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April 4, 2016

BY EMAIL

Claire Hong
Remedial Project Manager
U.S. Environmental Protection Agency, Region 10
1200 Sixth Avenue, Mail Code: ECL-122
Seattle, WA 98101

Re: Request for Information dated September 15, 2015 to Frontier Communications Corp. Concerning the Quendall Terminals Superfund Site, Renton, Washington

Dear Claire:

I am writing on behalf of Frontier Communications Corporation ("Frontier") to amend its response to the U.S. Environmental Protection Agency's ("EPA") Request for Information dated September 15, 2015 ("Request for Information"). As you know, Frontier previously responded to the Request for Information on January 8, 2016 and attached the responsive documents that were able to be located at that time. Since then, Frontier has located two additional documents that appear to be responsive to the Request for Information. Frontier's amended responses are set forth in boldface type in the attached Exhibit A and the additional documents are in the Appendix.

It bears noting that the recently discovered documents do not change Frontier's answer concerning the primary issue addressed in its response to the Request for Information; that is, Frontier has not been able to locate any records bearing on EPA's assertion that Honolulu Gas and/or Gasco, Inc. shipped coal tar, water gas tar, or similar materials to the Quendall Terminals Site from the Iwilei Gas Plant (*see* January 8, 2016 reply to question number 7) or from any other facility (*see* January 8, 2016 reply to question number 6).

Please let me know if you have question concerning this additional information. Please note that one of the attached documents was subject to a claim as Confidential Business Information when it was submitted to the Hawaii Department of Health, and accordingly we request that it be treated as CBI.

Sincerely yours,

John

John S. Hahn

Attachments

cc: Ted Yackulic

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EXHIBIT A

AMENDED RESPONSE TO REQUEST FOR INFORMATION

QUENDALL TERMINALS SUPERFUND SITE

Pursuant to § 104(e) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9604(e), Frontier Communications Corporation ("Frontier") respectfully submits the following amendment to its January 8, 2016 responses to the Request for Information it received from the United States Environmental Protection Agency ("EPA") via letter dated September 15, 2015. As with the initial response to the Request for Information, Froniter provides the following information subject to the Objections set forth in Exhibit B to its January 8, 2016 response. Responsive documents reviewed and relied upon in Frontier's amended response are included in the Appendix.

Respondent Information

4. Describe in detail Respondent's relationship to the Honolulu Gas Company, incorporated in Hawai'i in 1904 and renamed as GasCo, Inc. in 1971. Provide all documents that relate to any corporate succession from Honolulu Gas Company and/or GasCo, Inc. and/or Pacific Resources, Inc. and/or Broken Hill Proprietary Company Limited and/or Citizens Utilities Company and/or Citizens Communications Company to Respondent, including, but not limited to, articles of incorporation, articles of merger, corporate name changes, purchase/sale agreements, and any relevant state or federal filings.

Response: In its initial response, Frontier provided a copy of the Stock Sale Agreement by and between BHP Hawaii, Inc. and Citizens Utilities Company, dated January 9, 1997. The Appendix herein includes an amendment to that agreement. See *First Amendment to Stock Sale Agreement*, dated October 31, 1997. Among other things, the amendment revised Section 9.2 "Indemnification by Seller" to include a property in Hilo, Hawaii identified as the "Hilo Gas Works Property."

The Appendix also includes a letter dated June 13, 1995 from BHP Hawaii, Inc. to the Hawaii Department of Health (hereafter "the BHP Hawaii letter"). According to the BHP Hawaii letter, the fee owner of the Iwilei Gas Plant property at the time was BHP Gas Company. As noted in the description of the aforementioned Stock Sale Agreement in Frontier's initial response to Question 4, Citizens Utilities Company merged Gasco, Inc. into itself in 1997. At the time of the merger, Gasco, Inc. was doing business as BHP Gas Company.

Respondent Operations

5. State the dates during which Respondent or its predecessor owned and/or operated any portion of the manufactured gas plant located at 616 Iwilei Road in Honolulu, Hawai'i (referred to "former Honolulu Gas and/or GasCo site"). Provide the names of the companies that owned and/or operated at this location during the stated dates and their relationship to Respondent.

EXHIBIT A

Response: In its earlier response to Question 5, Frontier answered that operations were believed to have ceased in the 1970s or 1980s. According to the BHP Hawaii letter: (i) the Iwilei Gas Plant operated from 1904 until 1974; (ii) after the construction of a new gas plant in the Campbell Industrial Park in 1974, the Iwilei Gas Plant was maintained on a standby or backup basis between 1974 and 1988 at which time it was permanently closed; and (iii) in 1988 the Iwilei Gas Plant was dismantled and removed.

7. The former Honolulu Gas and/or GasCo facility and any other facilities identified in response to question 6 will hereinafter be referred to as the "Listed Facilities." For the period between 1916 and 1971, identify and describe, and provide all documents that refer or relate to:

   a. All manufacturing or processing activities conducted at each of the Listed Facilities while it was owned or operated by Respondent or its predecessors. List the dates during which such activities were conducted and provide documents that describe the manufacturing or other processes including process diagrams, the constituents and chemicals in the produced products or generated waste, flow charts or other similar documents. This request is intended to include, but is not limited to, the following processes:

      i. gasification processes producing tar, including but not limited to coal carbonization, oil-gas production, and carbureted water gas production;

      ii. refining processes producing coal tar or tar residuals, including but not limited to the production of commercial products or byproducts; and

      iii. reuse of coking byproducts and/or coal tar or tar residuals.

   b. For each of the Listed Facilities, identify all materials used, reused, recycled, or produced from the activities identified in response to question 7(a). Your response should include a description of the handling and management of these materials, including how these materials changed over time or as a result of process changes. This request is intended to include, but is not limited to:

      i. raw materials;

      ii. byproducts;

      iii. commercial products;

      iv. debris and wastes; and

      v. any hazardous substances not already identified.

EXHIBIT A

c. For each of the Listed Facilities, identify and provide all documents related to materials, products, byproducts or wastes that were sold, transported, sent or otherwise transferred to the Quendall Terminals Site (including Republic Creosoting Company and the Reilly Tar and Chemical Corporation). The response should include, but is not limited to, all tests, analyses, analytical sampling, and any other data concerning the constituents, including hazardous substances, of such materials, products, byproducts or wastes. Please include information regarding who conducted the test and how the test was conducted (e.g. batch sampling, representative sampling, splits, composite, etc.).

d. For each of the Listed Facilities, provide all contracts and/or agreements entered into by Respondent or its predecessors with persons or businesses that owned and/or operated the Quendall Terminals Site (including Republic Creosoting Company and the Reilly Tar and Chemical Corporation), or that shipped, transported, or otherwise transferred any materials, products, byproducts or wastes to the Site. Provide all pricing information including an explanation as to how the price was determined and when title transferred from Respondent or its predecessors to the third-parties. Also, provide all information concerning the purpose and intent of the contracts and/or agreements, including how the materials, products, byproducts or wastes were intended to be used to the Quendall Terminals Site.

e. For each of the Listed Facilities, identify the dates and the methods by which materials, products, byproducts or wastes were shipped, transported, or otherwise transferred to the Quendall Terminals Site (including Republic Creosoting Company and the Reilly Tar and Chemical Corporation). This question is intended to include, but is not limited to, identification of carriers, mode of transport, and specifications for loading and unloading. Provide all documents related to such transport or transfers.

    a. If the shipment of materials, products, byproducts or wastes to the Quendall Terminals Site from the Honolulu Gas and/or the GasCo facility were coincident to, or related to shipment of crude oil, or other materials, products, byproducts or wastes, returning to the Honolulu Gas and/or the GasCo facility, please identify.

f. For each of the Listed Facilities, quantify the total amount of each of the materials, products, byproducts or wastes sent, transported, or otherwise transferred to the Site.

g. The markings on and type, condition, and number of containers in which the hazardous materials were contained when they were stored, disposed, treated, or transported for disposal.

EXHIBIT A

h. From 1916-1971, all commercial products or byproducts sold or otherwise transferred to third-parties. Provide all information concerning the sale or transfer, including an explanation as to how the price was determined and when title transferred from the Respondent or its predecessors to the third-parties. The scope of this question does not include sales of manufactured gas to residential or commercial customers.

i. From 1916-1971, the disposition of all materials, products and byproducts not sold or transferred to third-parties as well as the disposition of debris and wastes identified in response to 7(b). Respondent's response should include a description of all recycling, reuse or disposal occurred. Respondent should also identify and provide dates for any changes in the recycling, reuse or disposal of materials, products, byproducts, residuals, debris or waste changed.

Response: Please see the response to Question 5. According to the BHP Hawaii letter, the Iwilei Gas Plant operated as a petroleum gasification plant. An undated diagram of the Iwilei Gas Plant entitled "Ground Plan Showing Buildings and Production Equipment " is attached to the BHP Hawaii letter (at Figure 5).

APPENDIX

Frontier Communications Corporation's Amended Response dated April 4, 2016 to U.S. EPA's 104(e) Request for Information dated September 15, 2015

[EXECUTION COPY]

FIRST AMENDMENT TO STOCK SALE AGREEMENT

FIRST AMENDMENT TO STOCK SALE AGREEMENT (the "Amendment"), dated as of October 31, 1997, by and between BHP Hawaii Inc., a Hawaii corporation ("Seller"), and Citizens Utilities Company, a Delaware corporation ("Buyer").

RECITALS

A. Seller and Buyer are parties to the Stock Sale Agreement, dated as of January 9, 1997 (the "Agreement").

B. Seller and Buyer desire to amend the Agreement in order to establish Seller's indemnification obligation with respect to the Hilo Gas Works Property (as defined) and otherwise as provided in this Amendment.

In consideration of the premises and the respective representations, warranties and agreements herein contained, the parties hereto hereby agree as follows:

SECTION 1. Article I, Section 1.1 of the Agreement hereby is amended by adding the following definitions thereto:

""Hilo Gas Works Property" means that certain land in Hilo, Hawaii, formerly owned by the Honolulu Gas Company, Limited, comprising approximately 78,711 square feet and more particularly described in that instrument, dated September 29, 1961, filed as Land Court Document No. 281650 and recorded at the Bureau of Conveyances in Book 4160, Page 325."

""Lot 2401A" means Lot 2401-A, as shown on Map 253, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Application No. 1069."

""Lot 2401B" means Lot 4751 as shown on Map 480, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1069."

SECTION 2. Article IX, subsection 9.2(c) of the Agreement hereby is amended so as to read in its entirety as follows:

"(c) any Environmental Law, Environmental Permit or Governmental Order as it relates to or arises from (x) Subsidiary's former or current, or Seller's future, operations on, and/or Subsidiary's former or current, or Seller's future, use, operation, ownership, lease, possession, control, occupancy or maintenance of, the Iwilei Property, whether before or after Closing; (y) the condition, whether before or after Closing, of the Iwilei Property or the structures or fixtures thereon, including claims arising under the Hawaii Environmental Response Law, also known as the Hawaii State Superfund Law at Chapter 128D of the Hawaii Revised Statutes ("Hawaii State Superfund Law"), resulting from the inclusion of the Iwilei Property within the area designated by HDOH as the Honolulu Harbor State Superfund Site; or (z) Subsidiary's former use, operation, ownership, lease, possession, control, occupancy or maintenance of the Hilo Gas Works Property or the condition of the Hilo Gas Works Property,

including claims arising under the Hawaii State Superfund Law resulting from the inclusion of the Hilo Gas Works Property within the area designated by HDOH as the Alenaio Stream Project, including Buyer Losses relating to the Iwilei Property or the Hilo Gas Works Property which arise out of:

(i) the presence of any Hazardous Material or other substances or matter in the fixtures, structures, soils, groundwater, surface water or air on, under or about or emanating from the Iwilei Property or the Hilo Gas Works Property, including any such Hazardous Material or other substances emanating to adjoining or other properties;

(ii) the use, generation, production, manufacture, treatment, storage, disposal, Release, threatened Release, discharge, spillage, loss, seepage or filtration of Hazardous Material or other substances or matter, by Seller or Subsidiary or any of their employees, successors, agents, assigns or contractors from the Iwilei Property or the Hilo Gas Works Property to any adjoining properties or any other properties located in the vicinity of the Iwilei Property or the Hilo Gas Works Property, or on, under or about the Iwilei Property or the Hilo Gas Works Property, or the presence therein or thereunder of any underground or above-ground tanks for the storage of fuel oil, gasoline and/or other petroleum products or by-products or other Hazardous Material;

(iii) the violation or noncompliance or alleged violation or noncompliance by Seller or Subsidiary or any of their employees, successors, agents, assigns or contractors of any Environmental Law, Environmental Permit or Governmental Order arising from or related to the operation of the Iwilei Property or the Hilo Gas Works Property or the use, operation, ownership, lease, possession, control, occupancy, maintenance or condition of the Iwilei Property or the Hilo Gas Works Property;

(iv) the failure by Seller or Subsidiary or any of their employees, successors, agents, assigns or contractors to have obtained or maintained in effect any Environmental Permit required by any Environmental Law or Governmental Order as a result of the operation of or on the Iwilei Property or the Hilo Gas Works Property or the use, operation, ownership, lease, control, possession, occupancy, maintenance or condition of such property;

(v) any and all Actions, claims, demands, demand letters, requests for information, liens, notices of non-compliance or violation, consent orders or consent agreements (collectively, "Claims") arising out of the Iwilei Property or the Hilo Gas Works Property or operations thereon;

(vi) any and all Claims by Governmental Authorities for enforcement, cleanup, removal, treatment, response, natural resources, remedial or other actions or damages arising out of the Iwilei Property or the Hilo Gas Works Property or operations thereon;

(vii) any and all Claims by any third Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief arising from the Iwilei Property or the Hilo Gas Works Property; and

(viii) any and all remedial work and other corrective action (including investigation or monitoring of site conditions, or any cleanup, containment, restoration or removal) taken by, or the costs of which are imposed upon, any Buyer Indemnified Party arising from the Iwilei Property or the Hilo Gas Works Property;"

SECTION 3. The first sentence of Article VI, Section 6.10 of the Agreement hereby is deleted and the following sentences hereby are added to Section 6.10 of the Agreement to replace such deleted sentence:

"On the day occurring immediately before the Closing Date, Seller shall purchase the fee owned by Subsidiary at the corner of Iwilei Road and Pacific Street in the Iwilei district of Honolulu, Hawaii (the "Iwilei Property"), together with all plans, designs, drawings and documents of Subsidiary relating to the possible development of the Iwilei Property, from Subsidiary for a cash purchase price to be determined and payable after the Closing in accordance with Decision and Order No. 15899, Docket No. 97-0035, Decision and Order No. 15981, Docket No. 97-0035 and any future Final Order of the PUC pertaining to such transaction. On the day immediately preceding the Closing Date, Seller shall pay Subsidiary, as a non-refundable payment of a portion of the to-be-determined purchase price, $65,677.69, which amount equals the book value of the Iwilei Property as recorded in the accounting records of Subsidiary in the account entitled "Land and Land Rights-Iwilei" (account 140010) on the Closing Date. Seller shall pay to Buyer the remaining portion of the to-be-determined purchase price for the Iwilei Property in immediately available funds within 10 days after the later of (i) the date Seller and the Consumer Advocate stipulate as to the amount of the to-be-determined purchase price and agree not to seek further review of such amount by the PUC; or (ii) the date of a Final Order of the PUC with respect to either any appeal of such stipulated amount or the appraisal required by such Decisions and Orders. The fees and expenses of the appraiser that prepares such appraisal will be borne solely by Seller. Seller will use its commercially reasonable efforts, including making filings with the PUC, to obtain such appraisal within 15 months after the Closing. Seller shall provide to Buyer a copy of the final appraisal within five days after Buyer advises Seller that Buyer is unable to obtain a copy of the appraisal from any other source in connection with an Action. Buyer agrees to deliver to Seller for its review copies of all proposed filings by Buyer in connection with the Iwilei appraisal and related matters within a reasonable time prior to the filing thereof, and shall not make any such filing without first notifying and consulting with Seller and taking into account any reasonable requests made by Seller with respect thereto."

SECTION 4. Item 10 of Schedule 6.16 hereby is amended so as to read in its entirety as follows:

"10. Wili Ko Subdivision, Lahaina, Maui, as described in the Deed, dated October 20, 1970, by and between Amfac, Inc., grantor, and Honolulu Gas Company, Limited, grantee, TMK: #4-5-007-020 (Lots 7 and 8)."

SECTION 5. Schedule 7.14 hereby is amended so as to read in its entirety as set forth in Exhibit A hereto.

SECTION 6. Item 12 of Disclosure Schedule Section 4.7(a) hereby is amended so as to read in its entirety as follows:

"10. Wili Ko Subdivision, Lahaina, Maui, as described in the Deed, dated October 20, 1970, by and between Amfac, Inc., grantor, and Honolulu Gas Company, Limited, grantee, TMK: #4-5-007-020 (Parcels 7 and 8) and TMK: #4-5-007-022 (Lot 9)."

SECTION 7. (a) Disclosure Schedule Section 4.10 hereby is amended so as to read in its entirety as set forth in Exhibit B hereto, (b) Disclosure Schedule Sections 4.2(c) and 4.7(b) hereby are amended so as to include the items described in Exhibit C hereto, (c)

Disclosure Schedule Section 4.9 hereby is amended so as to include the items described in Exhibit D hereto, and (d) Disclosure Schedule Section 4.12 hereby is amended so as to read in its entirety as set forth in Exhibit E hereto. Disclosure Schedule Section 4.23 hereby is amended so as to delete "3. Microsoft Office Software" therefrom.

SECTION 8. Following the Closing Date, each party shall promptly refer to the other party all telephone calls, letters, facsimiles and other communications relating to or directed to such other party or such other party's assets, properties or business.

SECTION 9. Article II, subsection 2.5(f) of the Agreement hereby is amended so as to read in its entirety as follows:

> "(f) After the Closing, Seller shall use commercially reasonable efforts to obtain for Buyer a pipeline easement or easements from the appropriate Governmental Authorities and other third parties which own the property described in Exhibit F hereto (other than Item I.C.3.), including to obtain all necessary approvals and authorizations from the appropriate Governmental Authorities. All fees and expenses of obtaining the easements listed in Part I.A. of Exhibit F, including obtaining the required appraisals, making the one-time lump sum payments for such easements and paying any interest and penalties assessed thereon, will be borne entirely by Seller. Seller also will bear the legal fees of its legal counsel in connection with obtaining all of the easements listed in Exhibit F (other than Item I.C.3.) and obtaining the necessary approvals and authorizations from the appropriate Governmental Authorities. Buyer will bear the costs of any required appraisals, one-time lump sum payments, other fees or charges and interest and penalties assessed thereon in connection with obtaining the easements listed in Parts I.B., I.C., II.A. and III. Buyer will be solely responsible for all amounts it incurs if it obtains an easement from the owner of the property described in Item I.C.3. of Exhibit F."

SECTION 10. Article II, Section 2.5 of the Agreement hereby is amended by adding the following subsections 2.5(g) and 2.5(h) to read in their entirety as follows:

> "(g) Seller is the owner of Lot 3167-B which adjoins Lot 2401B. Lot 3167-B is subject, among other things, to Easement 801 (5 feet wide) as shown on maps 263 and 369, as set forth by Land Court Order No. 42815, and filed September 15, 1975 ("Easement 801"). Easement 801 is subject to that certain Lease No. 4047 in favor of Subsidiary dated June 24, 1982, recorded in the Land Court as Document No. 1155988 (the "Existing Easement"). The term of the Existing Easement expires on April 30, 2019. Seller agrees (i) to demise to Buyer and its sublessee that portion of Easement 801 which affects Lot 3167-B for the purposes set out in the Existing Easement for a term commencing upon the expiration of the Existing Easement and continuing for so long as the Ground Lease is in effect, pursuant to a grant of easement to Buyer containing terms and conditions substantially similar to the applicable terms and conditions reasonably satisfactory to Buyer; and (ii) to obtain all necessary consents of third parties, if any."

> "(h) Seller shall, at its sole cost and expense, use its commercially reasonable efforts (i) to create and demise to Buyer and its sublessee for so long as the Ground Lease is in effect, and pursuant to an amendment of the Ground Lease in form and content reasonably satisfactory to Buyer and

Seller, an easement for electrical purposes for the benefit of Lot 2401A, and encumbering Lot 3167-B, which easement shall be of a width and alignment and at a location reasonably satisfactory to Buyer to extend the electrical utilities for Lot 2401A to Komohana Street; (ii) to obtain final approval from all requisite Governmental Authorities (including county subdivision and Land Court approvals) for the creation and recording of such easement; and (iii) to obtain all necessary consents of third parties, if any. Buyer shall have the right to approve any map reflecting the new easement and any petition to the Land Court for approval of the same (which approvals shall not be unreasonably withheld). If requested by Buyer, such easement shall be recorded in the appropriate recording office in the State of Hawaii."

SECTION 11. Article VI, subsection 6.11(c)(i), of the Agreement is hereby amended to substitute the phrase "that is reasonably satisfactory to Buyer," for the phrase, "that is reasonably satisfactory to Buyer's qualified environmental consultant." Buyer hereby confirms that such written opinion from ENVIRON is reasonably satisfactory to Buyer.

SECTION 12. Article VI, subsection 6.11(d), of the Agreement is hereby amended to read in its entirety as follows:

"(d) Prior to the Closing Date, Seller will take all steps necessary to obtain a covered source permit for a significant modification to an existing covered source to cover the propane load rack and cylinder filling station of BHP Petroleum Americas Refining Inc. located at the Campbell Industrial Park. In the event such covered source permit is not obtained prior to Closing, Seller shall use its commercially reasonable efforts to acquire all necessary approvals and authorization to obtain such permit from the HDOH and to obtain such permit as soon as practicable after the Closing Date. Seller shall be responsible for all fees and expenses relating to obtaining such approvals and authorizations and to obtaining such permit."

SECTION 13. Article IX, Section 9.2 of the Agreement hereby is amended by adding the following subsection 9.2(i) to read in its entirety as follows:

"(i) any violations of the Liquified Hazardous Gas (LHG) regulations (33 CFR 127) identified by the U.S. Coast Guard during its inspections of Subsidiary's facilities from 21-29 October, 1997 or otherwise referenced in that certain letter from the U.S. Coast Guard to Subsidiary dated October 30, 1997 (it being understood that Buyer shall be responsible for bringing the Business into compliance with such regulations)."

SECTION 14. For 90 days after Closing, Seller shall assist Buyer, to the extent reasonable and not unduly burdensome, in obtaining access to the Subsidiary's antenna equipment located on the Grosvenor Center Tower roof (the "Antenna") for maintenance and repair purposes, and shall not undertake any actions with third parties that would jeopardize the ability of Buyer to use the Antenna during this 90 day period. Also, during this 90 day period, Seller shall make reasonable efforts to facilitate conversations between Buyer and Grosvenor Center management such that Buyer can discuss its antenna needs following the 90 day period with Grosvenor Center management.

SECTION 15. This Amendment is hereby made supplemental to and a part of the Agreement and, except as expressly amended by this Amendment, the Agreement is in all respects ratified and confirmed and all terms, conditions and provisions thereof shall remain in full force and effect.

SECTION 16. Capitalized terms contained herein and not otherwise defined herein shall have the respective meanings assigned to them in the Agreement.

SECTION 17. This Amendment shall be governed by, and construed in accordance with, the laws of the State of Hawaii (without giving effect to its choice of law principles).

SECTION 18. Any dispute, controversy or claim between the parties relating to, arising out of or in connection with this Amendment, including as to its existence, enforceability, validity, interpretation, performance, breach or damages or as to indemnification or damages, including claims in tort, shall be settled in accordance with the procedures set forth in Section 13.13 of the Agreement.

SECTION 19. This Amendment may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The signature page of any counterpart may be removed therefrom and attached to any other counterpart to evidence execution thereof by all of the parties hereto without affecting the validity thereof.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, Seller and Buyer have caused this Amendment to be executed as of the date first written above by their respective officers thereunto duly authorized.

BHP HAWAII INC.,
a Hawaii corporation

By: _____
Henry G. Neal
President

CITIZENS UTILITIES COMPANY,
a Delaware corporation

By _____
J. Michael Love
Vice President Citizens Public Services

Execution Page of First Amendment
to Stock Sale Agreement

IN WITNESS WHEREOF, Seller and Buyer have caused this Amendment to be executed as of the date first written above by their respective officers thereunto duly authorized.

BHP HAWAII INC.,
a Hawaii corporation

By:_____
Henry G. Neal
President

CITIZENS UTILITIES COMPANY,
a Delaware corporation

By_____
J. Michael Love
Vice President Citizens Public Services

Execution Page of First Amendment
to Stock Sale Agreement

EXHIBIT A

SCHEDULE 7.14

Certain Insurance Policies[1]

Policy	Policy Period	Insurer	Policy Number	Policy Limits	Policy Deductions	Est. Annual Premium
Corporate Excess Umbrella	6/1/97-98	BHP Marine & General Insurances Pty Ltd	1352-55	$550,000,000	$5,000,000[2]	$164,422
Marine (Propane Barges) Hull & Machinery	9/30/96-2/20/98	Zurich Insurance Company	MH-8364205	Stated Value	$25,000 (hull) $35,000 (machinery)	$23,560

[1] Only the occurrence-based coverage of the policies listed in this Schedule 7.14 come within the meaning of the term "Insurance Policy" for purposes of Section 7.14. Claims based coverages will cease as of the Closing Date.

[2] First $125,000,000 of coverage is occurrence-based. Remainder is claims made.

EXHIBIT B

DISCLOSURE SCHEDULE SECTION 4.10

Employee Benefits Matters
(Amended and Restated as of October 31, 1997)

4.10(a): See attached list.

4.10(a)(i) and (ii):

Benefit Plan	ERISA	Non-ERISA
Medical, dental, drug & vision	X	
Employee life insurance	X	
Dependent life insurance	X	
Employee AD&D	X	
Long term disability	X	
Pre-tax flexible spending accounts	X	
Severance pay	X	
Travel accident insurance	X	
BHP USA Pension Plan II	X	
Pension Plan for Classified Employees of Gasco	X	
BHP Retirement Savings Plan (401K)	X	
Gasco Bargaining 401(K) Plan	X	
Paid time off:		X
Vacation, holidays, sick leave, jury duty, funeral leave, military service, voting		
Educational assistance program		X
Workers' Compensation		X
Deferred Compensation		X
BHP Supplemental Plan	X	
BHP Incentive Compensation Plan		X
Employee Assistance Plan ("EAP")	X	
Post-retirement medical subsidy	X	
BHP stock ownership plan (Employee Share Plan)		X
BHP stock option plan (Employee Share Plan - Options)		X
Safety incentive programs (1 formalized; several informal)		X
Attendance incentive plans (1 in CBA; 1 informal)		X
Productivity Improvement Plan (in CBA)		X
E.E. Black Scholarship		X
Matching contributions to charities ($100)		X
Matching contributions to education ($1,000)		X

1/3rd off on gas bills		X
$5.00 Gallonage Plus cards from Gas Express		X
Selected employees provided gasoline cards		X
Selected employees with Runzheimer car allowances		X
Free parking at all facilities except the Tower		X
Service awards		X
Ross Tada Memorial Award		X
Leave without pay		X
Post retirement life insurance	X	
Moving allowances		X

4.10(a)(iii):

Collective Bargaining/Union Agreements:

1. Agreement between Gasco, Inc. and Hawaii Teamsters and Allied Workers Union, Local 996, dated December 19, 1995.

2. Memorandum of Agreement, between Gasco, Inc. and Hawaii Teamsters and Allied Workers Union, Local 996, dated December 19, 1995.

3. Letter of Understanding between Gasco, Inc. and Hawaii Teamsters and Allied Workers Union, Local 996, dated December 19, 1995.

4. Subscriber Agreement, between Gasco, Inc. and Hawaii Teamsters Health and Welfare Trust Fund, dated February 22, 1996.

Employment/Managerial/Advisory/Consulting/Other Agreements

1. Agreement between Environmental Resources, Inc. and BHP Gas Company, dated February 16, 1996 covering the services of Stephanie Sakurai, Environmental Specialist.

2. Agreement between S-P Employment and BHP Hawaii, covering the services of George Yamanouchi, effective 7/29/96.

3. Agreement between S-P Employment and BHP Hawaii, covering the services of George Yangco, effective 1/3/94 and James Tomita, effective 1/10/94.

4. Agreements covering two Gasco employees, the specifics of which will be disclosed by confidential letter dated December 23, 1996.

5. Agreement effective August 1, 1997 with Hawaii Employee Assistance Services providing for an "Employee Assistance Program" for Gasco.

Confidentiality Agreements

1. Agreements signed by virtually all employees as part of the original employment process.

2. Agreements signed by a select number of employees involved in this transaction.

4.10(b):

1. On November 21, 1996, Gasco, Inc. applied to the Internal Revenue Service for a refund of $123,993 from the Pension Plan for Classified Employees of Gasco, Inc., on the basis that such contribution represented the non-deductible portion or the contribution Gasco, Inc. made to the Plan for the 1996 Plan year. The application was approved by the Internal Revenue Service on January 14, 1997, and the refund paid as of May 14, 1997.

EXHIBIT C

ADDITIONS TO DISCLOSURE SCHEDULE SECTIONS 4.2(c) AND 4.7(b)

26. General Lease S-4438, by and between the State of Hawaii, lessor, and Gasco, Inc., lessee, dated November 1, 1973, with respect to certain pipeline easements, Piihonua, Hilo, Hawaii. TMK:#2-3-15

27. General Lease S-5469, by and between the State of Hawaii, lessor, and Gasco, Inc., lessee, dated August 12, 1994, with respect to magnesium anodes easement, Kekaha, Waimea, Kauai. TMK:#1-2-02-1 (por)

28. Perpetual, non-exclusive easement issued November 7, 1966 (Liber 5496, Pg. 79), by and between the State of Hawaii, lessor, and Honolulu Gas Company, Ltd., grantee, with respect to gas main and regulator valve, Waikiki, Oahu

29. Perpetual, non-exclusive easement for gasline at Keehi Lagoon and Kalihi-Kai, Moanalua, Oahu (TMK: 1-1-03, 04, 07, 138; 1-2-21:35, 36, 37

30. Lease H-69-1, by and between the State of Hawaii, lessor, and Honolulu Gas Company, Ltd., lessee, with respect to certain pipeline, Hilo Harbor, Hawaii

31. Lease H-69-4, by and between the State of Hawaii, lessor, and Honolulu Gas Company, Ltd., lessee, with respect to certain pipeline, Piers 37 and 38, Honolulu Harbor, Oahu

32. Lease H-70-1, by and between the State of Hawaii, lessor, and Honolulu Gas Company, Ltd., lessee, with respect to electrical easement, Hilo Harbor, Hawaii

33. Lease H-70-2, by and between the State of Hawaii, lessor, and Honolulu Gas Company, Ltd., lessee, with respect to electrical easement, Nawiliwili Harbor, Kauai

34. Lease H-72-15, by and between the State of Hawaii, lessor, and Gasco, Inc., lessee, with respect to electrical easement, Pier 37, Honolulu Harbor, Oahu

35. Lease H-73-3, by and between the State of Hawaii, lessor, and Gasco, Inc., lessee, with respect to electrical easement, Kahului Harbor, Maui

36. Lease H-73-4, by and between the State of Hawaii, lessor, and Gasco, Inc., lessee, with respect to certain pipeline, Kahului Harbor, Maui

37. Lease H-74-1, by and between the State of Hawaii, lessor, and Gasco, Inc., lessee, with respect to certain pipeline, Nawiliwili Harbor, Kauai

38. R.P. No. H-74-443 (to be terminated by BHP Refinery - relates to Pier 34)

39. R.P. No. 4355 (Kauai) (replaced by R.P. No. 5571)

40. R.P. No. 3753 (Oahu) (replaced by R.P. No. 5570)

41. License No. 244, perpetual pipeline easement for Papakolea-Kewalo Subdivision issued by the Department of Hawaiian Home Lands, State of Hawaii, to Gasco, Inc., licensee, Oahu

42. License No. 366, perpetual pipeline easement - Princess Kahanu Estates Subdivision issued by the Department of Hawaiian Home Lands, State of Hawaii, to Gasco, Inc., licensee, Oahu

43. Easement 869, by and between the State of Hawaii, Director of Transportation, assignor, and Gasco, Inc., assignee, with respect to certain pipeline within Utility Corridor #5, Land Court Map #522 of Land Court App. 1074, dated October 23, 1975

44. Easement 870, by and between the State of Hawaii, Director of Transportation, assignor, and Gasco, Inc., assignee, with respect to certain pipeline within Utility Corridor #6, Land Court Map #522 of Land Court App. 1074, dated October 23, 1975

EXHIBIT D

ADDITIONS TO DISCLOSURE SCHEDULE SECTION 4.9

11.	Civil No. 97-0258-01	Noga, et al. v. Close Electric, Inc., et al.
12.	Civil No. 97-1292-04	William Musset v. City and County of Honolulu, et al.
13.	Civil No. 97-531	Todd K. Hastings v. Gasco, Inc.

EXHIBIT E

DISCLOSURE SCHEDULE SECTION 4.12

Environmental Laws

(Amended and Restated as of October 31, 1997)

1. Written notice(s) from any Governmental Authority that Subsidiary is in violation of any Environmental Law arising out of Subsidiary's ownership, use or operation of its assets or properties or the operation of the Business:

- May 15, 1997 letter from HDOH determining that the facility's exceedance of a quantity limitation in its UIC permit for the SNG plant did "not constitute a violation subject to enforcement action."

- September 11, 1997 letter from HDOH determining that certain sampling data submitted under the UIC permit for the SNG plant was unrepresentative and not in compliance, but that "this noncompliance does not constitute a violation subject to enforcement action."

2. Pending, or to Seller's knowledge, threatened Actions with respect to Subsidiary's compliance with Environmental Laws or its Environmental Permits:

- HDOH correspondence ("Request for Information Honolulu Harbor Petroleum Contaminated Area Honolulu, Hawaii"), dated February 16, 1995, stating the HDOH's intent to investigate and assess the nature and extent of contamination in the Honolulu Harbor area under authority of the Hawaii Environmental Response Law (Hawaii Revised Statutes Chapter 128D). Subsidiary is identified by HDOH as one of the Responsible Parties for the Honolulu Harbor Area. Five other identified Responsible Parties have joined with Subsidiary and Seller in funding initial groundwater data compilation efforts at the Honolulu Harbor Area. Correspondence to and from the HDOH (included in the data room documentation) provide Subsidiary's response with respect to its properties and describe subsequent actions and statements of the HDOH with respect to its continuing investigation.

- In early 1997, HDOH contacted the Subsidiary and asked it to assume responsibility for petroleum hydrocarbons detected in soil at the Hilo Bayfront Soccer Field, the site of the former Honolulu Gas Company manufactured gas plant. A copy of the undated HDOH information request has been provided to Buyer. Seller is still in discussion with HDOH about this site.

- We also call attention to a series of related private correspondence from Castle & Cooke Properties, Inc. ("CCPI") regarding the Iwilei Property, starting with a November 27, 1996 letter. In that letter CCPI states that, during redevelopment of adjacent properties, it identified the presence of subsurface petroleum product contamination and alleges that material amounts of such products may have

emanated from Subsidiary's Iwilei Property. During subsequent meeting (as reflected in an April 10, 1997 letter), CCPI stated that it has incurred approximately $1.0 million in environmental responses costs to date, and may incur in excess of another $2.0 million in future costs, and requested reimbursement and indemnification from Subsidiary.

3. Written notice from any Governmental Authority that Subsidiary does not have all Environmental Permits required by Environmental Laws for the ownership, use or operation by Subsidiary of its assets or properties or the operation of the Business by Subsidiary:

- None. However, we call to Buyer's attention (i) correspondence from the USEPA to the Subsidiary's SNG Plant (fka Enerco, Inc.), dated January 25, 1994, requesting submittal of a federal permit application and related data for use of the SNG Plant's injection wells and subsequent correspondence from USEPA, dated April 2, 1997, stating that the USEPA has determined that federal UIC permits will not be required for the SNG Plant; (ii) correspondence from Subsidiary to the HDOH Clean Air Branch, dated October 7, 1993, requesting confirmation that eight stationary and portable flares do not require air permits because of infrequent use or minimal emissions in the flaring of propane or synthetic natural gas; and (iii) correspondence from Subsidiary to the HDOH, dated April 11, 1995, noting the trace presence of acetone detected in the SNG Plant's process wastewater.

4. List of Environmental Permits held by Subsidiary:

a. SNG Plant

Hawaii Clean Air Permit
Permit NSP No. 0004-01-N
Expires: 11/1/99

Underground Injection Well (storm drainage)
UIC Permit No. UO-1321
Expires: 2/27/97. Facility has received an interim approval to operate this well, as modified (for both industrial and stormwater use). Approval was granted to the SNG Plant by letter from the HDOH, dated May 1, 1997, and extended by HDOH letter, dated July 2, 1997 until December 31, 1997 or the HDOH reissues a permit to Buyer, as new owner of Subsidiary, whichever occurs first.

Industrial Injection Well No. 1
UIC Permit No. UO-1320
Expires: 11/28/99. Facility has received an interim approval to operate this well, as modified. Approval was granted to the SNG Plant by letter from the HDOH, dated May 23, 1997, and extended by HDOH letter, dated July 2, 1997, until December 31, 1997 or the HDOH reissues a permit to Buyer, as new owner of Subsidiary, whichever occurs first.

b. Kamakee St.:

Permit for Industrial Wastewater Discharge
Permit No. 19920427 (City and County of Honolulu)
Expires: 11/27/97

c. Iwilei Property:

Artesian Well - Water Use Permit Well No. 1952-14 (WUP No. 22)
(By letter, dated October 18, 1996, the Commission on Water Resource Management for the State Department of Land and Natural Resources acknowledged receipt of a Well Abandonment Report which fulfilled the regulatory requirements for closure of this well.)

d. Isle Gas (Campbell Industrial Park):

Hawaii Clean Air Permit -- Propane Loading Facility
Permit NSP 0263-01-N
Expires: 8/1/00 (The propane loading facility is located on the refinery property near its makai (i.e., seaward) boundary and is, therefore, not part of the sale under this Agreement. Seller has submitted an application for significant modification of its existing Covered Source Permit (February 14, 1997) to include this facility under its Covered Source Permit, pending approval of such modification, Subsidiary will retain the current non-covered source permit, with Buyer as new owner of Subsidiary, until the foregoing modification is approved.

Hawaii Clean Air Permit -- Maintenance Facility Permit NSP 0292-01-N
Expires: 3/1/01

EXHIBIT F

UNDOCUMENTED PIPELINE EASEMENTS

I. GAS TRANSMISSION PIPELINE EASEMENTS

A. Keehi Lagoon and Kalihi-Kai, Moanalua Easements - 7 TMK Parcels Owned by State of Hawaii:

45. (1) 1-1-3:03;
46. (1) 1-1-3:04;
47. (1) 1-1-3:07;
48. (1) 1-1-3:138;
49. (1) 1-2-21:35;
50. (1) 1-2-21:36; and
51. (1) 1-2-21:37.

B. Aiea Easements - 12 TMK Parcels.

Six (6) TMK Parcels Owned by State of Hawaii:

1. (1) 9-9-03: por. 35;
2. (1) 9-9-04: por. 3;
3. (1) 9-9-12: por. 5;
4. (1) 9-9-12: por. 46;
5. (1) 9-9-12: por. 47; and
6. (1) 9-9-04: por. 24.

Six (6) TMK Parcels Owned by U.S. Navy:

These parcels are covered by a grant of easement from the U.S. Navy to Pacific Resources, Inc. (now BHP Hawaii Inc.).

C. Kapalama/Hart Street Easements - 3 TMK Parcels.

Two (2) TMK Parcels Owned by State of Hawaii:

1. (1) 1-5-33:9 and across Kapalama Canal (DLNR - two segments); and
2. (1) 1-5-42:2 (DOT Highways Division - one segment).

One (1) TMK Parcel Owned by Weinberg Trust:

3. (1) 1-5-20:5.

II. SUPPLY LINE EASEMENTS

A. City Hall (Hotel Street) - 2 TMK Parcels.

1. (1) 2-1-33: por 7; and
2. (1) 2-1-33: por 10.

III. NAWILILI HARBOR - LEASE NO. 94-1

Outstanding lease for Nawilili Harbor which was authorized in 1994.

(b) (4)

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