

From: Matson, Jay [jmatson@daypitney.com]
Sent: Thursday, March 12, 2009 5:33 PM
To: Neal Robinson; Leslie Cadwell
Cc: Lorenzo, Richard M.
Subject: Modernized SPA

Neal and Leslie:

Please find attached to this email a clean version and a redlined version of the modernized SPA. Also attached is a short memo listing the categories of "clean ups" that we propose to do to modernize the agreement.

Some questions for you to consider that are not resolved in this draft:

1. The Agreement does not explicitly address how to treat costs of Exclusive Facilities owned by more than one Participant. Will that ever come up? If so, how do we want to allocate the costs.
2. Because the original agreement had a "10 day to pay or you'll be charged interest" provision, we have kept that in for now (updated to refer to FERC's interest rate). However, we suspect that might not reflect the way billing is done now (e.g., the amount due is incorporated into invoices that have other charges and/or credits, or, customers may have a different period of time to pay before being charged interest). Accordingly, we should consider whether the requirement should be changed to more accurately reflect current billing practices.
3. We recall that required arbitration must be acknowledged by the signature of the parties (which is why there are separate signature blocks for arbitration in the VTA). We need to talk about the appropriate way to go about checking this and, to the extent necessary, accommodating it in the SPA.

If you have any questions or concerns, let us know.

Jay

Jay Matson

Attorney at Law

[Day Pitney LLP](#)

1100 New York Ave., NW | Suite 300 | Washington DC 20005

| t (202) 218 3906 | f (202) 354 4725 | c (202) 279 0756

jmatson@daypitney.com www.daypitney.com

IRS Circular 230 Notice: Any tax advice provided herein (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed on any taxpayer.

This message contains PRIVILEGED AND CONFIDENTIAL INFORMATION intended solely for the use of the addressee(s) named above. Any disclosure, distribution, copying or use of the information by others is strictly prohibited. If you have received this message in error, please notify the sender by immediate reply and delete the original message. Thank you.