TEMPORARY USE AND OCCUPANCY AGREEMENT

1. The following entities shall be parties to this Agreement made in duplicate this 27th day of January, 2013, and shall be bound by its provisions:

   A. Granite State Gas Transmission, Inc., hereinafter called the "GSGT", incorporated in the State of New Hampshire, having a principal place of business at 6 Liberty Lane West, Hampton, New Hampshire 03842).

   B. The STATE OF NEW HAMPSHIRE, hereinafter called the "State", acting by and through the Commissioner, New Hampshire Department of Transportation (NHDOT), 7 Hazen Drive, PO Box 483, Concord, NH, 03302-0483.

2. The parties have entered into an agreement dated June 13, 1956, as amended on several occasions, including in October 1966 regarding the use and occupancy by the existing gas pipeline of State land adjacent to Shattuck Way in Newington, New Hampshire, across the existing Spaulding Turnpike Bridge across Little Bay ("Little Bay Bridge") and State land within Hilton Park in Dover, New Hampshire. Except as amended by this Agreement, the Original Agreement is hereby ratified and confirmed. In the event of conflict between the Original Agreement and this Agreement, this Agreement shall control.

3. The State is expanding and rehabilitating Little Bay Bridge, and in connection with such rehabilitation is requiring GSGT to remove the existing interstate natural gas pipeline from the Little Bay Bridge and to relocate the gas pipeline described in Section 2 to a submerged gas pipeline under the Piscataqua River and then connecting the submerged gas pipeline to the existing gas pipeline located on opposite banks of the Piscataqua River. All work associated with the removal and relocation of GSGT gas pipeline for purposes of the Little Bay Bridge rehabilitation is known as the Granite State Gas Transmission Horizontal Directional Drill Project No. 11C3860 ("Project"). The Project is approved by the Federal Energy Regulatory Commission under a blanket certificate of public convenience and necessity. The State has granted an Easement to GSGT granting the property interests necessary to submerge the pipeline between the two high water marks of the Piscataqua River in Newington and Dover ("State Easement"). The New Hampshire Public Utilities Commission has granted a water crossing license to construct, operate and maintain the pipeline under and across State property. As more fully described in Section 5, this Agreement pertains to the use and occupancy of State property for the purpose of constructing, accessing, operating and maintaining new gas pipeline required for the Project and necessary for continued and uninterrupted regional supply of natural gas. This Temporary Use & Occupancy Agreement is intended to allow for commencement of construction activities related to the Horizontal Directional Drill project referenced above, pending approval by the Governor & Council of a Use & Occupancy Agreement for a term of fifteen (15) years with the potential for five (5) year renewal terms, which NHDOT intends to submit for approval as soon as practicable after
execution of this Temporary Agreement. This agreement shall terminate upon approval by the Governor & Council of the fifteen (15) year term Use & Occupancy Agreement.

4. GSGT, through its consultant, has submitted to the State a set of plans titled “Unitil Horizontal Drill at Little Bay Bridge, US Route 4/NH Route 16 (Spaulding Turnpike), Newington and Dover, New Hampshire,” dated November 11, 2011, as revised through May 28, 2012, as prepared by BL Companies, 355 Research Park, Meriden, CT 06450 (“Plans”), which are incorporated in this Agreement, for installation of the Gas Facilities as shown on the Plans. The State acknowledges that it has reviewed the Plans and has incorporated them into its highway project plans for the area. The State also acknowledges that the Plans may be amended over time in order to accommodate highway, environmental and other considerations that may arise.

5. This Agreement covers the Use and Occupancy of the Limited Access Right-of-Way (LAROW) of Spaulding Turnpike (US 4/NH 16) and property owned, administered and managed by the State (through the New Hampshire Department of Transportation, Bureau of Turnpikes) as shown on the attached Plans. Such occupancy having been granted by execution of this document covers the preparation, drilling, laying, construction, maintenance, operation, alteration, improvement, repair, replacement, removal and access to gas pipelines and all related equipment, facilities, improvements and structures (“Gas Facilities”) at the location described as follows: crossing the Spaulding Turnpike (US 4/NH 16) approximately 950 feet north of Exit 4 to (a) property adjacent to Shattuck Way, which is shown on Exhibit A-1 and Sheets PP-1 and PP-6 of the Plans, then northerly across the property, Shattuck Way and the LAROW of the Spaulding Turnpike to the high water mark of the Piscataqua River and (b) then from the high water mark on the opposite side of the Piscataqua River onto Hilton Park which is shown on Exhibit A-2 and Sheets PP-4 and PP-5 of the Plans in the Town of Newington and City of Dover, Counties of Rockingham and Strafford, respectively, New Hampshire (collectively, “Land”).

6. GSGT shall submit any proposed alterations to the Plans in writing to the State for review, consideration and approval by the State, which approval shall incorporate by reference into this Agreement such altered plans.

7. GSGT shall furnish a Certificate of Insurance for General Liability for a minimum of one million dollars ($1,000,000), Aggregate and Worker’s Compensation and Employer’s Liability for a minimum of five hundred thousand dollars ($500,000.00) required for the Excavation/Encroachment Permit.

8. All materials supplied and work performed by GSGT or its contractor in the installation of the Gas Facilities shall be subject to the inspection of a representative of the State. Any deficiencies in materials, methods of construction, or workmanship shall be promptly corrected to the reasonable satisfaction of the State.

9. The State has initiated the development of a Global Information System (GIS) to identify facilities, including drainage and utilities within the ROW. GSGT shall submit GPS
coordinates based upon the New Hampshire State Plane coordinates system on the North American Datum of 1983 (1996 adjustment by NGS) of the as-built Gas Facilities. The coordinates shall be submitted to the Chief of Design Services, NHDOT, 7 Hazen Drive, PO Box 483, Concord, NH, 03302.

10. GSGT shall submit its written maintenance policies and procedures which are to be used for the inspection, repair, and maintenance of the Gas Facilities to the State for review and approval. Such procedures shall be approved by the State prior to initial operation of the Gas Facilities.

11. GSGT shall give the State Turnpike officials reasonable notice of scheduled or nonscheduled maintenance of the Gas Facilities except emergency repairs, for which GSGT shall contact the State Turnpike officials while such emergency repairs are being done. GSGT shall provide notice to the State Turnpike officials if it alters its schedule of regular maintenance and inspection, will keep the State Turnpike officials apprised, and updating by GSGT shall not be conducted without prior notification to the State Turnpike officials.

12. The costs and expenses for the installation and maintenance of the Gas Facilities shall be the responsibility of GSGT.

13. GSGT or its contractor is solely responsible for the presence of the Project equipment on the Land. GSGT agrees the installation shall be consistent with the State’s right to access if necessary.

14. GSGT agrees that access to the gas facilities for scheduled or nonscheduled maintenance or for any other purpose shall be made in accordance with the following procedure:

   A. Prior to working on or crossing the LAROW of the Spaulding Turnpike (US 4/NH 16) and Turnpike owned property, State Turnpike officials will be notified and work will be scheduled with them.

   B. At all times when working on the Spaulding Turnpike (US 4/NH 16), traffic control devices will be provided by GSGT as required by the State.

   C. Any and all work done by GSGT at these locations will conform to standards set by the State in consultation with GSGT and upon reasonable notice of such standards.

15. The State agrees that it will not grant licenses, use or occupancy rights or easements or enter into leases or other agreements that interfere with GSGT’s rights under this Agreement. State further agrees that no excavation, change of grade or water impoundment will be made on and no structures or other obstructions will be placed or erected over, under or across the Gas Facilities Area without prior written consent of GSGT which shall not be unreasonably withheld.
16. The State agrees that GSGT shall have non-exclusive access over, in and through the Land for the construction, preparation, drilling, laying, maintenance, operation, alteration, improvement, repair, replacement and removal of the Gas Facilities.

17. This Temporary Use and Occupancy of the LAROW/CAROW by GSGT shall be at the sufferance of the State pending approval of the term-based Use and Occupancy Agreement referenced in paragraph 3 herein. The State may terminate this Agreement upon one hundred twenty (120) day notice in writing to GSGT at the above address. Upon the termination of this Agreement pursuant to this paragraph, the State shall provide GSGT with reasonable opportunity to conduct all necessary activities to remove, relocate or otherwise realign the Gas Facilities and all appurtenances from the Gas Facilities Area and shall reasonably cooperate with GSGT to facilitate such removal, relocation or realignment.

18. GSGT shall promptly and at its sole expense make such relocations and adjustments, including removal of facilities if required by the State, as may be necessary to accommodate highway or bridge construction, reconstruction, repair, or maintenance. Such relocation and adjustment shall be at the sole expense of GSGT. Notwithstanding any statute or regulation to the contrary which may now exist or hereafter be created, no cost of such relocation or adjustment shall be eligible for participation by the State or Federal Highway Administration (FHWA); and GSGT hereby waives any right it may now have or hereafter acquire to request such participation. EXCEPT THAT, the provisions of RSA 228:22 shall govern where applicable.

19. Where Applicable, in accordance with RSA 72:23, I(b), this agreement is made between the parties subject to the condition that GSGT shall pay all properly assessed real and personal property taxes for the Gas Facilities. Failure of GSGT to pay duly assessed personal and real estate taxes when due shall be cause to terminate this Agreement. In accordance with the requirements of RSA 72:23, I(b), GSGT shall be obligated to pay real and personal property taxes on structures or improvements added.

20. GSGT agrees that the State, its agencies and their employees, agents, and representatives shall not incur any legal liability whatsoever to GSGT for any damage to the Gas Facilities or to any other property or employee of GSGT or to any other person or entity hired by or affiliated with GSGT resulting from or arising out of any ownership and use of and operations within the Gas Facilities Area, including but not limited to inspection, maintenance, cleaning, snow removal, construction, reconstruction, rehabilitation, and repair.

21. GSGT shall indemnify, defend, and hold harmless the State, NHDOT, United States Department of Transportation (USDOT), FHWA, and their employees, agents, and representatives against any and all claims, actions, causes of action, demands, liabilities, losses, penalties, damage of any kind, and failure by GSGT to comply with any utility-related commission permitting, regulations, and guidelines, including all actions for indemnity and/or contribution, and including reasonable attorneys’ fees, resulting from or arising out of GSGT’s use of, and GSGT’s operations within the Gas Facilities Area, including but not limited to inspection, maintenance, cleaning, snow removal,
construction, reconstruction, rehabilitation, and repair of either the gas pipeline or the highway facilities. The indemnification provided under this paragraph shall include, but not be limited to, any and all claims or demands for loss of revenue, income, business or economic opportunity, customers, profits, presence of and occupation of, and service resulting from or arising out of any inability or failure of the Gas Facilities to provide service as intended by GSGT.

22. GSGT shall, at the request of the State and at the expense of GSGT, provide whatever protection is deemed necessary by GSGT or by the State in the event the State performs any work on the highway, including but not limited to inspection, maintenance, cleaning, snow removal, construction, reconstruction, rehabilitation, and repair of the highway facilities.

23. Any damage to the Land that is caused by, results from, or arises out of the installation, maintenance, or presence of the Gas Facilities shall be repaired by GSGT or, if mutually agreed by the parties, by the State. GSGT shall fully compensate the State for all costs associated with the repair of any such damage.

24. Upon breach of any provision of this Agreement by GSGT, the State may either (a) enforce the breach provision by means of an injunction proceeding, or (b) seek damages, including all consequential damages which arise out of the breach, or both. In any such action to enforce the Agreement or collect damages for its breach, GSGT shall reimburse the State for all attorneys’ fees reasonably incurred by the State in such action.

25. Notwithstanding any provision of this Agreement, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this Agreement.

26. This Agreement may be amended only by an instrument in writing signed by the parties hereto and only after approval of such amendment by the State of New Hampshire and the FHWA, if applicable.

27. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns including all agencies, departments, bureaus, authorities, boards, commissions, and committees of the State.

28. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit. The State also shall not be responsible for any negligent/intentional acts of third parties.

29. GSGT shall not assign or otherwise transfer any interest in this Agreement without the prior written consent of the State, which shall not be unreasonably withheld or delayed, except that no consent shall be required for a transfer or assignment to a (i) wholly owned subsidiary, (ii) affiliate, (iii) parent or (iv) any other entity related to GSGT.
30. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

THE STATE OF NEW HAMPSHIRE
Department of Transportation

BY: William P. Janelle, P.E. (Signature)
Director of Operations

GRANITE STATE GAS TRANSMISSION, INC.

BY: Thomas P. Meissner, Jr.
Senior Vice President

WJO
January 29, 2013

Mark Dupuis,
Gas Engineer-New Hampshire
Unitil Service Corporation
325 West Road
Portsmouth, NH 03802-0508

Dear Mr. Dupuis:

The Department has received the executed copy (effective January 22, 2013) of the Temporary Use and Occupancy Agreement covering installation of gas facilities in the Limited Access Right-of-Way in the Town of Newington and City of Dover, New Hampshire. This letter is your authorization to proceed with the work covered by the Agreement.

Sincerely,

Melodie A. Esterberg, P.E.
Chief of Design Services

cc: K. Cota, City of Dover, M. D. Smith (Orr & Reno), Construction, Consultant Design, Turnpikes, Utilities