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March 2, 2026

Ms. Stephanie De La Rosa, Clerk
State of Rhode Island
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: *Narragansett Bay Commission – Docket 25-32-WW*

Dear Ms. De La Rosa:

Enclosed herewith please find an original and nine copies of the following:

1. The Narragansett Bay Commission's Response to the Rhode Island Division of Public Utilities and Carriers' Data Requests (Set Two).

Please note that an electronic copy of this document has been provided to the service list. Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough Jr.

Enclosure

cc: Docket 25-32-WW Service List (*via electronic mail*)

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

- Div. 2-1:** Operating Budget. Refer to the response to DIV 1-5 and to NBC's application.
- a. Was the DIV 1-5 FY 2026 Operating Budget available when NBC was preparing its rate application in the current rate case?
 - b. Was the DIV 1-5 FY 2026 Operating Budget used by NBC in preparing its rate application in the current rate case? If yes, explain its use. If not, explain why it was not used.
 - c. For each line item for revenue in NBC's application, is the revenue amount proposed by NBC for NBC's proposed revenue requirement consistent with the corresponding revenue amount in NBC's FY2026 operating budget? If not, please identify and quantify each such difference and explain why there are differences.
 - d. For each line item for expenses in NBC's application, is the expense amount proposed by NBC for NBC's proposed revenue requirement consistent with the corresponding expense amount in NBC's FY2026 operating budget? If not, please identify and quantify each such difference and explain why there are differences.

Response:

- a. Yes.
- b. No. As stated in Nicholas Weaver's testimony, Page 3, Lines 9 through 14, NBC used the rate year of Fiscal Year 2026 as set forth in the Docket 24-41-WW Settlement Agreement as the test year. As this settlement was recently approved by the Commission, NBC filed a Miscellaneous Petition requesting that it be allowed to use the approved Fiscal Year 2026 rate year as the test year to limit the number of issues that would need to be addressed in this filing. The Division had no objection to NBC using the FY 2026 approved rate year from Docket 24-41-WW as the test year in this Docket, and the Commission granted NBC's Miscellaneous Petition and approved the use of this test year.
- c. No. NBC filed its application to increase rates in Docket 24-41-WW on October 7, 2024. NBC began preparing its FY 2026 budget in approximately March 2025. NBC's FY 2026 budget was approved on April 29, 2025, and the budget assumed a 10.35% user fee increase. NBC and the Division reached a Settlement Agreement in Docket 24-41-WW, which was submitted to the Commission on May 20, 2025. The Commission approved the Settlement Agreement at an Open Meeting on June 23, 2025, and the approved increase was 9.35%, not the 10.35% used in NBC's FY 2026 Budget. In addition, NBC did not use the FY 2026 Operating Budget in preparing the rate application in this Docket because as set forth in subsection a. above, it used the FY 2026 approved rate year from Docket 24-41-WW as the test year, and the rate year is FY 2027.

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

- d. No. The expense amount proposed for NBC's revenue requirement is not consistent with the corresponding expense amount in NBC's FY2026 operating budget for the following reasons:
- As noted in subsections b. and c. above, the Test Year in this Docket is FY 2026 as approved by the Commission in Docket 24-41-WW, not NBC's operating budget.
 - The rate year is FY 2027.
 - As noted in the testimony of Nicholas Weaver, NBC only made three adjustments to the test year to arrive at the rate year: (1) employee salaries; (2) healthcare; and (3) biosolids.
 - NBC had also requested an increase in its debt service coverage from 1.25 times the annual debt service to 1.30 times the annual debt service in its debt service compliance filing (Docket 25-40-WW). This request was shifted from Docket 25-40-WW to this Docket.
 - As such, NBC only seeks to increase four expense items from the FY 2026 levels approved by the Commission in Docket 24-41-WW.

Sponsored by: Nicholas R. Weaver, CPA

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-2: Miscellaneous Revenue. Refer to the responses to DIV 1-6 and 1-7 and to the following table:

Miscellaneous Revenue		Company Response to DIV 1-6				
Line No.	Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1	Beacon Mutual Insurance	\$ 51,099		\$ 30,843		
2	JP Morgan Chase Bank NA	\$ 28,073	\$ 46,951	\$ 76,136	\$ 80,722	\$ 102,184
3	Narragansett Bay Commission	\$ 235				
4	National Grid	\$ 16,286	\$ 223,910		\$ 3,000	
5	Sage Environmental	\$ 1				
6	Schnitzer Metals Recycling LLC	\$ 230	\$ 1,937		\$ 2,055	
7	SIMS Metal Management	\$ 5,224	\$ 404	\$ 3,947	\$ 4,470	\$ 5,010
8	State of RI Providence Plantations	\$ 4,162	\$ 7,143			
9	State of RI General Treasurer	\$ 4,046		\$ 10		
10	TASC	\$ 3,773	\$ 31			
11	CE Power		\$ 8,000			
12	Jury Duty		\$ 60	\$ 50	\$ 200	
13	Narragansett Electric Company			\$ 58,115		
14	Pick-N-Pull			\$ 1,650	\$ 3,941	
15	Metals Recycling, LLC			\$ 1,295		
16	Motorola			\$ 200		
17	Citizens Bank			\$ -		
18	Kent Lorenz			\$ (10)		
19	State of Rhode Island				\$ 8,172	\$ 457
20	Delta Dental of Rhode Island				\$ 15,095	\$ 14,800
21	Chubb Insurance				\$ 8,466	
22	Travis H. Costa				\$ 19	
23	Green Development, LLC				\$ 2,377	
24	Empower					\$ 9,547
25	Exeter Scrap Metal					\$ 908
26	Radius Recycling					\$ 479
27	State of Texas					\$ 1,600
28	Travelers Insurance					\$ 2,757
29	United States Treasury					\$ 238
30	Vensys Energy Inc.					\$ 220,731
31	WB Mason					\$ 4,327
32	Total	\$ 113,128	\$ 288,435	\$ 172,236	\$ 128,516	\$ 363,037

- a. Identify the components of the \$121,759 amount used by NBC, which was stated in response to DIV 1-7 in the current rate case. (Note that NBC's response to DIV 1-13 in Docket No. 24-41-WW stated that: "NBC

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

has not prepared a budget for FY 2026. However, the estimated miscellaneous revenue for FY 2026 is \$121,759, based on the adjusted test year.”)

- b. Identify the amount of Miscellaneous Revenue in NBC's FY2026 budget and show the breakout of that amount by component.
- c. Identify the amounts of Miscellaneous Revenue recorded to date by NBC in FY2026. Show the dollar amounts by component, similar to the breakout that was provided in response to DIV 1-6.
- d. Referring to the amounts from JP Morgan Chase Bank listed on line 2 of the above table, explain what produces that Miscellaneous Revenue and why the amounts vary from year to year.
- e. Refer to the FY2025 amount of \$220,731 on line 30 of the above table for Vensys Energy Inc. Explain what that Miscellaneous Revenue is for, what the amount for FY2025 was based on, and provide the related documentation (e.g., an invoice from NBC or a remittance advice and explanation from Vensys, and the related correspondence, etc.) for that revenue amount.
- f. Are any additional Miscellaneous Revenue amounts from Vensys being received by NBC after FY2025? If not, explain fully why not. If so, identify, quantify, and explain the Miscellaneous Revenue after FY2025 that NBC has received from Vensys.
- g. Explain the Delta Dental amounts of Miscellaneous Revenue that have been summarized in the above table on line 20 for FY2024 and FY2025, and provide the related documentation (e.g., an invoice from NBC or a remittance advice explanation, etc.) for those amounts.
- h. Are any additional Miscellaneous Revenue amounts from Delta Dental being received by NBC after FY2025? If not, explain fully why not. If so, identify, quantify, and explain the Miscellaneous Revenue after FY2025 that NBC has received from Delta Dental.
- i. Refer to each amount of Miscellaneous Revenue in the FY2025 column. Are any of those Miscellaneous Revenue components continuing for NBC after FY2025? If yes, identify, quantify, and explain each of the FY2025 Miscellaneous Revenue components that are continuing for NBC after FY2025, and identify the amounts for each so far in FY2026 and the corresponding total amounts anticipated for FY2026 for each.
- j. To date in FY 2026, has NBC recorded Miscellaneous Revenue from any source that is not listed on the above table? If yes, identify the amounts

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

and source of such FY 2026 Miscellaneous Revenue.

- k. Refer to the amounts on line 4 (National Grid) and line 13 (Narragansett Electric Company) that have been summarized in the above table. Are those amounts for refunds that NBC paid for electric service? If not, explain what those Miscellaneous Revenues are for.
- l. Refer to the amounts on lines 9 and 19 of the above table (State of Rhode Island). Explain what those Miscellaneous Revenues in each year from the State are for.
- m. Refer to the amounts on line 6 for metals recycling. Why are there amounts for FY2021, FY2022, and FY2024 but no amounts for FY2023 or FY2025?
- n. What metals recycling, and other types of recycling that generate Miscellaneous Revenue, is undertaken by NBC? Explain.
- o. Is the Radius Recycling Miscellaneous Revenue on line 26 of the above table for metals recycling? If not, explain what that is for.
- p. What are the amounts on line 7 for SIMS Metal Management for?
- q. How much Miscellaneous Revenue for metals recycling and metals management has NBC reflected in its proposed rate year Miscellaneous Revenue amount? Identify the amount for such recycling activities and show in detail how it was derived.
- r. Refer to line 27. Why did NBC have Misc. Revenue in FY2025 from the State of Texas?
- s. Which of the Misc. Revenue amounts in the above table for each year represent insurance refunds?

Response:

- a. As stated in response to Div. 2-1, the test year in this Docket is the approved FY 2026 rate year from Docket 24-41-WW. The Miscellaneous Revenue in the approved FY 2026 rate year from Docket 24-41-WW was \$121,759 (see NBC Docket 24-41-WW Compliance Schedule B-4). This amount was calculated based on a three-year average, so it does not contain individual components.
- b. Please see subsection a. above.
- c. Below is the year-to-date Miscellaneous revenue for FY 2026:

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Date	Payee	Amount	Description
7/18/2025	TASC	\$ 1,306	Tasc forfeitures
7/30/2025	United State Treasury	58	Jury Duty Reimbursement
7/14/2025	United State Treasury	90	Jury Duty Reimbursement
7/14/2025	State of RI	25	Jury Duty Reimbursement
8/19/2025	Radius Recycling	659	Scrap metals
8/19/2025	State of Rhode Island	50	Armande Aywas-Jury Duty Reimbursement
8/19/2025	United States Treasury	90	Kelsie Bryer-Jury Duty Reimbursement
8/20/2025	Sims scrap metal	339	Scrap metals
8/20/2025	Empower	27,158	Forfeiture
9/11/2025	United States Treasury	90	Kelsie Bryer Jury Duty Reimbursement
9/11/2025	Radius Recycling	651	Scrap metal
9/11/2025	Sims Metal	889	Scrap metal
9/12/2025	JP Morgan	76,542	Annual rebate
9/24/2025	Exeter Scrap Metal	260	Scrap metal
9/24/2025	Radius Recycling	443	Scrap metal
9/24/2025	Radius Recycling	796	Scrap metal
9/24/2025	United States Treasury	90	Kelsie Bryer Jury Duty Reimbursement
9/24/2025	Green Development	12,738	ISO Capacity Credits 6/1/25-7/1/25
9/30/2025	Radius Recycling	608	Scrap metal
10/10/2025	Gates GMC Nissan	414	Overcharge on registration
10/10/2025	Radius Recycling	971	Scrap metal
10/10/2025	Sims Metal	1,209	Scrap metal
10/20/2025	United States Treasury	90	Kelsie Bryer-Jury Duty Reimbursement
11/13/2025	United States Treasury	92	Kelise Bryer-Jury Duty reimbursement
11/19/2025	Sims Metal	419	Scrap metal
11/20/2025	Sims Metal	4,568	Scrap metal
11/24/2025	Sims Metal	156	Scrap metal
12/17/2025	United States Treasury	92	Kelsie Bryer-Jury Duty Reimbursement
12/17/2025	Delta Dental of Rhode Island	14,741	Settlement Reimbursement
12/17/2025	Kelie Bryer	(136)	Paid Jury Duty parking-KB
1/12/2026	Sims Metal	329	Scrap metal
1/20/2026	Jury Duty	92	Kelsie Bryer-Jury Duty Reimbursement
1/30/2026	Jury Duty	92	Kelsie Bryer-Jury Duty Reimbursement
	FY 2026 YTD Actual	\$ 146,011	

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

- d. NBC participates in the State of Rhode Island P-Card Program. Rebates are determined by total spend volume and the applicable contract rebate tier. Because annual spending varies, the rebate amount also changes from year to year. See Standard Volume Rebate Grid below, NBC's rebate rate is 2.04%:

STANDARD VOLUME REBATE GRID	
ANNUAL CHARGE VOLUME	REBATE RATE
\$20,000,000	2.00%
\$25,000,000	2.01%
\$30,000,000	2.02%
\$40,000,000	2.03%
\$50,000,000	2.04%
\$75,000,000	2.05%
\$100,000,000	2.06%
\$125,000,000	2.07%
\$150,000,000	2.09%

- e. NBC has a Long-Term Service Agreement with Vensys for the NBC-owned Coventry turbines, which includes a wind turbine performance guarantee. This guarantee is a contractual commitment from the Original Equipment Manufacturer (OEM), in this case, Vensys, ensuring that the turbines meet defined standards for power output, efficiency, and availability. It establishes minimum energy production (MWh) and uptime requirements, with financial penalties applied if performance falls short. These payments from the OEM are commonly referred to as Liquidated Damages (LD). For the 2023/2024 period, Vensys paid \$33,910 in LD due to operational issues with Coventry 3. For the 2024/2025 period, LD for the same turbine increased to \$186,821.
- f. Please refer to the response to DIV 2-2e. NBC will receive a performance guarantee reimbursement only if a Coventry turbine is offline and meets the conditions outlined in the wind turbine performance guarantee clause.
- g. See DIV 2-2g Attachment.
- h. It is unknown if NBC will receive reimbursement from Delta Dental after FY 2025.
- i. Miscellaneous revenues are typically irregular, infrequent, and not significant enough to warrant their own revenue category. Items known to recur beyond FY 2025 include scrap metal recycling and JP Morgan rebates. Year-to-date revenue for these items is outlined below:

DOCKET 25-32-WW
The Narragansett Bay Commission’s Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

- Scrap Metal Recycling – \$12,296
- JP Morgan - \$76,542

- j. Yes, please see response to DIV 2-2c.
- k. The income recognized from Narragansett Electric Company/National Grid is attributable to NBC’s Field’s Point and Bucklin Point WWTFs energy-efficiency achievements under National Grid’s Continuous Energy Improvement (CEI) initiative. The CEI program supports targeted energy projects and the implementation of CEI management practices that reduce energy consumption and associated costs. It is structured as a three-year engagement through which industrial facility staff receive training, resources, and guidance to implement operational and organizational improvements that result in sustained reductions in electric and natural gas usage. No further income will be recognized for this program.
- l. The income recognized from the State of Rhode Island was for unclaimed property.
- m. NBC utilizes multiple metal recycling facilities. See below.

FY 2021	
Metal Recycling	
Schnitzer Metals Recycling LLC	\$ 230
SIMS Metal Management	\$ 5,224
FY 2022	
Metal Recycling	
Schnitzer Metals Recycling LLC	\$ 1,937
SIMS Metal Management	\$ 404
FY 2023	
Metal Recycling	
Metals Recycling, LLC	\$ 1,295
SIMS Metal Management	\$ 3,947
FY 2024	
Metal Recycling	
Schnitzer Metals Recycling LLC	\$ 2,055
SIMS Metal Management	\$ 4,470
FY 2025	
Metal Recycling	
Exeter Scrap Metal	\$ 908
Radius Recycling	\$ 479
SIMS Metal Management	\$ 5,010

FY 2026

Metal Recycling

Exeter Scrap Metal	\$ 260
Radius Recycling	\$ 4,128
SIMS Metal Management	\$ 7,908

- n. Items with realizable scrap value but which are no longer serviceable or required for operations are sold to recycling centers both to capture that value and avoid discarding items that contain materials that could be reused. Examples of items that would be recycled include damaged manhole frames, used wiring, and broken metal pump components.
- o. Yes.
- p. The amounts from SIMS Metal Management are for metal recycling.
- q. Please see the response to subsection a. above.
- r. The miscellaneous income received from the State of Texas was for unclaimed property.
- s. NBC has not received any insurance refunds.

Sponsored by: Leah Foster, CPA

DELTA DENTAL OF RHODE ISLAND

Narragansett Bay Commission95/101 Contingent Premium Experience AccountingJuly 1, 2024 - June 30, 2025 Contract Period

1.	95% Minimum Contingent Premium Liability (A)	\$280,086
2.	100% Billing Premium (B)	\$294,828
3.	101% Maximum Contingent Premium Liability Rates (C)	\$297,776
4.	Maximum Retrospective Payment To Delta Dental (L3-L2)	\$2,948
5.	Maximum Retrospective Refund to Narragansett Bay Commission (L2 - L1)	\$14,741
6.	Incurred Claim Payments (D)	\$214,846
7.	Estimated Claims Reserve at September 30, 2025	<u>\$3,782</u>
8.	Incurred Claims Liability (L6 + L7)	\$218,628
9.	Administrative Expense (F)	\$48,835
10.	RI State Premium Taxes (G)	<u>\$5,897</u>
11.	Total Incurred Claims and Administrative Expense (L8+L9+L10)	\$273,360
12.	Experience Accounting Surplus (L2 - L11)	\$21,467
13.	Amount Due to Narragansett Bay Commission	\$14,741

- A. The minimum contingent premium for Delta Dental benefits for the period, July 1, 2024 through June 30, 2025, is shown on the attached exhibit.
- B. The billing premium for Delta Dental benefits for the period, July 1, 2024 through June 30, 2025, is shown on the attached exhibit.
- C. The maximum contingent premium for Delta Dental benefits for the period, July 1, 2024 through June 30, 2025, is shown on the attached exhibit.
- D. Total discounted claim payments for services incurred July 1, 2024 through June 30, 2025 paid through September 30, 2025.
- E. Estimated discounted claims paid after September 30, 2025 for services incurred July 1, 2024 through June 30, 2025.
- F. The administrative expense is contractually set at 16.4% of maximum premium for the contract period, July 1, 2023 through June 30, 2024.
- G. The RI State Premium taxes are 2.0% of billed premium.

DELTA DENTAL OF RHODE ISLAND

Narragansett Bay Commission
95/101 Contingent Premium
July 1, 2024 - June 30, 2025 Contract Period

	<u>Contract Months</u>			<u>95% Minimum Liability</u>			<u>100% Billing Rates</u>			<u>101% Maximum Liability</u>			<u>Admin.</u>
	<u>Ind</u>	<u>Fam</u>	<u>Total</u>	<u>Ind</u>	<u>Fam</u>	<u>Premium</u>	<u>Ind</u>	<u>Fam</u>	<u>Premium</u>	<u>Ind</u>	<u>Fam</u>	<u>Premium</u>	<u>Expense</u>
5994-0001	1,101	2,083	3,184	\$39.15	\$113.58	\$279,695	\$41.21	\$119.56	\$294,416	\$41.62	\$120.76	\$297,360	
5994-0002	<u>10</u>	<u>0</u>	<u>10</u>	\$39.15	\$113.58	<u>\$391</u>	\$41.21	\$119.56	<u>\$412</u>	\$41.62	\$120.76	<u>\$416</u>	
	1,111	2,083	3,194			\$280,086			\$294,828			\$297,776	\$48,835

DOCKET 25-32-WW
The Narragansett Bay Commission’s Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-3: Refer to the response to DIV 1-8.

a. What amounts for each of the following items has NBC included in its requested rate year revenue requirement:

- I. Sick Leave Bonus
- II. Wellness
- III. Union Educational Incentive
- IV. Benefit Waiver

b. If the answer to part a contains any dollar amounts other than zero, please also identify the corresponding dollar amounts for each year, FY 2024 and FY2025 for each of these items:

- I. Sick Leave Bonus
- II. Wellness
- III. Union Educational Incentive
- IV. Benefit Waiver

Response:

a. See table below.

Category	Account	24-41-WW			25-32-WW			
		FY2024	Adjustment	Source	24-41-WW	Adjustment	Source	25-32-WW
Sick Bonus	52300/52100	\$ 20,252	\$ 2,428	(1)	\$ 22,680	\$ 1,071	(4)	\$ 23,751
Wellness	52950	69,400	14,317	(2)	84,500	16,647	(5)	101,147
Educational Incentive	54410	14,237	-		14,237	-		14,237
Health Waivers	52950	96,347	19,876	(3)	77,500	15,268	(5)	92,768
Total		\$ 200,236	\$ 36,621		\$ 198,917	\$ 32,985		\$ 231,902

(1) Uses composite average increase for 52300/52100 accounts in Docket 24-41-WW Compliance Schedule C-1 to estimate amount
(2) See Docket 24-41-WW Compliance Filing Schedule R-C-2-1.1, Line 14
(3) See Docket 24-41-WW Compliance Filing Schedule R-C-2-1.1, Lines 4 and 10
(4) Uses composite average increase for 52300/52100 accounts in Docket 25-32-WW Schedule C-1 to estimate amount
(5) Uses average increase for account 58290 in Docket 25-32-WW Schedule C-3 to estimate amount

b. The corresponding dollar amounts are provided below. Although NBC has categorized these costs as being “incentive” compensation, NBC believes that a distinction should be drawn between incentive pay that these payments are not based on financial or sales metrics such as KPIs or revenue growth or related to NBC financial gain. These payments are intended to ensure that employees NBC requires to deliver safe and reliable service are available and can acquire critical knowledge and skills necessary to advance in their careers at NBC.

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

	FY 2024	FY 2025
Sick Bonus	\$20,252	\$19,185
Wellness	69,400	71,200
Educational Incentive	14,237	11,760
Waivers	96,347	92,956

Sponsored by: Nicholas R. Weaver, CPA and Leah Foster, CPA

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

- Div. 2-4:** Filled positions. Refer to the response to DIV 1-11 and to NBC's proposed labor cost that has been included in NBC's proposed revenue requirement.
- a. What level of filled, unfilled, and total positions is included in NBC's proposed labor cost for the rate year?
 - b. Has NBC included in its requested rate year labor cost, payroll, and benefit amounts for more than 283 positions?
 - c. If the answer to part b is yes, identify the amount of labor cost, payroll, and benefit amounts that NBC is requesting for a workforce in excess of 283 positions. Please include supporting calculations in Excel with your response.

Response:

- a. As stated in Nicholas Weaver's testimony, Page 5, Lines 13 through 17, the level of FTEs (280) used to set payroll and associated expenses in the rate year is consistent with Docket 24-41-WW settlement.
- b. No.
- c. Not applicable.

Sponsored by: Nicholas R. Weaver, CPA

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-5: Refer to the response to DIV 1-12.

- a. Has NBC used a workforce level of 303 positions (budgeted level for FY2026) to derive its proposed rate year labor cost for inclusion in NBC's proposed rate year revenue requirement? If not, what workforce level did NBC use?
- b. How much labor cost relates to a difference between the 303 positions listed in the response to DIV 1-12 as budgeted positions for FY2026 and the 283 positions listed in the response to DIV 1-11 and DIV 1-14 as of December 31, 2025? Provide a full explanation and include calculations, preferably in Excel.

Response:

- a. No. As stated in Nicholas Weaver's testimony, Page 5, Lines 13 through 17, no adjustments were made to the Docket 24-41-WW settlement level of FTEs (280) to set payroll and associated expenses for the rate year.
- b. As noted in response to Div. 2-1 c. above, NBC's FY 2026 budget was adopted prior to the finalization of the Docket 24-41-WW Settlement in which labor cost were based on 280 FTEs. As a result, using the figures listed in response to DIV 1-12 as a point of comparison for labor costs for this Docket is inaccurate. As outlined in Nicholas Weaver's testimony (Page 5, Lines 2-11), NBC intends to increase the test year labor costs by approximately 5.00% in FY 2027 to fund a roughly 5.00% increase in pay for both union and non-union employees, consistent with existing union contract obligations and a parity increase for non-union employees. NBC is not requesting any changes to the approved test-year workforce level but expects to seek approval for additional revenue for higher staffing levels in future dockets.

Sponsored by: Nicholas R. Weaver, CPA and Kevin B. McDonald

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-6: Refer to the response to DIV 1-13. Please provide the response attachment in Excel.

Response: Please see the Excel Spreadsheet titled "DIV 2-06 Change in Incumbent FY26 thru Dec-25".

Sponsored by: Casandra Bennett under the supervision of Jame McCaughey

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-7: Biosolids. Refer to the invoices provided in the response to DIV 1-22.

- a. Referring to the invoices from Synagro dated 1/12/2026, please confirm that NBC is being invoiced for and is paying \$950 per dry ton (up from \$600.81 per dry ton in the 12/1/2025 invoices) for disposal of biosolids from the Bucklin Point and Fields Point plants. If this cannot be confirmed, provide a full explanation.
- b. For what period does NBC expect to continue paying \$950 per dry ton for such biosolids disposal?
- c. Is there a contract for the \$950 per dry ton biosolids disposal price? If so, please identify and provide it.
- d. At any point during FY2027, does NBC expect to be paying more than \$950 per dry ton for biosolids disposal? If yes, explain the amounts and time frame fully and identify and provide the related documentation.

Response:

- a. Yes, NBC is paying \$950 per dry ton.
- b. NBC will be paying \$950 per dry ton until May 5, 2026.
- c. Yes. Please see the signed Synagro contract as part of the response to DIV 2-8b.
- d. Yes. Please see the signed Synagro contract as part of the response to DIV 2-8b.

Sponsored by: Nicholas R. Weaver, CP

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

- Div. 2-8:** Biosolids. Refer to the response to DIV 1-23 and 1-24.
- a. Please confirm that the biosolids disposal costs that NBC is requesting in this rate case are not based on a signed contract that currently exists.
 - b. Please state when NBC expects that it will have signed biosolids disposal contracts that are applicable for periods from May 2026 forward.
 - c. What written price quotes has NBC received to date for biosolids disposal for periods from May 2026 forward? Identify and provide the documents showing those price quotes.
 - d. Identify and provide a copy of the new Synagro contract, and, if different, also provide the "terms outline" that is mentioned in NBC's response to DIV 1-24.
 - e. Identify and provide documentation for all alternative going forward biosolids disposal options that NBC investigated in 2025 and in 2026 through the date of your response.
 - f. Identify and explain in detail all alternative going forward biosolids disposal options that NBC is continuing to investigate in 2026.

Response:

- a. Confirmed.
- b. NBC has a signed contract with Synagro. See DIV 2-8b Attachment.
- c. See response above.
- d. See DIV 2-8b Attachment.
- e. NBC executed a biosolids dewatering, transportation and disposal contract in February 2026 to cover an initial term of May 2026-June 2029 with an optional extension of up to three single-year terms with Synagro, the largest biosolids management firm in the US and NBC's existing biosolids vendor. Because NBC's existing dewatering facilities require complete rebuilding prior to seeking other vendors for a biosolids management solution, NBC was largely limited to contracting with Synagro for a term that extends over a period of time, which will allow NBC to reconstruct its dewatering facilities.
- f. NBC has undertaken and completed an extensive regional biosolids management study to evaluate the feasibility of entering a joint partnership to process biosolids with two other regional wastewater treatment providers. This study indicated that costs for a new facility plus ancillary management costs would vary from \$1,300 to \$2,400 per dry ton. However, no adequate site could be identified for a new facility, and the costs were at, or well in excess, of current market pricing offered by existing biosolids management vendors.

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Alternatives for biosolids disposal in the Northeast are extremely limited due to stringent regulatory requirements, increased public concerns, state prohibitions or limitations on land application, and lack of available disposal capacity at licensed disposal facilities within the region.

Given these circumstances, NBC has also been actively exploring alternatives for a long-term, reliable and sustainable processing and disposal solution for its biosolids which also effectively removes per- and polyfluoroalkyl substances ("PFAS") and other manmade compounds, which could pose significant health and environmental risks.

As a part of these efforts, NBC is in advanced discussions with the vendor QSS Biosolids, which is in the process of planning, designing, permitting, and constructing a licensed biosolids processing facility in Rhode Island that utilizes pyrolysis technology and other management practices that will treat PFAS in a manner to materially mitigate its deleterious impacts on the environment.

Sponsored by: Kevin B. McDonald

**BIOSOLIDS DEWATERING, TRANSPORTATION AND
DISPOSAL AGREEMENT**

by and between

SYNAGRO NORTHEAST, LLC

and

NARRAGANSETT BAY COMMISSION

February 2026

Table of Contents

ARTICLE I DEFINITIONS AND CONSTRUCTION	2
Section 1.1 Definitions	2
Section 1.2 Construction	9
ARTICLE II TERM OF AGREEMENT	10
Section 2.1 Term	10
Section 2.2 Renewal Terms	10
ARTICLE III THE WWTFs IMPROVEMENTS SERVICES	10
Section 3.1 Implementation	10
Section 3.2 WWTFs Improvements Services	11
Section 3.3 Compliance with Applicable Laws	15
ARTICLE IV BIOSOLIDS TRANSPORTATION AND DISPOSAL SERVICES	16
Section 4.1 Commitment to Tender NBC Biosolids	16
Section 4.2 Commitment to Provide Dewatering Services	16
Section 4.3 Commitment to Provide Transportation and Disposal Services	18
Section 4.4	19
Section 4.5 Clean-Up and Waste Disposal	19
Section 4.6 Backup Services	19
Section 4.7 Return Water	19
Section 4.8 Procurement	20
Section 4.9 Weighing of NBC Biosolids	20
Section 4.10 Service Coordination: Personnel	20
Section 4.11 Record Keeping and Reporting	21
Section 4.12 Unacceptable Biosolids	21
Section 4.13 Operating Procedures and Scheduled Maintenance	22
Section 4.14 Transition of Dewatering Responsibilities to NBC	22
Section 4.15 Acceptance of Liquid Sludge at Field's Point	23
Section 4.16 Upstream Process Change	23
ARTICLE V FEES	23

Section 5.1	Service Fee	23
Section 5.2	Escalation Factor	25
Section 5.3	Pass-through Costs	25
Section 5.4	Payment	26
Section 5.5	Force Majeure Costs.	26
Section 5.6	WWTFs Improvements	27
Section 5.7	Accumulated Service Fee Credit.....	27
Section 5.8	Woonsocket WWTF and Incinerator	29
ARTICLE VI SUBCONTRACTORS		30
Section 6.1	Subcontractors	30
Section 6.2	Payment to Subcontractors.....	30
Section 6.3	No Privity	30
ARTICLE VII INSURANCE OBLIGATIONS		30
Section 7.1	General.....	30
Section 7.2	Required Coverage.....	31
Section 7.3	Waiver	32
Section 7.4	Inquiries of Insurance Carriers.....	32
Section 7.5	Adjustments	32
ARTICLE VIII DEFAULT AND TERMINATION.....		32
Section 8.1	Events of Default by SYNAGRO	32
Section 8.2	Events of Default by NBC	33
Section 8.3	Remedies for Default	34
Section 8.4	Termination.....	34
Section 8.5	Rights and Obligations upon Termination.	35
ARTICLE IX LIABILITY AND INDEMNIFICATION		35
Section 9.1	Liability	35
Section 9.2	SYNAGRO Indemnification	35
Section 9.3	NBC Indemnification.....	36
Section 9.4	Survival.....	37

Section 9.5	Matters Involving Third Parties	37
ARTICLE X REPRESENTATIONS AND WARRANTIES		38
Section 10.1	Representations of SYNAGRO	38
Section 10.2	Representations of NBC	38
ARTICLE XI CONDITIONS PRECEDENT		39
Section 11.1	Conditions	39
ARTICLE XII GENERAL PROVISIONS		40
Section 12.1	Relationship of the Parties	40
Section 12.2	Assignment	40
Section 12.3	Binding Effect	41
Section 12.4	Notices	41
Section 12.5	Entire Agreement; Current Agreement	41
Section 12.6	Other Documents; Further Assurances	42
Section 12.7	Applicable Law	42
Section 12.8	Headings	42
Section 12.9	Amendment; Waiver	42
Section 12.10	Severability	42
Section 12.11	Dispute Procedures	42
Section 12.12	Counterparts	43
Section 12.13	No Consequential or Punitive Damages	43

BIOSOLIDS DEWATERING, TRANSPORTATION AND DISPOSAL AGREEMENT

THIS BIOSOLIDS DEWATERING, TRANSPORTATION AND DISPOSAL AGREEMENT is made as of this 12th day of February, 2026, by and between SYNAGRO NORTHEAST, LLC, a Delaware limited liability company, having its principal offices at 435 Williams Court, Suite 100, Baltimore, MD 21220 ("SYNAGRO"), and NARRAGANSETT BAY COMMISSION, a public corporation of the State of Rhode Island created pursuant to R.I. General Laws § 46-25-1, et seq., having its principal offices at One Service Road, Providence, RI 02905 ("NBC", and, together with SYNAGRO, the "Parties" or either one or individually, "Party").

WITNESSETH:

WHEREAS, NBC owns and operates two wastewater treatment plants in the State of Rhode Island that generate biosolids, including the Field's Point Wastewater Treatment Plant located at 2 Ernest Street, Providence, Rhode Island 02905 ("Field's Point") and the Bucklin Point Wastewater Treatment Plant located at 102 Campbell Avenue, East Providence, Rhode Island 02916 ("Bucklin Point"); and

WHEREAS, SYNAGRO has managed NBC's biosolids since 2005, including the provision of dewatering, transportation and disposal services, via a long-term relationship that has an anticipated end date of May 5, 2026; and

WHEREAS, NBC is in the process of evaluating and planning immediate and long-term improvements and upgrades to its biosolids management facilities and is further exploring long-term disposal options for its biosolids; and

WHEREAS, NBC's improvements and upgrades to its biosolids management facilities will not be operational by May 5, 2026, and accordingly it is in NBC's best interest to extend its relationship with SYNAGRO; and

WHEREAS, SYNAGRO and NBC desire to extend, continue, and update the terms that will govern their relationship; and

WHEREAS, NBC desires to have SYNAGRO continue to manage all of its municipal biosolids generated at Field's Point and Bucklin Point, including the provision of temporary dewatering equipment at Field's Point, equipment improvements at Field's Point and Bucklin Point, and associated services at Field's Point and Bucklin Point; and

WHEREAS, SYNAGRO desires to provide NBC continued biosolids management services for all of its municipal biosolids generated at Field's Point and Bucklin Point.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the Parties hereto mutually agree as follows:

ARTICLE I
DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. When capitalized and used in this Agreement the following terms have the meanings set forth below:

"Acceptable Biosolids" means all Biosolids which at the time they are received by SYNAGRO in accordance with this Agreement: (a) comply with all applicable federal, state and local laws and regulations, including but not limited to 40 C.F.R §§ 503 et seq., (b) comply with DEM Toxic Characteristic Leaching Procedure (TCLP) quality standards for heavy metals, and (c) are not Hazardous Waste.

"Affiliate" means, with respect to any Person; any other Person that directly or indirectly controls or is controlled by or is under common control with such Person.

"Agreement" means this Biosolids Dewatering, Transportation and Disposal Services Agreement between SYNAGRO and NBC, together with all the Schedules hereto, as the same may from time to time be amended, modified or supplemented in accordance with the terms hereof.

"Annual Cycle" means a period consisting of twelve (12) consecutive Billing Periods, commencing with the Billing Period beginning on the Commencement Date or the next Billing Period thereafter if the first Billing Period is not a complete calendar month, and each succeeding period of twelve (12) consecutive Billing Periods, except that the last Annual Cycle shall end on the date of termination of this Agreement, and in the case of said last Annual Cycle, the obligations of the Parties hereto shall be adjusted to reflect the actual length of such Annual Cycle.

"Applicable Laws" means all laws, statutes, rules, ordinances, rulings and regulations, in effect as of the Contract Date, of any federal, state or local Governmental Authority having jurisdiction over the WWTFs, the WWTFs Improvement Services, the Dewatering Services, or the Transportation and Disposal Services, including, without limitation, any such Environmental Laws.

"Applicable Permits" means any permit, authorization, license, order of approval, or similar Governmental Approval required by Applicable Laws to be obtained or maintained

in connection with the WWTFs Improvement Services, the Dewatering Services, or the Transportation and Disposal Services.

"Backup Services" has the meaning set forth in Section 4.6 hereof.

"Billing Period" means each calendar month, except that (a) the first Billing Period shall begin on the Commencement Date and shall continue to the last day of the calendar month in which such date occurs, and (b) the last Billing Period shall end on the last day of the final Contract Year.

"Biosolids" means liquid, semisolid or solid substances, including primary and secondary sludge, thickened and digested sludge, sludge cake and scum, produced by a wastewater treatment plant as a result of the treatment process, but not including grit and screenings.

"Bucklin Point" has the meaning set forth in the recitals to this Agreement.

"Business Day" means any of the five working days, Monday through Friday, excluding federal holidays.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended 42 U.S.C. §§ 960, et seq.

"C.F.R." means the Code of Federal Regulations.

"Change in Law" means (a) the enactment, adoption, amendment, promulgation, modification, change of interpretation or repeal after the Contract Date by any Governmental Authority (including, without limitation, NBC, DEM or EPA) of any federal, state or local statute, ordinance, code, rule, regulation or executive order that was not so enacted, adopted, promulgated, modified, interpreted or repealed on or before the Contract Date, or (b) the imposition by, or a change of interpretation by, a Governmental Authority (including, without limitation, NBC, DEM or EPA) after the Contract Date of any material conditions in connection with the issuance, renewal or modification of any official permit, license or approval, which in the case of either (a) or (b) establishes requirements more burdensome than the most stringent requirements applicable to the WWTFs Improvements Services, Dewatering Services, or the Transportation and Disposal Services provided for herein as of the Contract Date.

"Commencement Date " means the date upon which all final Governmental Approvals for the WWTFs Improvements have been issued by the DEM and the WWTF Improvements have been installed, commissioned, accepted by NBC, and have commenced operation.

"Contract Date" means the date of this Agreement.

"Contract Year" means the consecutive twelve (12) month period beginning January 1st and ending December 31st, except that the first Contract Year shall commence on the Commencement Date and shall end on the following December 31st, and the last Contract Year shall end on the date of the termination of this Agreement, and in the case of said first and last Contract Years, the obligations of the Parties hereto shall be adjusted to reflect the actual length of such Contract Years.

"Cost Substantiation" means, with respect to any cost, a certificate executed and delivered to NBC by an authorized representative of SYNAGRO setting forth, in reasonable detail, the amount of and basis for such cost and stating that such cost was or will be actually incurred as a direct result of an event giving SYNAGRO the right to reimbursement under this Agreement and further stating that such cost is a competitive and reasonable price for the service or materials supplied.

"CPIU" shall mean the Consumer Price Index for All Urban Consumers (CPI-U) in the Northeast region as published by the U.S. Department of Labor in the Bureau of Labor Statistics for the month of October in the year immediately prior to the year in which the calculation to which CPIU applies is made. If, at any time that escalation is to be calculated in accordance with this Agreement, CPIU is not available or is substantially altered with respect to base, component elements, timing or publication, a comparable index reasonably satisfactory to SYNAGRO and NBC shall be used or, failing agreement, a comparable index shall be selected pursuant to the Dispute resolution provisions of Section 12.11 hereof.

"CPIU Base" shall mean the Consumer Price Index for All Urban Consumers (CPI-U) in the Northeast region as published by the U.S. Department of Labor in the Bureau of Labor Statistics for the month of October 2025.

"DEM" means the Rhode Island Department of Environmental Management.

"Dewatered Biosolids" means the high solids content Biosolids cake produced through the mechanical dewatering of liquid sludge.

"Dewatering Facilities" has the meaning set forth in Section 3.2(b) hereof.

"Dewater" or Dewatering" means the mechanical removal of water from liquid sludge to reduce volume.

"Dewatering Services" means those services to be rendered by SYNAGRO to NBC pursuant to this Agreement with respect to Dewatering NBC Biosolids, including, without limitation, operating and maintaining thickening and/or dewatering equipment and providing polymer, or other thickening/coagulating chemicals.

"Dispose" or **"Disposal"** means the act of, or the making of arrangements for, the discharging, depositing, injecting, recycling, reusing or placing NBC Biosolids or any other material for final disposal.

"Dispute" has the meaning set forth in Section 12.11 hereof.

"DPUC" means the Division of Public Utilities & Carriers, created pursuant to Title 39, Chapter 1 of R.I. Gen. Laws as amended from time to time, and its successors and assigns.

"Dry Ton" means the unit of weight (in Tons) of Dewatered Biosolids representing the weight of Biosolids free from moisture, calculated by multiplying the number of wet Tons of Biosolids (i.e., Biosolids as received by SYNAGRO including the moisture contained therein) by the percentage solids content of the Biosolids rounded to two decimal points.

"Environmental Laws" means all federal, state and local laws, rules, ordinances, rulings and regulations in effect as of the Contract Date relating to pollution or protection of human health or the environment (including, without limitation; ambient air, surface water, ground water, wastewater, land surface or subsurface strata), including, without limitation, laws, rules, ordinances, rulings and regulations relating to emissions, discharges, releases or threatened releases of Hazardous Waste, or otherwise relating to the manufacture, processing, refining, distribution, use, treatment, storage, disposal, transport, recycling, reporting or handling of Hazardous Waste, and including, without limitation; such laws, rules, ordinances, rulings and regulations as applied to or because of the generation; transportation; treatment or Disposal of Biosolids.

"EPA" means the United States Environmental Protection Agency.

"Escalation Factor" has the meaning set forth in Section 5.2 hereof.

"Event of Default" means those events of default as described in Sections 8.1 and 8.2 of this Agreement.

"Exhibit" means each exhibit, schedule or annex to this Agreement, as such exhibit, schedule or annex may be modified or supplemented from time to time in accordance with the Agreement.

"Field's Point" has the meaning set forth in the recitals to this Agreement.

"Force Majeure Event" as used in Section 5.5 hereof means any reasonably unforeseeable act, event or condition if the same has had, or may reasonably be expected to have, a material adverse effect on the rights or the obligations, and the costs to perform such obligations, of the Parties to this Agreement and if such act, event or condition is beyond the reasonable control of the Party relying thereon as justification for not performing an

obligation or complying with any condition required of such Party under this Agreement and is the proximate cause of such failure to perform or comply or increased costs. Force Majeure Event shall include, but not be limited to, any of the following:

- (a) an act of God, landslide, lightning, earthquake, fire, flood, explosion, acts of a public enemy, war, blockade, insurrection, riot or civil disturbance, labor disturbance or strike other than a labor disturbance or strike of SYNAGRO's employees, laborers and/or subcontractors, hurricane, tornado, blizzard or ice storm (but not including reasonably anticipated weather conditions normal for the geographic area of the place of performance of the Party's obligations), and perils of the sea and air, and a Change in Law (other than as set forth in romanette iv below); and
- (b) a delay or denial in receiving any permit, authorization or consent from any Governmental Authority required in order for SYNAGRO or NBC to perform its obligations under this Agreement, so long as SYNAGRO or NBC demonstrates that it has diligently pursued such permit, authorization or consent.

It is expressly understood and agreed that, notwithstanding any other provision of this definition, the following shall not constitute Force Majeure Events:

- (i) adverse changes in the financial ability of any Party to perform its obligations hereunder; and
- (ii) the consequences of errors of design, construction, startup and shutdown, compliance testing, operation or maintenance of the WWTFs Improvements on the part of SYNAGRO or any of its employees, agents, contractors, subcontractors, suppliers or Affiliates; and
- (iii) an act of gross negligence or intentional wrongdoing on the part of the Party seeking force majeure protection; and
- (iv) a Change in Law related to taxes on a Party's income and, with respect to NBC, a Change in Law enacted or adopted by NBC.

"Fuel Surcharge" means a charge added to the Service Fee, when applicable, as set forth in Section 5.1(a)(iii).

"Governmental Approval" means (a) any authorization, consent, approval, license, lease, ruling, permit, tariff: rate, certification, exemption, filing, variance, claim, order, judgment, decree or publication of, by or with, (b) any notice to, (c) any declaration of, or (d) any registration with, any Governmental Authority.

"Governmental Authority" means any federal, state, municipal, local, territorial or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body.

"Grit and Screenings" means all materials separated from the grit tanks and screening facilities, when such equipment is operated and functioning in accordance with good industry practice.

"Hazardous Waste" means materials the handling, transportation, Processing or Disposal of which would subject SYNAGRO or NBC to liability under, or would otherwise contravene, Subtitle C of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§ 6901 et seq., CERCLA or any analogous state law.

"Indemnified Party" has the meaning set forth in Section 9.5(a) hereof.

"Indemnifying Party" has the meaning set forth in Section 9.5(a) hereof.

"NBC" means the Narragansett Bay Commission, a public corporation of the State of Rhode Island created pursuant to R.I. Gen. Laws Title 46, Chapter 25, as amended from time to time, and its successors and assigns.

"NBC Biosolids" means Biosolids that are generated by NBC at Field's Point and Bucklin Point and made available to SYNAGRO by NBC pursuant to this Agreement.

"Party(ies)" has the meaning set forth in the preamble to this Agreement.

"Pass-through Costs" means those costs for which SYNAGRO is entitled to reimbursement (subject to the requirement for Cost Substantiation) through the Service Fee pursuant to Section 5.3 hereof.

"Person" means any individual or business or governmental entity, including, without limitation, any corporation, partnership, limited liability company, Governmental Authority or business trust.

"Pre-Construction Permits" means those required Applicable Permits that must be obtained before construction of the Facility or the WWTFs Improvements may begin.

"Process" or "Processing" means to treat Biosolids in a matter intended to achieve, at a minimum, compliance with 40 C.F.R. Part 503, including but not limited to by means of storing, pumping, Dewatering, thickening, drying, stabilizing, gasification, incineration, chemical treatment, and composting.

"Project" means the design, construction, maintenance and operation of the WWTF Improvements and all other associated improvements.

"Project Schedule" has the meaning set for in Section 3.2(a).

"PUC" means the Public Utilities Commission, created pursuant to Title 39, Chapter 1 of R.I. Gen. Laws as amended from time to time, and its successors and assigns.

"Representatives" of a Party means such Party's directors, officers, partners, members, employees, agents, consultants, advisors and other representatives, including, without limitation, such Party's legal counsel, accountants, engineers and technicians.

"Return Water" means all wastewater generated in the operation of the WWTF Improvements, including, without limitation, centrate or filtrate water from the Dewatering of Biosolids.

"Service Fee" means the fee payable to SYNAGRO or SYNAGRO's designee by NBC for SYNAGRO's performance of the Dewatering Services, and Transportation and Disposal Services, as calculated pursuant to Section 5.1(a) hereof.

"Shall" or "shall" means shall or shall cause its Representatives and Subcontractors.

"Subcontractor" has the meaning set forth in Section 6.1 hereof.

"SYNAGRO" means Synagro Northeast, LLC, and its successors and assigns.

"Term" has the meaning set forth in Section 2.1 hereof.

"Third Party Claim" has the meaning set forth in Section 9.5(a) hereof.

"Ton" means a short ton of two thousand (2,000) pounds.

"Transportation and Disposal Services" means those services to be rendered by SYNAGRO to NBC with respect to NBC Biosolids pursuant to Section 4.3 hereof, including the transport and Disposal of NBC Biosolids.

"Unacceptable Biosolids" means all NBC Biosolids that are made available to SYNAGRO by NBC other than Acceptable Biosolids.

"Variable Service Fee" has the meaning set forth in Section 5.1 hereof.

"WWTFs" means, collectively, Bucklin Point and Field's Point.

"WWTFs Improvements" means the improvements to the WWTFs described in the Scope of Work set forth in Exhibit 1 to be designed, installed, permitted and commissioned by SYNAGRO pursuant to Section 3.2 hereof and as further specified in Exhibit 2.

"WWTFs Improvements Design Documents" has the meaning set forth in Section 3.2.

"WWTFs Improvements Preliminary Plans" means the technical specifications for the design of the WWTFs Improvements set forth on Exhibit 2 hereto.

"WWTFs Improvements Services" shall mean (i) all aspects of the design, financing, construction, permitting, startup and commissioning of the WWTFs Improvements to be completed by SYNAGRO pursuant to Section 3.2 hereof and (ii) the furnishing of all materials, labor, equipment, tools, supplies, transportation, administration, insurance and incidentals, and other services and items required for the full performance and completion by SYNAGRO of the requirements of Section 3.2 hereof.

Section 1.2 Construction. In this Agreement:

- (a) the terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms refer to this Agreement;
- (b) words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;
- (c) any headings preceding the text of the several Articles and Sections of this Agreement, and any table of contents hereto, shall be solely for the convenience of reference, shall not constitute a part of this Agreement, and shall not affect its meaning, construction or effect;
- (d) all Exhibits attached to this Agreement shall be considered to be incorporated within any Section or Article hereof solely by reference thereto;
- (e) all references to the term of this Agreement, without further specification; shall include all extensions and renewals hereof (if any);
- (f) all references to Exhibits, Schedules, Articles or Sections, without further identification of the document in which they are located, are references to Exhibits to, Schedules to, Articles of or Sections of this Agreement, as the case may be;
- (g) the term "hereafter" means after the Contract Date of this Agreement; and
- (h) the terms "day" or "days" refer to calendar day(s).

ARTICLE II

TERM OF AGREEMENT

Section 2.1 Term. The term of this Agreement (the "Initial Term") shall be for a period commencing on May 6, 2026, and ending on the earlier of (i) June 30, 2029; or (ii) the date of termination pursuant to Section 8.4. The Initial Term, as the same may be extended by one or more Renewal Terms pursuant to Section 2.2 is hereinafter referred to as the "Term".

Section 2.2 Renewal Terms. NBC and SYNAGRO may mutually agree to renew the Initial Term for up to three (3) successive periods of one (1) year each (each a "Renewal Term") on the same terms, covenants, and conditions set forth herein. The Renewal Term(s) shall automatically begin unless either Party informs the other of its desire to end the Agreement. If NBC desires to end the Agreement, NBC shall provide written notice to SYNAGRO not less than sixty (60) days prior to: (i) the expiration of the Initial Term; or (ii) the expiration date of each of the Renewal Terms, as the case may be. If SYNAGRO desires to end the Agreement, SYNAGRO shall provide written notice to NBC not less than one hundred eighty (180) days prior to: (i) the expiration of the Initial Term; or (ii) the expiration date of each of the Renewal Terms, as the case may be.

ARTICLE III

THE WWTFs IMPROVEMENTS SERVICES

Section 3.1 Implementation. On the Contract Date, SYNAGRO shall commence design, permitting, installation and commissioning of the WWTF Improvements which generally involve (i) erection of a temporary Dewatering building and installation of new Dewatering and ancillary equipment at Field's Point; (ii) improvements to the existing Dewatering building and Dewatering equipment at Field's Point; and (iii) improvements to the existing Dewatering building and Dewatering equipment at Bucklin Point, and are more particularly described in Exhibits 1 and 2. Design of the WWTF Improvements shall be consistent with the WWTFs Improvements Preliminary Plans and is subject to NBC approval. SYNAGRO shall obtain NBC's review and comment on the WWTF Improvements Design Documents at the 30%, 60%, and 90% stages of completion. NBC shall complete its review and provide comments to SYNAGRO within fifteen (15) calendar days after delivery of the documents by SYNAGRO. NBC approval shall be obtained on the 90% submittal. NBC shall not submit comments or withhold approval based on anything contained in a prior submittal upon which NBC did not previously comment. If NBC submits a request to implement a change in design that is not required by applicable law or code or is inconsistent with generally

accepted industry standards, SYNAGRO shall provide NBC with a cost estimate to implement the requested design change, and NBC shall either approve the change, including the cost to make the change, or withdraw such comment/request. Any delay in review, comment or approval by NBC, excluding any design change necessary to adhere to applicable law or code or to adhere to generally accepted industry standards, which delays the Commencement Date shall entitle SYNAGRO to invoice, and require NBC to pay, the differential between the Service Fee hereunder and the analogous service fee under the Current Agreement for the NBC Biosolids handled under the Current Agreement for the duration of such delay.

Section 3.2 WWTFs Improvements Services. SYNAGRO shall perform the WWTFs Improvements Services, including, without limitation, any and all work and services required or appropriate in connection with the design, construction, permitting, startup and commissioning of the WWTFs Improvements, and shall provide all materials, labor, equipment with the exception of the NBC purchased equipment identified on Exhibit 2, tools, supplies, transportation, administration, insurance, incidentals and other services and items required for the full performance and completion of the requirements of this Section 3.2. Without limiting the foregoing, SYNAGRO shall perform the following as part of the WWTFs Improvements Services:

- (a) Scheduling. SYNAGRO shall be responsible for using all reasonable efforts to cause the performance of the WWTFs Improvements Services to proceed in accordance with the Project Schedule set forth on Exhibit 3 to achieve the Commencement Date on or before May 6, 2026.

- (b) Design. SYNAGRO shall prepare detailed plans and specifications required for permitting the installation and operation of the WWTFs Improvements (the "WWTFs Improvements Design Documents"). Said WWTFs Improvements Design Documents shall be consistent with the WWTFs Improvements Preliminary Plans. SYNAGRO shall provide copies of the WWTFs Improvements Design Documents to the NBC and NBC shall have the right to review and/or engage an engineer of its choosing to review the WWTFs Improvements Design Documents and provide timely feedback to SYNAGRO in accordance with Section 3.1. Without limiting the foregoing, the WWTFs Improvements Preliminary Plans and the WWTFs Improvements Design Documents shall provide in detail for the installation and operation of Dewatering and cake load-out facilities (the "Dewatering Facilities") which shall be located as more particularly described on Exhibit 4. The WWTFs

Improvements Design Documents shall be suitable for submission to DEM for approval.

- (c) Procurement. SYNAGRO shall procure and pay for, as an independent contractor and not as agent for NBC, all materials, labor, equipment, tools, supplies, transportation, administration, insurance, incidentals and other services and items (whether on or off the WWTFs) required for the full performance and completion by SYNAGRO of the WWTFs Improvements Services.

- (d) Installation. SYNAGRO shall install the WWTFs Improvements, or cause the WWTFs Improvements to be installed, and complete the WWTFs Improvements Services, or cause the WWTFs Improvements Services to be completed, in accordance with the terms and conditions of this Agreement. SYNAGRO's installation plans shall include procedures for environmental protection, security at the WWTFs, and physical protection of property adjacent to the areas of the WWTFs where the WWTFs Improvements Services are performed. SYNAGRO shall inspect or cause to be inspected all materials and equipment to be incorporated in the WWTFs Improvements, and shall reject or revise those items or procedures determined not to be in compliance with the WWTFs Improvements Preliminary Plans, the WWTFs Improvements Design Documents or this Agreement. SYNAGRO shall (i) require all Subcontractors to perform their portions of the WWTFs Improvements Services in accordance with the WWTFs Improvements Preliminary Plans, the WWTFs Improvements Design Documents and this Agreement, (ii) in performing the duties incident to such responsibility, SYNAGRO shall issue to the Subcontractors such directives and impose such restrictions as may be required to obtain compliance by the Subcontractors with the relevant terms thereof, and (iii) shall indemnify NBC with respect to the acts and omissions of the Subcontractors in accordance with Section 9.2 hereof.

- (e) Operation and Maintenance. SYNAGRO shall develop and implement a written operations and maintenance program for the WWTFs Improvements, as well as the existing Field's Point and Bucklin Point Dewatering buildings. Said operations and maintenance program shall outline standard operating practices, and include scheduled maintenance that incorporates all

manufacturer's recommendations, conforms to industry standards, and adheres to all Applicable Laws, including Environmental Laws, and Applicable Permits. The operations and maintenance program shall further outline detailed sampling methods and procedures for the collection and sampling obligations outlined in Section 4.2 SYNAGRO shall submit a copy of its written operations maintenance program to NBC no less than 30 days prior to the Commencement Date. SYNAGRO shall provide NBC with periodic reports (no less frequently than monthly) of completed and scheduled maintenance from SYNAGRO's electronic asset management software used to track scheduled maintenance and repairs to the WWTFs Improvements and completion of the same. In addition, SYNAGRO shall run and deliver reports from its asset management software reasonably requested by NBC from time to time. SYNAGRO shall update the written operations and maintenance program from time to time to ensure it remains consistent with standard industry practice. SYNAGRO shall submit a copy of the updated operations maintenance program to NBC each time it is updated or modified, within ten (10) days of making said update or modification.

- (f) No Interference. SYNAGRO shall not interfere with the NBC's operation and maintenance of the WWTFs, including but not limited to equipment and pumps, located at the WWTFs, relative to the NBC's compliance with existing NBC commitments, obligations, restrictions and union and labor contracts.
- (g) Plant Water. NBC shall provide plant effluent water to SYNAGRO needed for the proper operation of the WWTFs Improvements at no cost to SYNAGRO. SYNAGRO is responsible for providing the mechanism for transport of the plant effluent water to the WWTFs Improvements, and maintenance of the same.
- (h) Labor and Personnel. SYNAGRO shall provide, or cause to be provided all labor and personnel required in connection with the WWTFs Improvements Services, including, without limitation: (i) professional engineers licensed to perform engineering services in the State of Rhode Island; (ii) a WWTFs Improvements Services engineer and lead structural, mechanical, electrical, instrumentation and control, civil, cost and schedule engineers, and procurement, construction, startup and shakedown, and compliance testing

supervisors; (iii) as needed, a project manager or other representative who shall be fully acquainted with the WWTFs Improvements Services and shall have the authority to administer this Agreement on behalf of SYNAGRO; and (iv) quality assurance personnel.

- (i) Permitting. SYNAGRO shall prepare applications, apply in a timely manner, and use all commercially reasonable efforts to obtain and maintain in effect those Applicable Permits which SYNAGRO may hereafter determine are required for the undertaking and completion of the WWTFs Improvements Services and the rendering of the Dewatering Services and Transportation and Disposal Services. SYNAGRO shall submit all prepared permit applications to NBC for review and comment at least thirty (30) days prior to submission to a permitting authority. NBC shall complete its review and return any comments within fourteen (14) days of receipt from SYNAGRO of the completed permit application(s).
- (j) Approvals and Modifications. SYNAGRO shall not make any modifications to the equipment, processes, configuration or layout within the WWTFs Improvements and/or the existing Field's Point or Bucklin Point Dewatering buildings without obtaining any applicable Order of Approvals. SYNAGRO shall be solely responsible for any violations, damages, or penalties resulting from a failure to obtain all requisite approvals.
- (k) Royalties and License Fees. SYNAGRO shall pay all required royalties and license fees and shall procure, as required, the appropriate proprietary rights, licenses, agreements and permissions for materials, methods processes and systems incorporated into the WWTFs Improvements. In performing the WWTFs Improvements Services hereunder, SYNAGRO shall not incorporate into the WWTFs Improvements any materials, methods, processes or systems that involve the use of any confidential information, intellectual property or proprietary rights that, to SYNAGRO's knowledge, SYNAGRO does not have the right to use.
- (l) Labor Relations. SYNAGRO shall be responsible for all labor relations matters relating to the WWTFs Improvements Services (other than with respect to Representatives of NBC) and shall at all times use all reasonable commercial efforts to maintain harmony among personnel employed in

connection with the WWTFs Improvements Services. SYNAGRO shall at all times use all reasonable commercial efforts and its judgment as an experienced contractor to adopt and implement policies and practices designed to avoid work stoppages, slowdowns, disputes and strikes.

- (m) Inspection and Expediting. SYNAGRO shall perform all inspection, expediting, quality control and traffic services as are reasonably required for performance of the WWTFs Improvements on a timely basis. SYNAGRO's responsibilities under this Section 3.2 shall include, without limitation, inspecting all materials and equipment both on and off the WWTFs that comprise or will comprise part of the WWTFs Improvements, or that are to be used in performance of the WWTFs Improvements Services hereunder.
- (n) Access to WWTFs. During installation and at all times during the Term of this Agreement, NBC shall control the WWTFs. For installation activities, NBC shall provide SYNAGRO, its Subcontractors and their respective Representatives with twenty-four (24) hours per day, seven (7) days per week access to the WWTFs. SYNAGRO acknowledges that NBC is responsible for safety and security at the WWTFs and agrees that SYNAGRO will, and will require its Subcontractors and Representatives to, comply with all rules and regulations of NBC regarding access to and activities at the WWTFs.
- (o) Clean-Up and Waste Disposal. SYNAGRO shall keep those areas of the WWTFs in which SYNAGRO performs the WWTFs Improvements Services reasonably free from accumulation of waste materials, rubbish and other debris resulting from construction of the WWTFs Improvements and shall employ spill containment consistent with NBC's stormwater permit and spill control program.
- (p) Startup and Shakedown. The WWTFs Improvements Services shall include the startup and shakedown of all components of the WWTFs Improvements in accordance with the manufacturers' recommendations, calibration of controls, and all other startup and shakedown functions customarily performed in accordance with standard industry practice.

Section 3.3 Compliance with Applicable Laws. SYNAGRO shall comply with and shall perform the WWTFs Improvements Services, including, without limitation, the design and installation of the WWTFs Improvements, in compliance with all Applicable Laws.

Notwithstanding the foregoing, the effect of any Change in Law enacted after the Contract Date on the Service Fee calculated in accordance with Section 5.1 hereof shall be determined in accordance with said Section.

ARTICLE IV

BIOSOLIDS TRANSPORTATION AND DISPOSAL SERVICES

Section 4.1 Commitment to Tender NBC Biosolids. Commencing on the Commencement Date, NBC shall make all NBC Biosolids available to SYNAGRO at the WWTFs on the terms set forth in Sections 4.2 and 4.3, and SYNAGRO shall accept all NBC Biosolids made available to SYNAGRO by the NBC. Subsequent to the Contract Date through and until the Commencement Date, SYNAGRO shall continue to perform Dewatering, transportation and Disposal of NBC Biosolids pursuant to, in accordance with, and at the prices set forth in, that certain Amended and Reinstated Biosolids Processing Services Agreement dated as of April 30, 2004, as amended (the “Current Agreement”), which currently governs the Parties’ relationship. For the avoidance of doubt, the Parties agree that if the Commencement Date has not occurred by May 6, 2026, the Current Agreement will not terminate on May 6, 2026, as contemplated therein, and will remain in effect until the Commencement Date.

Section 4.2 Commitment to Provide Dewatering Services. Subject to Section 4.14, on and after the Commencement Date, SYNAGRO shall provide the following Dewatering Services to NBC:

- (a) SYNAGRO shall accept all NBC Biosolids made available to SYNAGRO at the WWTFs and provide Dewatering Services for such NBC’s Biosolids as contemplated by the Scope of Work, WWTFs Improvements Preliminary Plans and WWTFs Improvements Design Documents.
- (b) NBC shall provide SYNAGRO access to the Dewatering Facilities twenty-four (24) hours per day, seven (7) days per week to perform the Dewatering Services. At all times during the Term of this Agreement, NBC shall control the WWTFs. SYNAGRO acknowledges that NBC is responsible for safety and security at the WWTFs and agrees that SYNAGRO will, and will require its Subcontractors and Representatives to, comply with all rules and regulations of NBC regarding access to and activities at the WWTFs.

- (c) SYNAGRO shall not Dewater any Biosolids at Field's Point or Bucklin Point other than NBC Biosolids made available to SYNAGRO by NBC.
- (d) SYNAGRO shall operate the Dewatering Facilities at a sufficient rate and duration to ensure that the average blanket depth of the in-service gravity thickener tanks at Field's Point shall not exceed ten (10) feet and at Bucklin Point the Secondary Digester level shall remain below the overflow point.
- (e) SYNAGRO shall operate the Dewatering Facilities to achieve a minimum of 95% solids capture rate at each WWTF evaluated daily using the following equation: *Solids capture, %* =
- $$\left(\frac{\text{Dewatered Biosolids TS, \%}}{\text{Feed sludge TS, \%}} \right) \left(\frac{\text{Feed sludge TS, \%} - \text{Return water TSS, \%}}{\text{Dewatered Biosolids TS, \%} - \text{Return water TSS, \%}} \right)$$

Section 4.2.1 At each WWTF, SYNAGRO shall collect representative samples of the Feed Sludge, Return Water, and Dewatered Biosolids leaving the WWTFs and provide those samples to the NBC daily for analysis. A daily Feed Sludge and Return Water sample collection must consist of equal volume grab samples collected at least every hour over the operating day whenever Dewatering of Biosolids are occurring. At Bucklin Point the operating day shall begin at midnight. At Field's Point the operating day shall begin at 7 am. Sample collection can be performed manually or with an automatic composite sampler. A composite sample of each load of Dewatered Biosolids leaving the WWTFs must be collected that consists of at least three equal volume grab samples collected at evenly spaced intervals while the container is being filled. Alternatively, each load of Dewatered Biosolids can be sampled after loading is complete provided that at least three different sampling locations from the load are sampled at multiple depths. Each Dewatered Biosolids sample shall be marked with the operating date the container was filled as well as a unique load identifying number.

- (a) SYNAGRO shall have the right, but not the obligation, to retain a split of the samples taken by SYNAGRO for its own analysis at its own cost.
- (b) NBC may also collect its own representative samples of the Feed Sludge, Return Water, and Dewatered Biosolids leaving the WWTFs for its own analysis at its own cost. SYNAGRO shall have the right, but not the obligation, to request a split of the samples for its own analysis at its own cost.

- (c) The analyses performed by NBC will be used to calculate the solids capture rate, the percent solids of the feed sludge, and the Dry Tons tendered to SYNAGRO and the associated VSF as set forth in Section 5.1.

Section 4.2.2 If at any time SYNAGRO fails to Dewater NBC's Biosolids at either Field's Point or Bucklin Point for a period of seventy-two (72) hours or greater, and the level of biosolids in storage exceed the amounts stipulated in 4.2(d) without NBC's prior written consent, NBC may, in its sole discretion, engage a third party to perform the Dewatering or make other suitable arrangements, including but not limited to arranging for the hauling of its liquid sludge. SYNAGRO shall be responsible for all NBC's costs in excess of the Service Fee which would be paid therefor hereunder associated with the alternative dewatering, transportation, Processing, and Disposal arrangements.

Section 4.2.3 If at any time SYNAGRO fails to Dewater NBC's Biosolids at either Field's Point or Bucklin Point in sufficient quantities and duration to maintain the levels set forth in 4.2(d) for seven (7) consecutive days, NBC may, in its sole discretion, engage a third party to perform the Dewatering or make other suitable arrangements, including but not limited to arranging for the hauling of its liquid sludge. SYNAGRO shall be responsible for all NBC's costs in excess of the Service Fee which would be paid therefor hereunder associated with the alternative dewatering, transportation, Processing, and Disposal arrangements.

Section 4.2.4 The payment of any costs in excess of the Service Fee to NBC by SYNAGRO pursuant to Section 4.2.2 or Section 4.2.3 shall not constitute a waiver of, nor limit, any other rights, remedies, or claims that NBC may have against SYNAGRO for its failure to meet the performance measures set forth in Section 4.2(d) and/or Section 4.2(e), including but not limited to any claim associated with any regulatory or administrative penalty assessed against NBC.

Section 4.3 Commitment to Provide Transportation and Disposal Services. On and after the Commencement Date, SYNAGRO shall provide the following Transportation and Disposal Services to NBC:

- (a) Upon performance of the Dewatering Services contemplated in Section 4.2, SYNAGRO shall transport such NBC Biosolids for Disposal and Dispose of all such NBC Biosolids.
- (b) No container/trailer containing NBC Biosolids and ready for transport shall remain at either of the WWTFs longer than twenty-four (24) hours. If at any

point SYNAGRO has failed to timely remove a container/trailer ready for transport, NBC may engage a third party to remove the container/trailer from the WWTF and transport it for Processing and/or Disposal. SYNAGRO shall be responsible for all NBC's costs associated with the alternative transport, Processing and/or Disposal arrangements in excess of what NBC would have paid SYNAGRO.

- (c) Subject to Section 4.6, as of the Contract Date Disposal is expected to be provided via incineration at the Woonsocket incineration facility currently operated by an affiliate of SYNAGRO, and SYNAGRO's EPIC/rail line to landfill, as set forth in Exhibit 5. At all times SYNAGRO shall follow the disposal site utilization plan in Exhibit 5.

Section 4.4 For the elimination of doubt, SYNAGRO's obligation to accept, Dewater, transport and Dispose of all NBC Biosolids is not limited to accepting, Dewatering, transporting and Disposing of only those Biosolids that meet the definition of Acceptable Biosolids. SYNAGRO shall accept, Dewater, transport and Dispose of all Biosolids made available by NBC, including Unacceptable Biosolids, in accordance with Section 4.12.

Section 4.5 Clean-Up and Waste Disposal. At all times, SYNAGRO shall keep those areas of the WWTFs in which SYNAGRO performs the Dewatering Services reasonably free from accumulation of waste materials, rubbish and other debris, and shall employ spill containment consistent with NBC's stormwater permit and spill control program.

Section 4.6 Backup Services. On and after the Contract Date, in the event that SYNAGRO is unable to provide Disposal Services at the Woonsocket incineration facility or via SYNAGRO'S EPIC/rail line to one of the approved Disposal locations set forth in the applicable Order of Approval as contemplated in Exhibit 5 for any reason including, but not limited to, scheduled outages, equipment failure, forced outages, a Change in Law, or the cessation of acceptance of merchant biosolids, SYNAGRO shall, notwithstanding, accept and transport all NBC Biosolids that would otherwise be transported to the Woonsocket incineration facility or via SYNAGRO'S EPIC/rail line to one of the approved Disposal locations and Dispose of all NBC Biosolids at a suitable alternative location selected by SYNAGRO in accordance with all Federal, State and local laws and regulations ("Backup Services"). At all times, SYNAGRO shall utilize the lowest cost option available.

Section 4.7: Return Water. NBC shall accept return flows from the Dewatering Facilities at no cost to SYNAGRO.

Section 4.8 Procurement. SYNAGRO shall provide and pay for all materials, labor, tools, equipment, containers, utilities, supplies, transportation, administration, insurance, incidentals and other services and items necessary for the rendering of the Dewatering Services, and Transportation and Disposal Services.

Section 4.9 Weighing of NBC Biosolids.

- (a) SYNAGRO shall use certified scales to weigh and determine the total tonnage of Dewatered NBC Biosolids being transported from the WWTFs Improvements. SYNAGRO shall provide NBC proof of calibration in accordance with applicable state regulations, or upon NBC request. SYNAGRO shall further provide a receipt of weight for each load of NBC Biosolids delivered to a disposal facility.
- (b) If at any time testing of the measurement equipment used by SYNAGRO indicates that such equipment does not meet applicable accuracy requirements, the records actually recorded during the preceding thirty (30) days shall be adjusted by mutual agreement of SYNAGRO and NBC. If such measurement equipment is incapacitated or is being tested, SYNAGRO shall estimate as accurately as practicable the quantities required to be determined pursuant to this Section 4.9 on the basis of truck volumes and estimated data obtained from historical information. These estimates shall take the place of actual measurement records during the measurement equipment outage. If NBC shall disagree with SYNAGRO's estimate and the Parties fail to resolve such disagreement, the Dispute shall be resolved in accordance with Section 12.11 hereof, and historical quantities shall be utilized pending the resolution of such Dispute.

Section 4.10 Service Coordination: Personnel.

- (a) SYNAGRO shall on the Contract Date and from time to time thereafter, designate in writing one person to act as its service coordinator, with respect to the day-to-day matters which may arise during the performance of this Agreement, and such person shall have authority pursuant to such written designation to transmit instructions and receive information and confer with NBC's service coordinator.
- (b) NBC shall, on the Contract Date and from time to time thereafter, designate in writing a person to act as its service coordinator, with respect to the day-

to-day matters which may arise during the performance of this Agreement, and such person shall have authority pursuant to such written designation to transmit instructions and receive information and confer with SYNAGRO's service coordinator.

- (c) A representative of SYNAGRO shall be designated to respond to emergencies twenty-four (24) hours a day during the performance of this Agreement.
- (d) All SYNAGRO personnel and its agents shall be qualified for their positions and shall have all necessary licenses required by Applicable Laws.

Section 4.11 Record Keeping and Reporting.

- (a) SYNAGRO shall establish and maintain an information system to provide storage and ready retrieval of data regarding its performance of the Dewatering Services, Transportation Services and Disposal Services, including, but not limited to, all information reasonably necessary to verify calculations made pursuant to this Agreement. NBC may at all times and with full cooperation of SYNAGRO, inspect the Dewatering Facilities and the information system and data to determine whether SYNAGRO is accurately recording the information reasonably necessary to make the calculations required by this Agreement. SYNAGRO shall maintain written daily records of the identity of each vehicle transporting NBC Biosolids and the amount of such NBC Biosolids transported. SYNAGRO shall maintain all daily measurement records for the longer of (x) a period of five (5) years, or (y) such period as is required by applicable law, and shall provide copies of such records to NBC upon request.
- (b) SYNAGRO shall provide NBC in writing, for each Billing Period, the following operating data for the prior Billing Period: (1) the quantity of NBC Biosolids accepted by SYNAGRO at the WWTFs; (2) the quantity of NBC Biosolids accepted for Backup Services pursuant to Section 4.6 hereof; (3) an accounting for each Annual Cycle pursuant to Section 5.1.

Section 4.12 Unacceptable Biosolids.

- (a) SYNAGRO shall at all times have the right but not the obligation to test and analyze, at its own cost, NBC Biosolids to determine whether the NBC Biosolids are Acceptable Biosolids. All such testing and analysis shall be

conducted and performed by a Rhode Island certified laboratory and other qualified personnel. SYNAGRO shall promptly give NBC copies of any test results that indicate that NBC Biosolids are Unacceptable Biosolids and shall provide NBC with a split sample of any such NBC Biosolids.

- (b) If NBC knows or determines that the NBC Biosolids to be delivered to SYNAGRO during a specified period of time will be Unacceptable Biosolids, NBC shall promptly notify SYNAGRO in writing, describing in detail why such NBC Biosolids are Unacceptable Biosolids.
- (c) SYNAGRO shall arrange for the Disposal, at NBC's cost pursuant to 5.3(a)(i), of all NBC Biosolids made available to SYNAGRO that SYNAGRO determines are Unacceptable Biosolids in the most cost effective manner, utilizing entities and methods that are fully licensed and permitted for such Disposal. The cost for management of Unacceptable Biosolids shall be invoiced by SYNAGRO at its cost, plus 15% overhead and profit.
- (d) SYNAGRO shall not knowingly Dispose any Biosolids the acceptance or Disposal of which would cause a violation of any Applicable Laws.

Section 4.13 Operating Procedures and Scheduled Maintenance. SYNAGRO shall maintain the WWTF Improvements in conformance with the maintenance program developed pursuant to Section 3.2(e). If at any time SYNAGRO has failed to maintain the WWTFs Improvements in conformance with the maintenance program, NBC will provide SYNAGRO with written notice of the deficiency, which SYNAGRO will have thirty (30) days to correct. If uncorrected by SYNAGRO within thirty (30) days, NBC may engage a third party to perform said maintenance, and SYNAGRO shall be responsible for all NBC's costs associated with the alternative arrangements.

SYNAGRO shall operate the WWTF Improvements in compliance with all Applicable Laws, including Environmental Laws, and Applicable Permits.

Section 4.14 Transition of Dewatering Responsibilities to NBC. The Parties are entering into this Agreement with the understanding that the NBC is actively designing and planning to construct its own new solids handling facilities. Upon completion of construction, NBC intends to assume the Dewatering responsibilities for NBC Biosolids at its own facility. At such time, SYNAGRO will be relieved of its obligations to perform the Dewatering Services set forth in Section 4.2 and shall continue to provide the Transportation and Disposal Services. SYNAGRO will demobilize the temporary Dewatering facilities at Field's Point as

contemplated in Exhibit 1, unless agreed to otherwise by the Parties. The Parties agree to work together in good faith to effectuate a smooth transition.

Section 4.15 Acceptance of Liquid Sludge at Field's Point. The Parties recognize that as part of the NBC's project to design and construct new solids handling facilities, the NBC is exploring the possibility of incorporating a liquid sludge receiving facility at Field's Point. Should NBC proceed with the design and construction of a liquid sludge receiving facility at Field's Point that becomes operational prior to NBC assuming the Dewatering responsibility for NBC Biosolids as contemplated in Section 4.14, the Parties agree to work together in good faith to accommodate and manage the increase in NBC Biosolids.

Section 4.16 Upstream Process Change. If NBC intends or implements an upstream process change that materially changes the quality or composition of the Biosolids, NBC shall promptly notify SYNAGRO and the parties shall negotiate in good faith any amendment to this Agreement required to preserve each party's benefit of the bargain effected by this Agreement.

ARTICLE V

FEES

Section 5.1 Service Fee.

- (a) As more specifically set forth in this Article V, in consideration of the Dewatering Services, and Transportation and Disposal Services provided by SYNAGRO under this Agreement, beginning on May 6, 2026, NBC shall pay a Service Fee for each Billing Period calculated in accordance with the following formula:

$$\text{Service Fee} = \text{VSF} + \text{TDC} + \text{FS} + \text{PC}$$

Where:

- (i) VSF = Variable Service Fee, which shall be the sum of (i) VSF(BP) plus (ii) VSF(FP)) where VSF(BP) equals \$673 multiplied by the number of Dry Tons of NBC Biosolids from Bucklin Point accepted and Dewatered by SYNAGRO during the billing period, and VSF(FP) equals \$377 multiplied by the number of Dry Tons of NBC Biosolids from Fields Point accepted and Dewatered by SYNAGRO during the billing period.

- (ii) TDC = Transportation and Disposal Component equal to TDC(BP) + TDC(FP) where:

TDC(BP) = The sum of \$637.20 multiplied by the number of Dry Tons of NBC Biosolids from Bucklin Point transported and disposed by SYNAGRO at the Woonsocket incinerator + \$700 multiplied by the number of Dry Tons of NBC Biosolids from Bucklin Point transported via SYNAGRO's EPIC/rail line and disposed by SYNAGRO at another location, during the billing period, and

TDC(FP) = \$ The sum of \$637.20 multiplied by the number of Dry Tons of NBC Biosolids from Fields Point transported and disposed by SYNAGRO at the Woonsocket incinerator + \$700 multiplied by the number of Dry Tons of NBC Biosolids from Fields Point transported via SYNAGRO's EPIC/rail line and disposed by SYNAGRO at another location, during the billing period.

- (iii) FS = Fuel Surcharge. There shall be a Fuel Surcharge added to the Service Fee in any given month where the parameters described below are met:

(a) Woonsocket Fuel Surcharge: If in a given month, the cost of retail on-highway diesel fuel (Department of Energy, Energy Information Administration – East Coast PADD 1¹) published by the U.S. Department of Energy's Energy Information Administration in the prior month exceeded \$4.75 per gallon, a Fuel Surcharge shall be added to the Service Fee according to the following formula:

(The number of Dry Tons of NBC Biosolids transported and disposed by SYNAGRO at the Woonsocket Incinerator/5.8) x 8 x (Prior Month Retail On-Highway Diesel Price East Coast PADD 1 - \$4.75)

(b) EPIC/Rail Line Fuel Surcharge: If in a given month, the cost of the HDF Fuel Index Rate Cents Per Mile published by CSXT² in the prior month is greater than \$0.60 Per Mile, a Fuel Surcharge shall be added to the Service Fee according to the following formula:

¹ Found at: https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r10_w.htm

² Found at: [ShipCSX - Fuel Surcharge Status Report](#)

(593 x (HDF Fuel Index Rate Cents Per Mile for the immediately prior month– 0.60) x (The number of Dry Tons of NBC Biosolids transported and disposed by SYNAGRO via SYNAGRO’s EPIC/rail line and disposed by SYNAGRO at another location /132)

- (b) Notwithstanding Sections 5.1(a) and 5.5 hereof, nothing in this Agreement shall be construed to obligate the NBC to pay a Service Fee unless SYNAGRO provides the Dewatering Services, Transportation and Disposal Services, or Backup Services, contemplated in this Agreement, or unless SYNAGRO is ready, willing and able to provide the Dewatering Services, Transportation and Disposal Services, or Backup Services, and the NBC fails to make its Biosolids available for such services.

Section 5.2 Escalation Factor. The Escalation Factor shall be the CPIU divided by the CPIU Base, and the application of the Escalation Factor may result in an increase but not a decrease of the components of the Service Fee to which the Escalation Factor is applicable which are the VSF and TDC. In each year, the Escalation Factor shall be calculated using CPIU for the month of October in the year immediately preceding the year in which the Escalation Factor is calculated, and shall be effective as of January 1st of such year through December 31st of such year. Notwithstanding the above, the Escalation Factor from the Commencement Date until a period of twelve (12) months after the Commencement Date shall be 1.0.

Section 5.3 Pass-through Costs.

- (a) The Pass-through Costs shall consist of:
- (i) the incremental cost (including mark-up thereon as contemplated in Section 4.12(c) of loading, transporting and Disposal of Unacceptable Biosolids and Hazardous Waste over the cost of loading, transporting and Disposal of NBC Biosolids as described in Section 4.12 hereof;
 - (ii) the incremental cost of loading, transporting and Disposal of NBC Biosolids that, on a monthly average, contain less than 1 % dry solids content, where the low solids content is unrelated to SYNAGRO’s Dewatering operations. A less than 1% dry solids content where the depth of blanket in any one of NBC’s gravity thickener tanks at Field’s Point is 10 feet or greater, or where the Secondary Digester level at

Bucklin Point it not below the overflow point, or anytime where SYNAGRO fails to achieve a minimum 95% solids capture rate at either of the WWTFs as contemplated in Section 4.2(e) is deemed to be related to SYNAGRO's Dewatering operations;

- (iii) any costs to mitigate or overcome a Force Majeure Event pursuant to Section 5.5 hereof;
 - (iv) the incremental costs of insurance incurred as a result of NBC's adjustment of required insurance policies or amount in accordance with Section 7.5.
- (b) All costs referred to in Section 5.3(a) shall be allocated to each Billing Period in accordance with generally accepted accounting principles.
- (c) SYNAGRO shall provide NBC with Cost Substantiation for any costs incurred by SYNAGRO for which SYNAGRO seeks compensation as a Pass-through Cost in accordance with this Section 5.3.

Section 5.4 Payment. NBC shall pay all Service Fees to SYNAGRO as submitted in writing to NBC. The Service Fee shall be paid within thirty (30) days of NBC's receipt of an invoice in form and substance reasonably satisfactory to NBC.

Section 5.5 Force Majeure Costs. In the event of a Force Majeure Event, excepting a Force Majeure Event caused by a labor dispute or union strike, NBC shall bear any and all incremental increased verifiable costs associated with the continuation of providing the Dewatering Services, and Transportation and Disposal Services hereunder attributable to conditions caused by the Force Majeure Event, and specifically excluding lost profits. Increased costs shall be invoiced by SYNAGRO at its cost and must be accompanied by supporting documentation reasonably acceptable to NBC. Notwithstanding the foregoing, in the event, following the Contract Date, a Change in Law, excluding a Change in Law related to taxes on a Party's income, and with respect to NBC, a Change in Law enacted or adopted by NBC, occurs that imposes more stringent obligations upon SYNAGRO and adversely affects SYNAGRO's ability and materially increases SYNAGRO's cost to perform its obligations hereunder, the Parties agree to negotiate in good faith an adjustment to the Service Fee to reasonably compensate SYNAGRO to perform its obligations hereunder in compliance with said Change in Law. If such adjustment is not agreed to within sixty (60)

days after the occurrence of a Change in Law, NBC may terminate this Agreement at any time upon thirty (30) days' written notice to SYNAGRO.

Section 5.6 WWTFs Improvements. SYNAGRO shall be responsible for the procurement and installation of the WWTFs Improvements. In connection therewith, NBC shall pay SYNAGRO, in accordance with Section 5.4, the following:

- (a) Mobilization Charge. A one-time charge of \$671,500 when SYNAGRO mobilizes site resources to install the WWTFs Improvements.
- (b) Demobilization Charge. A one-time charge at cost (subject to Cost Substantiation) plus 10% when SYNAGRO demobilizes the site at a time agreed to by the Parties after the Commencement Date.

Section 5.7 Accumulated Service Fee Credit.

- (a) NBC has agreed that for each Billing Period starting December 1, 2025, and concluding on May 5, 2026, NBC shall pay a Service Fee of \$950 ("Revised Service Fee") multiplied by the number of Dry Tons of NBC Biosolids from Fields Point and Bucklin Point accepted and Dewatered during this period. The difference in payments made by NBC to SYNAGRO between the current rate under the Current Agreement ("Existing Service Fee") and the Revised Service Fee will constitute a credit against future NBC Service Fees ("Service Fee Credit").
- (b) The outstanding Service Fee Credit will be increased each time NBC pays a Service Fee during each remaining Billing Period under the Current Agreement in an amount equal to the difference between the Revised Service Fee multiplied by the number of Dry Tons of NBC Biosolids from Fields Point and Bucklin Point and the Existing Service Fee multiplied by the same number of Dry Tons. The Service Fee Credit balance shall accrue interest monthly at the rate of 4.5% annually. From December 1, 2025, to January 31, 2027, the accrued interest shall be capitalized and added to the outstanding Service Fee Credit balance.
- (c) During each Billing Period starting on January 1, 2027, and ending June 30, 2029 (30 periods in total), SYNAGRO agrees that NBC shall apply the accrued Service Credit Fee in substantially equal payments (the "Monthly Service Fee Credit") to each month's Service Fee so that by the final Billing Period of the Initial Term, the Service Credit Fee balance shall be reduced to zero.

- (d) For the avoidance of doubt, and solely as an example, the Exhibit below describes the concept in further detail:

Billing Period Ending	Total Dry Tons	Existing Service Fee @ \$600.81 per Dry Ton*	Revised Service Fee @ \$950 a Dry Ton	Monthly Service Fee Credit Earned	Accrued Service Fee Credit
12/31/2025	1000	\$600,810	\$950,000	\$349,190	\$349,190.00
1/31/2026	1000	\$600,810	\$950,000	\$349,190	\$699,689.46
2/28/2026	1000	\$600,810	\$950,000	\$349,190	\$1,051,503.30
3/31/2026	1000	\$600,810	\$950,000	\$349,190	\$1,404,636.44
4/30/2026	1000	\$600,810	\$950,000	\$349,190	\$1,759,093.82
5/31/2026					\$1,765,690.42
6/30/2026					\$1,772,311.76
7/31/2026					\$1,778,957.93
8/31/2026					\$1,785,629.02
9/30/2026					\$1,792,325.13
10/31/2026					\$1,799,046.35
11/30/2026					\$1,805,792.78
12/31/2026					\$1,812,564.50
1/31/2027					\$1,819,361.62
Balance Ceases Accruing					
		Monthly Service Fee Credit:	Principal	Interest	Outstanding Service Fee Balance
1/31/2027			(\$57,411.55)	(\$6,822.61)	\$1,761,950.06
2/28/2027			(\$57,626.85)	(\$6,607.31)	\$1,704,323.22
3/31/2027			(\$57,842.95)	(\$6,391.21)	\$1,646,480.27
4/30/2027			(\$58,059.86)	(\$6,174.30)	\$1,588,420.41
5/31/2027			(\$58,277.58)	(\$5,956.58)	\$1,530,142.83
6/30/2027			(\$58,496.12)	(\$5,738.04)	\$1,471,646.71
7/31/2027			(\$58,715.48)	(\$5,518.68)	\$1,412,931.23
8/31/2027			(\$58,935.67)	(\$5,298.49)	\$1,353,995.56
9/30/2027			(\$59,156.67)	(\$5,077.48)	\$1,294,838.89
10/31/2027			(\$59,378.51)	(\$4,855.65)	\$1,235,460.37
11/30/2027			(\$59,601.18)	(\$4,632.98)	\$1,175,859.19

12/31/2027			(\$59,824.69)	(\$4,409.47)	\$1,116,034.51
1/31/2028			(\$60,049.03)	(\$4,185.13)	\$1,055,985.48
2/29/2028			(\$60,274.21)	(\$3,959.95)	\$995,711.26
3/31/2028			(\$60,500.24)	(\$3,733.92)	\$935,211.02
4/30/2028			(\$60,727.12)	(\$3,507.04)	\$874,483.91
5/31/2028			(\$60,954.84)	(\$3,279.31)	\$813,529.06
6/30/2028			(\$61,183.42)	(\$3,050.73)	\$752,345.64
7/31/2028			(\$61,412.86)	(\$2,821.30)	\$690,932.78
8/31/2028			(\$61,643.16)	(\$2,591.00)	\$629,289.62
9/30/2028			(\$61,874.32)	(\$2,359.84)	\$567,415.29
10/31/2028			(\$62,106.35)	(\$2,127.81)	\$505,308.94
11/30/2028			(\$62,339.25)	(\$1,894.91)	\$442,969.69
12/31/2028			(\$62,573.02)	(\$1,661.14)	\$380,396.67
1/31/2029			(\$62,807.67)	(\$1,426.49)	\$317,589.00
2/28/2029			(\$63,043.20)	(\$1,190.96)	\$254,545.80
3/31/2029			(\$63,279.61)	(\$954.55)	\$191,266.19
4/30/2029			(\$63,516.91)	(\$717.25)	\$127,749.28
5/31/2029			(\$63,755.10)	(\$479.06)	\$63,994.18
6/30/2029			(\$63,994.18)	(\$239.98)	(\$0.00)

* Subject to a CPI escalation factor pursuant to the Current Agreement

(e) Should any month's Service Fee during the Billing Period starting January 1, 2027, be less than the Monthly Service Fee Credit, that month's Monthly Service Fee Credit shall be paid in cash by SYNAGRO to NBC within thirty (30) days following the end of said Billing Period.

(f) Should this Agreement be terminated for any reason prior to the final Billing Period under the Initial Term, the outstanding Accrued Service Fee Balance as of such date shall be refunded in cash to NBC within thirty (30) days of such termination.

Section 5.8 Woonsocket WWTF and Incinerator. The Parties recognize that the NBC was asked by the City of Woonsocket to consider an acquisition of the City's Wastewater Treatment Facility and Incinerator. Should NBC enter into an agreement with the City of Woonsocket to acquire the City's Wastewater Treatment Facility and Incinerator, the Parties agree to reopen this Agreement for purposes of negotiating the fees set forth in this Article 5, specifically, the Transportation and Disposal Fee, and other provisions relevant thereto.

ARTICLE VI
SUBCONTRACTORS

Section 6.1 Subcontractors. SYNAGRO shall select only those vendors, suppliers, materialmen, consultants and other subcontractors (the "Subcontractors") as have, in the reasonable opinion of SYNAGRO, attained a standard of reliability and performance comparable to SYNAGRO's, and that have all required permits and licenses necessary to perform the material part of any services rendered to the NBC under this Agreement.

Section 6.2 Payment to Subcontractors. SYNAGRO shall be solely responsible for paying each Subcontractor and any other Person to whom any amount is due for services, labor, equipment, materials or supplies in connection with the services to be performed by SYNAGRO hereunder with respect to the rendering of the WWTFs Improvements Services, Dewatering Services, and Transportation and Disposal Services hereunder. SYNAGRO shall indemnify and hold harmless NBC with respect to the acts and omissions of the Subcontractors, and for all amounts due to such Subcontractors and other persons, in accordance with Section 9.2 hereof.

Section 6.3 No Privity. NBC shall not be deemed by virtue of this Agreement to have any contractual obligation to or relationship with any Subcontractor or any other person who has rendered services, labor, equipment, materials or supplies in connection with the services to be performed by SYNAGRO with respect to the WWTFs Improvements Services, Dewatering Services, Transportation and Disposal Services hereunder.

ARTICLE VII
INSURANCE OBLIGATIONS

Section 7.1 General.

- (a) SYNAGRO shall provide proof of insurance in the form provided for in Sections 7.2 and 7.3 hereof, including the required additional insured and other endorsements, and waivers of subrogation, and shall keep such insurance in full force and effect during the Term of this Agreement.
- (b) Insurance coverage shall be evidenced by a Certificate of Insurance submitted in a form reasonably acceptable to NBC.

- (c) Insurance coverage shall be provided by (i) an insurance company licensed to provide insurance in the State of Rhode Island and that has an A.M. Best or S&P Insurance Rating minimum of "A" or (ii) a surplus line carrier authorized to write business in the State of Rhode Island that has an A.M. Best or S&P Insurance Rating minimum of "A".
- (d) Each policy shall provide that NBC will receive sixty (60) days' advance notice of cancellation, non-renewal, or reduction, except that thirty (30) days' notice will be provided in the event of cancellation for non-payment. Each policy shall provide that the insuring company shall not be released of its obligations if it fails to satisfy such notice requirements.

Section 7.2 Required Coverage. At all times, SYNAGRO shall obtain and keep or shall cause its subcontractors or independent contractors and their respective representatives to obtain and keep in force during the Term of this Agreement the following insurance:

- (a) Commercial general liability on an occurrence basis to include all operations and premises coverages, protective liability, products liability, and broad form general liability for limits of not less than \$1,000,000 each occurrence and \$3,000,000 aggregate limits. A per location aggregate shall apply. NBC shall be endorsed as an additional insured on a primary non-contributing basis.
- (b) Comprehensive Automobile Liability to include all owned, hired, leased and non-owned vehicles for a combined single limit (CSL) of liability of \$1,000,000 each accident. NBC shall be endorsed as an additional insured on a primary non-contributing basis.
- (c) Statutory workers compensation for all of SYNAGRO's employees and its Subcontractors' or independent contractors' and their respective Representatives and employees, at the Project, complying with the statutes of the State of Rhode Island, to include an Employers Liability B coverage limit of \$500,000/\$500,000/\$500,000.
- (d) Pollution Liability with limits of \$5,000,000 each occurrence, \$5,000,000 each pollution condition to include damages due to claims for "bodily injury", "property damage" or "cleanup costs" that result from "pollution conditions"

at, on, or emanating from the Project. The policy shall include coverage for pollution conditions from transported cargo. NBC shall be endorsed as an additional insured on a primary non-contributing basis.

- (e) Umbrella Liability Policy for limits of \$15,000,000 Bodily Injury and Property Damage limit each occurrence. All limits of the general liability, automobile liability and workers compensation conforming to the minimum underlying requirements of the umbrella liability policy. NBC shall be endorsed as an additional insured on a primary non-contributing basis.

Section 7.3 Waiver. SYNAGRO and its subcontractors and independent subcontractors shall waive all rights against NBC and their agents, officers, directors and employees for recovery of damages to the extent these damages are covered by commercial general liability, commercial auto liability, pollution liability, workers compensation and employers liability and commercial umbrella liability insurance maintained pursuant to this Section 7.

Section 7.4 Inquiries of Insurance Carriers. NBC reserves the right to request that SYNAGRO make direct inquiries to any of SYNAGRO's insurance carriers and SYNAGRO agrees to promptly make such inquiries to any of SYNAGRO's insurance carriers and obtaining any reasonably desired information.

Section 7.5 Adjustments. NBC may, subject to the approval of SYNAGRO, adjust the requirements herein for policies and amounts of insurance required under this Article VII to reflect inflation and changes in insurance market conditions, and any increase in insurance costs resulting from such adjustment shall be included as a Pass-through Cost hereunder.

ARTICLE VIII

DEFAULT AND TERMINATION

Section 8.1 Events of Default by SYNAGRO. Each of the following shall constitute an Event of Default on the part of SYNAGRO:

- (a) The failure or refusal by SYNAGRO to fulfill any of its material obligations under this Agreement (except those matters covered by Sections 8.1(b) and (c), which shall be Events of Default as described in said Sections provided, however, that no such failure or refusal shall constitute an Event of Default giving NBC the rights set forth in Section 8.3 of this Agreement unless and until:

- (i) NBC shall have given written notice to SYNAGRO stating that an Event of Default (to be described in reasonable detail in such notice) has occurred or exists which will, unless corrected, give rise to the rights set forth in Section 8.3 of this Agreement; and
 - (ii) SYNAGRO shall not have commenced reasonable action to correct such default within thirty (30) days or corrected such default within one hundred twenty (120) days from the date of the notice given pursuant to Section 8.1(a)(i) hereof, unless a longer period is otherwise agreed.
- (b) The failure on the part of SYNAGRO to pay any amount required to be paid under this Agreement within thirty (30) days after receipt of written demand from NBC stating in such notice that the failure to pay shall constitute an Event of Default giving rise to a right to terminate this Agreement.
- (c) Any material misrepresentation by SYNAGRO in this Agreement with respect to the representations contained herein or a breach of the warranties contained herein.

Section 8.2 Events of Default by NBC. Each of the following shall constitute an Event of Default on the part of NBC:

- (a) The failure or refusal by NBC to fulfill any of its material obligations under this Agreement (except those matters covered by Sections 8.2(b), 8.2(c) and 8.2(d) which shall be Events of Default as described in said Sections) provided, however, that no such failure or refusal shall constitute an Event of Default giving SYNAGRO the rights set forth in Section 8.3 of this Agreement unless and until:
- (i) SYNAGRO shall have given written notice to NBC stating that an Event of Default (to be described in reasonable detail in such notice) has occurred or exists which will, unless corrected, give rise to the rights set forth in Section 8.3 of this Agreement; and
 - (ii) NBC shall not have commenced reasonable action to correct such default within thirty (30) days or corrected such default within one hundred twenty (120) days from the date of the notice given pursuant to Section 8.2(a)(i) hereof, unless a longer period is otherwise agreed.

- (b) The failure on the part of NBC to pay any amount required to be paid to SYNAGRO under this Agreement within thirty (30) days after receipt of written demand from SYNAGRO stating in such notice that the failure to pay shall constitute an Event of Default giving rise to the rights set forth in Section 8.3 of this Agreement.
- (c) Any material misrepresentation by NBC in this Agreement with respect to the representations contained herein or a breach of the warranties contained herein.
- (d) A material change in the existence of NBC due to repeal or modification of Rhode Island General Laws, §46-25-1, et seq.

Section 8.3 Remedies for Default.

- (a) Upon the occurrence of an Event of Default by a Party hereto and subject to the Dispute resolution procedures set forth in Section 12.11 hereof, the non-defaulting Party shall have the right to: (i) seek damages, as may be limited by this Agreement, including without limitation Section 12.13 of this Agreement, and pursue any other rights at law or in equity; or (ii) seek damages, as may be limited by this Agreement, and terminate this Agreement. A Party's right to seek damages in the event of an Event of Default by the other Party and a termination of this Agreement shall survive such termination.
- (b) The failure of either Party to exercise any rights available upon the occurrence of an Event of Default shall in no way constitute a waiver of that Party's rights to exercise its remedies for the existing or a subsequent Event of Default.
- (c) Neither the exercise of, nor the failure to exercise, any remedy provided for in this Article VIII will constitute an election of remedies or limit any Party in any manner in the enforcement of any other remedies that may be available to it.

Section 8.4 Termination.

- (a) NBC's Right to Terminate. NBC may terminate this Agreement upon the occurrence of an Event of Default by SYNAGRO as provided in Section 8.3(a).

- (b) SYNAGRO's Right to Terminate. SYNAGRO may terminate this Agreement upon the occurrence of an Event of Default by NBC as provided in Section 8.3(a).
- (c) Procedure for Termination. If either Party has a right of termination in accordance with this Section 8.4, the same may be exercised by written notice of termination given to the other Party at least thirty (30) days prior to the date of termination. Except as expressly provided in this Agreement, the exercise of the right of termination shall not relieve the defaulting Party of any obligations or liabilities required by or incurred as a result of this Agreement prior to the effective date of termination.

Section 8.5 Rights and Obligations upon Termination. In the event of a termination in accordance with this Article VIII, the parties shall remain liable for any and all obligations accruing prior to the date of termination, but any rights, obligations and liabilities on the part of either Party arising under this Agreement after the effective date of termination shall be terminated; provided, however, that any liabilities that may arise pursuant to any Section hereof that provides that it shall survive the termination of this Agreement shall survive such termination. Notwithstanding the foregoing, neither party shall be liable to the other party for consequential, incidental or special damages, and neither party shall have a right to damages which would include cover or lost profits. In addition, any right, obligation or liability arising hereunder prior to the effective date of termination or relating to actions or omissions prior to the effective date of termination shall survive such termination.

ARTICLE IX LIABILITY AND INDEMNIFICATION

Section 9.1 Liability. Except as expressly provided in this Agreement, neither Party shall be responsible for any liability, indebtedness or other obligation of the other Party, its Representatives or Subcontractors.

Section 9.2 SYNAGRO Indemnification.

- (a) Notwithstanding any other provisions of this Agreement to the contrary, to the fullest extent permitted by law, and except to the extent caused by the negligent or intentional act or omission of NBC or its Representatives,

SYNAGRO agrees to defend, indemnify, protect and hold harmless NBC and its Representatives, from and against any and all claims (including third-party claims), suits, losses, liabilities, penalties, damages, detriment, costs and expenses, however designated and including reasonable attorneys' fees, for injuries (including death) to persons, or damage to property, or violations of federal, state or local laws, including, but not limited to, violations of Environmental Laws:

- (i) arising out of or in connection with a breach of SYNAGRO's obligations hereunder or the negligent (including grossly negligent), willful or intentional acts, errors or omissions of SYNAGRO, its Representatives or any Subcontractor or independent contractor engaged by SYNAGRO pursuant to this Agreement; or
- (ii) imposed pursuant to or arising out of any Applicable Laws relating to or arising from SYNAGRO's performance of or failure to perform this Agreement, including; but not limited to, violation of any Environmental Laws regulating the Dewatering, loading, Transportation, and Disposal of NBC Biosolids, Unacceptable Biosolids, Hazardous Waste or any other materials; provided, however, that in no event shall SYNAGRO indemnify or defend NBC for any claim or liability arising from the presence of per- and polyfluoroalkyl substances (PFAS) in NBC Biosolids.

Section 9.3 NBC Indemnification.

- (a) Notwithstanding any other provisions of this Agreement to the contrary, to the fullest extent permitted by law, and except to the extent caused by the negligent or intentional act or omission of SYNAGRO, its Subcontractors or their respective Representatives, NBC agrees to defend, indemnify, protect and hold harmless SYNAGRO, its Subcontractors and their respective Representatives, from and against any and all claims (including third-party claims), suits, losses, liabilities, penalties, damages, detriment, costs and expenses, however designated and including reasonable attorneys' fees, for injuries (including death) to persons, or damage to property, or violations of federal, state or local laws, including, but not limited to, violations of Environmental Laws:

- (i) arising out of or in connection with a breach of NBC's obligations hereunder or the negligent (including grossly negligent), willful or intentional acts, errors or omissions of NBC or its Representatives; or
- (ii) imposed pursuant to or arising out of any Applicable Laws relating to or arising from NBC's performance of or failure to perform this Agreement, including, but not limited to, under any Environmental Laws regulating the loading, Transportation, and Disposal of NBC Biosolids, Unacceptable Biosolids, Hazardous Waste, or any other materials.

Section 9.4 Survival. The indemnities contained in this Article IX shall survive cancellation, expiration or termination of this Agreement provided that the indemnified Party seeks indemnity from the indemnifying Party prior to the expiration of any applicable statute of limitations period.

Section 9.5 Matters Involving Third Parties.

- (a) If any third party shall notify any Party (the "Indemnified Party") with respect to any matter (a "Third Party Claim") which may give rise to a claim for indemnification against the other Party (the "Indemnifying Party") under this Article IX, then the Indemnified Party shall promptly notify the Indemnifying Party thereof in writing.
- (b) The Indemnifying Party will have the right at any time to assume and thereafter conduct the defense of the Third Party Claim; provided, however, that the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned or delayed) unless the judgment or proposed settlement involves only the payment of money damages and does not impose an injunction or other equitable relief upon the Indemnified Party.
- (c) Unless and until an Indemnifying Party assumes the defense of the Third Party Claim as provided in Section 9.5(b) hereof, the Indemnified Party may, at the Indemnifying Party's expense, defend against the Third Party Claim in any manner the Indemnified Party reasonably may deem appropriate.

- (d) In no event will the Indemnified Party consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed).

ARTICLE X REPRESENTATIONS AND WARRANTIES

Section 10.1 Representations of SYNAGRO. SYNAGRO makes the following representations and warranties to NBC:

- (a) Existence and Power; Authorization. SYNAGRO is a limited liability company validly existing under the laws of the State of Delaware with the power to enter into and perform this Agreement. When executed and delivered by SYNAGRO, this Agreement will constitute the valid and binding obligation of SYNAGRO, enforceable in accordance with the terms hereof except as the enforceability and the binding effect (but not the validity) thereof may be limited by (i) bankruptcy, insolvency, moratorium, reorganization or similar laws affecting creditors' rights generally, from time to time in effect and (ii) general principles of equity.
- (b) Approvals. No approval, authorization, order or consent of, or declarations, registration of, or filing with, any Governmental Authority is required for the valid execution and delivery by SYNAGRO of this Agreement except those that have been duly obtained or made.
- (c) No Conflicts. Neither the execution or delivery by SYNAGRO of this Agreement, nor the performance of its obligations in connection with the transactions contemplated hereby nor the fulfillment of the terms or conditions hereof (i) conflicts with, violates or results in a breach of any applicable law; or (ii) conflicts with, violates or results in a breach of any form or condition-of any judgment or decree, or any agreement or instrument, to which SYNAGRO is a party or by which SYNAGRO or any of its properties or assets are bound, or constitutes a default thereunder.

Section 10.2 Representations of NBC. NBC makes the following representations and warranties to SYNAGRO:

- (a) Existence and Power. NBC is a public corporation validly existing under the laws of the State of Rhode Island with the power under and pursuant to Rhode Island law to enter into and perform this Agreement. NBC has taken all necessary action and has complied with all provisions of Rhode Island law required to make this Agreement the valid and enforceable obligation of NBC. When executed and delivered by NBC, this Agreement will constitute the valid and binding obligation of NBC.

- (b) Approvals. Approval from the PUC and/or DPUC may be necessary for the valid execution and delivery by NBC of this Agreement. No other approval, authorization order or consent of, or declarations, registration of, or filing with, any Governmental Authority is required for the valid execution and delivery by NBC of this Agreement except those that have been duly obtained or made.

- (c) No Conflicts. Neither the execution or delivery by NBC of this Agreement, nor the performance of its obligations in connection with the transactions contemplated hereby nor the fulfillment of the terms or conditions hereof (i) conflicts with, violates or results in a breach of any applicable law; or (ii) conflicts with, violates or results in a breach of any form or condition of any judgment or decree, or any agreement or instrument, to which NBC is a party or by which NBC or any of its properties or assets are bound, or constitutes a default thereunder.

ARTICLE XI

CONDITIONS PRECEDENT

Section 11.1 Conditions.

- (a) SYNAGRO's obligation to begin the installation of the WWTFs Improvements shall be subject to the satisfaction or occurrence of the following conditions precedent:
 - (i) the Pre-Construction Permits and/or approvals that must be obtained by the Parties prior to the installation of the WWTFs Improvements shall have been obtained and shall be in full force and effect,

- (ii) SYNAGRO shall have obtained certificates of insurance sufficient, in the reasonable opinion of NBC, to meet SYNAGRO'S obligations under Article VII hereof; and
 - (iii) no action, suit or proceeding shall have been commenced or threatened in any federal, state or local court or administrative agency which, if the outcome is adverse to any party against whom relief is sought, would materially and adversely affect the performance by any Party to this Agreement of its obligations pursuant to this Agreement.
- (b) NBC's obligations hereunder relating to the start of installation of the WWTFs Improvements shall be subject to the satisfaction or occurrence of the following conditions precedent:
- (i) all Pre-Construction Permits and approvals that must be obtained by the Parties prior to the installation of the WWTFs Improvements shall have been obtained and shall be in full force and effect; and
 - (ii) no action, suit or proceeding shall have been commenced or threatened in any federal, state or local court or administrative agency which, if the outcome is adverse to any party against whom relief is sought, would materially and adversely affect the performance by any Party to this Agreement of its obligations pursuant to this Agreement.

ARTICLE XII

GENERAL PROVISIONS

Section 12.1 Relationship of the Parties. Except as otherwise explicitly provided herein, no Party to this Agreement will have any responsibility whatsoever with respect to services provided or contractual obligations of or assumed by the other Party and nothing in this Agreement will be deemed to constitute either Party a Representative of the other Party or to create any fiduciary relationship between the Parties. At all times throughout the term of this Agreement, SYNAGRO shall be an independent contractor to NBC, and shall not, in any manner whatsoever, by any action or deed, or the omission thereof, commit or be deemed to have committed NBC to any obligation irrespective of the nature thereof.

Section 12.2 Assignment. This Agreement shall not be assigned or transferred by any Party without the written consent of the other Party, which consent shall not be unreasonably withheld.

Section 12.3 Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the Parties to this Agreement and any successors or assigns acquiring an interest hereunder consistent with Section 12.2 hereof.

Section 12.4 Notices.

- (a) All notices, consents, invoices and other communications required, permitted or otherwise delivered under this Agreement shall be in writing and may be faxed, or delivered by hand or mailed by first class registered or certified mail, return receipt requested, postage prepaid, or by nationally recognized express delivery service, charges prepaid, and shall be addressed as follows:

To SYNAGRO: Synagro Northeast, LLC
435 Williams Court, Suite 100
Baltimore, MD 21220
Attention: General Counsel

To NBC: Narragansett Bay Commission
One Service Road
Providence, RI 02905
Attention: Executive Director

Narragansett Bay Commission
One Service Road
Providence, RI 02905
Attention: Deputy Director

- (b) Changes in the respective addresses to which such notices, consents, invoices or other communications may be directed may be made from time to time by either Party by notice to the other Party in accordance with this Section 12.4. Notices and consents given by mail shall be deemed to have been given three (3) Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

Section 12.5 Entire Agreement; Current Agreement. This Agreement constitutes the entire and complete agreement between the Parties with respect to the subject matter hereof, and supersedes all other agreements, understandings, arrangements, commitments and

representations. On the Commencement Date, the Current Agreement shall automatically terminate and no longer be in force and effect.

Section 12.6 Other Documents; Further Assurances. Each Party promises and agrees to execute and deliver any instruments and to perform any acts that may be reasonably requested by the other Party in order to give full effect to this Agreement.

Section 12.7 Applicable Law. The laws of the State of Rhode Island shall govern the validity, interpretation, construction and performance of this Agreement, as such laws apply to agreements executed and performed in the State of Rhode Island.

Section 12.8 Headings. Captions and headings in this Agreement are for ease of reference only and do not constitute an enforceable part of this Agreement.

Section 12.9 Amendment; Waiver. The Parties to this Agreement may agree from time to time to change, modify, amend or waive this Agreement or any provisions hereof. Such change, modification, amendment or waiver may occur only pursuant to a written instrument signed by both Parties.

Section 12.10 Severability. In the event that any provision of this Agreement shall, for any reason, be determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall negotiate in good faith and agree as to such amendments, modifications or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Agreement shall, as so amended, modified or supplemented, or otherwise affected by such action, remain in full force and effect.

Section 12.11 Dispute Procedures.

- (a) It is acknowledged by the Parties that a quick and efficient resolution of all claims, disputes and other matters in question arising out of this Agreement ("Disputes") is critical to the implementation of the terms of this Agreement. In order to effectuate such intent, the Parties hereby establish this Dispute procedure for use during the term of this Agreement. All Disputes shall be subject to this Section 12.11 (excepting only such Disputes which are of an emergency nature wherein immediate action is required) it being the intention of the Parties that all such Disputes be subject hereto regardless of any specific reference or absence of reference to this Section 12.11 in this Agreement. Failure of SYNAGRO to accept, Dewater, transport and Dispose of all NBC Biosolids made available to SYNAGRO pursuant to Section 4.2,

Section 4.3, Section 4.4, Section 4.5, and/or 4.6 for an unscheduled period of two days or greater shall be deemed to be a Dispute of an emergency nature wherein immediate action is required and to which the Dispute Procedures set forth in Section 12.11 shall not be required.

- (b) Prior to commencing any lawsuit or statutory arbitration proceedings with respect to any Dispute, the Parties will negotiate in good faith to resolve such Dispute for a period of at least sixty (60), but no more than ninety (90) days. Each party further agrees that within such period, either Party may submit each Dispute to a nonbinding mediation and in such event shall provide notice thereof to the other Party, and if reasonably requested to do so the other Party must participate in the mediation, provided that the mediation proceedings are completed within such period, and the costs and expenses of any mediator shall be borne by the Party requesting such mediation.
- (c) SYNAGRO and NBC shall continue to perform their respective obligations under this Agreement, including payment, during any Dispute proceeding, unless otherwise agreed in writing by SYNAGRO and NBC. All grace periods, notice periods and cure periods provided for in this Agreement that relate to any Dispute shall be tolled from the date of the notice delivered by a Party pursuant to this Section 12.11 that such Dispute exists until the end of the period provided for in Section 12.11(b) hereof.
- (d) This Section 12.11 shall survive the termination of this Agreement.

Section 12.12 Counterparts. This Agreement may be executed in any number of counterparts and by the different Parties hereto on separate counterparts, all of which when so executed and delivered will together constitute one and the same instrument.

Section 12.13 No Consequential or Punitive Damages. Except as otherwise provided by law, in no event shall either party hereto be liable to the other or obligated in any manner to pay to the other any special, incidental, consequential, punitive or similar damages based upon claims arising out of or in connection with the performance or non-performance of its obligations or otherwise under this Agreement, whether such claims are based upon contract, tort, negligence, warranty or other legal theory.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SYNAGRO NORTHEAST, LLC

By: Andrew Bosinger

Name: Andrew Bosinger

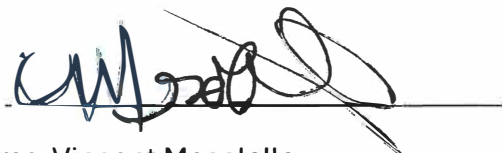
Title: Vice President, Business Development

NARRAGANSETT BAY COMMISSION,

By: 

Name: Laurie Horridge

Title: Executive Director

By: 

Name: Vincent Mesoletta

Title: Chairman

EXHIBIT 1

Scope of Work/Dewatering Operations for the Narragansett Bay Commission

EXHIBIT 2

WWTFs Improvements Preliminary Plans

EXHIBIT 3

Mobilization Schedule

EXHIBIT 4

Field's Point Interim Dewatering Facilities Location

EXHIBIT 5

Disposal Options

EXHIBIT 6

Demobilization Scope of Work



EXHIBIT LIST

- Exhibit 1: Proposal for Dewatering Operations for the Narragansett Bay Commission
- Exhibit 2: NBC WWTF Improvements – Field’s Point and Bucklin Point
- Exhibit 3: Mobilization Schedule
- Exhibit 4: Field’s Point Interim Dewatering Building Location
- Exhibit 5: Disposal Options for Transportation, and Disposal
- Exhibit 6: Demobilization of Temporary Dewatering Facilities



Exhibit I: Dewatering Operations for the Narragansett Bay Commission

The Narragansett Bay Commission (NBC) has requested from Synagro Northeast, LLC (Synagro) a proposal for the provision of interim dewatering services at the Field's Point Wastewater Treatment Facility (WWTF) and upgraded dewatering services at the Bucklin Point WWTF.

The following proposal details the solution offered by Synagro, with an emphasis on four main elements, including:

1. **Ensuring safe and reliable biosolids dewatering operations at all times.**
2. **Cost effective solution design and delivery.**
3. **Reliable and sustainable dewatered biosolids disposal with integrated backup and contingency options.**
4. **Full compliance with regulatory requirements.**

In an effort to provide the level of success and meet the overall goals and objectives of the NBC, Synagro will assign a dedicated team of qualified individuals whose responsibility will be to deliver the proposed solution on time and on budget, manage the day-to-day operations of the facilities, ensure compliance of the contract, and effectively communicate daily and weekly with the NBC. This organizational structure is described herein.

OPERATIONS PLAN - NBC FIELD'S POINT WWTF

To ensure redundancy and operational reliability, the Synagro proposal provides for additional interim dewatering solution to be installed and operated adjacent to the existing dewatering building. The interim facility and the existing structure will each be capable of processing 100% of the Field's Point biosolids.

On an operating basis, the proposed interim dewatering system will be the primary processing system. On an annual basis, it is expected that the interim equipment will process approximately 70 percent of the Field's Point volume, while the existing dewatering system will process the remaining 30 percent and be designated as the backup system to ensure readiness. The schedule for operating the equipment will be established to ensure either system is not idle for an extended time, i.e. 3 week/1 week schedule. The proposed approach builds critical redundancy into the NBC's biosolids system, while efficiently addressing RIDEM backup system requirements. The piping configuration allows the simultaneous operation of the interim and existing dewatering systems. Synagro will submit to RIDEM all necessary documentation for approvals. Both systems will be staffed with the same employees and will have the ability to operate simultaneously.

The primary and backup equipment at Field's Point will have a total processing capacity of 540 gallons per minute (GPM), at 3-4% solids, and a firm processing capacity of 340 GPM, at 3-4% solids. This includes 200 GPM from the interim outdoor centrifuge (primary), 200 GPM from the existing (back-up) centrifuge, and 70 GPM from each of the two 2M belt filter presses. This configuration ensures operational flexibility, redundancy, and the ability to meet varying sludge volumes efficiently during both routine and peak conditions. The processing capability will also allow for planned and unplanned maintenance. The piping configuration

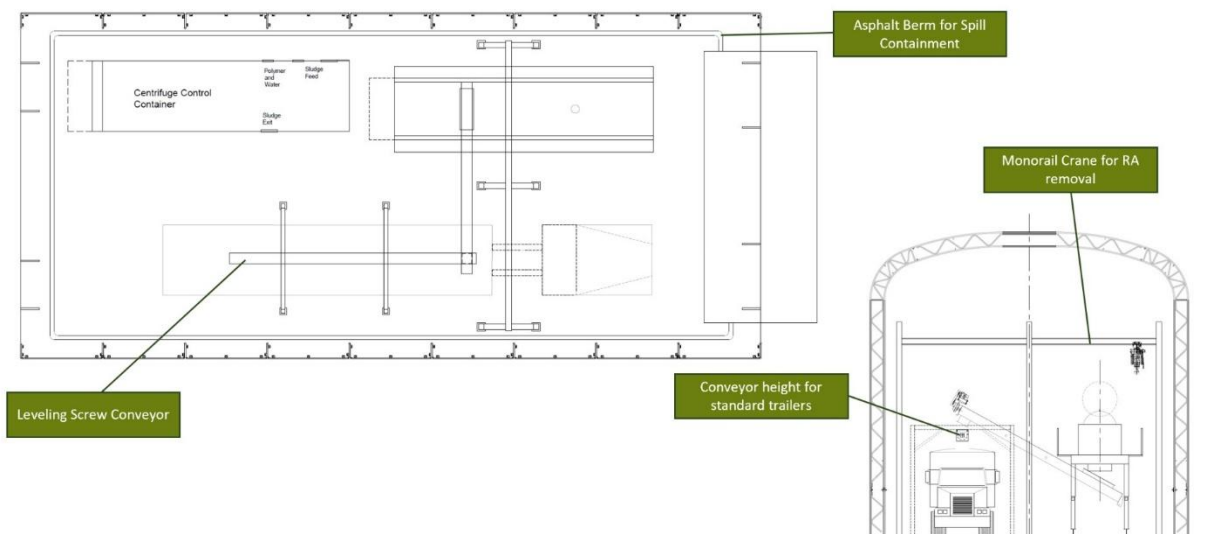


allows the simultaneous operation of Primary and backup centrifuges.

Synagro will implement an interim dewatering solution at Field's Point using a professionally engineered and Rhode Island stamped structure with a site footprint of approximately 45 feet by 90 feet (see drawing below). The external structure will serve as the primary dewatering facility, in addition to an internal belt press as needed. The facility will be designed with a complete containment berm for spill control and housekeeping, a loadout area optimized to support a diverse range of disposal options, and dedicated odor control equipment. All aspects of the project will be professionally stamped either through Woodard and Curran or the vendor.

At all times, operating procedures for Field's Point will provide the same system capacity, backup capacity, and overall operating parameters as defined and approved by RIDEM in the applicable Orders of Approval on file

Interim Dewatering Solution Layout



Major equipment list for the Field's Point WWTF operations:

- Primary Centrifuge Flottweg Z73 (Purchased by NBC)
- Back Up Centrifuge Flottweg Z73 (Existing)
- Back up Two Andritz SMX 2M Belt Filter Presses
- 1 shared polymer Velodyne make-down unit
- Jockey truck to stage trailers
- 10-ton hoist
- Conveyor system
- Solution storage tank
- Miscellaneous pumps
- Inventory of spare parts



OPERATIONS PLAN - BUCKLIN POINT WWTF

Synagro will operate dewatering at the Bucklin Point WWTF using two existing Andritz centrifuges each with a processing hydraulic capacity of 200 gallons per minute. Synagro has in inventory a spare Rotating Assembly to facilitate fast response to any centrifuge outage.

At all times, operating procedures for Bucklin Point will provide the same system capacity, backup capacity, and overall operating parameters as defined and approved by RIDEM in the applicable Orders of Approval on file.

Maintenance at Fields and Bucklin Point

Synagro will manage preventive and corrective maintenance for all process equipment at both Field’s Point and Bucklin Point which Synagro is responsible for operation and maintaining as identified on the respective Process Flow Diagrams in accordance with OEM. Maintenance will be managed through a CMMS, with reporting and access to NBC as requested. Synagro and NBC will perform a quarterly maintenance meeting and walk through the dewatering process to ensure compliance.

Synagro’s approach to facility/asset maintenance involves all disciplines within the company, including:

- **Management** – Ensures that the entire organization buys into the preventive maintenance philosophy, all performance standards are understood, and performance metrics are tracked and reported.
- **Operations** – Operates equipment in accordance with SOPs, performing routine facility walkdowns to identify equipment deficiencies and subsequently reporting them to operations manager. All equipment shall be regularly exercised to ensure proper functionality.
- **Purchasing** – Obtains quality parts, materials, and supplies in the appropriate quantities, on a timely basis. All parts, materials, and supplies shall be new unless new procurements are not reasonably possible. Negotiates pricing and supply contracts with vendors.
- **Environmental, Health, and Safety** – Drives, measures and reports compliance with all safety provisions, and creates safety awareness, ensuring maintenance services are delivered in accordance with SOPs and JHAs.
- **Warehousing** – Ensures correct replacement parts are available in a timely manner and that critical spares are on-site.
- **Maintenance** – Performs quality maintenance work and services while regularly adhering to the appropriate schedule for routine preventative maintenance and performing critical and emergency repairs timely.

PERSONNEL

The Field’s Point and Bucklin Point dewatering facilities will be overseen by a full-time dedicated Operations Manager, whose sole responsibility is to manage operations at the NBC sites. This role ensures consistent oversight, coordination of staffing and maintenance, and alignment with operational goals across both sites. The Operations Manager will also be accountable for enforcing safety protocols, conducting regular safety audits, managing spare parts inventory, maintenance schedules, ensuring compliance and continuous improvement. Oversight and strategic support will be provided by an Area Director, who will guide long-



term planning, regulatory compliance, and customer communication.

Field's Point

The dewatering facility at Field's Point will be staffed to support 24/7 operations by providing two to three shifts per day as required. Each shift will be staffed by two qualified employees, ensuring continuous monitoring, equipment operation, and process control. The Operations Manager will spend approximately 70% of the time on direct management of Field's Point operations. This staffing model provides full coverage for all dewatering equipment, support rapid response to operational issues maintaining compliance with safety and performance standards. To maintain consistent coverage during callouts, holidays, and scheduled PTO, Synagro will have additional qualified personnel beyond the core operations team. The cross-trained support staff will be available to step in as needed.

Bucklin Point

The Bucklin Point facility will be staffed with no less than one qualified operator per shift, and up to two on a as needed basis. The Synagro Operations Manager will dedicate approximately 30% of their time to the Bucklin Point site. Synagro will run one or two shifts per day, five to seven days per week, based on the volume of sludge received. The flexible staffing and scheduling model ensures that Synagro can efficiently manage varying load conditions while maintaining performance, safety, and compliance. Synagro will also use the same reliable portfolio of disposal solutions for Bucklin Point and Field's Point as set forth in the applicable approved Order of Approval.



Fields Point and Bucklin Point Organizational Chart



SAFETY PLAN

Synagro is committed to maintaining safe and compliant work sites across the company. To ensure ongoing compliance and identify opportunities for improvement, Synagro will conduct quarterly safety audits at Field’s Point and Bucklin Point. These audits will:

- Evaluate adherence to safety protocols,
- Identify potential hazards or unsafe conditions,
- Review incident reports and near-misses, and
- Provide actionable recommendations for corrective measures.

Findings from each audit will be documented and reviewed with site leadership on a quarterly basis, and corrective actions will be tracked to completion.

COMMUNICATIONS PLAN

Effective communication is essential to maintaining safe, efficient, and compliant operations at both facilities. Synagro will implement a structured communication framework to ensure timely information sharing, issue resolution, and alignment across all levels of the operation.

Operational Reports will be completed at the end of each day and compiled into a daily summary report by the Operations Manager. Reports will include key metrics such as equipment performance,



throughput, downtime, safety observations, and any operational issues. The daily report will be distributed to NBC leadership and relevant Synagro stakeholders to ensure transparency and prompt follow-up on any concerns.

Weekly meetings will be held with the NBC Operations, Synagro Project Manager, Synagro Area Director, and other key team members to review performance, address challenges, and plan for upcoming needs. Topics will include safety updates, maintenance planning, staffing, disposal logistics, and regulatory compliance. Meeting notes and action items will be documented, distributed, and tracked to ensure accountability and continuous improvement.

Synagro will continue to collect cake and centrate samples and provide them to NBC. The sampling plan will be mutually agreed upon by NBC and Synagro.

PROCESSING ASSUMPTIONS

Synagro will be responsible for processing all sludge made available and delivered by NBC to the Field's Point and Bucklin Point WWTFs. Using historical data and projected flows, Synagro has based its proposal on processing approximately 8,220 dry tons per year at Field's Point and 2,073 dry tons per year at Bucklin Point. These estimates form the basis for equipment selection and sizing, operational planning, staffing, equipment utilization plans, sludge disposal requirements and logistics, ensuring Synagro is prepared to meet NBC's full dewatering needs reliably and efficiently.

DISPOSAL PLAN

Due to the highly constrained nature of the biosolids management marketplace in the Northeastern United States, Synagro understands that reliable biosolids removal and disposal is a critical requirement in NBC's ongoing operations.

Synagro's plan for the NBC biosolids includes three options: processing at the Woonsocket incinerator, rail transport to landfill and disposal at (multiple) remote landfills, and truck-based transportation and landfill disposal and/or composting outside of the Northeast region. The diversification of disposal outlets ensures that the daily generated volumes are able to be reliably managed in a compliant and efficient method. All options mentioned will be submitted to RIDEM and added to the operations plan.



PROPOSED UPGRADES

Field's Point WWTF Interim Dewatering

- Installation of additional 29" Flottweg centrifuge with a 200 GPM hydraulic capacity at 3-4% solids
- Installation of Conveyor system
- Installation of 10-ton hoist in interim building
- Installation of structural equipment supports
- Utilities including electrical and plumbing (qualified, licensed local subcontractors will be utilized, where appropriate).
- Control wiring upgrades for existing dewatering building
- Odor control system
- Solution storage tank
- Big Top fabric structure
- Engineering services for designing and building the interim facility (using Woodard & Curran as design engineer)
- Permitting and inspection of interim facility
- Interim facility containment system
- Submission to RIDEM for change in process

Bucklin Point WWTF

- Upgrade Polymer makeup system with 2 Velodyne 15P-3000 units for redundancy with a 500-gallon solution day tank
- Additional polymer solution pump for redundancy
- Repurpose existing 9000-gallon polymer solution tank for neat polymer storage
- Integrate controls of new polymer system with the existing centrifuge



PRICING

Operating Annual Estimate

Field's Point Estimated Dry Ton (DT) Rate	Estimated Budgeted Volumes
<ul style="list-style-type: none"> • \$377.00 per DT Operating Rate • \$637.20 per DT for transportation and disposal of dewatered biosolids, using Woonsocket • \$700.00 per DT for transportation and disposal of dewatered biosolids, using EPIC/Rail 	<ul style="list-style-type: none"> • 8,220 DT estimated
Bucklin Point Estimated Dry Ton Rate	Estimated Budgeted Volumes
<ul style="list-style-type: none"> • \$ 673.00 per DT Operating Rate • \$637.20 per DT for transportation and disposal of dewatered biosolids, using Woonsocket • \$700.00 per DT for transportation and disposal of dewatered biosolids, using EPIC/Rail 	<ul style="list-style-type: none"> • 2,073 DT estimated

Mobilization cost is estimated at \$671,500. It is recommended that NBC add a contingency of \$130,000 to cover the potential for unforeseen costs. If this contingency fund is not needed, it will not be invoiced. Synagro estimates demobilization to be \$110,000 and will be invoiced at cost plus 10%. This does not include demobilization of the interim structure.

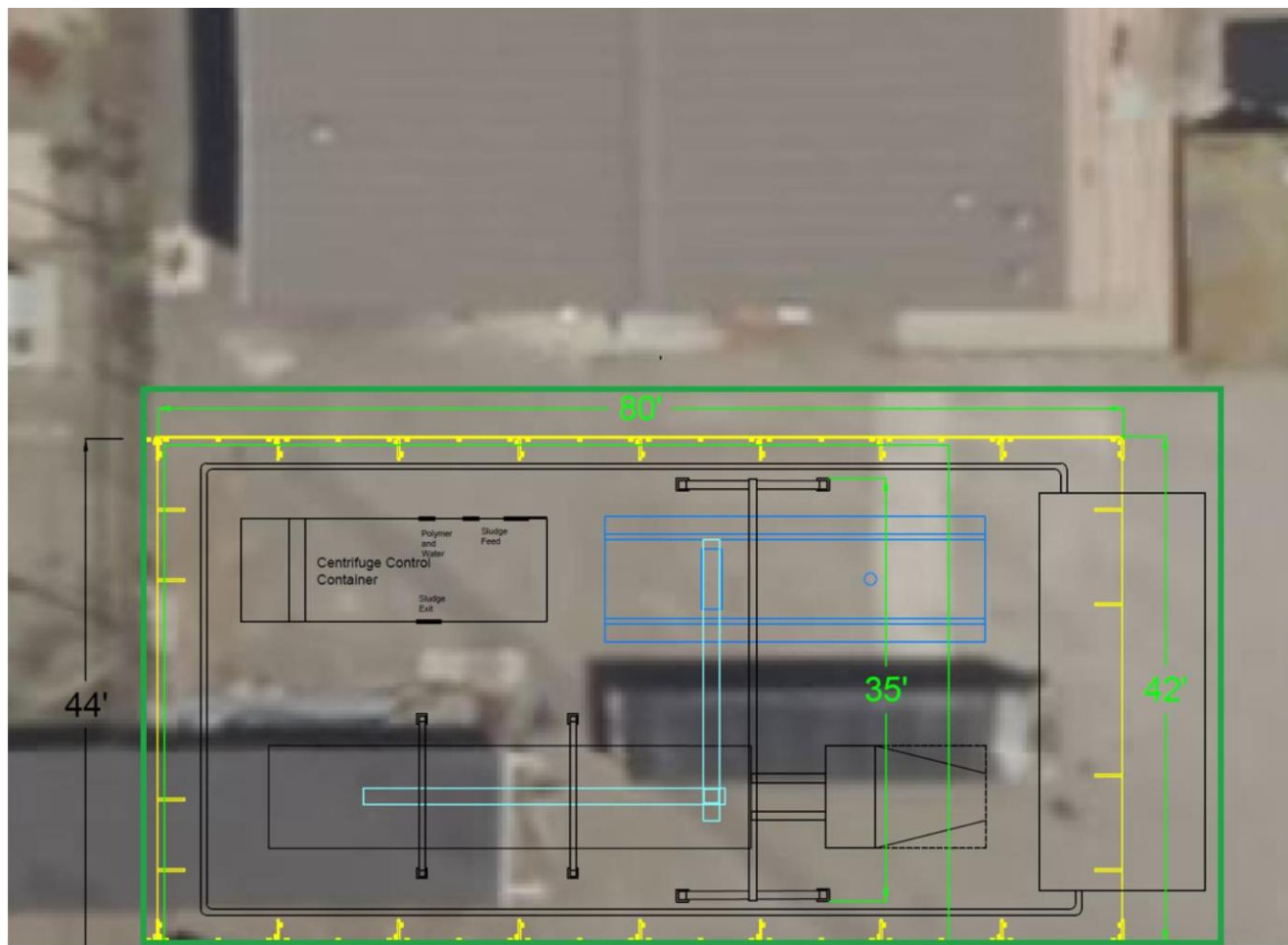
Synagro requests that all parties agree to an annual CPI adjustment, fuel surcharge and any adjustments that may be required due to unforeseen increases in disposal costs.

Monthly invoicing will be billed on a dry ton rate for processing, and a dry ton rate transportation & disposal on net 30-day payment terms.

This proposal is delivered in good faith and is based on Synagro's standard terms and conditions and shall be strictly non-binding upon Synagro until all parties negotiate and execute a binding contract. This proposal shall not obligate Synagro to negotiate an agreement and any of the terms of the contract shall be subject to Synagro's approval, at its discretion.

Exhibit 2: NBC WWTF Improvements Preliminary Plans

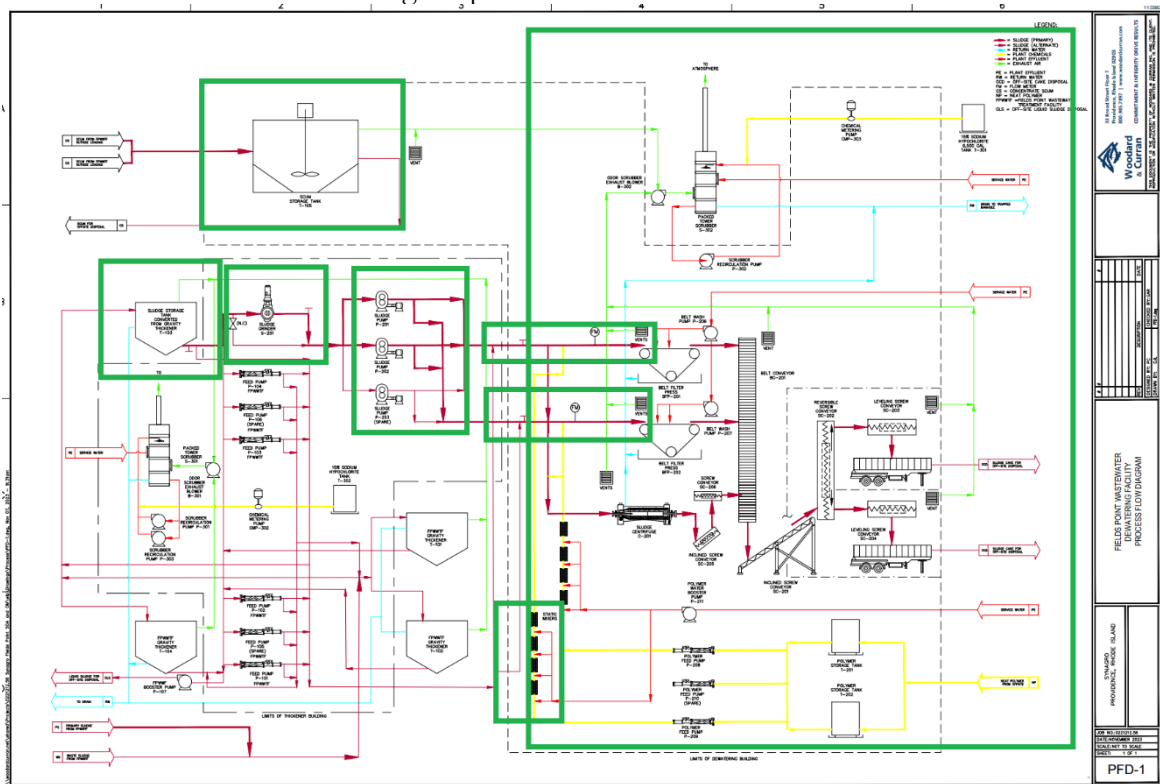
Fields Point Primary Dewatering System



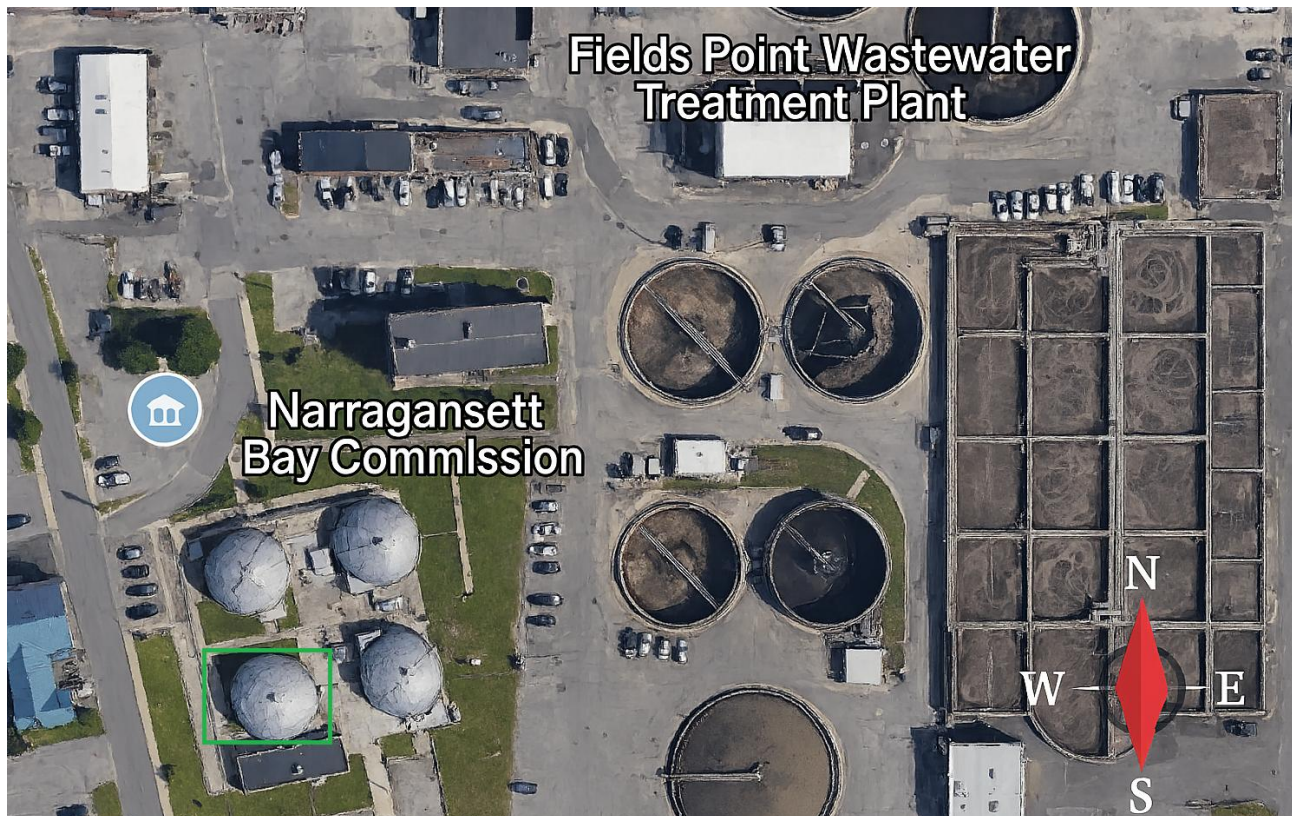
****Synagro shall be contractually responsible for the maintenance and operations of the equipment in above diagram designated by green box and in the existing dewatering building including all equipment, devices and ancillary systems including sludge lines valves and any other utility piping between and within the temporary building and the existing dewatering building.**

Field's Point Upgrades Include:

- Installation of additional 29" Flottweg centrifuge
- Installation of Conveyor system
- Installation of 10-ton hoist in interim building
- Installation of structural equipment supports
- Utilities including electrical and plumbing (qualified, licensed local subcontractors will be utilized, where appropriate).
- Control wiring upgrades for existing dewatering building
- Odor control system
- Solution storage tank
- Big Top fabric structure
- Engineering services for designing and building the interim facility (using Woodard & Curran as design engineer)
- Permitting and inspection of interim facility
- Interim facility containment system
- Submission to RIDEM for change in process

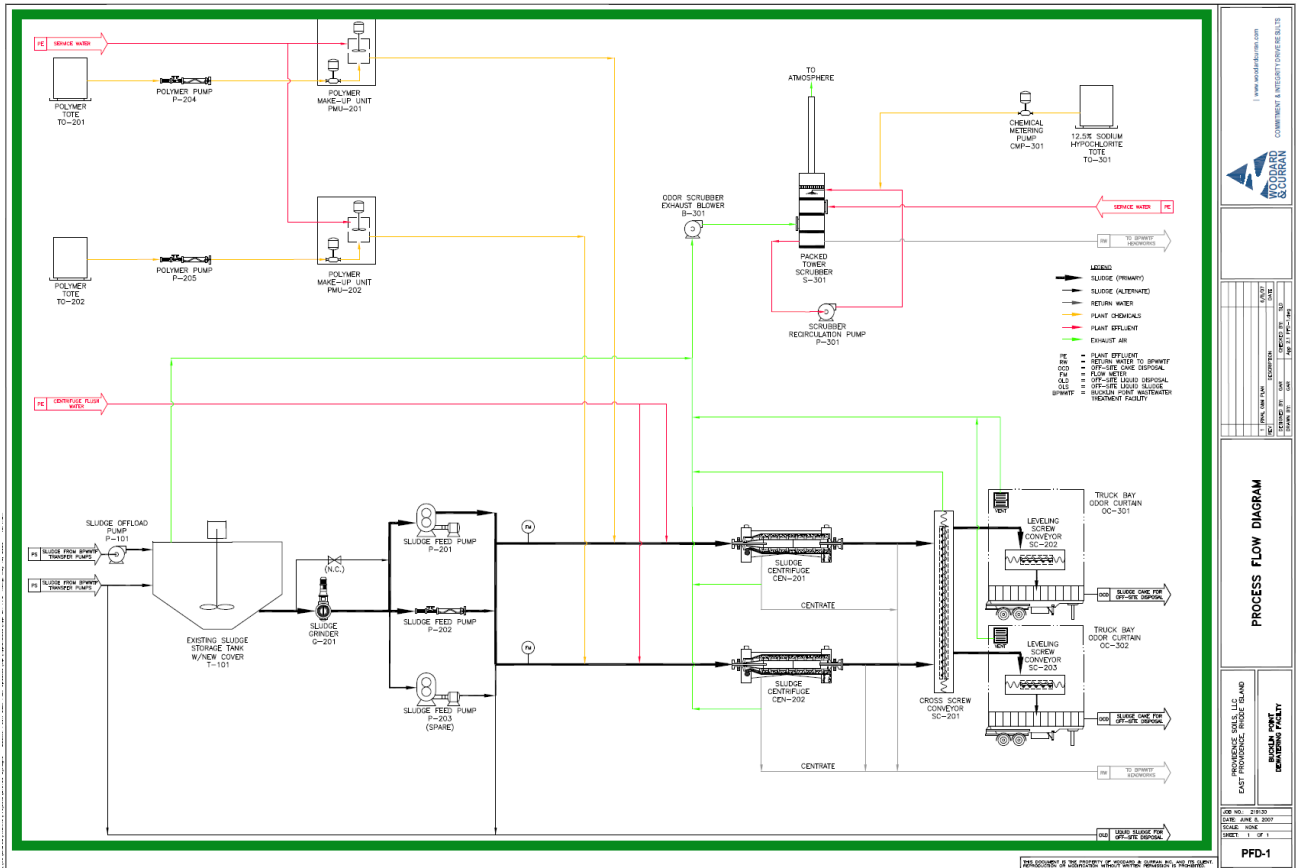


**Synagro shall be contractually responsible for the maintenance and operations for the equipment in above diagram designated by green box. Synagro is responsible for the sludge storage tank and all its associated mechanical equipment and systems.

Location of Synagro Sludge Storage TankBucklin Point WWTF

Synagro will operate dewatering at the Bucklin Point WWTF using two existing Andritz centrifuges each with a processing hydraulic capacity of 200 gallons per minute. Synagro has in inventory a spare Rotating Assembly to facilitate fast response to any centrifuge outage.

- Upgrade Polymer makeup system with 2 Velodyne 15P-3000 units for redundancy with a 500-gallon solution day tank
- Additional polymer solution pump for redundancy
- Repurpose existing 9000-gallon polymer solution tank for neat polymer storage
- Integrate controls of new polymer system with the existing centrifuge



**Synagro shall be contractually responsible for the maintenance and operations for the equipment in above diagram designated by green box. Synagro's area of responsibility also include the three sludge transfer pumps associated with the sludge storage tank. Also included in Synagro's scope of responsibility is the entire sludge pumping and piping system between the digester complex and dewatering building including the 3 sludge transfer pumps located in the basement of the digester complex.

Exhibit 3: Mobilization Schedule

Bucklin Point Polymer Improvement Project Prelim

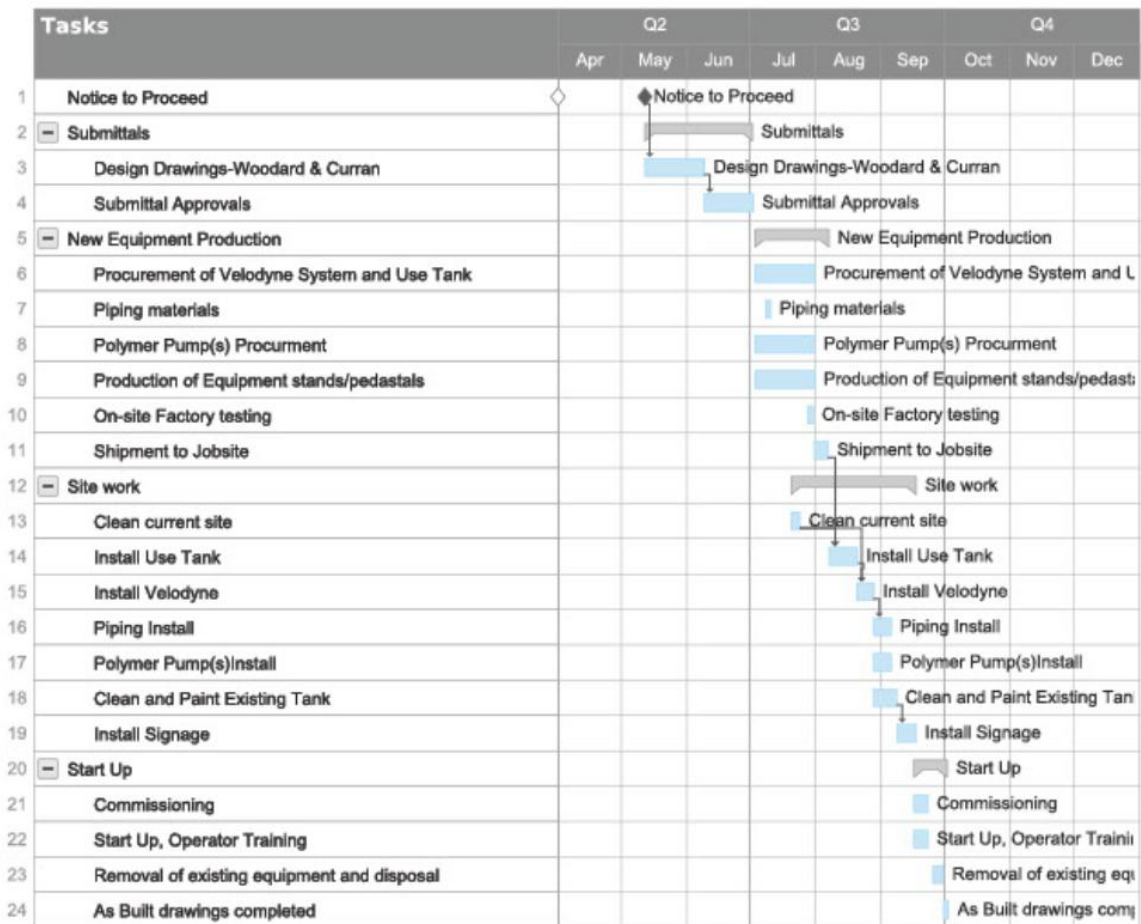


Exhibit 3: Mobilization Schedule (continued)

NBC Fields Point Interim Dewatering Mobilization

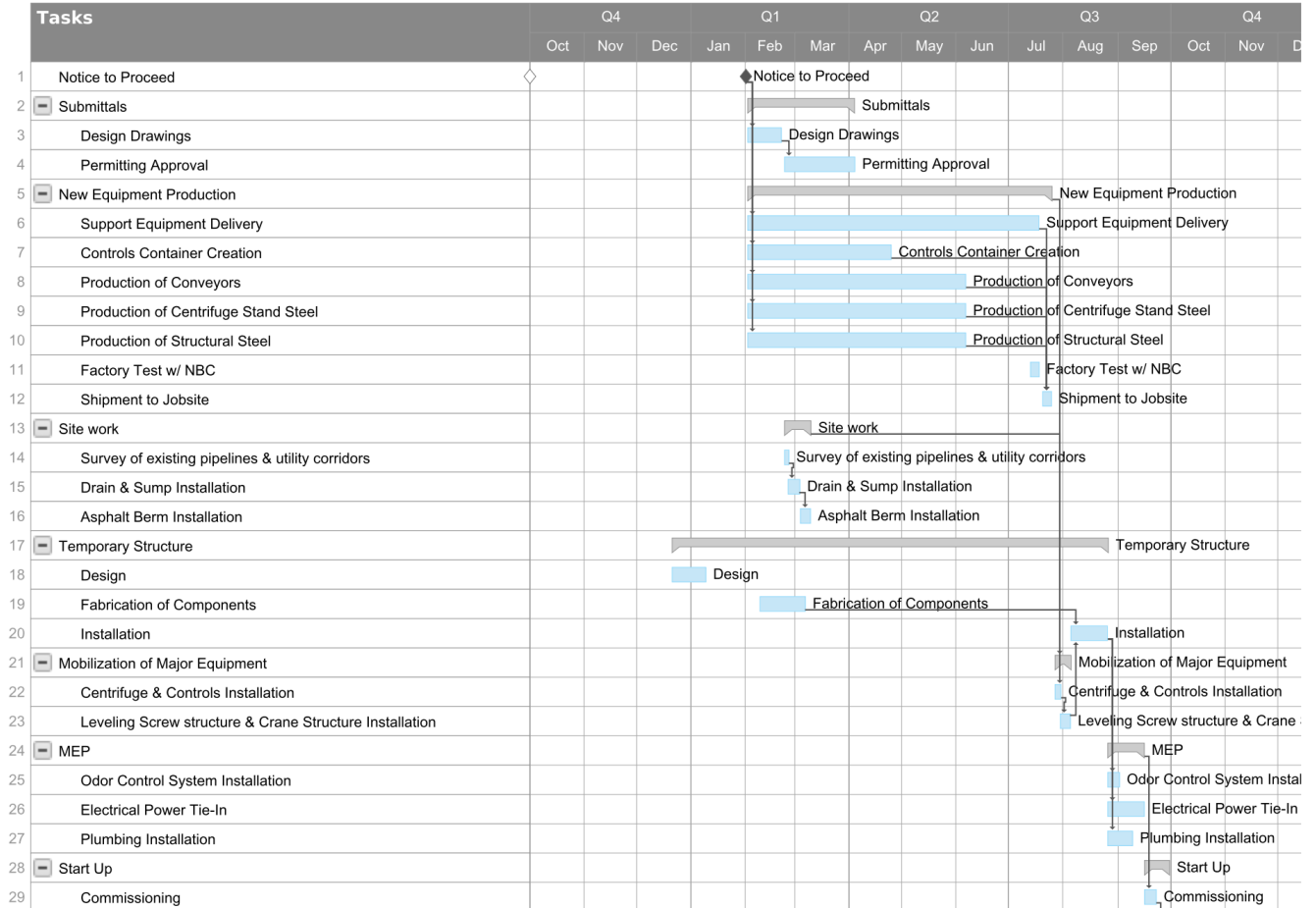


Exhibit 4 Approximate Location of Field's Point Primary Dewatering

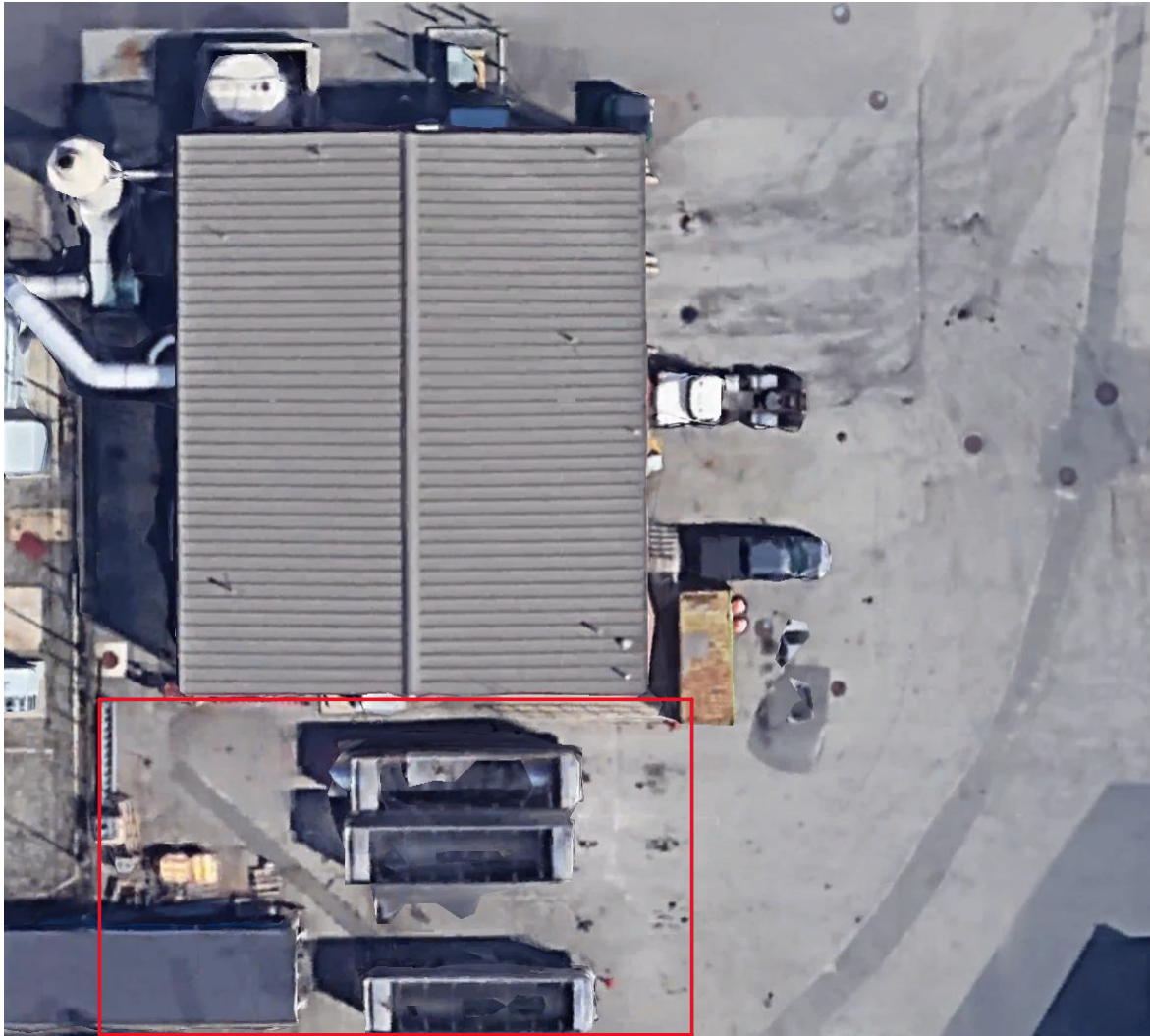




Exhibit 5: Disposal Options for Transportation, and Disposal

The following are the disposal options secured to support the Biosolids Dewatering, Transportation, and Disposal Agreement. Please note that these options have been updated in the Operations and Maintenance plan with Rhode Island Department of Environmental Management (RIDEM).

1. Woonsocket Incinerator will be the primary disposal outlet (estimated 75% of volume annually).
2. EPIC, rail option, will be utilized as the secondary option for the project. Synagro intends to utilize the EPIC option as a contingent option to ensure that the number of daily loads generated are removed from both Field's and Bucklin Points (estimated 25% of volume annually).
3. Third party disposal outlets, i.e. landfill options, in the local market or outside of the New England region. In the event this becomes necessary due to capacity issues, Synagro will engage with the NBC prior to shipments to third party outlets and inform all parties of the need for this option.

- * At all times all transportation and disposal options utilized by Synagro must be listed on the applicable Order of Approval approved by and on file with RIDEM.



Exhibit 6: Demobilization of Temporary Dewatering Facilities

PROJECT: DEWATERING OPERATIONS TRANSITION

CONTRACTOR: SYNAGRO NORTHEAST, LLC

1. Overview

Synagro will demobilize the temporary dewatering facilities at the Field's Point Wastewater Treatment Facility (WWTF) as outlined in Exhibit 1, unless otherwise agreed by the Parties. This process will include the removal of all interim equipment, structures, and associated systems installed for temporary operations.

2. Transition Commitment

The Parties will collaborate in good faith to ensure a seamless and efficient transition from interim operations to the permanent or upgraded dewatering solution. This effort will include coordinated scheduling, clear communication, and contingency planning to prevent any disruption to biosolids processing.

3. Demobilization Activities

- Remove temporary Synagro equipment.
- Deconstruct odor control and loadout equipment as directed by NBC.
- Restore site conditions in full compliance with NBC standards and applicable regulatory requirements.
- Demobilize or transfer equipment in accordance with contractual terms.

4. Safety & Compliance

All demobilization activities will adhere to OSHA standards, NBC safety protocols, Synagro safety standards, and RIDEM environmental regulations.

5. Timeline & Coordination

Demobilization will be scheduled to minimize operational impact, with detailed timelines agreed upon by both Parties prior to commencement.

Additional Requirements

- Thoroughly clean the process building.
- Provide NBC with all owner's manuals and equipment cut sheets.

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-9: Refer to NBC Schedules C-4 and C-5 and the response to DIV 1-24, which shows NBC's proposed quantity of 10,294 annual dry tons of biosolids to be disposed, and to the following table:

Component	Long Term	Biosolids
	Biosolids Expense	Expense
	NBC Sch C-4	NBC Sch C-5
Cost	\$ 11,281,446	\$ 7,984,635
Annual dry tons	10,294	10,294
Cost per ton	\$ 1,095.92	\$ 775.66
Docket 24-41-WW compliance	\$ 7,734,635	\$ 7,734,635
Increase to Expense in Acct 53480	\$ 3,546,811	\$ 250,000

- a. Please confirm that NBC has used a cost per dry ton of \$1,095.92 to derive its biosolids expense amount on NBC Schedule C-4. If this cannot be confirmed, explain fully and show in detail the price per ton NBC used to derive \$11.281 million.
- b. Identify and provide all supporting documentation relied upon by NBC for the cost per dry ton that was used to derive the \$11,281,446 amount on NBC Schedule C-4.
- c. Show in detail the number of dry tons and the cost per ton that was used by NBC to derive \$7,984,635 on NBC Schedule C-5. Include supporting calculations in Excel and provide support for the cost per ton used by NBC, which appears to be \$775.66, as shown above.
- d. What total cost for biosolids disposal is NBC requesting (based on the amounts shown by NBC on NBC Schedules C-4 and C-5)?
- e. Please confirm that in the current case, NBC is requesting the \$11,281,446 amount from NBC Schedule C-4 but not the \$7,984,635 amount from NBC Schedule C-5, as the biosolids expense in account 53480. If this cannot be confirmed, explain fully the amount of expense NBC is requesting in account 53480 and show in detail how that was derived.

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Response:

- a. The calculation of the cost per average dry ton is correct, however actual rates per dry ton vary based on whether the source is Bucklin Point or Field's Point and if treatment occurs at Epic or Woonsocket facilities. The two-year average used to calculate the \$11,544,091 set forth below (new executed Synagro contract) includes 8,219.8 dry tons from Field's Point and 2,073.4 dry tons from Bucklin Point at an average cost per dry ton of \$1,061.30 and \$1,373.30, respectively. This amount is approximately \$263,000 higher than the \$11,281,446, which is included in NBC's proposed revenue requirement.
- b. See subpart a.
- c. See the direct testimony of Nicholas Weaver, pages 6 and 7, and the direct testimony of Kevin McDonald, page 4 at lines 22 to 30. The \$250,000 is related to a long-term biosolids disposal contract and is fixed, not dependent on dry tons.
- d. Based on the amounts shown on the as-filed schedules C-4 and C-5, the amount would be \$11,531,446, calculated by taking the \$7,734,635 compliance amount and adding (1) the \$3,546,811 related to the Synagro contractual increase shown on Schedule C-4 and change in dry tonnage, and (2) the \$250,000 of funding for the earnest deposit in FY27 and FY28 shown on Schedule C-5 related to the facility that is able to manage PFAS.

Using the revised biosolid cost of \$11,545,030 discussed in subpart a. of this response, the resulting cost would be \$11,795,030. However, since the filing, NBC has executed the Biosolids contract, and the finalized rate is slightly higher than originally projected. See details below. However, NBC is not seeking increased funding for biosolids based on this higher expense level. NBC can meet this increased cost with savings in Debt Service. See the response to Div. 2-10 below.

**NBC Schedule C-4
Biosolids Expense Account 53480**

Annual Dry Tons	10,293
As Filed	
Cost per Dry Ton	\$1,095.92
Biosolids Disposal Cost	\$ 11,281,446
Long-Term Biosolids Disposal Contract Fixed Cost	250,000
Total Biosolids Cost	\$ 11,531,446
 New Biosolids Contract Executed (Synagro)	
Cost per Dry Ton	\$1,121.53
Biosolids Disposal Cost	\$ 11,544,091
Long-Term Biosolids Disposal Contract Fixed Cost	250,000
Total Biosolids Cost	\$ 11,794,091
Difference	\$ 262,645

- e. Denied. See response to subpart d. The presentation of the same test year amount on schedules C-4 and C-5 was not intended to convey that two different amounts are being proposed for the test year.

Sponsored by: Nicholas R. Weaver, CPA

DOCKET 25-32-WW
The Narragansett Bay Commission's Response
To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

Div. 2-10: Debt service. Refer to the response to DIV 1-40.

- a. When does NBC expect to know with specificity what its interest and principal payment obligations and debt service requirements will be for FY2027?
- b. When does NBC expect that all debt will have been issued relating to NBC's FY2027 interest and principal payment obligations and debt service requirement for FY2027?
- c. Based on the answers to parts a and b, above, does NBC anticipate that there will be a need to revise the interest and principal payment obligations and debt service requirement for FY 2027 that NBC had reflected in computing its requested revenue requirement in the current case? If yes, please explain.

Response:

- a. NBC's debt service requirements for FY 2027 have been finalized.
- b. NBC finalized the \$75M borrowing from RIIB, approved by the Division and Commission under Docket 25-40-WW on February 25, 2026. NBC expects to issue an additional \$100M in borrowing in the fall of 2026, but no increased debt service obligations will be needed for that issuance until FY 2028.
- c. No. NBC does not need to revise its requested revenue requirement for FY 2027 as it relates to debt service obligations. Although there is a slight reduction (\$275,199) between the FY 2027 debt service figures estimated in Docket 25-40-WW and the final numbers, this savings is offset by an increase in biosolids expenses.

FY 2027 Debt Service Obligations

Docket 25-40-WW	Final FY 2027 Amount	Difference
\$56,623,570	\$56,348,371	(\$275,199)

Sponsored by: Kevin B. McDonald

CERTIFICATION

I hereby certify that on March 2, 2026, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Stephanie De La Rosa, Commission Clerk, by electronic mail and regular mail.

Parties/Address	E-mail Distribution	Phone
Narragansett Bay Commission Joseph A. Keough, Jr., Esq. Keough & Sweeney 41 Mendon Ave. Pawtucket, RI 02861	jkeoughjr@keoughsweeney.com ;	401-724-3600
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To the Rhode Island Division of Public Utilities and Carriers
Data Request
Set 2

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