

Access Northeast Project

New England Energy Reliability Solution



Open Season Notice for Firm Service
February 18, 2015 – May 1, 2015

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Eversource Energy, National Grid and Spectra Energy (Project Developers), working in alliance with Iroquois Gas Transmission, are proposing a collaborative project, the “Access Northeast Project,” in order to enhance the electric reliability of New England’s gas-fired electric generators through access to natural gas on a firm basis (Foundation Service). The Access Northeast Project has a proposed in-service date of November 2018.

The Project Developers have executed memoranda of understanding with the electric distribution units of National Grid and Eversource Energy (listed below) to advance the project and seek all regulatory approvals in an effort to lower electricity costs. The developers also are discussing the Foundation Service with all regional electric distribution companies to establish interest in similarly funding the Foundation Service.

Electric Distributions Companies that have signed MOUs as part of Access Northeast:

Eversource Energy:

- Connecticut Light & Power Company d/b/a Eversource Energy, a Connecticut corporation
- NSTAR Electric Company d/b/a Eversource Energy, a Massachusetts corporation
- Public Service Company of New Hampshire d/b/a Eversource Energy, a New Hampshire corporation

- Western Massachusetts Electric Company d/b/a Eversource Energy, a Massachusetts corporation

National Grid:

- Massachusetts Electric Company d/b/a National Grid, a Massachusetts corporation
- The Narragansett Electric Company d/b/a National Grid, a Rhode Island corporation
- Nantucket Electric Company d/b/a National Grid, a Massachusetts corporation

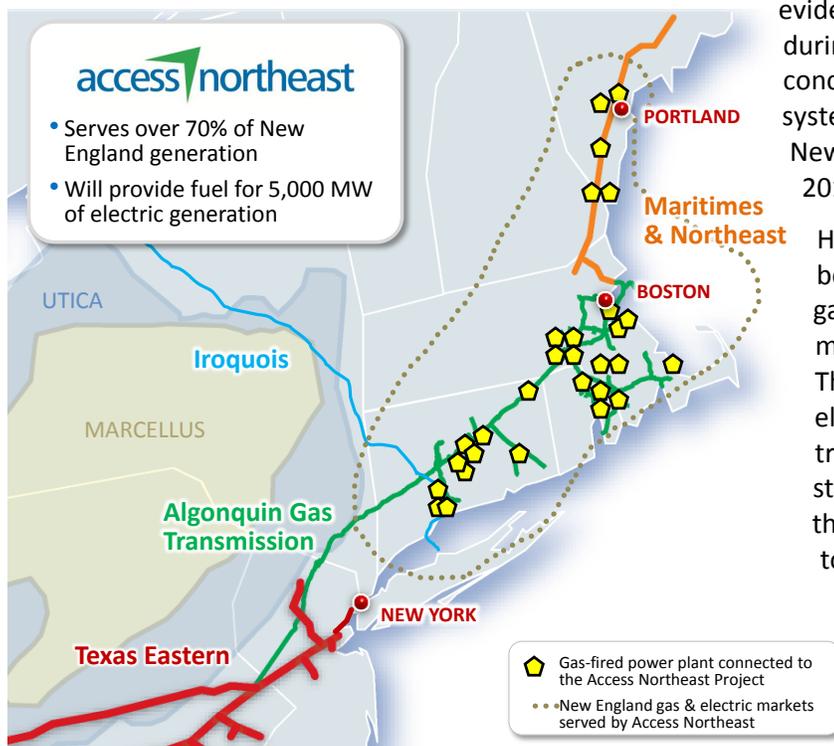
The service offering described below provides a package arrangement for pipeline and storage service that can also be utilized by local distribution companies, power generators and other parties to manage their portfolio of needs. Accordingly, in addition to working with New England’s electric distribution companies, through this Open Season the Project Developers seek to identify other parties who desire to contract for firm natural gas delivery capacity to be built in conjunction with the Access Northeast Project to the extent that the parties’ requests for capacity can be accommodated within the Access Northeast Project’s timeline and project economics.

Project Background

The energy challenges facing New England are well known. The cost of not addressing the challenges is evident in the high electricity prices experienced during the 2013-2014 winter and the reliability concerns repeatedly expressed by the independent system operator of New England’s electric grid (ISO New England, Inc or ISO-NE) most recently in its 2014 Regional System Plan.

Historically, New England’s pipeline capacity has been built for average daily growth of the local gas distribution companies while relying on market area storage facilities for peak day needs. The Access Northeast Project combines both elements of this approach with firm natural gas transportation service supported by on-system storage to enhance energy reliability and address the cost dilemma that New England is facing today.

The Access Northeast Project is a proposal to utilize and / or expand existing market area storage assets and pipeline facilities to deliver up to 1 billion cubic feet per day of



natural gas for electric generation markets in four identified regional zones – based on power plant access and efficiency – that directly connect to approximately 70% of New England’s electric generation. The Access Northeast Project will minimize environmental and community impacts by maximizing the use of existing pipeline corridors and natural gas infrastructure. The Access Northeast Project will deliver enhanced services on peak days to natural gas-fueled electric generation plants and will address New England’s gas-fired electric reliability concerns and reduce costs paid by the region’s electric and gas consumers, while also providing a gas supply service that will allow gas-fired plants to backstop the intermittent output of renewable generation resources (wind and solar).

Transportation Service Offering

Foundation Service will be provided by the Access Northeast Project under a new Energy Reliability Service (ERS) rate schedule, the key components of which are listed below. The detailed proposed tariff is located at www.AccessNortheastEnergy.com.

Capacity is reserved for Shipper’s full Maximum Daily Transportation Quantity (“MDTQ”) on a basis of 24 hours, 7 days per week.

- Firm daily transportation service that incorporates non-rateable delivery rights for firm delivery points.
- ERS Agreement will have a MDTQ, as well as a Maximum Hourly Quantity (“MHQ”), subject to an aggregate hourly limitation based on the storage withdrawal profile.
- Daily balancing of nominated receipts and deliveries.
- Reserved No Notice Transportation with hourly flexibility will be supported by on-system storage.
- Shipper may commence delivery to primary delivery points once a nomination has been confirmed at that point without commensurate supply for up to two hours in advance of flow.
- In conjunction with the ERS, the Multiple Shipper Option Agreement is a contracting option that will allow multiple parties to jointly share capacity under one ERS contract.

The Foundation Service is scalable to meet the needs of parties requesting similar service pursuant to this Open Season. The Project Developers are also willing to tailor the service to meet the unique needs of individual shippers to the extent such modifications can be accommodated within the Access Northeast Project’s timeline and project economics.

During this open season, shippers will be able to select from multiple receipt point options along the Algonquin pipeline system, including the Iroquois pipeline system at Wright, NY. Additionally, shippers will have the opportunity to choose from Algonquin’s diverse receipt points with other existing interconnecting pipelines: Texas Eastern, Millennium, Tennessee Gas Pipeline, Columbia Gas, and Transco; as well as future connections.

Project Rates

Rates will be determined at the conclusion of the Open Season and are dependent upon the scope and final facilities required to satisfy the firm service requests for shippers who are awarded capacity and who execute binding precedent agreements. Shippers will have the option of paying the applicable recourse rates for service on the Access Northeast Project facilities or negotiated rates for such service, if available, plus any applicable fuel and applicable charges and surcharges.

Nomination Process

During the Open Season period (9:00 a.m., EST, Wednesday, February 18, 2015, to 5:00 p.m., EST, on Friday, May 1, 2015), the Project Developers expect to finalize memoranda of understanding with New England’s electric distribution companies. In addition, interested parties who desire to contract for firm natural gas transportation capacity to be built in conjunction with the Access Northeast Project must submit a completed Service Request Form. The completed Service Request Form must be executed by a duly authorized representative and mailed, faxed, or emailed in pdf format to:

Access Northeast
890 Winter Street, Suite 300, Waltham, MA 02451
Attn: Greg Crisp, General Manager, Business Development
gncrisp@spectraenergy.com
Fax No. (617) 560-1581

The Project Developers reserve the right to reject any Service Request Form that is not received by 5:00 p.m. EST, on Friday, May 1, 2015.

All Project participants will be expected to execute definitive agreements by June 30, 2015.

Contracting for Service

After the Open Season concludes, all valid requests for service as set forth in the Service Request Forms will be evaluated for their feasibility within the

Access Northeast Project's timeline and project economics. Upon completion of the feasibility analysis, all parties who submitted valid Service Request Forms will be advised of their status. Project Developers will then enter into negotiations for precedent agreements with those parties whose requests were deemed consistent with the Access Northeast Project timeline and economics.

Limitations and Reservations

The Project Developers reserve the right, in their sole discretion, to decline to proceed with the Access Northeast Project, to proceed with one or more projects, or to develop alternative projects, as deemed appropriate. The Project Developers also may request a nominating party to modify its proposed point(s), to the extent the Project Developers determine that the nominated point(s) will unduly increase the cost of the overall project or otherwise adversely affect the scope of the project. Without limiting the foregoing, the Project Developers may, but are not required to, reject any request for service in which the Service Request Form is incomplete, is inconsistent with the terms and conditions outlined in this Request for Proposals Notice, contains additional or modified terms, or is otherwise deficient in any respect. The Project Developers also may reject requests for service in the event requesting parties are unable to meet the pipelines' creditworthiness requirements. No requests for service shall be binding on the Project Developers or the Access Northeast Project unless and until duly authorized representatives of a requesting party and Access Northeast have executed a binding precedent agreement.

Reverse Open Season

A reverse open season will also be held prior to the submission of a FERC pre-filing request whereby existing shippers will be afforded an opportunity to turn back existing capacity that will reduce the scope of the Access Northeast Project facilities, in accordance with the terms set forth in the reverse open season notice.

Communications

At any time during the Request for Proposals, interested parties are encouraged to contact Greg Crisp at (713) 627-4611 to discuss any questions or to seek additional information. In addition, please visit our website, www.AccessNortheastEnergy.com.

Eversource Energy (NYSE:NU) transmits and delivers electricity and natural gas to more than 3.6 million electric and natural gas customers in Connecticut, Massachusetts and New Hampshire. For more information, please visit our website (www.eversource.com) and follow us on Twitter (@EversourceCorp) and Facebook (facebook.com/EversourceEnergy).

National Grid (LSE: NG; NYSE: NNG) is an electricity and natural gas delivery company that connects nearly 7 million customers to vital energy sources through its networks in New York, Massachusetts and Rhode Island. It is the largest distributor of natural gas in the Northeast. National Grid also operates the systems that deliver gas and electricity across Great Britain.

Through its U.S. Connect21 strategy, National Grid is transforming its electricity and natural gas networks to support the 21st century digital economy with smarter, cleaner, and more resilient energy solutions. Connect21 is vital to our communities' long-term economic and environmental health and aligns with regulatory initiatives in New York (REV: Reforming the Energy Vision) and Massachusetts (Grid Modernization).

For more information please visit our website, or our Connecting website, follow us on Twitter, watch us on YouTube, friend us on Facebook, find our photos on Instagram.

Spectra Energy Corp (NYSE: SE), a FORTUNE 500 company, is one of North America's leading pipeline and midstream companies. Based in Houston, Texas, the company's operations in the United States and Canada include more than 22,000 miles of natural gas, natural gas liquids, and crude oil pipelines; approximately 305 billion cubic feet (Bcf) of natural gas storage; 4.8 million barrels of crude oil storage; as well as natural gas gathering, processing, and local distribution operations. Spectra Energy is the general partner of Spectra Energy Partners (NYSE: SEP), one of the largest pipeline master limited partnerships in the United States and owner of the natural gas, natural gas liquids, and crude oil assets in Spectra Energy's U.S. portfolio. Spectra Energy also has a 50 percent ownership in DCP Midstream, the largest producer of natural gas liquids and the largest natural gas processor in the United States. Spectra Energy has served North American customers and communities for more than a century. The company's longstanding values are recognized through its inclusion in the Dow Jones Sustainability World and North America Indexes and the CDP S&P 500 Climate Disclosure and Performance Leadership Indexes. For more information, visit www.spectraenergy.com and www.spectraenergypartners.com.

Service Request Form

Shipper Information:

Company: _____

Contact: _____

Title: _____

Address: _____

Telephone: _____

Fax: _____

Email: _____

Contract Requirements:

Maximum Daily Transportation Quantity (dekatherms): _____. Access Northeast will discuss with each interested party to determine the desired Maximum Hourly Transportation Quantity and Maximum Storage Quantity.

Receipt Point(s) [1]: _____ MDRO Quantity (Dth/d): _____

[1] The sum of multiple Maximum Daily Receipt Obligation (MDRO) quantities may not exceed the Maximum Daily Transportation Quantity.

Delivery Point(s) [2]: _____ MDDO Quantity (Dth/d): _____

[2] The sum of multiple Maximum Daily Delivery Obligation (MDDO) quantities may not exceed the Maximum Daily Transportation Quantity.

Service Commencement Date: _____

Contract Term (20-year minimum required): _____

Other: _____

Please specify other service enhancements or flexibility that may be of interest. This information will not affect the validity of the service request. The incorporation of any such service enhancement or flexibility into this project will be at the sole discretion of Access Northeast and, further, will be dependent upon project economics, timing, and requests for service received during this Request for Proposals.

Signature of Requester/Customer: _____

Date: _____

Additional information can be found at www.AccessNortheastEnergy.com