

TRANSITION SERVICES AGREEMENT

TRANSITION SERVICES AGREEMENT, dated as of _____, 20__ (this "Agreement"), between Orange and Rockland Utilities, Inc., a New York corporation ("O&R"), and Pike County Light & Power Company, a Pennsylvania corporation ("PCL&P") (O&R and PCL&P are sometimes referred to herein individually as a "Party" and collectively as the "Parties").

WHEREAS, O&R and Corning Natural Gas Holding Corporation ("Corning") have entered into a Stock Purchase Agreement, dated as of October 13, 2015 (the "SPA"), pursuant to which O&R agreed to sell to Corning and Corning agreed to purchase from O&R all of the issued and outstanding shares of PCL&P, all as more particularly set forth in the SPA (capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the SPA; provided, however, that when reference is made in this Agreement to any Section or Exhibit, such reference is to a Section or Exhibit of this Agreement unless otherwise indicated); and

WHEREAS, from and after the Closing, O&R is willing to provide, or cause to be provided, certain services to PCL&P on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual agreements and covenants hereinafter set forth, O&R and PCL&P hereby agree as follows:

1. Provision of Transition Services; Term; Payment

(a) O&R agrees to provide, or to cause its Affiliates and/or third-party contractors, subcontractors or other service providers or suppliers (collectively, the "Contractors") to provide, to PCL&P each line item of service (each such item, a "Service", and, collectively, all such items provided hereunder being the "Services") set forth on Exhibit "A" attached hereto (as may be amended from time to time by a written instrument signed by each of the Parties hereto, the "Exhibit") for a period (the "Term") commencing on the Closing and ending on the date that is twelve (12) months after the Closing, subject to earlier termination in accordance with Section 1(e) or Section 5; provided, however, that no particular Service shall be provided beyond the end date for such Service listed in the applicable Exhibit and, provided further, that notwithstanding anything to the contrary in this Agreement, the provision of and payment for Service described in Service Item 2 ("Field Services - Electric") and for Service described in Service Item 3 ("Field Services - Gas) on the Exhibit shall be subject to the "Hours Limitation" described in the Exhibit.

(b) O&R shall provide, or shall cause its Affiliates and/or the Contractors to provide, each Service pursuant to this Agreement in a manner consistent with, and with a level of care no less than, the manner and level of care with which such Service was previously provided by O&R, its Affiliates and/or the Contractors to PCL&P during the twelve (12) month period immediately prior to the Closing.

(c) The Parties acknowledge the transitional nature of O&R providing the Services and agree to cooperate in good faith to effectuate a smooth transition to PCL&P of the Services furnished hereunder; provided, however, that O&R, its Affiliates and the Contractors shall have no obligation to incur any expense, including, without limitation, in connection with constructing, installing, replacing, modifying, operating, or maintaining any facilities or infrastructure, in connection with such transition (it being understood that this proviso does not affect O&R's obligations, during the Term, to operate and maintain O&R facilities or O&R infrastructure in a manner sufficient to provide the Services pursuant to the terms and conditions hereof).

(d) PCL&P shall pay O&R an amount for each Service that is calculated in accordance with the price and/or methodology set forth in the Exhibit applicable to such Service. Each written invoice (each, an "Invoice") that O&R prepares with respect to each Service provided during the Term shall specify the amount and price of the Service and the period during which it was provided. PCL&P shall pay each Invoice, by the method specified in the Invoice, no later than ten (10) days after PCL&P's receipt of the Invoice. All Invoices sent by O&R hereunder shall be sent to the following address:

Pike County Light & Power Company
c/o Corning Natural Gas Holding Corporation
330 West William Street
Corning, New York 14830
Attention: Michael I. German
Fax: (607) 962-2844

(e) Subject to PCL&P's obligation to make payments pursuant to this Agreement for Services previously rendered and subject to the obligation of PCL&P to pay for reasonably documented third-party termination or cancellation charges and similar costs and expenses incurred by O&R, its Affiliates and the Contractors due to the termination of this Agreement by PCL&P, PCL&P may terminate any or all Services, either in whole or in part, under this Agreement upon ten (10) Business Days' prior written notice to O&R.

(f) As between O&R and PCL&P, O&R shall be responsible for selecting the employees of O&R or its Affiliates (collectively, the "Employees") and the Contractor who will perform any particular Service and for administering such Employees and Contractors; provided, however, that O&R shall not be obligated to (i) employ or continue to employ or to cause its Affiliates to employ or continue to employ any particular Employees, or (ii) retain or continue to retain or to cause its Affiliates to retain or continue to retain any particular Contractors.

2. Limitation of Liability; Release; Waiver; Indemnification; Insurance

(a) To the fullest extent permitted by law, PCL&P hereby releases and discharges O&R, its Affiliates, the Contractors, and O&R's, its Affiliates' and the Contractors' respective directors, trustees, officers, employees, agents, successors, and assigns, (collectively, the "O&R Protected Parties") from, waives against the O&R Protected Parties, and agrees to

defend, indemnify and hold the O&R Protected Parties harmless from and against, any and all suits, actions, causes of action, claims, liabilities, losses, damages, costs, and expenses (including court costs and reasonable attorney's fees) arising from or relating to providing any Services or any failure to provide or delay in providing any Services, except to the extent that such suits, actions, causes of action, claims, liabilities, losses, damages, costs and expenses arise from the willful misconduct of the O&R Protected Parties.

(b) Without limiting the provisions of Section 2(a), to the fullest extent permitted by law, PCL&P hereby releases and discharges the O&R Protected Parties from, waives against the O&R Protected Parties, and agrees to defend, indemnify and hold the O&R Protected Parties harmless from and against, any and all suits, actions, causes of action, claims, and liabilities for (and court costs and reasonable attorney's fees in connection with) any and all special, indirect, incidental, consequential and punitive damages, including but not limited to damage, loss, liability, costs, and expenses resulting from loss of use, loss of business or business opportunities, loss of profits or revenue, costs of capital, loss of goodwill, cost of purchased or replacement power, and like items of special, indirect, incidental, or consequential loss and damage, arising from or relating to providing any Services or any failure to provide or delay in providing any Services.

(c) Subject to the other limitation of liability provisions in this Agreement, in no event shall the cumulative liability of the O&R Protected Parties relating to or arising from providing any Service exceed the payment received by O&R hereunder with respect to such Service.

(d) PCL&P shall procure and maintain (or cause its parent Company, Corning Natural Gas Holding Corporation, to procure and maintain for the benefit of PCL&P) the following insurance during the Term and until any and all Services have been fully and completely performed: Comprehensive (also called Commercial) General Liability Insurance, including Contractual Liability coverage, with limits of at least \$5,000,000 per occurrence for bodily injury or death and \$1,000,000 per occurrence for property damage or a combined single limit of at least \$5,000,000 (such insurance shall contain an "occurrence" and not a "claims made" determinant of coverage, shall name the O&R Protected Parties as additional insureds and contain a waiver of subrogation claims against the O&R Protected Parties, and shall not contain an exclusion for claims by PCL&P's or its contractor's or subcontractor's employees against the O&R Protected Parties or any of them based on injury to or the death of such employees). Such insurance may be satisfied through the combination of a primary or underlying policy and an excess policy and it is understood and agreed that, so long as PCL&P complies at all times with the minimum per occurrence amounts and other insurance requirements specified above in this Agreement, in Section 2(d) of the Electric Supply Agreement of even date herewith between O&R and PCL&P (the "Electric Agreement"), and in Section 2(d) of the Gas Supply and Gas Transportation Agreement of even date herewith between O&R and PCL&P (the "Gas Agreement"), PCL&P need not procure and maintain (or cause its parent Company, Corning Natural Gas Holding Corporation, to procure and maintain for the benefit of PCL&P) (i) separate insurance policies for each of this Agreement, the Electric Agreement, and the Gas Agreement or (ii) insurance policies with per occurrence limits that equal or exceed the sum of (A) the minimum per occurrence amounts specified above in this Agreement,

plus (B) the minimum per occurrence amounts specified in Section 2(d) of the Electric Agreement and/or (C) the minimum per occurrence amounts specified in Section 2(d) of the Gas Agreement.

3. Confidentiality

Each Party hereby acknowledges that its confidential information (the "Information") may be exposed to the other party's agents, representatives, Affiliates, employees, officers, directors and trustees as a result of the activities contemplated by this Agreement. Each Party agrees to, and shall cause its agents, representatives, Affiliates, employees, officers, directors and trustees to: (i) treat and hold as confidential (and not disclose or provide access to any Person to) the Information of the other Party (other than as may be necessary to perform the Services), (ii) in the event that a Party or any of its agents, representatives, Affiliates, employees, officers, directors or trustees becomes legally required to disclose any Information of the other Party, provide such other Party (the "Non-Compelled Party") with prompt written notice of such requirement so that the Non-Compelled Party may seek a protective order or other remedy or waive compliance with this Section 3, and (iii) in the event that such protective order or other remedy is not sought or obtained, or the Non-Compelled Party waives compliance with this Section 3, furnish only those portions of such Information of the Non-Compelled which are legally required to be provided and exercise commercially reasonable efforts to obtain assurances that confidential treatment will be accorded such Information. This Section 3 shall not apply to Information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement.

4. Security for PCL&P's Performance

(a) Simultaneously with the execution of this Agreement, PCL&P, as security for PCL&P's performance of its obligations hereunder (including, but not limited to PCL&P's obligations pursuant to Section 1(e) and Section 2), shall furnish cash security (the "Cash Security") or cause a letter of credit (such letter of credit, as amended or replaced from time to time by a "Substitute PCL&P LC" (as defined below), the "PCL&P L/C") to be furnished to O&R in the amount of \$500,000 (the "Initial Amount"); provided, however, that following PCL&P's receipt of the first Invoice and thereafter following PCL&P's receipt of each subsequent Invoice pursuant to Section 1(e), the Initial Amount shall be subject to increase or decrease in accordance with this Section 4(a) and Section 4(b). During the period from the execution of this Agreement to immediately before the first such increase or decrease, PCL&P shall cause the amount of the Cash Security or the PCL&P L/C, as applicable, that remains available for drawing upon by O&R to be in an amount equal to the Initial Amount and during the period from the first such increase or decrease to the "Permitted Expiry" (as defined below), PCL&P, subject to exercising its right pursuant to the first proviso in Section 4(e), shall cause the amount of the Cash Security or the PCL&P L/C, as applicable, that remains available for drawing upon by O&R to be in an amount that is not less than twice the amount of the most recent Invoice sent by O&R to PCL&P pursuant to Section 1(e) (the Initial Amount, subject to such increase or decrease, the "Required Amount"). To the extent that PCL&P fails to timely perform its obligations hereunder, O&R, in addition to and not in lieu of any other rights and remedies available to it, including termination of this Agreement pursuant to Section 5, may

draw upon the Cash Security or PCL&P L/C, as applicable, to satisfy, in whole or in part, such obligations.

(b) Increases (*i.e.*, because the Required Amount has increased or the Cash Security previously has been drawn upon by O&R) in the amount of the Cash Security remaining for drawing upon by O&R that are necessary to satisfy the then applicable Required Amount shall be made by PCL&P furnishing the applicable amount of cash to O&R within five (5) Business Days after (i) PCL&P's receipt of the Invoice pursuant to Section 1(d) that results in an increase in the Required Amount (in cases where the Required Amount increases due to such Invoice), or (ii) PCL&P's receipt of written notice from O&R that O&R has drawn on the Cash Security and the amount of the Cash Security remaining for drawing upon by O&R is less than the then applicable Required Amount (in cases where O&R previously has drawn upon the Cash Security). Decreases (*i.e.*, because the Required Amount has decreased) in the amount of the Cash Security remaining for drawing upon by O&R to a level equal to the then applicable Required Amount shall be made by O&R returning the applicable amount of cash to PCL&P within five (5) Business Days after O&R's receipt of PCL&P's written request to return the amount of Cash Security that is in excess of the then applicable Required Amount. Cash furnished to O&R or PCL&P shall be by wire transfer to an account specified by the party that is to receive the cash. Increases (*i.e.*, because the Required Amount has increased or the PCL&P L/C previously has been drawn upon by O&R) in the amount of the PCL&P L/C remaining for drawing upon by O&R that are necessary to satisfy the then applicable Required Amount shall be made by PCL&P furnishing to O&R a Substitute PCL&P L/C within five (5) Business Days after (i) PCL&P's receipt of the Invoice pursuant to Section 1(d) that results in an increase in the Required Amount (in cases where the Required Amount increases due to such Invoice), or (ii) PCL&P's receipt of written notice from O&R that O&R has drawn upon the PCL&P L/C and the amount of the PCL&P L/C remaining for drawing upon is less than the then applicable Required Amount (in cases where O&R previously has drawn upon the PCL&P L/C). Decreases (*i.e.*, because the Required Amount has decreased) in the amount of the PCL&P L/C remaining for drawing upon by O&R to a level equal to the then applicable Required Level shall be made by PCL&P furnishing to O&R a Substitute PCL&P L/C that accomplishes such decrease and O&R countersigning such Substitute PCL&P L/C.

(c) If at any time prior to the Permitted Expiry, (i) the PCL&P L/C has an expiration date that is earlier than the Permitted Expiry, PCL&P shall cause to be provided to O&R, at least twenty (20) Business Days prior to the expiration date of the PCL&P L/C, a Substitute PCL&P L/C containing an expiration date that is at least ninety (90) days later than the expiration date of the PCL&P L/C that it is amending or replacing, or (ii) the credit rating of the bank issuing the PCL&P L/C falls below the level specified in the "L/C Requirements" (as defined below) or such bank repudiates its obligations under, or fails to honor or pay against, the PCL&P L/C, PCL&P, within five (5) Business Days after receipt of written notice from O&R requesting a Substitute L/C, shall cause to be furnished to O&R a Substitute PCL&P L/C, issued by different bank, that replaces such PCL&P L/C. Promptly following O&R's receipt of a Substitute PCL&P L/C that replaces (as distinguished from one that amends) a PCL&P L/C, O&R shall return to PCL&P the PCL&P L/C that has been replaced.

(d) Should PCL&P fail to cause a Substitute PCL&P L/C to be furnished to O&R within the time specified in, and as otherwise required by, this Agreement, including under circumstances where (a) the credit rating of the bank issuing the PCL&P L/C that is to be replaced by the Substitute PCL&P L/C falls below the level specified in the L/C Requirements, (b) the bank issuing the PCL&P L/C that is to be replaced by the Substitute PCL&P L/C repudiates its obligations under, or fails to honor or pay against, the PCL&P L/C, (c) the expiration date of the PCL&P L/C to be extended by the Substitute PCL&P L/C is required to be extended, or (d) the amount of the PCL&P L/C remaining available to O&R for drawing upon is required to be increased by the Substitute PCL&P L/C, then O&R, in addition to and not in lieu of any other rights and remedies available to it, including termination of this Agreement, shall be entitled to draw upon the entire remaining amount of the PCL&P L/C. The parties agree that, for purposes of O&R making such a drawing, O&R may make any certification or statement required to be submitted in order to effectuate such drawing, including that the amount of the drawing is owed to O&R pursuant to this Agreement. Should O&R exercise its rights under this Section 4(d) to draw down the entire remaining amount of the PCL&P L/C, the cash obtained as a result of such drawing shall be deemed to be the Cash Security (the amount of which is subject to increase or decrease in accordance with this Agreement), with O&R having the right to draw upon such Cash Security as otherwise permitted by this Agreement with respect to the Cash Security.

(e) At all times during the period from the execution of this Agreement to the Permitted Expiry, any PCL&P L/C (which includes any Substitute PCL&P L/C) that PCL&P utilizes to satisfy the then applicable Required Amount must satisfy the L/C Requirements. To the fullest extent permitted by applicable law, (i) O&R shall not be required to keep any Cash Security in a separate account, but rather, shall be entitled to use, possess, invest, commingle, assign, sell, or pledge such cash security deposit in any way it sees fit free from any claim or right of any nature whatsoever, including any right of redemption, and (ii) any interest, return on investment, or other result of O&R's use, investment, commingling, assignment, sale or pledge of such Cash Security shall be the sole property of O&R and shall not be furnished to PCL&P at any time; provided, however, that, assuming the Cash Security is then in the Required Amount and PCL&P is not then in breach of this Agreement, PCL&P shall be entitled to apply the Cash Security to payment in whole or in part of the final Invoice received by PCL&P pursuant to Section 1(e) of this Agreement and, provided, further, that promptly following the occurrence of the Permitted Expiry O&R shall return to PCL&P any balance of the Cash Security then remaining.

(f) As used in this Agreement: "L/C Requirements" means an irrevocable, transferable, standby letter of credit issued by a major U.S. commercial bank or the U.S. branch office of a foreign bank, which, in either case, has counters for presentment and payment located in the City of New York and a credit rating (i.e., the rating then assigned to such entity's unsecured, senior long-term debt obligations not supported by third party credit enhancements, or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating) of at least (i) "A-" by Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor ("S&P") and "A3" by Moody's Investor Services, Inc. or its successor ("Moody's"), if such entity is rated by both S&P and Moody's or (ii) "A-" by S&P or "A3" by Moody's, if such entity is rated by either S&P

or Moody's, but not both, and which letter of credit is in a form reasonably acceptable to O&R, including, but not limited to, drawings being permitted solely upon a statement from O&R that the amount of the drawing is owed to O&R pursuant to this Agreement; "Permitted Expiry" means the date that is three (3) months after the end of the Term referenced in Section 1(a) as such Term may be extended in accordance with Section 1(b) or earlier terminated in accordance with Section 5, provided, however, that if, as of such date, there are then outstanding, or in O&R's good faith judgment reasonable grounds then exist for any future, suits, actions, causes of action, claims, liabilities, losses, damages, costs, and expenses that are, or reasonably would be, the subject of PCL&P's defense, indemnification and hold harmless obligations pursuant to Section 2 then Permitted Expiry shall mean the later date on which such suits, actions, causes of action, claims, liabilities, losses, damages, costs, and expenses are fully and finally resolved and PCL&P's obligations pursuant to Section 2 with respect thereto are fully and finally performed; and "Substitute PCL&P L/C" means an amendment to, or a replacement of, the PCL&P L/C or a prior Substitute PCL&P L/, as applicable.

5. Termination

Notwithstanding anything to the contrary in this Agreement, either Party may terminate any or all of the Services thirty (30) days following written notice to the other party of a material breach of this Agreement by such other party that is not cured within such thirty (30) day period; provided, however, that O&R may terminate this Agreement upon at least five (5) days following written notice by O&R to PCL&P of its failure to make payment pursuant to Section 1(d) and PCL&P not curing such breach within five (5) days following receipt of such notice and O&R may terminate this Agreement immediately upon written notice to PCL&P of its failure to timely perform its obligations pursuant to Section 4.

6. Effective Time

This Agreement shall be effective upon the commencement of the Term.

7. Right to Audit

For a period of twelve (12) months after PCL&P receives an Invoice from O&R for the provision of Services, PCL&P or a nationally recognized accounting firm retained by PCL&P that is reasonably acceptable to O&R shall be provided, following O&R's receipt of reasonable advance written notice from PCL&P, reasonable access to and the right to audit (at PCL&P's cost and expense) during normal business hours, O&R's books and records principally relating to the provision of the Services for which such Invoice was submitted; provided, however, that any such access and audit shall be subject to Section 3.

8. Notices

All notices, requests, demands, claims and other communications (including Invoices) hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by courier service, by fax or by registered or certified mail (postage prepaid, return receipt requested) to the

respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8):

if to O&R:

Orange and Rockland Utilities, Inc.
One Blue Hill Plaza
Pearl River, NY 10965
Attention: Francis Peverly
Fax: (845) 577-3074

if to PCL&P:

c/o Corning Natural Gas Holding Corporation
330 West William Street
Corning, New York 14830
Attention: Michael I. German
Fax: (607) 962-2844

9. Independent Contractor

In providing the Services, O&R shall be an independent contractor, and not an agent, of PCL&P or its Affiliates and the employees of O&R, its Affiliates or the Contractors who assist or have a role in O&R providing the Services shall not be considered employees or contractors of PCL&P or its Affiliates.

10. Assignment

Neither this Agreement nor the rights or obligations of either Party hereunder may be assigned or delegated in whole or in part by either Party without the prior written consent of the other Party; provided, however, that O&R may assign its rights or delegate its obligations under this Agreement in whole or in part to any Affiliate of O&R that, in O&R's judgment, has the resources, capabilities and personnel necessary to fulfill O&R's obligations under this Agreement without the consent of PCL&P.

11. No Third Party Beneficiaries

This Agreement shall be binding upon and inure solely to the benefit of the Parties hereto and their successors and permitted assigns and, except for the protections and benefits extended to O&R Protected Parties pursuant to Section 2, nothing herein, express or implied, is intended to or shall confer upon any other Person, including, without limitation, any union or any employee or contractor or former employee or contractor of O&R or its Affiliates, any legal or equitable right, benefit or remedy of any nature whatsoever, including, without

limitation, any rights of employment for any specified period, under or by reason of this Agreement.

12. Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, oral or written, between the parties with respect to the subject matter hereof.

13. Amendment

This Agreement, including the Exhibit, may not be amended or modified except by a written instrument signed by or on behalf of each of O&R and PCL&P.

14. Administration

Each of O&R and PCL&P shall appoint one representative as its primary point of operational contact for the administration and operation of this Agreement (the "Contact Managers"). The Contact Managers will have overall responsibility for coordinating, on behalf of O&R or PCL&P, as applicable, actions taken with respect to the provision of Services, including handling any disputes that may arise in connection therewith.

15. Waiver

Either Party to this Agreement may waive compliance with any of the obligations of the other Party hereunder; provided, however, that (i) any such waiver shall be valid only if set forth in an instrument in writing and signed by the Party granting the waiver, and (ii) any waiver of any provision of this Agreement shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same provision, or a waiver of any other provision of this Agreement. The failure of any Party to assert any of its rights hereunder shall not constitute a waiver of any such rights.

16. Severability

If any provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

17. Counterparts

This Agreement may be executed in one or more counterparts, and by the different Parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

18. Specific Performance

The Parties hereto acknowledge and agree that remedies at law would be an inadequate remedy for the breach of any provision contained herein and that in addition thereto, the Parties hereto shall be entitled to specific performance of the provisions hereof or other equitable remedies in the event of any such breach.

19. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that State, without giving effect to any conflict or choice of law provision that would result in the application of another state's laws.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

ORANGE AND ROCKLAND UTILITIES, INC

By: _____
Name:
Title:

PIKE COUNTY LIGHT & POWER COMPANY

By: _____
Name:
Title:

EXHIBIT A
TO
TRANSITION SERVICES AGREEMENT

	<p style="text-align: center;">Service Items</p> <p>[the scope of each service being as Seller rendered such service to PCL&P during the 12 month period prior to the Closing under the SPA]</p>	<p style="text-align: center;">End Date</p>	<p style="text-align: center;">Price/Methodology</p>
<p>1.</p>	<p>Customer Services and Support Operations</p> <ul style="list-style-type: none"> • Customer Billing, Call Center Services, Customer Collections, CIMS Technical Analysis, Retail Access and Reporting • Payment Processing, Remittance, and Reporting • Electric and Gas Meter Reading and related field services (includes meter readings, collections, meter turn ons/turn offs, data transfer of meter reads and reporting) • Meter Operations Services (includes new meter sets, meter wiring, meter investigation, regulatory testing program, field and lab testing) 	<p>3 months</p> <p>3 months</p> <p>1 month</p> <p>2 months</p>	<p>Each month of service at the applicable per month service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein</p> <p>Each month of service at the applicable per month service rate described on the attached Pricing Schedule plus all other applicable charges described therein</p> <p>Hours of service performed each month multiplied by the applicable per hour service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein</p> <p>Hours of service performed each month multiplied by the applicable per hour service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein</p>

<p>2.</p>	<p>Field Services - Electric (provision of and invoicing and payment for the Field Services described in this Service Item 2 are subject to the “Hours Limitation” described below)</p> <ul style="list-style-type: none"> • Electric Operations (including Substation Operations) – <ul style="list-style-type: none"> • Inspection of services provided by contractors: construction including other mandated work • Inspections, trouble calls, and systems issues including normal outage response • Continuity of compliance requirements (includes electric inspection and maintenance, pole inspections and transformer inspections) • Environmental Response (third party cost only) 	<p>1 month</p>	<p>Hours of service performed each month multiplied by the applicable per hour service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein</p>
<p>3.</p>	<p>Field Services – Gas (provision of and invoicing and payment for the Field Services described in this Service Item 3 are subject to the “Hours Limitation” described below)</p> <ul style="list-style-type: none"> • Gas Operations <ul style="list-style-type: none"> • Gas Odor • Inspection of services provided by contractors: construction, leak surveys, including other mandated work • Field pressure readings, inspections, trouble calls, systems issues, leak repairs • Continuity of compliance requirements (includes gas inspection and maintenance, leak surveys, cathodic protection) 	<p>1 month</p>	<p>Hours of service performed each month multiplied by the applicable per hour service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein</p>

4	<p>Emergency Response Services – includes responding and remediating by Electric Operations (including Substation Operations) and Gas Operations:</p> <ul style="list-style-type: none"> • Electric and Gas Storm response • Environmental Response (3rd party costs only) 	9 months	Hours of service performed each month multiplied by the applicable per hour service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein
5.	<p>SCADA Electric and Gas System Monitoring and Reporting:</p> <ul style="list-style-type: none"> • Provide monitoring for 1 gas meter at Port Jervis Metering and Regulating Station. • Provide monitoring for 3 electric RTU's, one located at Matamoras Substation, one on Line 7 and one on Circuit 5-10-34. <p>(excludes software maintenance)</p>	6 months	Each month of service at the applicable per month service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein
6.	Technology Services (including Software Maintenance)	9 months	Each month of service at the applicable per month service rate set forth on the attached Pricing Schedule plus all other applicable charges described therein

Hours Limitation (applicable to Service Item 2 (“Field Services - Electric”) and Service Item 3 (“Field Services – Gas”)):

O&R shall not be obligated to provide (or cause its Affiliates or the Contractors to provide), and PCL&P shall not be obligated to pay for (A) hours rendered to provide Service consisting of Service Item 2 (“Field Services - Electric”) in excess of 2,200 hours by Electric Operations (including Substation Operations) Personnel for such Service during the first six month period commencing upon the start of such Service or in excess of 2,200 hours by Electric Operations (including Substation Operations) Personnel during any second six month period of such Service or (B) hours rendered to provide Service consisting of Service Item 3 (“Field Services – Gas”) in excess of 450 hours by Gas Operations Personnel for such Service during the first six month period commencing upon the start of such Service or in excess of 450 hours by Gas Operations Personnel during any second six month period of such Service, it being understood that (i) the

amount of personnel assigned by O&R to perform each such Service will be in accordance with O&R's ordinary course of business consistent with past practice, (ii) any regular or routine preventative maintenance or inspection work that is part of any such Service (excluding, without limitation, response to trouble calls, work relating to system issues, outage response, gas odor response, environmental response, and other emergent work) shall not be performed unless and until PCL&P (by a PCL&P general manager or officer or an officer of PCL&P's parent, Corning Natural Gas Holding Corporation) requests the same to be performed by written notice to O&R (in which case work of the nature requested shall continue to be authorized until the request is revoked by written notice to O&R), and (iii) travel time, sick time, vacation time, energy control center or distribution control center hours will not be logged or charged for such personnel in connection with any such Service (or counted against the above six month period 2,200 hour maximum or 450 hour maximum, as applicable) as the cost of such time is included in the Per Hour Service Rates for such personnel set forth in the Pricing Schedule.

PRICING SCHEDULE
TO EXHIBIT A
TO TRANSITION SERVICES AGREEMENT

Per Hour Service Rates* **

	Regular Straight Time Rate (per hour)	Time and One Half Overtime Rate (per hour)	Double Time Overtime Rate (per hour)
Electric Operations (including Substation Operations) Personnel	\$181.00	\$220.00	237.00
Gas Operations Personnel	\$101.00	\$124.50	\$148.00
Customer Service Meter Operations Personnel	\$35.00	\$50.88	\$66.75
Customer Service Meter Reading (and related field services) Personnel	\$46.00	\$68.05	\$90.09

* All of the per hour service rates shown in the table shall be increased forty-five percent (45%) to reflect fringe benefits and other costs in connection with calculating the amount to be charged in Invoices to, and paid by, PCL&P

** Effective January 1, 2017, all of the per hour service rates shown in the table shall increase 3%

Per Month Service Rates ###

	Per Month Rate
Customer Billing, Call Center Services, Customer Collections, CIMS Technical Analysis, Retail Access and Reporting	\$24,000
Payment Processing, Remittance, and Reporting	\$500
SCADA Electric and Gas System Monitoring and Reporting	\$4,600

Technology Services (including Software Maintenance)	\$2,300
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Effective January 1, 2017, all of the per month service rates shown in the table shall increase 3%

Material Costs

All materials from storerooms will be billed at the current replacement purchase cost to Seller plus a 28% storeroom handling and minor items fee.

Outside Contract Work and Direct Purchases

Outside contract work and direct purchases, including incremental license and maintenance fees with respect to software and any other intellectual property that supports and/or is utilized in connection with Seller performing the services for Buyer, will be billed at actual cost to Seller.

Corporate Overheads

A corporate overhead of 3.4% for administrative and general expenses of Seller will be applied to the sum billed for the Per Hour Service Rates, the Per Month Service Rates, the Material Costs, and the Outside Contract Work and Direct Purchases.

Markup

A markup of 3% will be applied to the sum billed for the Per Hour Service Rates, the Per Month Service Rates, the Material Costs, the Outside Contract Work and Direct Purchases, and the Corporate Overheads.

Carrying Charge for Systems and Facilities

A carrying charge of \$33,800 per month will be charged for the systems and facilities that support and/or are utilized in connection with Seller performing any of the services described in Exhibit A to Transition Services Agreement, provided that if the Service Item 1 (“Customer Services and Support Operations”), Service Item 2 (“Field Services – Electric”) and/or Service Item 3 (“Field Services – Gas”) are terminated by PCL&P pursuant to Section 1(e) of this Agreement with respect to the next full month and the subsequent months (collectively, the “Applicable Months”) then the otherwise applicable carrying charge of \$33,800 per month will be reduced for the Applicable Months as follows:

if Service Item 1 (“Customer Services and Support Operations”) is so terminated – a reduction of \$19,200;

if Service Item 2 (“Field Services – Electric”) is so terminated – a reduction of \$12,300;
and

if Service Item 3 (“Field Services – Gas”) is so terminated – a reduction of \$2,300.

Sales and Use Tax

Any and all applicable state and local sales and use taxes will be applied to the sum billed for the Per Hour Service Rates, the Per Month Service Rates, the Material Costs, the Outside Contract Work and Direct Purchases, the Corporate Overheads, the Markup, and the Carrying Charge for Systems and Facilities