

EXHIBIT A-2

SETTLEMENT AGREEMENT AMENDING PPA

SETTLEMENT AGREEMENT

This Settlement Agreement dated as of December 13, 1994, is made by and between New England Power Company ("NEP"), a Massachusetts corporation, Massachusetts Electric Company ("MECo"), a Massachusetts corporation, the North East Solid Waste Committee ("NESWC"), a body political and corporate and Massachusetts Refusetech, Inc. ("MRI"), a Delaware corporation.

WHEREAS, each member community (a "NESWC Community") of NESWC has entered into a Solid Waste Disposal Service Agreement (collectively, the "Service Agreements") with MRI providing for the NESWC Communities to receive a credit for a portion of the net energy revenues realized from the sale of electric power generated at the solid waste-fueled electric generating facility (the "Facility") operated by MRI in North Andover, Massachusetts;

WHEREAS, the sale of electric power generated at the Facility is pursuant to an Agreement dated as of January 6, 1981 (the "PPA") between MRI and NEP;

WHEREAS, the Facility and several of the NESWC Communities are located within geographic areas in which MECo provides retail electric service;

WHEREAS, the signatories to this Settlement Agreement wish to resolve all outstanding disputes regarding the energy pricing terms of the PPA;

NOW THEREFORE, in consideration of the promises and mutual covenants herein contained, NESWC, MRI, NEP and MECo agree as follows:

ARTICLE I. SUPPLEMENTAL AGREEMENT TO PPA

NEP and MRI shall enter into a Supplemental Agreement to the PPA (Attachment A, hereto), to be executed concurrently with this Settlement Agreement. NESWC and MRI shall enter into an agreement (Attachment B, hereto) concurrently with the execution of the Settlement Agreement relating to said Supplemental Agreement.

ARTICLE II. NESWC CHALLENGE TO PRICING OF PPA

NESWC agrees to release and forever discharge NEP and NEP's parent and affiliates, and every director, officer and employee thereof, fully and finally from and hereby waives any and all claims, demands and causes of action of any kind, whether known or unknown, which it has against NEP or NEP's parent and/or affiliates or any such individual regarding the reasonableness or validity of the energy pricing terms set forth in the PPA. NESWC further agrees to discontinue, and in the future forbear from pursuing any and all public media, legislative, regulatory and/or judicial efforts associated with challenging the reasonableness or validity of the energy pricing terms set forth in the PPA.

ARTICLE III. PLANT ENERGY EFFICIENCY

NESWC, with the support of MRI, shall seek to provide NEP and MECo with copies of reports relating to the operating efficiency of the Facility required for analysis of plant efficiency. NESWC shall further take all reasonable and cost-effective steps necessary to encourage MRI to implement any and all improvements which may have been identified in such reports that would result in any increase in the electric output of the Facility, in accordance with the terms of the Service Agreements, as they are amended from time to time, between MRI and the individual NESWC Communities. MECo shall fund energy efficiency improvements identified in the October 28, 1994 audit of the Facility up to a maximum amount of one million dollars (\$1,000,000)(unless otherwise agreed in writing), and any additional improvements mutually agreed to by the parties. A copy of said audit is set forth in Attachment C, hereto.

ARTICLE IV. ASH CONSULTING ARRANGEMENT

NEP and NESWC shall enter into an agreement concurrently with the execution of this Settlement Agreement relating to ash consulting arrangements (Attachment D, hereto).

ARTICLE V. NEWS RELEASE

NESWC, MECo, NEP and MRI shall jointly issue a news release declaring that energy pricing issues relating to the PPA have been successfully resolved among the parties.

ARTICLE VI. POLLUTION CONTROL ENGINEERING

NESWC will explore, with NEP and MECo, the feasibility of NESWC using NEP, or an affiliate of NEP, in some capacity, such as engineering auditor, on matters relating to the design, engineering, procurement and construction activities associated with the installation, in a technically and economically efficient way, of pollution control equipment that may be required to meet Clean Air Act Amendment requirements at the Facility.

ARTICLE VII. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of The Commonwealth of Massachusetts.

ARTICLE VIII. INTEGRATION

This Settlement Agreement and the other documents referred to in the preamble and Article I hereof are intended by the parties as the final expression of their agreement and therefore incorporate all negotiations of the parties and are the entire agreement of the parties hereto. The parties understand that they are not relying on any written or oral agreement, representation, warranty or understanding of any kind, whether expressed or implied, except as expressly set forth herein and in

the other agreements referred to in the preamble and Article I. Without limiting the foregoing, it is agreed that the provisions of Articles III, IV and VI shall not be construed as creating or imposing any obligations on the part of MRI whatsoever.

ARTICLE IX. ASSIGNMENT

This Settlement Agreement shall be freely assignable to any affiliate of a party hereto and may be assigned to any third party upon prior consent of the other parties hereto, such consent not to be unreasonably withheld. For purposes of this Article IX, affiliate shall mean any entity which controls, is controlled by, or is under common control with, a party.

This Settlement Agreement and all rights and obligations hereunder shall be binding upon and inure to the benefit of the respective parties, and their respective assigns and successors in interest.

ARTICLE X. WAIVER

No waiver by either party of its rights hereunder with respect to any breach hereof on any occasion shall be deemed a waiver of such rights on any subsequent occasion.

ARTICLE XI. COUNTERPARTS

This Settlement Agreement may be executed in more than one counterpart, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Settlement

Agreement in several counterparts by their respective duly authorized officers as of this day and year.

For: New England Power Company

For: North East Solid Waste Committee

John F. Malley
Name

Alan M. Whelan
Name

VICE PRESIDENT
Title

Executive Director
Title

For: Massachusetts Electric Company

For: Massachusetts Refusetech, Inc.

Lydia M. Pastuszyn
Name

James M. ...
Name

Vice President
Title

Vice President
Title

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SUPPLEMENTAL AGREEMENT

This Supplemental Agreement dated as of December 13, 1994, is made by and between New England Power Company ("NEP"), a Massachusetts corporation, and Massachusetts Refusetech, Inc. ("MRI"), a Delaware corporation. It supplements an Agreement between the parties dated as of January 6, 1981 (the "Agreement").

Article 1.

It shall be a condition precedent to the effectiveness of this Supplemental Agreement that NEP, MRI and North East Solid Waste Committee ("NESWC") execute the Settlement Agreement attached and incorporated by reference into this Supplemental Agreement as Attachment A.

Article 2.

Subject to Article 3, below, during the period commencing on the first day of the month following the date on which the condition precedent specified in Article 1, above, is satisfied (the "Commencement Date") and extending until the earlier to occur of (i) the tenth calendar anniversary thereof or (ii) the date on which the Agreement is terminated or otherwise expires, in addition to the amount that NEP is required to pay MRI under Article V of the Agreement, NEP agrees to pay MRI or MRI's designee monthly an amount of one-half cent per kilowatthour (\$0.005/kWh) for each kilowatthour of electric energy delivered by MRI to NEP during the month, as determined in accordance with Article VI of the Agreement; provided, however, that in no event shall the total of all such additional monthly payments exceed one million dollars (\$1,000,000) with respect to any twelve month period starting on the Commencement Date or any anniversary thereof.

Article 3.

For any calendar month following any twelve-month period in which NEP experiences electric sales levels 15 percent (15%) or more below its total 1990 megawatthour sales to its retail affiliates of 21,552,643 MWhs, excluding any reductions resulting from NEP's own volition (such as, but not limited to, the sale of one of its retail affiliates or a portion of one of their service territories to a party outside the New England Electric System), NEP shall have the right, exercisable by written notice to MRI, to discontinue the additional payments described in Article 2, above. In such case, pricing would be determined in accordance with Article V of the Agreement.

NEP's obligation to pay the additional amounts described in Article 2 shall be reinstated immediately following any twelve-month period during which NEP's

electric sales to its retail affiliates are not 15 percent or more below its total 1990 megawatt-hour sales to its retail affiliates.

Nothing herein shall limit NEP's obligation to make payments required under the Agreement.

Article 4.

In consideration for NEP's undertakings under this Supplemental Agreement, MRI agrees to release and forever discharge NEP and NEP's parent and affiliates, and every director, officer and employee thereof, fully and finally from, and hereby waives, any and all claims, demands and/or causes of action of any kind, whether known or unknown, which it has or may have through the date of this Supplemental Agreement, against NEP or NEP's parent and/or affiliates or any such individual (1) regarding the validity of the energy pricing terms set forth in the Agreement; or (2) that arise from or relate in any way whatsoever to NEP's performance or nonperformance under the Agreement. In consideration for MRI's undertakings under this Supplemental Agreement, NEP agrees to release and forever discharge MRI and MRI's parent and affiliates, and every director, officer and employee thereof, fully and finally from, and hereby waives, any and all claims demands and/or causes of action of any kind, whether known or unknown, which it has or may have through the date of this Supplemental Agreement, against MRI and/or MRI's parent and/or affiliates or any such individual (1) regarding the validity of the energy pricing terms set forth in the Agreement or (2) that arise from or relate in any way whatsoever to MRI's performance or nonperformance under the Agreement.

Article 5.

All notices and other communications to MRI under the Agreement shall be addressed to:

Massachusetts Refusetech, Inc.
Liberty Lane
Hampton, NH 03842
Attn: General Counsel

All notices and other communications to NEP under the Agreement shall be addressed to:

New England Power Company
25 Research Drive
Westborough, MA 01582
Attn.: Manager, Generation Marketing

A copy of all notices and other communications between MRI and NEP under the Agreement shall be sent by first class mail to:

Steven M. Rothstein
Executive Director
North East Solid Waste Committee
530 Atlantic Avenue
Boston, MA 02210

Article 6.

Each party to this Supplemental Agreement acknowledges by the execution hereof that it has not relied upon, is not relying upon and will not rely upon any statement, representation, omission or promise of any other party (or of any officer, agent, employee, representative or attorney for any other party) in executing this Supplemental Agreement.

Article 7.

The Agreement is hereby ratified and confirmed.

Article 8.

This Supplemental Agreement may be executed in more than one counterpart, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement as of the date first above written.

NEW ENGLAND POWER COMPANY

By: John F. Malloy

Title: VICE PRESIDENT

MASSACHUSETTS REFUSETECH, INC.

By: James Ryan

Title: Vice President

EXHIBIT A-3

**FIRST AMENDMENT AND AGREEMENT TO PPA AND RELATED CONSENT TO
ASSIGNMENT AND ATTACHMENT TO CONSENT AND ASSIGNMENT**

FIRST AMENDMENT AND AGREEMENT

This FIRST AMENDMENT AND AGREEMENT (the "First Amendment") is made as of this 1st day of January, 2002 by and between USGen New England, Inc. ("USGenNE") and Wheelabrator North Andover Inc. (f.k.a Massachusetts Refusetech, Inc.) ("WNAI").

RECITALS

WHEREAS, WNAI and New England Power Company ("NEP") entered into the Agreement (the "Agreement") dated as of January 6, 1981, as supplemented by the Supplemental Agreement (the "Supplemental Agreement") dated as of December 13, 1994 and amended by Section 4 of the Consent (defined below) (the Agreement as supplemented by the Supplemental Agreement and amended by Section 4 of the Consent referred to herein as the "PPA");

WHEREAS, NEP, WNAI and the North East Solid Waste Committee ("NESWC") entered into a Settlement Agreement dated as of December 13, 1994 (the "Settlement Agreement"); and

WHEREAS, NEP assigned the PPA and its interests in the Settlement Agreement to USGenNE effective as of January 1, 2002 and WNAI (and NESWC with respect to the Settlement Agreement) consented to such assignment pursuant to a Consent to Assignment, Assignment and Release Agreement (the "Consent") among WNAI, USGenNE, NEP, NESWC and UOP, Inc.; and

WHEREAS, WNAI and USGenNE desire to amend and clarify certain provisions of the PPA as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, undertakings and conditions set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Definitions. Capitalized terms used but not defined in this First Amendment shall have the meaning given to such term in the PPA.
2. Effectiveness. This First Amendment shall become effective on the later to occur of (i) January 1, 2002 or (ii) the date that the Consent is effective.
3. Incremental Fuel Cost Under the PPA from September 1, 1998 until December 31, 2001. Notwithstanding anything in the PPA to the contrary, WNAI and USGenNE agree that 90 percent of NEP's Incremental Fuel Cost beginning on and after September 1, 1998 and ending on December 31, 2001 shall be deemed to be \$.0291834/KWh for On-Peak Periods and \$.0212895/KWh for Off-Peak Periods.

4. PPA Pricing Amendments.

A. On-Peak Period Pricing. Effective on and after January 1, 2002, Article V, Subparagraph 1 of the PPA is deleted in its entirety from the PPA and replaced with the following:

“1. For each Qualifying kWh delivered during On-Peak Periods, a price per kWh (\$/kWh) equal to the following:

$$0.90 \times 0.008750 \times [(0.50 \times \text{Gas}\$) + (0.50 \times \text{FuelOil}\$)]$$

where:

Gas\$= the average of the daily settlement prices for the last three days that the NYMEX Henry Hub Contract for the month of delivery trades plus \$0.60/MMBtu basis differential. Units in \$/MMBtu

FuelOil\$= the average for the month of the daily low quotations for cargo delivery of 2.2% sulfur No. 6 residual fuel oil into New York harbor, as reported in “Platt’s Oilgram” in dollars per barrel converted to dollars per MMBtu by dividing by 6.3 plus \$0.04/MMBtu basis differential. Units in \$/MMBtu

PLUS”

B. Off-Peak Period Pricing. Effective on and after January 1, 2002, Article V, Subparagraph 2 of the PPA is deleted in its entirety from the PPA and replaced with the following:

“2. For each Qualifying kWh delivered during Off-Peak Periods, a price per kWh (\$/kWh) equal to the following:

$$0.80 \times (\text{New England Spot Price})$$

where:

New England Spot Price = hourly Market Clearing Price for Energy (in \$/kWh) as reported by ISO New England for the point of interconnection, or the nearest designated pricing node under NEPOOL’s Congestion Management System, if and when such system is implemented, if the point of interconnection is not so designated for each kWh delivered each hour during the Off-Peak Period (units in \$/kWh)

PLUS”

- C. State Approvals. Effective on and after January 1, 2002, Article XIII is deleted in its entirety from the PPA and replaced with the following:

“ARTICLE XIII. [RESERVED].”

5. Creditworthiness. A new Article is inserted into the PPA after the end of Article XIX as follows:

“ARTICLE XX. CREDITWORTHINESS.

1. USGenNE shall satisfy at least one of paragraphs (a) or (b), below.
 - a) USGenNE (or its affiliate providing a guarantee under (b)(i)) shall maintain an investment grade credit rating for its long term senior unsecured or other corporate debt from Moody’s Investors Service (“Moody’s”), or from Standard & Poor’s (“S&P”). Currently, an investment grade rating means a rating of Baa3 or higher from Moody’s and BBB- from S&P. If USGenNE satisfies this paragraph (a) initially, but is subsequently downgraded below investment grade by Moody’s and S&P, it will be required to satisfy either (b) (i) or (b)(ii), below.
 - b) If USGenNE does not itself satisfy the criteria set forth in paragraph (a) above, USGenNE shall, at USGenNE’s discretion: (i) provide a guarantee from an affiliate of USGenNE, who meets the creditworthiness standards set forth in paragraph (a) above, in a form that is reasonably acceptable to WNAI for the Credit Amount defined below, or (ii) provide, in a form reasonably acceptable to WNAI, an irrevocable letter of credit or surety bond from a financial institution reasonably acceptable to WNAI for the Credit Amount defined below.
 - c) The Credit Amount shall be an amount equal to the sum of the total bills paid pursuant to Article V of this Agreement in the four (4) months prior to the determination of the Credit Amount.
2. WNAI shall cause its parent, Wheelabrator Technologies Inc. (“WTI”) to provide to USGenNE and maintain a Gauranty in the form attached hereto; provided, however, that in the event that WTI’s credit rating for its long term senior unsecured or other

corporate debt is not investment grade (as determined in accordance with 1(a), above), then WNAI shall provide a gaurantee from an affiliate of WNAI, who meets the creditworthiness standard set forth in paragraph 1(a), above, in the form attached hereto.

6. Captions. Title or captions of sections contained in this First Amendment are inserted only as a matter of convenience and for reference, and in no way define, limit, extend, describe or otherwise affect the scope or meaning of this First Amendment or the intent of any provision hereof.
7. Execution in Counterparts; Facsimile Signatures. This First Amendment may be executed in multiple counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when all counterparts have been signed by each of the parties and delivered to each party hereto. Delivery of an executed signature page counterpart by telecopies shall be as effective as delivery of a manually executed counterpart.
8. Representation and Warranties. WNAI and USGenNE each represents and warrants that it has full authority and right to enter into this First Amendment.

IN WITNESS WHEREOF, the authorized representative of the parties have executed this First Amendment as of the day and year first above written.

USGEN NEW ENGLAND, INC.

By: _____
Name: _____
Title: _____

Date: _____

WHEELABRATOR NORTH ANDOVER INC.

By: _____
Name: _____
Title: _____

Date: _____

WNAI/USGenNE FIRST AMENDMENT SAMPLE PRICING CALCULATION

For the month of May 2001*

ON-PEAK PERIOD PRICING CALCULATION Assumed Inputs:

GAS

NYMEX Henry Hub prices for the last 3 days of the futures month as published in Gas Daily:

4/24/01 May NYMEX HH Futures Contract Price - \$5.078 / MMBtu

4/25/01 May NYMEX HH Futures Contract Price - \$4.981 / MMBtu

4/26/01 May NYMEX HH Futures Contract Price - \$4.891 / MMBtu

Average of last 3 days of NYMEX Henry Hub = $(5.078+4.981+4.891)/3 = \$4.983 / \text{MMBtu}$

Gas\$ = $\$4.983 + \$0.60 = \$5.583$

OIL

MAY 2001	Published Platts 2.2% NYHarbor Low Cargo #6 Fuel Oil \$/bbl
1	18.025
2	18.125
3	18.750
4	19.375
5	
6	
7	19.375
8	18.875
9	18.875
10	18.875
11	18.625
12	
13	
14	18.375
15	18.500
16	18.500
17	18.625
18	18.375
19	
20	
21	18.375
22	18.750
23	19.125
24	19.125
25	19.125
26	
27	
28	19.125
29	19.125
30	19.125
31	18.375
Average	18.762

Average Platt's 2.2% Sulfur #6 Low Cargo Fuel Oil = $(\$18.762/\text{bbl}) / (6.3 \text{ MMBtu}/\text{bbl}) = \$2.978/\text{MMBtu}$
FuelOil\$ = $\$2.978 + \$0.04 = \$3.018/\text{MMBtu}$

WNAI/USGenNE FIRST AMENDMENT SAMPLE PRICING CALCULATION

For the month of May 2001*

$$\text{On Peak Price} = 0.90 \times 0.008750 \times [(0.50 \times \text{Gas\$}) + (0.50 \times \text{FuelOil\$})]$$

$$\begin{aligned} &= 0.90 \times 0.008750 \times [(0.50 \times 5.583) + (0.50 \times 3.018)] \\ &= \$0.03387/\text{kwh} \end{aligned}$$

For the month of May 2001, WNAI generated 9,762,322 kwh in the on-peak periods. Therefore, for example purposes, the payment due WNAI for on-peak generation in May 2001 would be:

$$9,762,322 \text{ kwh} * \$0.03387/\text{kwh} = \$330,615$$

WNAI/USGenE FIRST AMENDMENT SAMPLE PRICING CALCULATION

For the month of May 2001*

OFF-PEAK PERIOD PRICING/PAYMENT SAMPLE CALCULATION:

Use as a sample calculation Friday May 4, 2001 (a weekday) and Saturday May 5, 2001 (a weekend)

		ECP	OFF-PEAK PRICE = ECP*80%	OFF-PEAK GENERATION	OFF-PEAK PAYMENT
DATE	HOUR ENDING	(\$/kwh)	Weekends, Holidays, Nites	(kwh)	
Friday 05/04/01	1	\$0.04500	\$0.03600	29,050	\$1,046
05/04/01	2	\$0.03478	\$0.02782	29,318	\$816
05/04/01	3	\$0.03462	\$0.02770	29,472	\$816
05/04/01	4	\$0.02185	\$0.01748	29,107	\$509
05/04/01	5	\$0.02329	\$0.01863	29,990	\$559
05/04/01	6	\$0.04012	\$0.03210	30,778	\$988
05/04/01	7	\$0.05102	\$0.04082	29,741	\$1,214
05/04/01	8	\$0.05224	-	0	
05/04/01	9	\$0.05770	-	0	
05/04/01	10	\$0.06764	-	0	
05/04/01	11	\$0.07069	-	0	
05/04/01	12	\$0.08431	-	0	
05/04/01	13	\$0.08645	-	0	
05/04/01	14	\$0.08610	-	0	
05/04/01	15	\$0.08317	-	0	
05/04/01	16	\$0.09296	-	0	
05/04/01	17	\$0.08200	-	0	
05/04/01	18	\$0.07251	-	0	
05/04/01	19	\$0.05252	-	0	
05/04/01	20	\$0.04595	-	0	
05/04/01	21	\$0.05131	-	0	
05/04/01	22	\$0.04215	-	0	
05/04/01	23	\$0.03758	-	0	
05/04/01	24	\$0.03701	\$0.02961	29,107	\$862
Saturday 05/05/01	1	\$0.04341	\$0.03473	29,530	\$1,026
05/05/01	2	\$0.03873	\$0.03098	29,510	\$914
05/05/01	3	\$0.04502	\$0.03602	29,491	\$1,062
05/05/01	4	\$0.04228	\$0.03382	29,510	\$998
05/05/01	5	\$0.03730	\$0.02984	30,451	\$909
05/05/01	6	\$0.04248	\$0.03398	30,643	\$1,041
05/05/01	7	\$0.03699	\$0.02959	30,125	\$891
05/05/01	8	\$0.04148	\$0.03318	29,261	\$777
05/05/01	9	\$0.08274	\$0.06619	29,434	\$1,559
05/05/01	10	\$0.04410	\$0.03528	29,626	\$836
05/05/01	11	\$0.04825	\$0.03860	30,259	\$934
05/05/01	12	\$0.06283	\$0.05026	29,146	\$1,172
05/05/01	13	\$0.05716	\$0.04573	29,875	\$1,093
05/05/01	14	\$0.04314	\$0.03451	30,547	\$843
05/05/01	15	\$0.09110	\$0.07288	30,163	\$1,759
05/05/01	16	\$0.07351	\$0.05881	29,990	\$1,411
05/05/01	17	\$0.07995	\$0.06396	30,240	\$1,547
05/05/01	18	\$0.05622	\$0.04498	30,470	\$1,096
05/05/01	19	\$0.04087	\$0.03270	29,933	\$783
05/05/01	20	\$0.04026	\$0.03221	29,645	\$764
05/05/01	21	\$0.06958	\$0.05566	29,530	\$1,315

*Although the pricing for May 2001 would be as set forth in the PPA based on Section 3 of this First Amendment, this example is given to demonstrate how the pricing to be effective after January 1, 2002 would work and uses May 2001 as it was conveniently available.

WNAI/USGenNE FIRST AMENDMENT SAMPLE PRICING CALCULATION

For the month of May 2001*

05/05/01	22	\$0.05740	\$0.04592	29,626	\$1,088
05/05/01	23	\$0.05507	\$0.04406	29,894	\$1,054
05/05/01	24	\$0.04040	\$0.03232	29,491	\$953

For the month of May 2001, for example purposes, for each OFF-PEAK hour, the ECP is multiplied by 0.80 and then multiplied times the OFF-PEAK generation for that hour (just as in the sample calculations above). Then the payment due WNAI for OFF-PEAK generation in May 2001 would be:

\$276,283

07/23/2003 15:53 FAX 617 951 1354

KEEGAN WERLIN PABIAN

003/013

Consent to Assignment, Assignment, and Release Agreement

This Consent to Assignment, Assignment, and Release Agreement ("Consent Agreement") is made as of January 1, 2002, and is made by and among NEW ENGLAND POWER COMPANY, a Massachusetts corporation ("NEP"), MASSACHUSETTS ELECTRIC COMPANY, a Massachusetts corporation ("MECO"), USGEN NEW ENGLAND, INC., a Delaware corporation ("Assignee"), WHEELABRATOR NORTH ANDOVER INC. (f.k.a. Massachusetts Refusetech, Inc.), a Delaware Corporation ("WNAI"), WHEELABRATOR TECHNOLOGIES INC. ("WTI") and NORTH EAST SOLID WASTE COMMITTEE, a body political and corporate, ("NESWC").

Recitals

A. NEP and WNAI are parties to a power purchase agreement dated January 6, 1981 ("PPA"), and a Supplemental Agreement dated as of December 13, 1994, and NEP, NESWC, MECO, and WNAI entered into a Settlement Agreement dated as of December 13, 1994 (collectively the "Assigned Agreements").

B. On September 1, 1998, NEP completed the sale of its non-nuclear generation assets, including the Assigned Agreements, to Assignee.

C. NEP, MECO, and Assignee desire to assign the Assigned Agreements to Assignee, except for those articles and provisions which concern transmission service by NEP. WNAI, WTI and NESWC wish to consent to such assignment.

D. UOP, Inc., ("UOP" or "Guarantor") executed a Guaranty in favor of NEP dated as of January 6, 1981, and guarantying certain obligations of WNAI under the PPA.

E. NEP, Assignee, WNAI and WTI (WNAI's parent company) desire that a Replacement Guaranty be issued by WTI in favor of Assignee and that Guarantor be released from its obligations to NEP under the Guaranty and that the Guaranty be rendered null and void.

Agreement

Now, therefore, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Assignment.** Subject to paragraph 2 hereof and effective on January 1, 2002, NEP and MECO, with respect to the Settlement Agreement, hereby assign to Assignee all of its rights, and does hereby delegate to Assignee all of its obligations, in, under and to the Assigned Agreements that arise on or after January 1, 2002. Assignee hereby accepts such assignment of rights and such delegation of obligations that arise on or after January 1, 2002 and assumes and agrees to perform all of NEP's duties and obligations under the Assigned Agreements that arise on or after January 1, 2002.

07/23/2003 15:53 FAX 617 951 1354

KEEGAN MERLIN PABIAN

004/013

2. **Consent to Assignment and Release.** WNAI, pursuant to and in accordance with the Supplemental Agreement and Article XIV of the PPA and, WNAI and NESWC, pursuant to and in accordance with Article IX of the Settlement Agreement, hereby consent to the terms and conditions of, and the execution and delivery of, this Consent Agreement and, in connection with the foregoing and subject to paragraph 7 hereof, hereby release NEP from any and all obligations which NEP has pursuant to the terms of the Assigned Agreements, and releases NEP from any and all claims, liabilities, or other obligations arising from the operation of the Assigned Agreements which arise on or after January 1, 2002.
3. **Benefits and Burdens.** WNAI understands that, as a result of the electric industry restructuring, it has become necessary to unbundle certain services (including interconnection and transmission) that were previously provided by NEP as part of the Assigned Agreements. Thus, simultaneously herewith, WNAI will enter into a Tariff 9 transmission service agreement with NEP, its successors and/or its affiliates (collectively referred to herein as the "Transmission Provider") (the "T-9 Agreement"), pursuant to which the Transmission Provider will continue to perform such interconnection and transmission services. While the Transmission Provider and WNAI have agreed herein to enter into said T-9 Agreement to reflect such unbundling, the parties do not intend that the burdens, risks and/or costs for procuring interconnection and transmission services would be shifted from WNAI to Assignee or to the Transmission Provider.
4. **Conforming Changes.** NEP, WNAI, and Assignee agree to the following modifications to the Assigned Agreements:
 - (a) Except as explicitly stated otherwise, references to New England Power Company and NEP shall be deemed to be references to USGen New England, Inc. and USGenNE, respectively; notwithstanding the foregoing, all references to the "Transmission Provider" in the Assigned Agreements, including the conforming changes made to them pursuant to this Consent Agreement, shall be understood to mean New England Power Company, its successors and/or its affiliates;
 - (b) Article IV, VI, VII and X of the PPA shall be modified as reflected in the Attachment to Consent Agreement to reflect the fact that Assignee will not be the transmission provider for the Facility.
5. **Replacement Guaranty.** NEP, Assignee, WTI and WNAI agree that (i) the original Guaranty is hereby cancelled, rendered null and void and of no further legal effect and that (ii) UOP and all of its successors, assigns and affiliates, are hereby fully released forever and a day from all claims and obligations whenever and however due thereunder and (iii) a Replacement Guaranty shall be executed simultaneously with the execution of this Consent to Assignment, which Replacement Guaranty shall be identical to the original Guaranty in all material respects, except that it shall be issued by WTI in favor

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of Assignee, and shall therefore provide Assignee with all of the same rights and remedies against WTI as NEP had against UOP under the original Guaranty. NEP and the Assignee hereby fully consent without reservation to said cancellation, release and issuance.

6. **Energy Efficiency Improvement Funding.** The parties acknowledge that MECO has already satisfied its obligation under Article III (second to the last sentence) of the Settlement Agreement.
7. **Transmission and Interconnection.** NEP and WNAI agree that the interconnection and transmission provisions of the PPA will remain in effect as between the Transmission Provider and WNAI until FERC approval of the T-9 Agreement. Upon FERC approval of the T-9 Agreement, said interconnection and transmission provisions will terminate and be of no further legal force and effect as of the effective date of the approved T-9 Agreement.
8. **Successors and Assigns.** This Consent Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors and assigns.
9. **Governing Law.** This Consent Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Massachusetts (without regard to the choice of law rules thereof).
10. **Execution in Counterparts; Facsimile Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when all counterparts have been signed by each of the parties and delivered to each party hereto. Delivery of an executed signature page counterpart by telecopies shall be as effective as delivery of a manually executed counterpart.
11. **Representation and Warranties.** NEP, WNAI, NESWC, WTI, MECO, and Assignee each represents and warrants that it has full authority and right to enter into this Consent Agreement.
12. **Ratification.** Except as specifically amended above, the Assignment Agreements shall remain in full force and effect.

In witness whereof, the authorized representatives of the parties have executed this agreement as of the day and year first above written.

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NEW ENGLAND POWER COMPANY

By: Terry L. Schwennesen

Name: Terry L. Schwennesen *DIR*
Title: Vice President, Generation Investments

Date: 1/14/02

MASSACHUSETTS ELECTRIC COMPANY

By: Robert H. McLaren

Name: ROBERT H. McLAREN
Title: SENIOR VICE PRESIDENT

Date: 1/10/02

USGEN NEW ENGLAND, INC.

By: Ernie K. Hausar

Name: Ernie K. Hausar
Title: Vice President

Date: 1/15/02

WHEELABRATOR NORTH ANDOVER INC.

By: David M. Beavens

Name: David M. Beavens
Title: Vice President

Date: December 21, 2001

NORTH EAST SOLID WASTE COMMITTEE

By: _____

Name:
Title:

Date: _____

WHEELABRATOR TECHNOLOGIES INC.

By: David M. Beavens

Name: David M. Beavens
Title: Vice President

Date: December 21, 2001

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Attachment to Consent Agreement

The parties agree and amend Articles IV, VI, VII, and X of the Agreement dated as of January 6, 1981, by and between WHEELABRATOR NORTH ANDOVER INC. (f.k.a. Massachusetts Refusetech, Inc., ("WNAI") and New England Power Company ("NEP"), as follows:

ARTICLE IV. TERMS OF SALE.

A. Prior to the Commencement Date of Operation, NEP shall purchase electric energy generated by, and not required for the operation of, the Facility during testing and interim operations when, and if, available at a price equal to NEP's Average Cost of Fuel.

B. Commencing as of the Commencement Date of Operation, WNAI shall in accordance with good utility practice:

1. Use all reasonable efforts to operate the electric generating unit(s) at the Facility to the maximum extent feasible; provided, however, that:

(a) WNAI shall have the right to sell or otherwise utilize up to a maximum of thirty percent (30%) of the average monthly steam produced by the Facility for purposes other than the generation of electricity ("Steam Utilization Right") and

(b) upon one (1) year's written notice by NEP or WNAI, the parties agree to negotiate in good faith modifications to the foregoing Steam Utilization Right.

2. Provide NEP prior to the first day of July of each year its estimate of the generation of electricity at the Facility for the twelve (12) months beginning July first;

3. Provide NEP prior to the first day of each month a schedule of the generation of electricity at the Facility for such month;

4. Provide NEP by 9:00 A.M. of each day a breakdown of scheduled generation of electricity at the Facility for the next day;

5. Use all reasonable efforts to maximize delivery of electric energy from the Facility during On-Peak Periods; and

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6. Use all reasonable efforts to arrange its maintenance program to minimize the possibility that the Facility will be out of service during the months of January, July, August and December.

NEP recognizes that WNAI intends to enter into Service Agreements and that in the event of an actual conflict between WNAI's obligations under this Agreement and the Service Agreements any obligations of WNAI under the Service Agreements shall be controlling. NEP further recognizes that variations in quantities of, and in the composition of, solid waste which must be processed or the unavailability of solid waste, or emergencies, accidents or unusual conditions may necessitate a departure from scheduled generation. In the event of such a departure, WNAI shall use all reasonable efforts to resume scheduled generation promptly.

The estimates and schedules provided by WNAI under subparagraphs B.2, B.3, and B.4 above shall be bona fide, and based on waste material availability and other conditions anticipated at the time such estimates and schedules are made, but shall be not be binding on WNAI. WNAI, Shall, however, provide a revised estimate or schedule to NEP as soon as it realizes that any estimate or schedule has become inaccurate.

Upon receipt of each monthly schedule referred to in subparagraph B.3 above, NEP shall submit an operating schedule to WNAI specifying when, and at what rate, it desires the electric energy to be delivered. Such operating schedule shall not be in conflict with good utility practice, reasonable operating capabilities of the Facility, or with subparagraph B.5 above. WNAI shall use all reasonable efforts to meet each operating schedule. Insofar as an operating schedule calls for generation during off-Peak Periods, however, WNAI shall be under no obligation to depart from its established hours for operating labor.

If as the result of NEPEX dispatch requirements or for any other reason NEP requests delivery of electric energy when such generation has not been scheduled by WNAI pursuant to ARTICLE IV.B., WNAI will use all reasonable efforts to deliver such electric energy, provided that NEP shall reimburse WNAI for any additional expense incurred other than ordinary Facility

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Operating costs, and for any reduction in electric energy sales revenue, as a result of such efforts.

WNAI shall sell, and NEP shall buy, all electric energy generated at the Facility except that which is necessary for the Facility's operation, subject to WNAI's Steam Utilization Right under subparagraph B.1. (a) above.

WNAI shall use all reasonable efforts to operate the Facility in parallel with the Transmission Provider's (New England Power Company, its successors, assigns, and/or its affiliates) system at such power factor as the Transmission Provider may reasonably request; provided, however, that the Transmission Provider shall not request a power factor at the point of delivery lower than eighty-five percent (85%).

If as the result of any failure of Transmission Provider to use all reasonable efforts in accordance with good utility practice to operate and maintain the Transmission Provider's system (including its interconnection facilities), WNAI is prevented from delivering electric energy to the point of interconnection between Transmission Provider's and WNAI's systems, Transmission Provider shall pay WNAI the amount it would have paid for such electric energy as would have been delivered but for such failure. Such amount shall be determined based on the quantity of electric energy which would have been produced from steam required to be wasted or condensed without electric generation plus the quantity of electric energy which would have been generated from solid waste required to be diverted from the Facility, calculated by using the average kWh generation per ton of solid waste for the most recent calendar month of normal operation of the Facility, all times the prices per kWh as specified in ARTICLE V for the same on Peak/Off Peak ratio of electric energy deliveries as the most recent calendar month of normal operation of the Facility. To the limit of its reasonable ability to store solid waste in the solid waste receiving pit of the Facility, WNAI shall use all reasonable efforts to minimize wasting or condensing steam or diverting solid waste from the Facility.

WNAI agrees to use all reasonable efforts to cooperate with NEP in the arrangement and conduct of any tests required pursuant to the NEPOOL Agreement to determine the capability of the Facility's generating units(s), provided, however, that NEP shall

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reimburse WNAI for any additional expense incurred by WNAI as a result of such cooperation.

ARTICLE VI. DELIVERY AND MEASUREMENT OF ELECTRIC ENERGY.

All electric energy shall be delivered to NEP at the point of interconnection between the Transmission Provider's and WNAI's systems in the form of three-phase sixty-hertz alternating current at approximately twenty-three thousand (23,000) volts. The actual voltage shall not vary more than ten percent (10%) from said voltage, momentary fluctuations excepted.

WNAI agrees to provide metering equipment, at the Facility, for measuring the electric energy delivered to NEP.

The metering equipment shall be capable of segregating the electric energy delivered during On-Peak Periods and Off-Peak Periods. In addition, prior to any exercise by WNAI of its Steam Utilization Right under subparagraph B.1.(a) of ARTICLE IV, WNAI shall provide all additional metering equipment necessary to enable the calculation of the number of Qualifying kWh in accordance with ARTICLE V.

All metering equipment shall be purchased and installed without expense to NEP. All metering equipment shall be tested by WNAI annually at WNAI's expense. Additional tests may be conducted at the request of either party at its expense, except that if the meter is found to be inaccurate by more than two percent (2%), such test shall be at WNAI's expense. Tests shall be made in such manner as may be mutually agreed upon. WNAI shall comply with any reasonable request of NEP with regard to the sealing of meters, the presence of a NEP representative when the seals are broken and tests are made, and other matters affecting the accuracy of the measurement of electric energy delivered.

If metering equipment is found to be inaccurate by more than two percent (2%), WNAI shall cause it to be made accurate or replaced. Meter readings and billings for the period of inaccuracy shall be adjusted to correct such inaccuracy to the extent that such adjustment can be reasonably ascertained.

Meters shall be read by WNAI on the first day of each month. The amount of electric energy delivered to NEP during the preceding month shall be determined from such readings. Electric energy delivered during On-Peak Periods and Off-Peak Periods

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shall be segregated. Daily meter readings and log sheets shall be recorded in triplicate. One (1) copy shall be mailed to NEP each day.

ARTICLE VII. CONSTRUCTION AND OPERATION OF INTERCONNECTION FACILITIES.

The facilities necessary to interconnect the transmission provider's and WNAI's systems shall be constructed without expense to NEP. WNAI shall be responsible for the construction of all other interconnection facilities.

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Attachment to Consent Agreement**ARTICLE X. LIMITATION OF LIABILITY; EXCLUSION OF CONSEQUENTIAL DAMAGE INDEMNIFICATION; INSURANCE; RELATIONSHIP OF PARTIES.**

WNAI shall not be liable for failure to deliver electric energy as a result of (i) a temporary shutdown of all or a portion of the Facility due to operational considerations consistent with good utility practice, (ii) a permanent cessation of operation of the Facility by WNAI, its parent, subsidiaries, affiliates, or voluntary Service Agreements assignees, or (iii) failure to comply with NEP's desired operating schedule, unless WNAI had the ability to have complied and intentionally failed to do so. Voluntary assignees as used in this paragraph shall not include assignees under an assignment resulting from termination of WNAI, its parent, subsidiaries or affiliates as operator of the Facility under the terms of the Service Agreements.

Neither party nor its parent, agents, officers, directors, or employees shall be liable to the other party or its parent, subsidiaries, affiliates, agents officers, directors, employees, successors, assigns, or customers, for claims for incidental, indirect or consequential damages, whether based upon breach of warranty (express or implied), contract, tort or otherwise, connected with or resulting from performance or nonperformance of this Agreement.

WNAI agrees to defend, indemnify and save NEP, its officers, directors, agents, and employees harmless from and against any and all claims by third parties for damages by reason of bodily injury, death or damage to property caused by WNAI, its agents, officers, directors or employees, or caused by or sustained on facilities owned or controlled by WNAI or its affiliates, unless caused by an

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act of negligence or willful misconduct by an officer, director, agent or employee of NEP.

NEP agrees to defend, indemnify and save WNAI, its officers, directors, agents and employees harmless from and against any and all claims by third parties for damages by reason of bodily injury, death or damage to property caused by NEP, its agents, officers, directors, or employees, unless caused by an act of negligence or willful misconduct by an officer, director, agent or employee of WNAI.

WNAI agrees to maintain at all times Worker's Compensation Insurance as prescribed or permitted by law, Comprehensive General Liability Insurance with limits not less than Three Million Dollars (\$3,000,000) per person and Six Million Dollars (\$6,000,000) per accident for bodily injury (including death), and Six Million Dollars (\$6,000,000) per accident for property damage and Automobile Liability Insurance with limits not less than Five Hundred Thousand Dollars (\$500,000) per person and One Million Dollars (\$1,000,000) per accident for bodily injury (including death) and One Million Dollars (\$1,000,000) per accident for property damage, which minimum liability amounts shall be adjusted at least as often as at three-year intervals by the ratio of the value of the Consumer Price Index, all categories, for the Greater Boston area as of January, 1981 to the most recent January value of such index at the time of adjustment.

Nothing in this Agreement shall be construed as creating any relationship between the parties other than that of independent contractors for the sale and purchase of electric energy generated at the Facility.