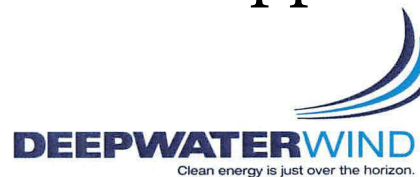


Appendix A



December 4, 2017

Hon. Francis Bock, Clerk
East Hampton Town Trustees
267 Bluff Road
East Hampton, NY 11937

How is it possible for the Trustees or the Town to protect the environments of Wainscott Pond and Georgica Pond by granting Deepwater Wind easements without first requiring it to submit a detailed assessment of the impact its proposal will have on the environment?
By entering into any such agreement prematurely and blindly without due diligence would be an abdication of responsibility by the Trustee and the Town.
Note by Si Kinsella (Dec 12)

RE: Proposed Community Benefits and Real Estate Agreements Between Deepwater Wind and East Hampton, NY

Dear Mr. Bock:

We are pleased to present the attached summary of proposed Community Benefits and Real Estate Agreements between Deepwater Wind and East Hampton.

Deepwater Wind is committed to being a valued and constructive member of the East Hampton community. Our South Fork Wind Farm will help PSEG Long Island avoid the need to build new fossil-fired power plants or transmission lines in East Hampton by providing a new source of cost-effective clean energy. We are proud to have recently opened a new office at 524 Montauk Highway in Amagansett and hired two members of the local community to be part of our development team.

In preparation for the submission of our permit applications in early 2018, we propose to enter into agreements that will firmly establish our long-term commitment to the East Hampton community and confirm that the portions of the project that will be constructed in East Hampton are located in public rights-of-way that are acceptable to the Town Board and the Trustees.

Since this project was proposed in 2015, we have been increasingly active in the community, listening to the thoughts and concerns of folks from Montauk to Wainscott. Based on that feedback, our proposed community benefits agreement establishes the following commitments:

- **Local Economic Development** – We will establish the operations and maintenance facility for the South Fork Wind Farm in Montauk, and base its crew transfer vessel at that facility, which will create job opportunities over the 25-year life of the project.
- **Wainscott Infrastructure Improvements** – We will fully fund the cost of burying the existing electric distribution and other overhead utility lines along Beach Lane and portions of Wainscott Main Street (which is estimated to cost approximately \$2,000,000). In addition, we will provide \$1,000,000 in funds to the Town for use in improving the water infrastructure in Wainscott.

- **Improvements for Fishing and the Marine Environment** – We will provide \$100,000 for the Trustees to establish a Fisheries Habitat Fund. We will also provide another \$500,000 for the Trustees to establish a Marine Environment Improvement Fund. And, we will commit to maintaining a Deepwater Wind fisheries liaison over the full life of the project to facilitate two-way communications.
- **Enhancing Energy Sustainability and Resiliency** – We will provide \$200,000 for the Town to establish an Energy Sustainability and Resiliency Fund.

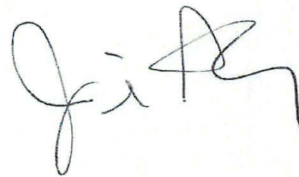
We are interested in finalizing these agreements before we submit our permit applications in early 2018 so that we can ensure what we are proposing is aligned with the interests of the community.

We look forward to discussing this with you. Please contact us at the contact information provided below.

Best Regards,



Clinton Plummer
Vice President, Development
cplummer@dwwind.com
(631) 938-6567



Jennifer Garvey
Development Manager
jgarvey@dwwind.com
(631) 678-6197

SUMMARY OF PROPOSED¹ COMMUNITY BENEFITS AND REAL ESTATE AGREEMENTS BETWEEN DEEPWATER WIND AND EAST HAMPTON, NY

Parties to the Agreements	1. Deepwater Wind South Fork, LLC (DWW); 2. The Trustees of the Town of East Hampton; and 3. The Town of East Hampton, New York.
Project	DWW is developing an offshore wind farm in federal waters over 30 miles east of East Hampton, NY to deliver power to an existing LIPA substation in East Hampton. The Wind Farm will deliver its output to the substation via a new export cable. DWW intends to install portions of the Export Cable within rights-of-way of certain Town-owned roads, which are listed and shown on the map provided in Appendix A. DWW also intends to install portions of the Export Cable beneath the public beach and parking lot at the end of Beach Lane in Wainscott, as further described and shown on the map provided in Appendix B. DWW will commit to use installation methods that are reasonable, safe, customary for projects of this type, and in conformance with applicable state and local laws and regulations, as further described below.
Definitive Agreements	If DWW, the Town and the Trustees reach agreement on the terms contemplated in this proposal, the parties will negotiate the following definitive agreements: • Community Benefits Agreement; • Easement for Town-owned roads; and • Easement(s) for Town and Trustee interests in the Beach.
COMMUNITY BENEFITS AGREEMENT	
Local Economic Development	If suitable real estate is available, DWW will require its turbine maintenance contractor to establish and maintain in Montauk, for the full life of the Wind Farm, the operations and maintenance facility for the Wind Farm. DWW will make good faith efforts to make qualified residents of the Town of East Hampton aware of job openings in connection with the operations and maintenance facility.

¹ This non-binding proposal is intended as a summary for discussion purposes only. This is not an agreement between the parties or an offer to enter into such an agreement, but rather is an expression of the present intentions of the parties and is subject to and conditioned upon the completion of due diligence, legal review, the negotiation, execution and delivery of final documents to the reasonable satisfaction of the parties, and internal approvals.

Wainscott Infrastructure Improvements	Subject to DWW's commencement of construction, DWW will reimburse the Town for its documented costs incurred in connection with PSEG Long Island's and/or LIPA's burial of the existing electric distribution lines and, where applicable, telephone, internet and cable lines, along Beach Lane and portions of Wainscott Main Street from Wainscott Hollow Road to Sayre's Path², as shown in Appendix C, including the connection of such utilities to residences located on Beach Lane and Wainscott Main Street from Wainscott Hollow Road to Sayre's Path. The Town will be responsible for managing the utility burial work and will nominate a project manager to oversee such work. Beginning 30 days after the Town and the Trustees provide DWW with a fully-approved and executed Community Benefits Agreement and fully-approved and executed Easement Agreements in recordable form, and until such utility burial work is completed, DWW will reimburse the Town for the fully-burdened cost of the project manager, payable in advance each six months. The Town may begin executing the utility burial work after receiving a notice to proceed from DWW, which will be issued after the receipt of Permits, but before the start of offshore construction. DWW and the Town will cooperate with PSEG Long Island and LIPA, if applicable, to complete such work prior to DWW's start of onshore construction. At the start of offshore construction, DWW will contribute one million dollars (\$1,000,000) to establish a Wainscott Water Infrastructure Fund to be administered by the Town for use in implementing water infrastructure improvements in the hamlet of Wainscott.
Fisheries Liaison	DWW will maintain a Fisheries Liaison for the full life of the Wind Farm. This person will be available to facilitate two-way communication between DWW and members of the East Hampton commercial fishing community.
Fisheries Habitat Fund	At the start of offshore construction, DWW will contribute one hundred thousand dollars (\$100,000) to establish an East Hampton Fisheries Habitat Fund. This fund shall be managed and overseen by the East Hampton Town Trustees. All fund related habitat work shall take place on Trustee Bottom land. All fund related habitat work shall

² We note that these road sections are located within an area that has been designated as a "Scenic Area of Statewide Significance" by the Town's 2005 Comprehensive Plan.

	include marine meadows building activities such as eel grass plantings (or similar) and/or shellfish seeding activities such as oysters, hard clams and/or scallops. A supporting Fisheries Habitat Fund management plan shall be developed by East Hampton Town Trustee Board consensus and vote.
Marine Environment Improvement Fund	At the start of offshore construction, DWW will contribute five hundred thousand dollars (\$500,000) to establish an East Hampton Marine Environment Improvement Fund. This fund shall be managed and overseen by the East Hampton Town Trustees. All fund related activities shall take place on Trustee bottom lands. A supporting Marine Environment Improvement Fund project plan shall be developed by East Hampton Town Trustee Board consensus and vote.
Energy Sustainability and Resiliency Fund	At the start of offshore construction, DWW will contribute two hundred thousand dollars (\$200,000) to establish an Energy Sustainability and Resiliency Fund to be administered by the Town.
Coordination with Town and Trustees	Before to the start of construction, DWW will provide a bi-annual report to each of the Town and the Trustees. During any period when offshore construction is underway but no onshore construction is underway, DWW will provide monthly reports to each of the Town and the Trustees. During any period when onshore construction is underway, DWW shall provide weekly reports to each of the Town and the Trustees. Following the completion of construction, DWW will provide annual reports to the Town and Trustees.
ROAD EASEMENT AGREEMENT	
Easement for Town-Owned Roads	The Town will grant DWW an easement to install portions of the Export Cable within the boundaries of the roads identified in Appendix A. The Road Easement Agreement shall establish technical specifications including minimum burial depth and maximum width of the final Export Cable. DWW will consult with the Town to minimize disturbances to the unpaved areas within the Town-owned rights of way and to restore such areas as further discussed below.
Construction Period	All construction activity in the Road Easement will take place during the period beginning on or after the Tuesday after Labor Day and ending on or before the Friday before Memorial Day. Any construction activity in the Road Easement outside of that period will require the written approval of the Town. This restriction will not apply to the burial of the existing distribution lines along Beach Lane and Wainscott Main Street.

Drilling Activities on Beach Lane	Construction in the Road Easement will include the use of horizontal directional drilling from a location in Beach Lane. All drilling activity will take place during the period beginning on or after November 1 and ending by or before March 31. During the months of November and December drilling activity will not exceed 12 hours per day. During the months of January, February and March, drilling activity may be conducted 24 hours per day; provided, however, that the Town may restrict drilling activity to 12 hours per day if it receives one or more written complaints from residents of Beach Lane regarding the drilling activities. DWW will use reasonable efforts to mitigate sound and light resulting from drilling activities on Beach Lane, including adding any temporary sound mitigating walls as may be necessary to comply with the Town's applicable sound and light requirements.
Traffic Mitigation	During the period of onshore construction, DWW will use, and will cause its contractors to use, commercially reasonable efforts to maintain at least one travel lane of traffic in the section(s) of the Town-owned roads in which its crews are working. For all work on the Town-owned roads, DWW will implement a traffic management program, subject to the approval of the East Hampton Highway Department and the East Hampton Police Department, which will not be unreasonably conditioned, withheld or delayed.
Restoration	DWW will restore the Town-owned roads to operable condition as soon as practicable, provided that such condition will consist of temporary patch material in sections of the Town-owned roads beneath which the Export Cable was installed. In the first offseason following the completion of construction, DWW will restore the Town-owned roads in which the Export Cable was installed, including repaving and restoring the shoulders, in accordance with the requirements of the East Hampton Highway Department.
As-Built Drawings	Following the completion of construction, DWW shall provide As-Built Drawings to the town identifying the final installed location of the Export Cable within the Road Easement.
Fees	DWW will compensate the Town for the fair market value of the Road Easement based on the average of two appraisals: one selected by and compensated directly by DWW, and a second selected by the Town and reimbursed by DWW. Each of DWW and the Town shall select their respective appraisers within thirty (30) days of the effective date of this Term Sheet. Each appraiser shall have thirty (30) days to complete their appraisal work and provide a report to their respective

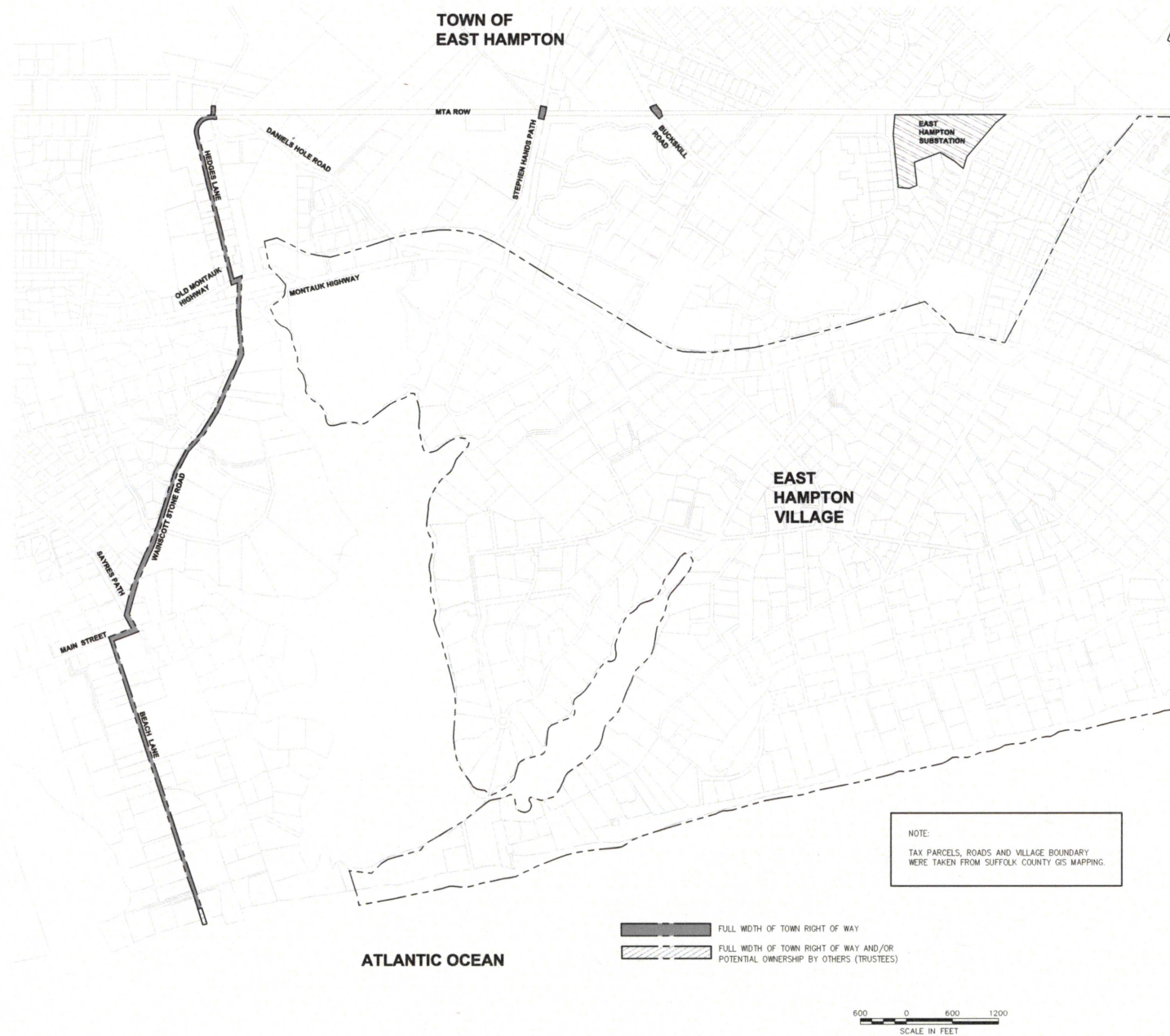
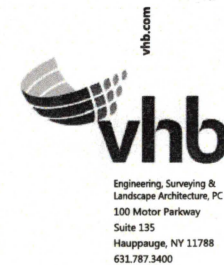
	client. The fee shall be due and payable prior to the installation of the Export Cable under the Beach.
BEACH EASEMENT AGREEMENT	
Easement for Beach	Each of the Town and the Trustees shall grant DWW an easement to install portions of the Export Cable within the boundaries of the Beach identified in Appendix B. The Easement Agreement shall establish technical specifications including minimum burial depth and maximum width of the final Export Cable.
Construction Period	All construction activity in the Beach Easement will take place during the period beginning on the Tuesday after Labor Day and ending on or before the Friday before Memorial Day. All drilling activity in the Beach Easement take place in the period beginning on or after November 1 and ending on or before March 31. Any construction or drilling activity outside of these periods will require the written permission of the Town and the Trustees.
Beach Use and Access	DWW will maintain public access to the beach during the full period of the construction within the Beach Easement. DWW will perform no construction activity on the face of the beach or in the surf zone.
As-Built Drawings	Following the completion of construction, DWW shall provide As-Built Drawings to the town identifying the final installed location of the Export Cable within the Beach Easement.
Fees	DWW shall compensate the Town and the Trustees for the fair market value of the Beach Easement based on the average of two appraisals: one selected by and compensated directly by DWW, and a second selected by the Town and Trustees and reimbursed by DWW. Each of DWW and the Town and Trustees shall select their respective appraisers within thirty (30) days of the effective date of this Term Sheet. Each appraiser shall have thirty (30) days to complete their appraisal work and provide a report to their respective client. The fee shall be due and payable prior to the installation of the Export Cable under the Beach.
OTHER PROVISIONS	
Costs	Each Party will carry its own costs incurred in connection with the negotiation and execution of the Definitive Agreements.

APPENDIX A

The Export Cable will be installed within sections of the following Town-owned roads, as shown in Route Map included herewith:

- Along **Beach Lane**, from the Town-owned parking lot abutting the beach to its intersection with Main Street;
- Along **Main Street**, from its intersection with Beach Lane to its intersection with Sayre's Path;
- Along **Sayre's Path**, from its intersection with Main Street to its intersection with Stone Road;
- Along **Wainscott Stone Road**, from its intersection with Sayre's Path to its intersection with Old Montauk Highway, accounting for the crossing of U.S. Rte 27;
- Along **Old Montauk Highway**, from its intersection with Stone Road to its intersection with Hedges Lane;
- Along **Hedges Lane**, from its intersection with Old Montauk Highway to its intersection with Daniels Hole Road;
- Crossing **Daniels Hole Road**, south of the MTA Long Island Rail Road right of way;
- Crossing **Stephen Hands Path**, south of the MTA Long Island Rail Road right of way; and
- Crossing **Buckskill Road**, south of the MTA Long Island Rail Road right of way.

In the event that DWW's engineering, permitting or other project development work identifies other Town-owned properties or rights-of-way that are necessary to connect the Export Cable to the Substation, the Town will reasonably cooperate to amend the Road Easement to incorporate any such properties or rights-of-way.



South Fork Wind Farm

East Hampton, Long Island

[illegible]

Cable Route Map

Contract Number

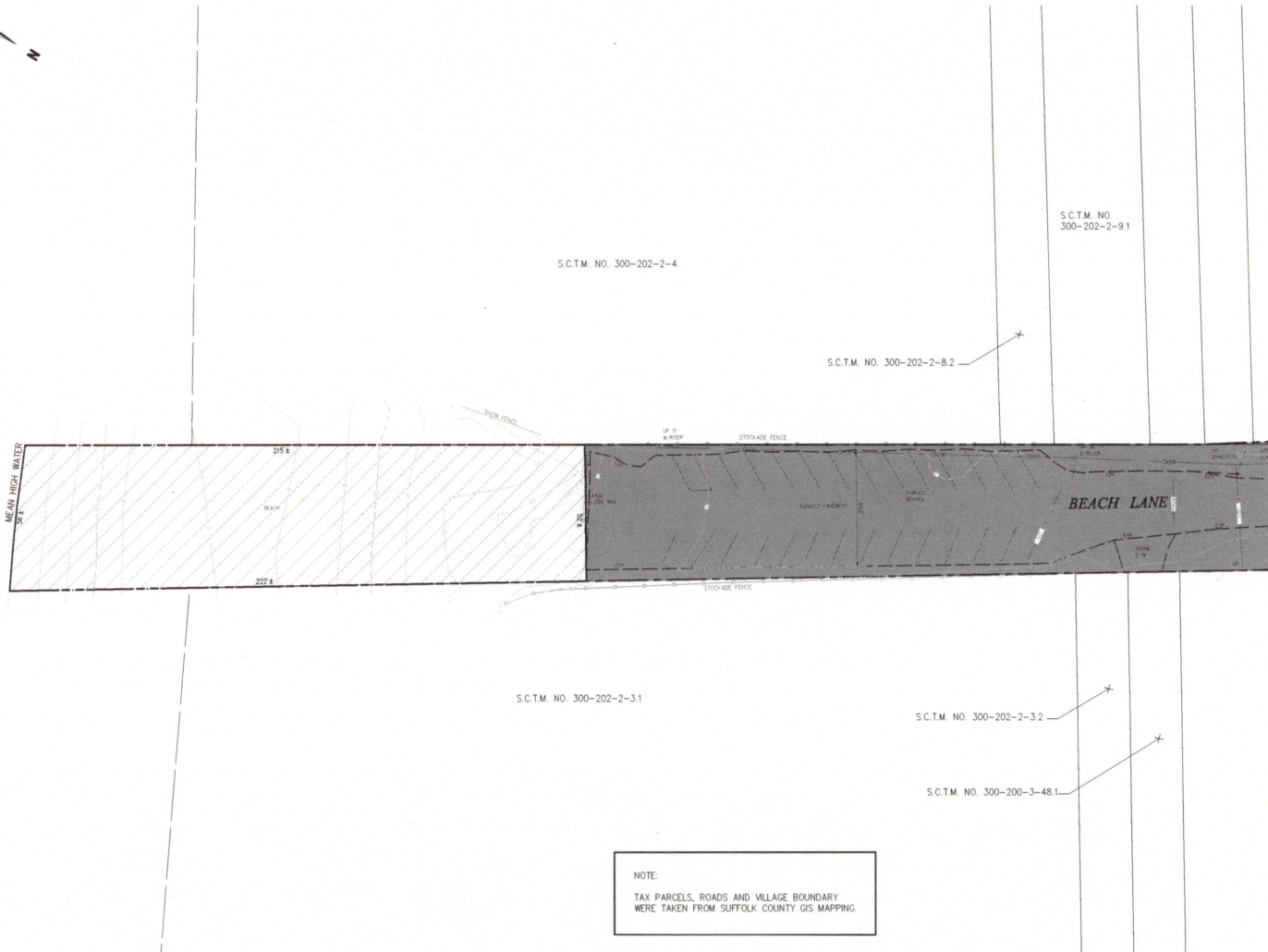
S-1.01

Project Number
29137.06

APPENDIX B

The Export Cable will be installed under sections of the Beach shown in the Beach Map included herewith. The Export Cable will be installed to a depth that is no less than ten (10) feet beneath the hardpan.

ATLANTIC OCEAN



— FULL WIDTH OF TOWN RIGHT OF WAY
— FULL WIDTH OF TOWN RIGHT OF WAY AND/OR
POTENTIAL OWNERSHIP BY OTHERS (TRUSTEES)

20 0 20 40
SCALE IN FEET

South Fork Wind Farm

East Hampton, Long Island

No.	Revision	Date	Appr.

Designed by	Checked by

Drawn by: **November 6, 2017**

Drawing Title
Beach Landing Map

Drawing Number

S-1.02

Sheet of

Project Number
29137.06

APPENDIX C

The existing distribution lines along Beach Lane and portions of Wainscott Main Street from Wainscott Hollow Road to Sayre's Path will be buried.

Proposal to Bury Overhead Power Lines – Wainscott, NY



- Wainscott Main Street (From Wainscott Hollow Rd to Sayre's Path)
- Beach Lane