

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into on this 24 day of March 2005, by and between Boston Edison Company d/b/a NSTAR Electric ("NSTAR Electric" or the "Company") and the Town of Canton (the "Town"), by and through its Board of Selectmen. This MOU governs various aspects of NSTAR Electric's proposal to locate a 345 kilovolt ("kV") transmission line through parts of the Town, as such proposal has been approved by the Energy Facilities Siting Board (the "EFSB") and the Department of Telecommunications and Energy (the "DTE") in the proceedings docketed as EFSB 04-1/D.T.E. 04-5/D.T.E. 04-7.

WHEREAS, NSTAR Electric is proposing to construct a three-circuit 345 kV underground transmission facility approximately 18 miles in length with a point of origin at a new switching station to be constructed along an existing 345 kV transmission line located in the Town of Stoughton and a point of termination for one circuit at the Company's Hyde Park substation, and for two circuits at the Company's K Street substation in South Boston (the "Project");

WHEREAS, approximately 5.1 miles of the Project will be located within the Town, along Route 138; and

WHEREAS, both NSTAR Electric and the Town desire that, subject to completion of authorization of the proposed Project by the applicable regulatory agencies and government authorities and thereafter be constructed by NSTAR Electric, it be done in a manner that minimizes impacts to the environment and disruption to the public, as well as provides reasonable remediation to the Town and its citizens.

NOW, THEREFORE, NSTAR Electric and the Town agree as follows:

1. NSTAR Electric Commitments: NSTAR Electric agrees to the following in connection with the construction and operation of the Project within the Town:
 - (a) Provide a temporary trench repair for Route 138, from the Stoughton-Canton town line to Route 128.
 - (b) Repave Route 138 from curb-to-curb from Route 128 to the Milton-Canton town line. The cost of this repaving is presently estimated to be \$338,000.
 - (c) Provide a cash donation to the Town in the amount of \$3.4 million to be used for improvements to be designed and constructed by the Town in connection with improving the Route 138 corridor or for any other lawful municipal purpose as determined by the Board of Selectmen. NSTAR Electric will pay eighty (80) percent of this amount no later than thirty (30) days after commencing construction in the Town. The remaining twenty (20) percent will be paid no later than thirty (30) days after the completion of construction in the Town. NSTAR

Electric currently anticipates the start date for construction will be on or around May 1, 2005 and the completion date will be on or around September 1, 2005. These dates are estimates and are subject to change.

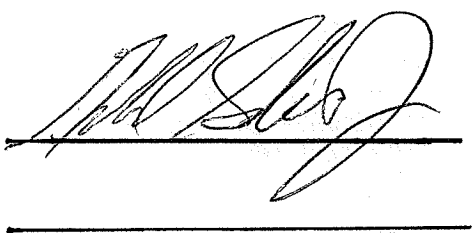
2. Town Commitments: The Town agrees to the following in connection with the construction and operation of the Project within the Town:
 - (a) Design and construction of all of the Town's planned improvements for Route 138 will occur on a schedule that meets the Town's needs and coordinates with NSTAR Electric's construction schedule. Improvements include, but are not limited to, final resurfacing of Route 138 to an extent to be negotiated between the Town and the Massachusetts Highway Department. This construction is to be funded by the payment described in Section 1(c), above.
 - (b) Allow an agreed upon work-hour schedule as determined in coordination with the Massachusetts Highway Department in accordance with the following:
 - (i) Construction activities will be permitted to occur on Saturdays and holidays, as needed;
 - (ii) Construction activities within the traveled portions of Route 138 will cease during the morning and afternoon peak traffic hours as determined by the Massachusetts Highway Department for any area significantly affected by traffic management issues;
 - (iii) Allow construction in residential areas from 9:00 a.m. to 9:00 p.m., to be adjusted for rush-hour traffic volumes depending on the side of the road where construction is taking place;
 - (iv) For areas where there are significant impacts to commercial businesses, work hours would be permitted in the evening from 9:00 p.m. to 6:00 a.m. the next day in order to accommodate access to businesses during the normal business day;
 - (v) Construction activities may continue into the evening hours in commercial areas and all work crews will be off the traveled portions of Route 138 before 6:00 a.m.;
 - (vi) Construction work in the winter months will be allowed to continue provided that, in advance of or during snow storms or snow emergencies, NSTAR Electric would prohibit its contractor from constructing or using steel road plates to cover excavations and all excavations will be backfilled. NSTAR Electric will work only at times when hot paving can be provided for surface restoration;

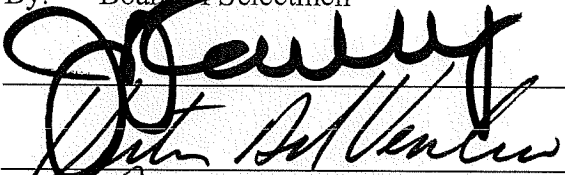
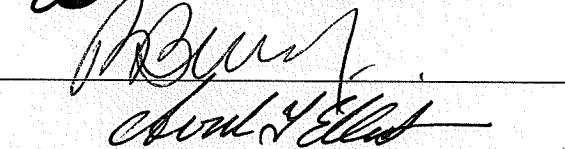
- (vii) The work-hour scheduling as described above applies to the construction activities of excavation, construction of the manholes and pipe trench, and cable pulling; and
 - (viii) Notwithstanding the foregoing, cable splicing will be allowed to occur on a continuous basis, 24-hours per day.
- (c) Provide Town police officers for traffic management in compliance with NSTAR Electric's traffic management plan. NSTAR Electric will fund the cost of off-duty police details either directly or through its construction contractor.

EXECUTED as a sealed instrument.

TOWN OF CANTON

By: Board of Selectmen



3/24/05

BOSTON EDISON COMPANY d/b/a NSTAR ELECTRIC

By: Joseph R. Nolan

Title: Senior Vice President