National Grid's Hazard Communication Policy No. SS.07.006 and the applicable edition of OSHA Standard No. 1910.1200. Copies of MSDS documentation shall also be retained at the work site and shall be readily available to all Contractor personnel engaged in the work. The cited standard and policy are available through National Grid's Safety Department, 40 Sylvan Road, Waltham, Massachusetts 01745.

ARTICLE 16 - SAFETY COMPLIANCE

- 16.1 **Contractor's Responsibility.** Contractor assumes complete responsibility for the safe performance of the Work and shall comply fully with all applicable federal, state and local laws, ordinances, rules, regulations and permits for the safe performance of the work, as may be amended from time to time, including without limitation, OSHA and all regulations promulgated pursuant thereto Contractor shall legally impose the foregoing requirement upon its contractors and suppliers.

ARTICLE 17 - COMPLETION OF THE WORK

- 17.1 **Notice of Completion - Verification.** Contractor shall notify National Grid when it has completed the Work. National Grid may verify that the Work has been completed and Contractor shall provide reasonable evidence of such completion to National Grid upon National Grid's request. Contractor shall complete any items of Work discovered to be incomplete or not in compliance with the Contract as a result of said verification.
- 17.2 **No Waiver.** Neither National Grid's payment of Contractor's final invoice issued in respect of the Work during such verification.

ARTICLE 18 - NEW YORK STATE PUBLIC SERVICE COMMISSION APPROVAL

- 18.1 **Review by Commission.** Any proposed cost-plus or time and material contract or agreement for the construction, improvement or extension of public utility company plant, works or system in the State of New York exceeding \$100,000.00 or such other amount prescribed by order of the New York State Public Service Commission (the "Commission") in any calendar year, standing alone or when added to the cost of other such contracts with the same contractor, must be reviewed by the Commission. If the Contract is subject to Commission review, it shall not become effective until a copy of the Contract has been acknowledged to be on file with the Commission by the Commission's Director and the Commission's thirty (30) day review period has expired. The Commission's review period may be shortened or extended by notice to National Grid. If the Commission, during its review, determines that the public interest requires that the Contract shall be let after public bidding, and so notifies National Grid, the Contract shall not become effective, but National Grid shall proceed to make a public offering of the Work in accordance with the Commission's direction.
- 18.2 **Subcontracts.** Contractor shall notify National Grid and provide a copy of every subcontract on a cost-plus basis which exceeds \$5,000.00 or such other amount prescribed by order of the Commission. Every such subcontract proposed to be let under a principal contract or agreement subject to Commission review shall contain a provision which requires that it be filed with the Commission and that it will not become effective until completion of review by the Commission as specified for the Contract in Section 18.1.
- 18.3 **Disapproval by Commission.** In the event that the Contract, or any cost-plus subcontract which exceeds \$5,000.00 or such other amount prescribed by order of the Commission, does not become effective as a result of any Commission action, neither party shall be liable to the other for any damages, losses or expenses incurred thereby and Contractor shall indemnify *and* hold National Grid harmless from and against all claims, damages, losses or expenses including attorneys' fees asserted by any subcontractor against National Grid arising from the failure of any such Contract, agreement or subcontract to become effective for the reasons specified in this Article 18. The Contract shall not be subject to withdrawal, revocation or termination by Contractor during the Commission's review period.

ARTICLE 19 - MISCELLANEOUS

- 19.1 **Entire Agreement.** The Contract sets forth the full and complete understanding of the parties regarding the Work and supersedes all previous understandings, written or oral, which may have existed relating to the Work.
- 19.2 **Amendments.** The Contract may not be modified, amended, or otherwise changed except by instrument in writing signed by an authorized representative of National Grid and Contractor.

- 19.3 **Assignment by Contractor.** Contractor shall not assign all or any part of the Contract, nor sublet any portion of the Work, nor assign any moneys payable under the Contract without first obtaining the written consent of National Grid. National Grid may reject any proposed assignee, within its absolute discretion. Any assignment or subletting by Contractor or its subcontractors without the written consent of National Grid shall be considered null and void from its inception. Any National Grid-authorized assignment or subletting shall not relieve Contractor of the responsibility for full compliance with the requirements of the Contract.
- 19.4 **Governing Law and Jurisdiction of Courts.** The Contract shall be deemed to be executed in the Commonwealth of Massachusetts and shall be interpreted and enforced according to the laws of the Commonwealth of Massachusetts.
- 19.4.1 Only the courts in the Commonwealth of Massachusetts (either State or Federal) shall have jurisdiction over the contract and any controversies arising out of the contract. Any controversies arising out of the contract shall be submitted only to the courts in the Commonwealth of Massachusetts.
- 19.4.2 Contractor submits to the jurisdiction of the courts in the Commonwealth of Massachusetts (either State or Federal) for the purposes of interpretation and enforcement of the contract. Contractor waives personal service by manual delivery and agrees that service of process on Contractor in any action arising out of the contract may be made by registered or certified mail, return receipt requested, directed to Contractor at its address set forth on the purchase order.
- 19.5 **Severability.** In case any one or more of the provisions or application of the provisions contained in the Contract shall be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained in the Contract and their application shall not in any way be affected or impaired. The rights and obligations of National Grid USA Service Company, Inc. and each individual affiliate company of National grid USA Service Company, Inc. purchasing from Contractor under the Contract are several and not joint; to the extent National Grid USA Service Company, Inc. or any of its affiliate companies is liable in connection herewith, such liability shall be borne only by the entity for which the specific items or services giving rise to such liability were purchased.
- 19.6 **Titles and Headings.** Titles and headings to Articles and Sections in the Contract are inserted for convenience of reference only and are not intended to affect the interpretation or construction of the Contract.
- 19.7 **Survival of Terms.** The obligations of Contractor contained in Articles 5, 8, 9, 10, 11 and 12 shall survive the performance and termination of the Contract.
- 19.8 **Notices.** Unless otherwise provided for in the Contract, any legal or contractual notice required to be given to either party shall be deemed duly given when written and delivered personally or when sent by first class mail, postage prepaid, or via commercial overnight courier, to the intended party at the address provided in the purchase order or at such changed address as may from time to time be designated in a notice similarly delivered or mailed.

- 19.9 **Preference in Interpretation.** Contractor acknowledges that it understands each and every provision in the Contract, and shall not assert as a basis for the construction of language that the language was drafted by National Grid or its counsel.
- 19.10 **Time of the Essence.** Contractor acknowledges that **TIME IS OF THE ESSENCE** and agrees to perform the Work within the time specified in the Contract. Any failure by National Grid to terminate the Contract promptly where Contractor does not perform within the time specified shall not constitute a waiver by National Grid of its rights to subsequently terminate the Contract or suspend the Work, or to seek damages for untimely performance.
- 19.11 **Notification of Delays.** Contractor shall provide National Grid with timely written notification of any problems which do or might cause a deviation from the Contract schedule(s). Such notification shall identify the problem, its causes, its forecasted impact on the contract schedule(s), and recommended corrective action(s).

ARTICLE 20 - ACCEPTANCE OF CONDITIONS

Acknowledgement of Contractor

Receipt of this National Grid General Conditions of Contract for Helicopter Services is acknowledged this _____ day of _____, 2011, and Contractor agrees to be bound to same and Contractor represents that its signatory has complete authority to sign and accept on behalf of Contractor.

Contractor Name _____

By: Signature _____

Printed Name _____

Title _____

Street Address _____

City, State, Zip Code _____

Telephone _____

SCHEDULE A-2

SUPPLEMENTAL CONDITIONS

Section 3

Schedule A-2-1, Special Conditions

The following Supplemental and Special Conditions shall modify, delete and/or add to the General Terms and Conditions and/or other Agreement Documents. In the case of a conflict between the Supplemental and Special Conditions and any other provision of an Agreement Document, the provisions of the Supplemental and Special Conditions shall prevail.

GENERAL CONDITIONS

The following Special Conditions shall modify, delete and/or add to the General Conditions and/or other Agreement Documents. In the case of a conflict between the Special Conditions and any other Agreement Document, the Special Conditions shall prevail.

G-01 Definitions. The following definitions shall apply to this Agreement (Contract):

Alternative Directive	A Work Authorization Form is the primary document used to assign elements of Work under this contract. However, for expediency, the line of business calling the Contractor into service may use another, alternative document to direct the assignment for the Work.
Demobilization	This unit includes costs associated with closing down a completed or cancelled project.
Fittings	Term includes all hardware, connectors and other components that comprise, for instance, the insulator string and conductor connector except insulators.
ISNetwork	A third party services contracted by National Grid to receive, store, manage and maintain various records for National Grid related to safety and vendor onboarding. For all routine, scheduled, and bid work for which National Grid has determined to be of 'high risk' for worker safety, membership and participation – sustained with a satisfactory grade – must be maintained for the duration of that bid events and or contract.
LIPA	Long Island Lighting Company <i>d/b/a</i> LIPA, a wholly owned subsidiary of Long Island Power Authority (a corporate municipal instrumentality of the State of New York) and the entity with which National Grid has a management services agreement providing

for among other services, emergency restoration services, for the LIPA Service Territory.

Mobilization	Costs include, but are not limited to: receiving, handling, offloading, storing, inventorying, and securing materials; picking up and transporting materials from National Grid's material transfer point to the contractor's material storage yard; rentals, improvements, utilities, maintenance, restoration of contractor's storage yard and show ups.
Owner	Any of the National Grid U.S. subsidiary companies
Portal	The location from which a dispatched crew mobilizes upon being called into service under this Agreement, and to which it returns – or to the Contractor's home yard, whichever is closer – upon release from service, or the National Grid destination or location of assigned Work.
Remobilization	This unit includes mobilization costs incurred when re-starting a project following a Temporary Demobilization (e.g., closing down a project for the winter).
Unit Prices	Shall include all direct project costs, unless otherwise provided for, including, but not limited to: work that is reasonably considered to be good utility practice; work that is reasonably considered to be good construction practice ; administrative support, field offices and trailers (including utilities and sanitation); storage yards, security costs; per diems; idle equipment; right-of-way preparation; coordinating access through property owned by others where National Grid has a right-of-way; surveying; staking; Dig Safe(ly) permitting including filed marking; maintaining cordial relationships with project neighbors, public officials and other stakeholders; project meetings and reports; temporary work required to complete the unit of work; clean-up; removal of scrap materials and proper disposal or transfer of those materials; and transporting of materials. Structure units include installation of structure signage, labels, numbers, and markings.

G-02 All work under this Agreement shall comply with the Project-Specific requirements set forth in the relevant Work Authorization or alternative directive as well as any applicable National Grid Transmission and/or Distribution standards and/or procedures as issued by Owner's representative.

G-03 The Contractor shall, at all times, employ workers in sufficient number and of the various degrees of skill and experience required to perform the Work of the Specification. The Owner may require the Contractor to remove from the Work any employee as the Owner deems incompetent, careless, insubordinate or objectionable, or whose continued employment on the Work is deemed by the Owner to be contrary to the public interest, and such employee shall not again be employed on the Work

- G-04** Contractor shall make every reasonable effort to ensure that the trades work in harmony.
- G-05** The names and classification of workers, and type of equipment, once committed to the Owner, shall be provided by the Contractor to the Owner prior to commencement of their mobilization. Labor and equipment furnished by the Contractor shall be limited to those authorized in writing by the Owner.
- G-06** Contractor, upon reaching destination portal or assigned work location, and who needs copies of National Grid Engineering Standards (Schedule B-1) or Environmental procedures (Schedule F), should contact the appropriate National Grid Procurement Agent, Engineer, User or applicable representative.
- G-07** For billing purposes relating to equipment, a “day” is defined as 24 hours, a “week” 7 days, and a “month” 30 days. Example: if a contractor works for 9 days, Owner would be billed for equipment for 1 week (at the weekly rate) and 2 days at the daily rate.
- G-08** Mobilization and Demobilization will be paid for on a project-by-project basis at the unit prices, unless otherwise negotiated and stated in the Work Authorization.
- G-09** To facilitate regulatory reporting, Contractor’s Daily Time Sheets are to include annotation or reference to the town in which the crew worked, on what circuit(s), and clearly spell out the name of the Owner’s representative for whom the Work was performed.
- G-10** During Storm or Emergency Callouts, Travel Time starts when the line crew departs its home destination or portal. Unless, otherwise provided for in writing, National Grid will not pay for crew assembly, crew gear preparation, truck fueling and loading, or related preparatory time prior to departure from the portal of origin. Travel time starts when the door closes and the crew truck rolls out of the Contractor’s home yard or field location or other portal from which a fully-provisioned crew departs.
- G-11** Emergency Travel time (return upon release) starts when an authorized National Grid representative directs either that the Contractor’s crew’s services are no longer needed, or declares that the emergency situation over, and the Contractor’s crews are released to return to their portal of origin.
- G-12** The release process will be based on damage in a particular geographical region opposed to any set time commitment and may be a phased approach. The Owner retains the right to release some crews or all the crews at any given time to routine work; regardless of whether or not other contractor and/or owner crews’ continue on emergency work.
- G-13** Contractors will be paid for labor per hour from the time workers are called until released and returned to their headquarters/home portal (or as consistent with the terms and conditions of the then current Labor Agreements between the IBEW Locals 1249,1049, and 104 and the NECA - Agreement). Equipment will be paid for from the time noted on the Work Authorization Form.

- G-14** Contractor is responsible for any and all non-environmental, such as over length or over weight highway, permits.
- G-15** Owner shall be responsible for any environmental permits. Federal and state agency permit programs typically exempt elements of permitting in case of declared emergency situations. Nevertheless, the Contractor's workforce is execute its activities with due diligence and intent to minimize environmental damages and Owner's remedial site restoration work, if any is necessary, following expiration of the emergency declarations. Contractor understands that demonstrated environmental consciousness is one key performance indicator (KPI) that will be reported by the Owner's field representative performing for tracking by the Owner's Operations and Maintenance Department.
- G-16** Scrap cable and materials shall be returned by the Contractor to a site designated by the Owner
- G-17** Contractor shall maintain safe worksites. Contractor shall regularly police work areas for tripping hazards, debris, lines and ropes, discarded guy wire and other conditions caused by Contractors activities or those of other worksite occupants that could endanger any worker, landowners, the public, or the Company during the Work and subsequent to the Contractor's demobilization from the site.
- G-18** Unless otherwise directed by Owner, Contractor is responsible for waste disposal, including dumpsters, transportation, removal, and disposal costs.
- G-19** Contractor is responsible for and shall take all necessary precautions to minimize landscape disruptions. Compensation for landscape/environmental preservation outside the norm will be defined by Owner on a case by case basis.
- G-20** Contractor shall immediately notify Owner's Representative if, during the course of the Work, previously unknown debris or hidden site conditions are unearthed. Owner and Contractor will identify applicable Stand-by time and rates, unless otherwise provided for in the Contract/Agreement/Purchase Order.
- G-21** Should Contractor observe an egregious issue(s) involving either the reliability or safety with an asset Systems Operations Dispatch and Owner's Supervision should be contacted (see NG USA EOP G016 V Corrective Action Requirements). If appropriate, Owner and Contractor will identify applicable Stand-by time and rates, unless otherwise provided for in the Contract/Agreement/Purchase Order

SPECIAL CONDITIONS

- SC-1** Contractor shall maintain insurance coverage for the duration of this Contract/Agreement/Purchase Order. Coverage shall name as insured the National Grid subsidiaries and LIPA. Said coverage shall meet or exceed the levels specified by the Terms and Conditions of Schedule A that are associated with this Contract. Annually a copy of Contractor's Certificate of Insurance shall be submitted to the Owner pursuant to the directions for 'Notices' in Article 6 of this Contract. Additionally, if the level of risk associated with this Contract is such that the Contractor is obligated to participate in ISNetwork, or if Contractor has another Agreement/Purchase Order with the Owner for

work of a scope and nature that is deemed of sufficient risk to warrant participation in the ISNetwork program, a copy of the annually updated Certificate of Insurance is to be posted to ISNetwork.

SC-2 Notwithstanding Owner's written final inspection ("Punch List") for each Work Authorization, the Contractor shall remain liable for a period of two (2) years following Owner's final acceptance of the Work for any damages caused to Owner or other Owner's agent by incomplete housekeeping/work site cleanup of Contractor's Work that is determined to be the key contributing factor in any incidents of damage inflicted by cleanup work that should have been performed by the Contractor. It is imperative to remove all excess and discarded materials and equipment (*e.g.*, steel, pipes, conductor or shield wire segments, fasteners, ground rods, mats, guy wires, dunnage and blocking, tires, *et cetera* that could be, for instance, struck by a brush mower, dislodged and thrown up into a live electrical line or become a projectile capable of striking a worker, structure, or vehicle) from a jobsite once the work is completed. In areas where jobs run multiple shifts/days, end of shift cleanup should be utilized to ensure housekeeping is thorough.

SC-3 When requested in writing by the Owner, the Contractor's authorized complement of labor and equipment shall be placed on standby. Unless otherwise authorized, standby time shall be limited to four (4) hours daily. Owner approved standby time could include Long Island Rail Road directives, NYISO denial of outage, or inability to enable a Non-Reclosure Agreement. Standby Time (Idle Time) rate shall be the number of hours measured to the nearest half hour that the Contractor's crew(s) and equipment are idled due to Owner's directive, as verified by Owner's field representative. Unit Price for Standby Time shall include full compensation for the labor and equipment idled, direct costs, overhead and profit.

SC-4 LABOR

- A. All rates shall be in effect for the term of the Agreement, unless modified in accordance with provisions of the Contract/Agreement/Purchase Order.
- B. Labor classifications not included in Schedule C of the Agreement shall be submitted to and approved by the Owner in writing prior to Contractor's deployment to the Work of personnel associated with said classifications.
- C. Non-emergency rates are based on eight (8) hour day, prorated per hour worked. No part of this cost shall be allowed as an add-on for hours worked in excess of eight (8) hours per day.
- D. Emergency work hours shall be 16 hours work, 8 hours rest. Rates, if Contractor is signatory to IBEW, shall follow the term of the Local Agreement. Rates, if Contractor is open-shop, shall follow the terms of the individual Contract.
- E. Contractors will be paid for labor per hour from the time workers are called until released and returned to their headquarters (or as consistent with the terms and conditions of the then current Labor Agreements between the IBEW Locals 1249, 42, and 104 and the NECA - 1997 Agreement).

- F. The 'extra work' rates are all inclusive and include, but are not limited to such items as: wages, insurance, taxes, small tools and expendables, overhead, profit, etc., and shall be in effect for the term of this Agreement. A detailed breakdown of these rates into base rate, benefits, insurance, taxes, and fees shall be furnished by the Contractor. Additional rates and their justification shall be similarly provided and accepted by the Owner prior to performing Work that includes Subcontractor labor or labor classifications not included
- G. The Contractor may be required to participate in special training.
- H. Contractor's Employees are to present their identification and union card upon demand by Owner's field representative for daily timesheet verification of labor class.
- I. Contracted crew members will not possess or carry firearms while dispatched for services to National Grid.

SC-5 EQUIPMENT

- A. Equipment rates are to be based on 16 hour day, 50-hour week cap, 4 weeks monthly; hourly is any portion of a partial Crew Day.
- B. Equipment rate shall be fully burdened, excluding only operator and fuel, for all tooling, appurtenant operations, and maintenance normal to each type of equipment.
- C. Standby rate is to be used when equipment is requested to be on the work site, but not being used, includes all tooling when and where required, less maintenance and operating expenses.
- D. Contractor shall not, unless otherwise provided for in writing and agreed to by both parties, retain Owner's material or equipment after Owner releases the Contractor's workforce.
- E. Each qualified crew must have a working cell phone. Cellular telephone numbers must be provided on the crew sheet next to the name of the person carrying the cell phone.
- F. National Grid will NOT provide tools, gear or equipment to contractors. Crews who fail to deploy with proper equipment for the call-up, or who deploy ill equipped or lacking PPE and proper tooling in good repair will be sent back (released) to the Contractor's portal of origin without compensation.
- G. Contractor shall keep appropriate spill prevention and control equipment with vehicles.

SC-6 Fuel will be indexed against the \$5.00 basis used in the RFP for Type Jet A fuel.

- A. Flight hours will be tracked on a weekly basis. (Work hours for billing purposes may vary from flight hours dependent upon the service provided.)

- B. Actual fuel costs, confirmed with receipts, would be captured for the project on a weekly basis.
- C. Actual fuel costs (gallons x \$ price paid/gallon) would then be compared to the contract unit costs (gallons x \$5.00/gallon) and the resulting variance would be a direct pass through cost to National Grid or a credit to National Grid in the event the cost of fuel falls below the \$5.00 per gallon price.

SC-7 INVOICING CONTENTS Notwithstanding the specific invoicing instructions at Agreement Article 6.4.2, the following shall apply to this Agreement:

- A. Contractor shall keep an accurate record of each flight for National Grid that includes: date, starting and finishing times, duration (hours) of patrol and other flight time, ferry time to and from the Contractor's base (portal), waiting time, standby time at the Owner's direction, reason for standby, fueling time and location, fuel consumption, type of helicopter, names of pilot(s) and any passengers, start and finish locations and any stops associated with each WAF assignment, weather conditions, and details of any substantive public interaction.
- B. Contractor shall submit with invoices any special forms as may provided by Owner to the Contractor at least one month prior to the next invoicing cycle.

SC-8 REIMBURSEMENT DURING EMERGENCIES

- A. Meals are billed at cost, without markup, unless provided and paid for by National Grid.
- B. Lodging is billed at cost, without markup, unless provided and paid for by National Grid.
- C. Tolls, fuel, and other direct expenses not covered by the Contract or Terms and Conditions 700 are to be billed at cost, without markup.
- D. During extended emergency situations (greater than 24 hours) when worker rest periods are required, the Owner will provide hotel accommodations, based on double occupancy, for the Contractor's personnel. The Owner will be responsible for the room charges only. The Contractor shall be responsible for phone calls, laundry, damages, movies, and any additional room service charges. There will be no payment for rest time.
- E. Contractor must submit all receipts and documents substantiating any requested claims for reimbursements, otherwise such claims will be rejected.
- F. Materials supplied by the Contractor will be billed at direct cost. There will be no markups on sub-contractor supplied materials.
- G. Owner will not pay profit, overhead, worker's compensation or non-regulatory (mandated) fees on overtime pay. Work hours are not equal to overtime pay hours.

- H. Fuel expenses are billed at cost without markup; pump or store register receipts showing fuel volume, location of purchase, date and time are to be submitted with invoices.
- I. Contractor reimbursement for meals will be as follows:
 - 1) According to applicable Local labor agreement, or
 - 2) The Owner will pay \$35.00 per day per worker for meals for the Contractor's personnel assigned to work for the Owner. The \$35.00 per day covers all meals, breakfast, lunch and dinner. No additional amounts will be paid to contractor for meals, or
 - 3) At times, Owner may coordinate and arrange for meals for contractor personnel working the emergency. In many of these situations, Owner is billed directly for meal charges. In such cases, contractor will not seek reimbursement for such meal when pursuing meal reimbursement.
- J. Reimbursement for Travel Time, Mobilization, and Demobilization "Portal to Portal" is to be billed separately from, or very clearly identified, as such in the Contractor's invoicing. Owner expects mobilization and demobilization times to be reasonable. Excessive mobilization and demobilization times will be questioned and adjusted accordingly. Unless otherwise provided for in written agreement, upon Owner's call-out and release from service the Contractor's work force shall travel between Contractor's home yard, or crew's, point of origin at call-out if other than the home yard, and the Owner's designated initial show-up destination or point of release at the following rate: first 8 hours of travel at straight time, next 2 hours at time-and-a-half, next hours at double time until an 8 hour rest period is provided. Travel resumed upon completion of an 8-hour rest period shall be at the same schedule until crews reach the designated initial show-up destination specified by the Owner's representative who initiated the call-out or release.
- K. The Contractor shall pay for costs associated with traffic control including, but not limited to, railroad flagmen police details, and highway flagmen. The Owner will reimburse the Contractor for the actual invoice cost plus a 5% mark-up. Copies of the providers' invoice shall be submitted to the Owner.
- L. No profit will be applied to the administrative and support costs, if such costs are allowed to be reimbursed; support and administrative costs are to be factored into the overhead of Contract units.

SC-9 LONG ISLAND National Grid believes that for work on Long Island, contractor's heavy duty vehicles (HDVs) are subject to the applicable New York State air quality Part 248 requirements:

- A. 6 NYCRR Part 248 program requirements are intended to further the State's policy to *"conserve, improve and protect its natural resources and environment and control ... air pollution, in order to enhance the health, safety and welfare of the*

people of the state..." (ECL Section 1-0101(1), (L.1970, c. 140). Part 248 consists of two primary components. For affected HDVs, the components require the use of: 1) ultra low sulfur diesel (ULSD) fuel and 2) best available retrofit technology (BART). The affected HDVs are vehicles owned by, operated by or on behalf of, or leased by a state agency and state and regional public authority. *"On behalf of"* means *"to provide by a contractor, labor, services, materials and/or equipment to a regulated entity which are integral to the performance of regulated entity work by a regulated entity"*.

- B. 100 percent of applicable HDVs are to have BART installed by December 31, 2010. "HDV" means any on and off-road vehicle powered by diesel fuel and having a gross vehicle weight of greater than 8,500 pounds, subject to certain exceptions as provided in ECL 19-0323. Off- road vehicles do not include typical heavy duty construction vehicles since earth movers, which could include loaders and backhoes, are specifically exempt from this regulation per ECL 19-0323. Off-road vehicle is further defined in the proposed regulation as a motor vehicle, other than an on-road vehicle, powered by a diesel engine and having a gross vehicle weight of greater than 8,500 pounds or having an engine 50 horsepower and greater. Excluded are self propelled caterpillar or crawler-type equipment operating on a contract site, and alternative fuel vehicles.
- C. For each covered vehicle that has BART installed or that received a BART waiver, a label shall be affixed to the vehicle in plain view in the form of a legible and durable label.

SC-10 It shall be mandatory for all pilots to take "flying in wires training" or similar courses.

Schedule A-2-2, Power Control Policy 12.4

(Version 12/5/09) The purpose of this procedure is to provide guidance for communication of aerial patrols on the National Grid transmission system.

PROCEDURE:

- 1) Helicopter activity must be reported to the Transmission Control Center (TCC) daily. This communication shall be provided prior to the flight and upon completion.
- 2) When notified of an aerial patrol, the TCC Security Operator will obtain the following information and log the data in the attachment ('Helicopter Patrol Log'):
 - a) Date and start time
 - b) Helicopter Company Name
 - c) Helicopter Color
 - d) Helicopter Tail Numbers
 - e) Primary Contact
 - f) Contact Cellular Telephone Number
 - g) Pilot's Name
 - h) Line Being Patrolled
 - i) Work Location (area / region)
- 3) Once the Security Operator has received the information in Step 2 above, the Security Operator will provide the Patrol Supervisor or the Helicopter Pilot with the contact information for ALL the other helicopters working on National Grid transmission lines.
- 4) The Patrol Supervisor or Helicopter Pilot is then responsible for notifying all other helicopters working on National Grid transmission lines, to discuss their location and activities.
- 5) Helicopter Pilots are responsible for communication with each other to insure safe operations.
- 6) TCC will inform National Grid Security and the NYISO, plus all Regional Control Centers, neighboring Transmission Owners, and generating facilities in the area of the flight path.
- 7) Log:
 - a) Hard copies of the blank Helicopter Patrol Log (Attachment 1) are located in the 3-ring binder labeled, 'Helicopter Patrol Log.'
 - b) Electronic copies of the blank Helicopter Patrol Log Form are located at: S:\UGEDBG\Power Control\Forms\BLANK—Helicopter Log.xls
 - c) Completed Helicopter Patrol Log Forms are to be filed in the 3-ring binder labeled, 'Helicopter Patrol Log,' located on the Security Operator's desk.
 - d) Completed Helicopter Patrol Logs shall be retained for ninety (90) days.

HELICOPTER PATROL LOG DATE & TIME STARTED:	
NOTIFICATIONS MADE:	__ ISO __ NYPA __ NYSEG __ RGE __ ERCC __ CRCC __ WRCC __ Security (821-5100) __ Generators: _____
HELICOPTER CO. NAME:	
HELICOPTER COLOR:	
HELICOPTER TAIL #:	
RADIO FREQUENCY:	
PRIMARY CONTACT:	
CELL PHONE NUMBER:	
PILOT'S NAME:	
LINE BEING PATROLLED:	
WORK LOCATION:	
DATE & TIME FINISHED:	
NOTIFICATIONS MADE:	__ ISO __ NYPA __ NYSEG __ RGE __ ERCC __ CRCC __ WRCC __ Security (821-5100) __ Generators: _____
DATE & TIME STARTED:	
NOTIFICATIONS MADE:	__ ISO __ NYPA __ NYSEG __ RGE __ ERCC __ CRCC __ WRCC __ Security (821-5100) __ Generators: _____
HELICOPTER CO. NAME:	
HELICOPTER COLOR:	
HELICOPTER TAIL #:	
RADIO FREQUENCY:	
PRIMARY CONTACT:	
CELL PHONE NUMBER:	
PILOT'S NAME:	
LINE BEING PATROLLED:	
WORK LOCATION:	
DATE & TIME FINISHED:	
NOTIFICATIONS MADE:	__ ISO __ NYPA __ NYSEG __ RGE __ ERCC __ CRCC __ WRCC __ Security (821-5100) __ Generators: _____

Schedule A-2-3, General Operating Procedure 98.R6

New England Control Center / REMVEC II Transmission Operations Date: June 1, 2004
Subject: **GENERAL PROCEDURES FOR TRANSMISSION LINE PATROLS** Revised:
February 17, 2009 APPROVED BY: Director, New England Control Center / REMVEC

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New England Control Center / REMVEC II Transmission Operations Date: June 1, 2004
Subject: **GENERAL PROCEDURES FOR TRANSMISSION LINE PATROLS** Revised:
February 17, 2009 APPROVED BY: Director, New England Control Center / REMVEC

1. REFERENCES

NG-USA EOP T007 Transmission Line Patrol and Maintenance
23kV – 345-kV

ISO – New England Operating Procedure 3, Transmission Outage Scheduling –
Appendix B – ISO New England Standard 115kV and Above Transmission Line
Patrol & Inspection Program

SCOPE

□. This procedure establishes the responsibilities for routine line patrols in accordance with ISO – New England Operating Procedure 3, Transmission Outage Scheduling – Appendix B – ISO New England Standard 115kV and Above Transmission Line Patrol & Inspection Program and actions required for requesting and implementing transmission line patrols during abnormal conditions. The patrol of transmission lines and the subsequent reports from crews engaged in patrols under routine and abnormal conditions is important to the operation and security of the New England Control Center/REMVEC system. An abnormal condition is defined as a condition in which a transmission line (345, 230, 115, or 450 DC) has a permanent or transient fault. Once a patrol has been started, the entire line may be patrolled even if a problem has been found at a particular location.

1. RESPONSIBILITIES

3.1. NEW ENGLAND CONTROL CENTER/REMVEC

When it is necessary for The New England Control Center/REMVEC Security/System operator to request a patrol they shall:
Request a patrol through National Grid Transmission System Delivery.

Note relays that operated at all terminals and exchange this information as soon as possible.

This document becomes uncontrolled when downloaded and printed. Users should contact The New England Control Center/REMVEC to ensure that they have the latest version of this Operating Procedure. Operating Procedure: 98 Revision 6 Page 3 of 9 **New England Control Center / REMVEC II Transmission Operations** Date: June 1, 2004 Subject: **GENERAL PROCEDURES FOR TRANSMISSION LINE PATROLS**
Revised: February 17, 2009 APPROVED BY: Director, New England Control Center / REMVEC

- Keep necessary records regarding transmission line patrol events and findings.
- Establish and revise transmission line patrol priorities, as necessary, depending on system conditions.
- Notify transmission line patrol crews regarding significant reports from other crews on the same circuit.
- TRANSMISSION SYSTEM DELIVERY**
- Required Special Patrols
- Use the table below as a guide for the timing of patrols.

INTERRUPTION TYPE		
CIRCUIT CLASS	MOMENTARY	SUSTAINED
Bulk 115kV & Above	Initiate Patrols Within 1 Day Complete Patrols Within 3 Days Patrol Entire Line Regardless of Fault Check Stations Within 24 Hours	Initiate Patrols Immediately Complete Patrols ASAP Patrol Entire Line Regardless of Fault Check Stations Immediately
Load 69kV	Initiate Patrols Within 3 Days, Complete Patrols Within Reasonable Time Patrol Entire Line Regardless of Fault Check Stations Within 24 Hours	Initiate Patrols Immediately Complete Patrols ASAP Patrol Entire Line Regardless of Fault Check Stations Immediately

When it is necessary to patrol a line, System Delivery shall have the following responsibility:

Report to The New England Control Center/REMVEC the following information:

The time and location at the beginning of the patrol.

The type of patrol executed (Ground / Air).

The estimated time to complete the patrol.

Any findings from the patrol and their location

The estimated time to repair damaged equipment if any is found.

1. STANDARD EMERGENCY PATROL PROCEDURE ON TANDEM-OWNED TRANSMISSION LINES

- The New England Control Center/REMVEC confirms the loss of circuit, note relays that operated at all terminals and exchange this information.
- The New England Control Center/REMVEC notifies the designated persons in the companies involved and request patrol.
- The designated representatives in each of the companies involved contact each other and arrange plans for patrol of the circuit so that there will not be an overlap.
- As agreed to by the designated representatives, one will initiate a patrol to inspect the entire line regardless of ownership.
- If it is impractical to initiate an aerial patrol, the designated individuals will implement ground patrols. As prearranged, the line will be divided into sufficient patrol sections to accomplish the patrol in the shortest practical time.
- The company that owns the circuit is normally responsible for making the necessary repairs. The designated representatives in each company may agree to the repair being made by either company.

1. STANDARD ISO-NE CONTROLLED TRANSMISSION LINE INSPECTION PROGRAM

- Transmission System Delivery is responsible for the following Standard Patrol and Inspection schedule:
- At least one (1) visual patrol annually.
- Climbing inspections will be performed as dictated by visual patrols.
- Initial wood pole ground line inspection not later than 10 years after installation for all species. Re-inspect poles within 10 years of initial inspection. Thereafter, poles that do not receive re-treatment will be re-inspected at five year intervals. Poles that are retreated, will be re-inspected within ten years of the last re-treatment.
- A Ground Line inspection of the footings and legs of steel towers and direct buried steel poles shall be performed every 20 years.
- A Heat Sensing inspection shall be performed at a minimum of four year intervals. It is preferable that during the inspection and for a period of one hour before the inspection the line operates at a minimum of 50% of its thermal capacity. However, no PTF lines shall be opened to artificially load the line to be inspected

unless the next contingency which could then develop has been determined by the ISO or appropriate Local Control Center to have minimal effect on system security.

Appendix A

NOTIFICATION REQUIREMENTS TO THE NEW ENGLAND CONTROL CENTER/REMVEC FOR HELICOPTER PATROLS OR HELICOPTER ACTIVITY ASSOCIATED WITH NATIONAL GRID TRANSMISSION LINES

1. All helicopter patrols or helicopter activity on National Grid Transmission shall be reported to The New England Control Center/REMVEC by calling **1-800-382-7260**. The Patrol Supervisor or the Helicopter Pilot will provide the System Operator with the following information (See Form in Appendix B):

- Helicopter Company Name
- Contact Cellular Telephone Number
- Pilot's Name
- Radio Frequency
- Line Being Patrolled
- Work Location

1. Once the New England Control Center/REMVEC System Operator has received the information above, they will provide the Patrol Supervisor or the Helicopter Pilot with the contact information for **all** the other helicopters patrolling or working on National Grid transmission lines.

1. The Patrol Supervisor or Helicopter Pilot is then required to contact all other helicopters patrolling or working on National Grid Transmission Lines to discuss their location and activities.

1. Helicopter activity must be reported to The New England Control Center/REMVEC System operator **daily**.

1. Helicopter Pilots are responsible for communication with each other to insure safe operations. The New England Control Center/REMVEC will act as a clearing house to facilitate that communication.

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SCHEDULE B

SPECIFICATION FOR HELICOPTER SERVICES

***AS INCLUDED WITHIN ZIPPED FILES FOR RFP
entitled***

**Ariba Doc17104892 RFP - SS - HELICOPTER SERVICES FY-11+
Published January 13, 2011**

Schedule B-1

National Grid Engineering {Transmission and Distribution} Standards

Engineering Standards for NY-N and New England will be provided electronically on a web-based platform to each Contractor upon execution of this Agreement. A password will enable the Contractor to review updates. Contractor shall, upon call-out, familiarize itself with updates.

Available to Contractors via individually pass worded National Grid web service

- **National Grid DOT Compliance Manual, July 2007**
- **National Grid Overhead Distribution Standards Construction Book, July 2010**
- **National Grid Transmission Engineering Standards for NY-N & New England SP.06.01 2010**
- **NY-N Sub-Transmission Standards (March 2011) will be integrated into the above in 2012**
- **Long Island Power Authority Overhead Construction Standards, Electric Distribution 2011**
- **Long Island Power Authority Underground Construction Standards, Electric Distribution 2011**
- **National Grid Environmental Procedures and Guidance Documents**

SCHEDULE C

PRICING & SCHEDULES

C-1 – Fixed Prices

C-2 – Labor & Equipment Rates (extra's only)

C-3 – Milestone Schedule

C-4 – Work Authorization Form

C-1 – Fixed Price Schedule

				All incidentals, other than those burdens directly related to aircraft maintenance and operations, (e.g., per diem; landing fees, hotels) are to be invoiced at cost. Include all operational burdens (maintenance, insurance, profit, etc) in Unit Prices.
	2011-2014 Helicopter Services Bid event, supplemental post-bid revision (4/21/11)			
R2.3	Bidder Name: JBI Helicopter Services (JBI)			
ITEM	DESCRIPTION	UNIT	\$ \$	Clarifications
	MOBILIZATION & DEMOBILIZATION (clarify original Arriba bid Item 14.2.1)		yes	Is Mob & Demob only at the hourly rate? (Yes/No)
	For Routine and Emergency Patrols (Owner will not pay for shuttles for aircraft maintenance):	Each		Owner will pay the lesser of the Flat Rate (assumed origin is at Bidder's HQ airfield) or hourly patrol rate if working 'locally' in or nearer to the Ngrid Territory
RB-1	Combined Mobilization AND Demobilization price (@) to Buffalo, NY	Flat Rate		
RB-2	Combined Mobilization AND Demobilization price (@) to Syracuse, NY	Flat Rate		
RB-3	Combined Mobilization AND Demobilization price (@) to Watertown, NY	Flat Rate		
RB-4	Combined Mobilization AND Demobilization price (@) to Albany, NY	Flat Rate		
RB-5	Combined Mobilization AND Demobilization price (@) to Republic Airfield Long Island, NY	Flat Rate		
RB-6	Combined Mobilization AND Demobilization price (@) to Fitchburg Municipal Airport Fitchburg, MA	Flat Rate		
RB-7	Combined Mobilization AND Demobilization price (@) to North Central Airfield, Smithfield, RI	Flat Rate		
RB-8	Combined Mobilization AND Demobilization price (@) to Hanscom Field, Bedford MA	Flat Rate		
RB-9	Combined Mobilization AND Demobilization price (@) to Sterling Municipal Airport, MA	Flat Rate		
	For Twin Turbine Craft:	Each		See note above
RB-10	Combined Mobilization AND Demobilization price (@) to Buffalo, NY	Flat Rate		
RB-11	Combined Mobilization AND Demobilization price (@) to Syracuse, NY	Flat Rate		
RB-12	Combined Mobilization AND Demobilization price (@) to Watertown, NY	Flat Rate		
RB-13	Combined Mobilization AND Demobilization price (@) to Albany, NY	Flat Rate		
RB-14	Combined Mobilization AND Demobilization price (@) to Republic Airfield Long Island, NY	Flat Rate		
RB-15	Combined Mobilization AND Demobilization price (@) to Fitchburg Municipal Airport Fitchburg, MA	Flat Rate		
RB-16	Combined Mobilization AND Demobilization price (@) to North Central Airfield, Smithfield, RI	Flat Rate		
RB-17	Combined Mobilization AND Demobilization price (@) to Hanscom Field, Bedford MA	Flat Rate	0	
RB-18	Combined Mobilization AND Demobilization price (@) to Sterling Municipal Airport, MA	Flat Rate		
	clarifications of original Arriba Bid Item 14.2		Bell 429	Specify the aircraft mfg & model used in these bids
RB-19	Instrumentation setup fee, regardless of aircraft or instrumentation	Flat Rate		Unit paid in addition to RB-21 fee.
RB-20	Hourly price for turbine helicopter for visual patrol work (no instrumentation) , pilot & fuel included, jet fuel = \$5.00/gallon	HOURLY		
RB-21	Hourly price for turbine helicopter for instrumented patrol work , including all mounted instrumentation; pilot, support crew, & reporting (specified deliverables) - fuel included, jet fuel = \$5.00/gallon	HOURLY		Operating time
RB-21A	Hourly price for turbine helicopter performing Lidar inspection, including processing, support crew, and reporting	MILE		Setup Fee
RB-21B	Hourly Price for turbine helicopter performing Gas Line Leak Detection including instrumentation; pilot, support crew, & reporting	HOURLY		
	NEW ITEMS (not in original Arriba bid)			
RB-22	Rate for uninstrumented twin turbine helicopter for visual patrols or personnel transport, based on \$5.00 per gallon fuel.	HOURLY		Specify the aircraft mfg & model used in this bid
RB-23	Second pilot , if requested, for appropriate aircraft, with fully activated redundant controls.	HOURLY		Specify the aircraft mfg & models used in this bid item
RB-24	Cost (Lump Sum) to provide IR patrol of the Long Island Transmission system . Price is to include all staffing, instrumentation, helicopter and related services and deliverables IAW "Specification of the Infrared Inspection of the LIPA Electric Transmission System" provided in the pre-bid Addendum #1; jet fuel based on \$5.00 per gallon	LS		Owner will reserve the option of paying the lower of the Firm Fixed Price (LS) or combined Unit Prices.
RB-25	Crew for Line Work (including aircraft, Pilot, Working Foreman, Lineman, Helicopter Mechanic, tooling, platforms, and all ground and data support/admin, fully burdened with insurance, overhead, and profit), using a \$5.00 per gallon fuel basis.	HOURLY	N/A	If available ("N/A" if you cannot provide), as separate from all other T&E rates as Arriba Item 14.4 & 14.5. Specify the aircraft mfg & model used in this bid.
RB-26	Additional Crewman (Observer) for patrol/inspection work	HOURLY		
RB-27	Wait time (off-meter) during normal business hours after waiting 30 minutes. ("Cool your jets while Ngrid's Observer runs an errand.")	HOURLY		
RB-28	Off-Meter Standby Charge (e.g. Storm Standby) , at your point of origin, for a helicopter and pilot reserved for Ngrid use, but not flying; weekdays	HOURLY		
RB-29	Off-Meter Standby Charge (e.g. Storm Standby) , at your point of origin, for a helicopter and pilot reserved for Ngrid use, but not flying; weekends and holidays	HOURLY		
RB-30	Reserve Time, excluding mobilization AND demobilization , for placing a single turbine helicopter and pilot at the Syracuse Hanger (e.g. when Ngrid's chopper is down); if Bidders craft is unfown, what is the rate. (If flown, we will use standard hourly rates)	DAY		Specify the aircraft mfg & model used in this bid
RB-31	Reserve Time, excluding mobilization AND demobilization , for placing a twin turbine helicopter and pilot at the Syracuse Hanger (e.g. when Ngrid's chopper is down); if Bidders craft is unfown, what is the rate. (If flown, we will use standard hourly rates)	DAY		Specify the aircraft mfg & model used in this bid
	Original 02/13/11 Bid Items			
14.3.4	Pulling Aerial Sock Line	HOURLY		
14.3.8	TRANSPORTATION of external cargo	HOURLY		e.g. poles, fuel bladders, & sling leads

C-2 – Labor & Equipment Rate Schedule (Extra's Only)

{NONE}



JBHELLABRATE021311.pdf



JBHELEquipRATE021311.pdf

C-3 – Milestone Schedule

{Not applicable
Assignment Schedules to be IAW
Individual Schedule C4 Work Authorizations}

C-4 – Work Authorization Form

DATE: 0X/XX/11

WORK AUTHORIZATION

Owner:

Contract: SS - HELICOPTER SERVICES FY-11+

Work Authorization No. **JB1-11-01**

Location:

Purchase Order No. **0000149843**

Contractor: JBI Helicopter Services

Description of Work:

(Check the appropriate box and fill in necessary blanks completely).

- A) The Owner shall pay the Contactor for this Work in the lump sum of \$_____.
- B) The Owner shall pay the Contactor in accordance attached unit prices for the Work.
- C) The Owner shall pay the Contactor on a time and materials basis for the Work in accordance with rates provided in Schedule D of the Agreement.

The Contactor shall start the Work on or about _____ and complete the Work by _____
Work shall be performed in accordance with the above referenced Contract and the following, including any attached Documents which are incorporated by reference:

Pricing, Invoicing, & Payment:

Work and pricing shall be in accordance with quote provided _____ by _____ to _____

Send Original Invoice to:

National Grid

Attn:

Accounts Payable Dept., C-1

300 Erie Blvd. West

Syracuse, NY 13202

The invoice shall include the PO#, the name of the Owner's Representative or Field Supervisor who requested the Work, and the Work Request #, if any, issued by the Representative.

The Contactor shall be authorized to perform the Work described above, in accordance with the terms and conditions of the above referenced Contract, only when both the Contactor and the Owner sign this document below

APPROVED:

Owner:

Contractor: JBI Helicopter Services

By: _____
(Authorized Representative)

By: _____

By: _____
(Procurement Agent if necessary)

Date: _____

Date: _____

Client User Group to institute and maintain a tracking system for serially numbered WAF's

SCHEDULE D

BACKGROUND CHECK REQUIREMENTS



JBHELBACKGRND021311.pdf

SCHEDULE E

SAFETY REQUIREMENTS

As made part of the Agreement record in:

- **Ariba bid event entitled “*SS – Helicopter Services FY-11+– 093009*” and *Doc17104892*” and**
- **www.ISNetworld.com under ID#400-169606**

SCHEDULE F

ENVIRONMENTAL REQUIREMENTS

To be provided by Owner's Representative as appropriate to the Work Assigned

- EP-6, National Grid USA Environmental Requirements
- EG-303, ROW Access, Maintenance and Construction Best Management Practices
- EG-501NY, Release Notification
- EG-502NY, Spill and Release Cleanup
- USACE Nationwide Permit 3 (Maintenance)
- USACE Nationwide Permit 12 (Utility Features)

SCHEDULE G

INSURANCE REQUIREMENTS & CERTIFICATE

See Schedule B, Special Condition SC-1



NG Cert.pdf

SCHEDULE H

**RELEASE AND BOND FORMS
(Not Applicable)**