

ATTACHMENT A

Contract No. 14TX-15974

MAINTENANCE OBLIGATIONS AND OWNERSHIP AGREEMENT

FOR BOUNDARY SUBSTATION

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

THE CITY OF SEATTLE, CITY LIGHT DEPARTMENT

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¹ Exhibit A, Table 1, Exhibit A, Table 2 and Exhibit C, Table 2 have maintenance chargeable to The City of
Seattle, City Light Department.

This MAINTENANCE OBLIGATIONS AND OWNERSHIP AGREEMENT (Agreement) is entered into by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and THE CITY OF SEATTLE, CITY LIGHT DEPARTMENT (Seattle), hereinafter individually referred to as “Party” and collectively as “Parties”.

RECITALS

WHEREAS, the Parties desire to enter into an agreement providing for the maintenance and ownership of equipment as detailed in this Agreement, and the Parties desire to provide herein for equitable payment for the maintenance of such equipment; and

WHEREAS, the Energy Policy Act of 2005 (Act) authorized the Federal Energy Regulatory Commission to approve Reliability Standards with which users, owners and operators of the bulk power system are required to comply; and

WHEREAS, Seattle is the Registered Entity with compliance responsibility for the Reliability Standards applicable to the Seattle-owned equipment described herein; and

WHEREAS, BPA is the Registered Entity with compliance responsibility for the Reliability Standards applicable to the BPA-owned equipment described herein.

In consideration of the promises and mutual covenants and agreements herein contained, the Parties agree as follows:

1. **TERM OF AGREEMENT**

This Agreement shall become effective at 0000 hours on the first calendar day of the month following the date that the Agreement has been signed by both Parties (Effective Date) and shall continue in effect for 30 years after the Effective Date unless otherwise terminated by the Parties.

This Agreement may be extended, amended, or terminated upon mutual agreement of the Parties.

In the event that the Agreement is terminated, all liabilities incurred hereunder are hereby preserved until satisfied.

On its Effective Date, this Agreement terminates and replaces in its entirety, prior Operation and Maintenance Agreement, Contract No. 14-03-43729. All obligations incurred under the prior agreement shall be preserved until fully satisfied.

2. **DEFINITIONS**

When used in this Agreement, the following terms have the meaning shown below:

- (a) “Business Day” means any day that is normally observed by the Federal Government as a workday.

- (b) “Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(d).
- (c) “FERC” is the Federal Energy Regulatory Commission.
- (d) “NERC” is the North American Electric Reliability Corporation.
- (e) “Registered Entity” means an owner, operator, or user of the Bulk Power System, or the entity registered as its designee for the purpose of compliance, that is included in the NERC Compliance Registry.
- (f) “Reliability Standard” means a requirement, approved by the United States Federal Energy Regulatory Commission under Section 215 of the Federal Power Act, or approved or recognized by an applicable governmental authority in other jurisdictions, to provide for reliable operation of the bulk-power system. The term includes requirements for the operation of existing bulk-power system facilities, including cybersecurity protection, and the design of planned additions or modifications to such facilities to the extent necessary to provide for reliable operation of the bulk-power system, but the term does not include any requirement to enlarge such facilities or to construct new transmission capacity or generation capacity.
- (g) “WECC” is the Western Electricity Coordinating Council.

3. EXHIBITS

The following Exhibits are hereby incorporated into and made part of this Agreement:

- (a) Exhibit A Boundary Equipment Maintenance Reporting Obligation
BPA to Seattle
- (b) Exhibit B Boundary Equipment Maintenance Reporting Obligation
Seattle to BPA
- (c) Exhibit C Boundary Equipment Maintained by the Equipment Owner –
No Maintenance Reporting Obligation
- (d) Exhibit D Boundary Equipment Operations and Maintenance Charges
- (e) Exhibit E Notices

4. REVISION OF EXHIBITS

- (a) At any time, BPA may unilaterally revise Exhibit A, Exhibit C and Exhibit D pursuant to the notice requirements in Exhibit E to:
 - (1) document replacement or removal of equipment undertaken pursuant to section 8; and
 - (2) incorporate revisions to charges described in Exhibit D upon ninety (90) days written notice.
- (b) In the event that Seattle makes changes to its assets, BPA shall make conforming changes to the exhibits. BPA shall issue the exhibit revisions within ninety (90) days after receiving notification of such changes pursuant to Exhibit E, and such revisions shall take effect upon issuance of the revision. BPA will revise charges as appropriate and will update the monthly billing effective the first of the month following energization of the new equipment or following removal of old equipment.
- (c) Either Party may change the name or address for receipt of notice in Exhibit E by providing notice of such change.

5. BILLING AND PAYMENT

- (a) **Billing**

BPA shall bill Seattle monthly for all services provided during the preceding month(s) for the equipment listed in Exhibit A, Tables 1 and 2 and Exhibit C, Table 2. BPA may send Seattle an estimated bill followed by a final bill. The issue date is the date BPA electronically sends the bill to Seattle. If the electronic transmittal of the entire bill is not practical, BPA shall transmit a summary electronically, and send the entire bill by United States mail.
- (b) **Payment**

Seattle shall pay all bills electronically in accordance with instructions on the bill. Payment of all bills, whether estimated or final, must be received by the 20th calendar day after the issue date of the bill (the “Due Date”). If the 20th calendar day is a Saturday, Sunday, or federal holiday, the Due Date is the next Business Day.

If Seattle has made payment on an estimated bill then:

- (1) if the amount of the final bill exceeds the amount of the estimated bill, Seattle shall pay BPA the difference between the estimated bill and final bill by the final bill’s Due Date; or
- (2) if the amount of the final bill is less than the amount of the estimated bill, BPA shall pay Seattle the difference between the estimated bill and final bill by the final bill’s Due Date.

(c) **Late Payments**

After the Due Date, a late payment charge equal to the higher of:

- (1) the Prime Rate (as reported in the Wall Street Journal or successor publication, in the first issue published during the month in which payment was due) plus 4 percent, divided by 365; or
- (2) the Prime Rate times 1.5, divided by 365;

shall be applied each calendar day to any unpaid balance.

(d) **Disputed Bills**

- (1) If Seattle disputes any portion of a charge or credit on Seattle's estimated or final bills, Seattle shall provide written notice to BPA with a copy of the bill noting the disputed amounts. Notwithstanding whether any portion of the bill is in dispute, Seattle shall pay the entire bill by the Due Date. This section 5(e)(1) does not allow Seattle to challenge the validity of any BPA rate.
- (2) Unpaid amounts on a bill (including both disputed and undisputed amounts) are subject to the late payment charges provided above. Notice of a disputed charge on a bill does not constitute BPA's agreement that a valid claim has been stated.
- (3) If the Parties agree that Seattle is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate shall equal the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) divided by 365.

6. OWNERSHIP OF EQUIPMENT

- (a) Title to and ownership of all of Seattle's equipment installed in BPA's Boundary Substation and specified in Exhibit A, Exhibit B and Exhibit C shall remain with Seattle at all times. Title to and ownership of the equipment specified in Exhibit C, Table 2, which by reason of permanent emplacement and high cost of removal will not be useful to the operation of Seattle's electric system at the time deliveries of energy to or from Seattle at BPA's Boundary Substation are terminated shall be and remain with BPA at all times.

- (b) Seattle shall identify its owned equipment specified in Exhibit A, Exhibit B and Exhibit C by permanently affixing thereto suitable tags and signs plainly stating that the property so identified is owned by Seattle, but failure to do so shall not affect Seattle's title to and ownership of such equipment.
- (c) All jointly owned equipment will be identified as such with co-ownership tags and signs.
- (d) Replacement and removal costs for jointly owned equipment and the proceeds from the disposal of jointly owned equipment will be equally shared.

7. ACCESS TO FACILITIES

- (a) Seattle shall grant BPA and its authorized contractors timely access to Seattle-owned equipment installed at Boundary Substation. BPA shall comply with Seattle's safety, access and security requirements and shall provide two weeks advance notice to Seattle, unless otherwise mutually agreed, of any outages of Seattle equipment that must be taken to enable BPA to perform its obligations hereunder.
- (b) BPA grants Seattle timely access rights of ingress and egress to Boundary Substation in order to install, inspect, operate and maintain the Seattle-owned equipment described in Exhibit A, Exhibit B and Exhibit C; provided, however that such rights of ingress and egress shall be subject to such rules and regulations as BPA may deem necessary for national security, for the safety of persons entering said Boundary Substation, and to assure the normal operation of BPA's electric system.

8. MAINTENANCE, REPLACEMENT, ADDITION AND REMOVAL OF EQUIPMENT

- (a) BPA agrees to perform for Seattle the following activities that may be subject to the Reliability Standards, and BPA agrees to be retained by Seattle to perform and report to Seattle on those activities in accordance with the Reliability Standards as applicable, and to perform such other activities required of Seattle by the Reliability Standards, and agreed to by BPA and Seattle, all according to Good Utility Practice and as more fully set forth herein. Accordingly, BPA shall:
 - (1) maintain the Seattle-owned equipment described in Exhibit A and Exhibit C in the same manner in which BPA maintains similar equipment owned by BPA and in accordance with the Reliability Standards; and

- (2) maintain BPA's substation equipment and power system control equipment (e.g. Supervisory Control and Data Acquisition (SCADA) which are necessary to integrate the Seattle-owned equipment described in Exhibit A, Exhibit B and Exhibit C with BPA's transmission system and, from time to time when BPA determines it is necessary, modify or replace such BPA substation equipment and power system control equipment.
- (b) Seattle agrees to perform certain activities that may be subject to the Reliability Standards, and report to BPA on those activities in accordance with the Reliability Standards as applicable. Accordingly, Seattle shall maintain the Seattle-owned equipment described in Exhibit B and Exhibit C in the same manner in which Seattle maintains similar equipment owned by Seattle and in accordance with the Reliability Standards; and
- (c) Seattle shall reimburse BPA for all reasonable costs, including replacement parts and labor, that BPA incurs for providing such maintenance specified in section 8(a)(1) above, according to the charges specified in Exhibit D. Seattle has the option to supply, at its expense, all parts required for such maintenance.
- (d) Seattle may request an addition or change to the facilities and equipment to be maintained by BPA and BPA may, at its discretion, agree to such addition or change. Any addition or change must be documented in the appropriate Exhibit(s) to this Agreement and must specify the facilities and equipment to be maintained, location of the facilities and equipment, ownership of facilities and equipment, and sharing of maintenance costs between the Parties.
- (e) In the event of a major failure or functional obsolescence of any of the equipment described in Exhibit A, Exhibit B or Exhibit C, the Parties shall negotiate and execute a mutually acceptable agreement providing for the replacement, repair, or removal of such equipment.
- (f) Seattle may add to Exhibit A, Exhibit B and Exhibit C equipment installed at Boundary Substation to integrate additional generating units at Boundary Powerhouse pursuant to subsequent agreements.
- (g) If requested by Seattle, BPA shall, at Seattle's expense, remove and return to Seattle some or all of the salvable equipment which is owned by Seattle as described in Exhibit A, Exhibit B and Exhibit C. After such removal, BPA may, at Seattle's expense, return the BPA facilities altered under the installation contract to the configuration (1) existing before such contract was executed, or (2) as mutually agreed by the Parties.

9. LIABILITY

- (a) If either Party's negligence in performing its duties under this Agreement is responsible in whole or in part for the Registered Entity's failure to comply with Reliability Standards as applicable to the facilities and equipment listed in Exhibit A, Exhibit B or Exhibit C, the other Party shall bear a share of any monetary penalty or cost of non-monetary sanctions imposed under Section 215 of the Federal Power Act based on its comparative fault determined pursuant to section 11(g). For additional clarity and the avoidance of doubt, the Parties specifically agree that (1) if FERC does not have jurisdiction to assess monetary penalties against BPA for a violation of the Reliability Standards under Section 215 of the Federal Power Act, then Seattle cannot be held responsible for monetary penalties associated with Seattle's negligence; and (2) if a monetary penalty is imposed against Seattle under Section 215 of the Federal Power Act, regardless of whether FERC has jurisdiction over BPA to assess a monetary penalty, BPA will bear a share of any monetary penalty based on its comparative fault determined pursuant to section 11(g).
- (b) Except as specifically provided in section 9(a) of this Agreement, in no event shall either Party be liable to the other Party, its board of directors, officers, employees, agents or representatives for any lost or prospective profits or for any other special, punitive, exemplary, consequential, incidental or indirect losses or damages (in tort, contract or otherwise) under or in respect of this Agreement.

10. ADDITIONAL COMMITMENTS

- (a) BPA agrees to provide to Seattle in the fourth quarter of each calendar year the following documents:
 - (1) Letter certifying that BPA has maintained equipment listed in Exhibit A in accordance with BPA's maintenance procedures, Reliability Standards and Good Utility Practices;
 - (2) Copy of BPA's maintenance procedures applicable to the equipment listed in Exhibit A; and
 - (3) Record of maintenance performed as applicable to the equipment listed in Exhibit A.
- (b) Seattle agrees to provide to BPA in the fourth quarter of each calendar year the following documents:
 - (1) Letter certifying that Seattle has maintained equipment listed in Exhibit B in accordance with Seattle's maintenance procedures, Electric Reliability Standards and Good Utility Practices;

- (2) Copy of Seattle's maintenance procedures applicable to the equipment listed in Exhibit B; and
- (3) Record of maintenance performed as applicable to the equipment listed in Exhibit B.
- (c) At either Party's request, in order to respond to a data request by FERC, NERC, WECC or other regulatory agency regarding the Reliability Standards, the other Party shall use reasonable efforts to provide all items listed in 10(a) or 10(b) on an as-needed basis.

11. FAILURE TO PERFORM

- (a) If either Party determines that it may not be in compliance with one or more of the requirements in section 8(a) or 8(b), it shall notify the other Party within three (3) Business Days of such determination.
- (b) If the Registered Entity determines that any Reliability Standards may have been violated with respect to equipment listed in Exhibit A, Exhibit B and Exhibit C, that Party will notify the other Party within ten (10) Business Days. The Registered Entity may elect to self report pursuant to NERC's Compliance Monitoring and Enforcement Program (CMEP).
- (c) The Registered Entity will coordinate with the other Party to create any mitigation plan for submission to WECC. The Registered Entity will submit the mitigation plan and all related, required documentation to WECC.
- (d) The Registered Entity will notify the other Party within ten (10) business days when a Notice of Alleged Violation (NOAV) is issued pursuant to the CMEP and provide the other Party a copy of the NOAV. The other Party shall treat the NOAV as confidential and it shall not be disclosed, except to the other Party's employees, including executives and managers, legal advisors, consultants, and other representatives on a need to know basis. The other Party shall not disclose the NOAV to any other parties without the Registered Entity's consent unless otherwise required by law.
- (e) The Registered Entity will not oppose any attempts by the other Party to intervene in CMEP proceedings conducted by FERC, NERC, or WECC.
- (f) The Registered Entity shall have the sole discretion to decide whether to proceed through the settlement process or the hearing process as defined under the CMEP.

- (g) In determining whether and to what extent the other Party is responsible for any part of monetary penalties or the cost of non-monetary sanctions imposed under Section 215 of the Federal Power Act with respect to the Registered Entity's failure to comply with Reliability Standards as applicable to the equipment listed in Exhibit A, Exhibit B and Exhibit C:
- (1) The Parties shall use good faith efforts to reach agreement on the proper amount, if any, of the monetary penalty or cost of non-monetary sanctions that should be assumed by the other Party due to the other Party's comparative fault.
 - (2) If the determination of the amount of monetary penalties or cost of non-monetary sanctions to be assumed by each Party is not resolved after good faith efforts of the Parties to reach a resolution, the dispute may be submitted, upon mutual agreement of the Parties, to binding arbitration administered by the American Arbitration Association under its Commercial Arbitration rules. If the Parties agree to submit the dispute to binding arbitration, each Party shall have discovery rights as set out in the Federal Rules of Civil Procedure. Judgment upon any award rendered by an arbitrator may be entered in any court or administrative body having appropriate jurisdiction. In order to keep the Parties whole, the award shall include interest, from the date of payment by the Registered Entity, on the amount of such monetary penalty or cost of non-monetary sanctions for which the other Party is determined to be responsible. Interest shall be calculated as stated in section 5(e)(3). The Parties shall equally share the cost of any arbitration process, including the cost of the arbitrator, court reporter, and room rental. Each Party shall be responsible for the cost of presenting its own case, including, without limitation, witnesses, attorneys, and consultants.

12. STANDARD PROVISIONS

- (a) **Amendments**
Except where this Agreement explicitly allows one Party to unilaterally amend a provision or exhibit, no amendment of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.
- (b) **Assignment**
This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld.

(c) **Dispute Resolution**

- (1) Except as provided in section 11(g) of this Agreement, in the event of a dispute arising out of this Agreement, the Parties shall negotiate in good faith to reach an acceptable and timely resolution. If the Parties are unable to resolve the dispute to their mutual satisfaction within five Business Days, or any other mutually acceptable time period after negotiation begins, the Parties shall attempt in good faith to resolve the dispute through nonbinding mediation.
- (2) Except as provided in section 11(g) of this Agreement, each Party shall be responsible for its own expenses and one-half of the expenses of the mediator.

(d) **Freedom of Information Act (FOIA)**

- (1) BPA may release information provided by Seattle to comply with FOIA or if required by any other federal law or court order. For information that Seattle provides pursuant to section 11(d), or designates in writing as proprietary, BPA will limit the use and dissemination of that information within BPA to employees who need the information for purposes of this Agreement.
- (2) Seattle may release information provided by BPA to comply with R.C.W. 42.56 *et. seq.*, Washington's Public Records Act, or if required by another law or court order. For information that BPA provides pursuant to section 11(d), or designates in writing as proprietary, Seattle will limit the use and dissemination of that information within Seattle to employees who need the information for purposes of this Agreement.

(e) **Governing Law**

This Agreement shall be interpreted, construed and enforced in accordance with Federal law. If under Federal law the court applies state law, the court shall apply Washington law.

(f) **No Third Party Beneficiaries**

This Agreement is made and entered into for the sole benefit of the Parties, and the Parties intend that no other person or entity shall be a direct or indirect beneficiary of this Agreement.

(g) **Relationship of the Parties**

The Parties agree that BPA is an independent contractor to Seattle in the performance of BPA's obligations under section 8 of this Agreement. Neither Party is the agent or principal of the other, nor are they partners or joint venturers. Each Party agrees that it will not represent that, in performing its obligations hereunder, it acts in the capacity of agent or principal of the

other Party, nor that it is a partner or joint venturer with the other Party with respect to the subject matter of this Agreement.

(h) **Section Headings**

Section headings and subheadings appearing in this Agreement are inserted for convenience only and shall not be construed as interpretations of text.

(i) **Several Obligations**

Except where specifically stated in this Agreement, the duties, obligations and liabilities of the Parties are intended to be several and not joint or collective.

(j) **Uncontrollable Forces**

The Parties shall not be in breach of their respective obligations to the extent the failure to fulfill any obligation is due to an Uncontrollable Force.

“Uncontrollable Force” means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force, that prevents that party from performing its contractual obligations under this Agreement and which, by exercise of that Party’s reasonable care, diligence and foresight, such Party was unable to avoid. Uncontrollable Forces include, but are not limited to:

- (1) strikes or work stoppage;
- (2) floods, earthquakes, or other natural disasters; terrorist acts; and
- (3) final orders or injunctions issued by a court or regulatory body having competent subject matter jurisdiction which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

If an Uncontrollable Force prevents a Party from performing any of its obligations under this Agreement, such Party shall: (1) immediately notify the other Party of such Uncontrollable Force by any means practicable and confirm such notice in writing as soon as reasonably practicable; (2) use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligation hereunder as soon as reasonably practicable; (3) keep the other Party apprised of such efforts on an ongoing basis; and (4) provide written notice of the resumption of performance. Written notices sent under this section must comply with Exhibit E.

(k) **Waivers**

No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving Party, and any such waiver shall not be deemed a waiver of any other provision of this Agreement or any other breach of this Agreement.

13. SIGNATURES

The Parties have executed this Agreement as of the last date indicated below.

THE CITY OF SEATTLE, CITY LIGHT
DEPARTMENT

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: _____

By: _____

Name: _____
(Print/Type)

Name: Toni L. Timberman
(Print/Type)

Title: _____

Title: Senior Transmission Account Executive

Date: _____

Date: _____

CCM: 15974_MO&O_Agreement

EXHIBIT A
BOUNDARY EQUIPMENT MAINTENANCE REPORTING OBLIGATION
BPA TO SEATTLE

TABLE 1
BOUNDARY EQUIPMENT - OWNED AND OPERATED BY SEATTLE¹
AND MAINTAINED BY BPA AT SEATTLE'S EXPENSE²

1. Primary station service power supply equipment as follows:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
BK 4 HS	D99913	DISC-240-BK4	(a) One 230 kV, 1200 A disconnect switch without ground blades - xfmr #4	Disconnect	14-03-43356
BK 5 HS	D99914	DISC-240-BK5	(b) One 230 kV, 1200 A disconnect switch without ground blades - xfmr #5	Disconnect	14-03-43356

2. Equipment in 230 kV terminal position Nos. 8, 10, 12 and 14 (Units 51, 52, 53 and 54 respectively) as follows:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
A-2351 MB	D99909	BUS-DISC-240-351	(a) Bay 8: One 230 kV, 1200 A, main bus disconnect switch without ground blades	Disconnect	14-03-43356

¹ Formerly listed in Exhibit A, Table II of Contract No. 14-03-43729.

² Boundary Equipment Operation and Maintenance Charges are detailed in Exhibit D of this Agreement.

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
A-2352 MB	D99910	BUS-DISC-240-352	(b) Bay 10: One 230 kV, 1200 A, main bus disconnect switch without ground blades	Disconnect	14-03-43356
A-2353 MB	D99911	BUS-DISC-240-353	(c) Bay 12: One 230 kV, 1200 A, main bus disconnect switch without ground blades	Disconnect	14-03-43356
A-2354 MB	D99912	BUS-DISC-240-354	(d) Bay 14: One) 230 kV, 1200 A, main bus disconnect switch without ground blades	Disconnect	14-03-43356

3. Equipment in the 230 kV terminal position Nos. 16 and 18 (Units 55 and 56 respectively) as follows:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
A-2355 MB	D99893	BUS-DISC-240-355	(a) Bay 16: One 230 kV, 1200 A main bus disconnect switch without ground blades	Disconnect	DE-MS79-84BP91291
A-2356 MB	D99894	BUS-DISC-240-356	(b) Bay 18: One 230 kV, 1200 A main bus disconnect switch without ground blades	Disconnect	DE-MS79-84BP91291

CCM: 15974_MO&O_Agreement

EXHIBIT A
BOUNDARY EQUIPMENT MAINTENANCE REPORTING OBLIGATION
BPA TO SEATTLE

TABLE 2
BOUNDARY EQUIPMENT OWNED BY SEATTLE¹ AND OPERATED AND
MAINTAINED BY BPA AT SEATTLE'S EXPENSE²

Equipment in the 230 kV sectionalizing segment (tie between bus sections 1 and 2) as follows:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
A-1233	O99990	BKR-A1233	(a) One 230 kV, 2000 A, 15,000 MVA Dead Tank SF6 power circuit breaker	Power Circuit Breaker	DE-MS79-84BP91291
A-1233 MB SEC 1	D99895	DISC-A1233-SEC1	(b) One 230 kV, 2000 A disconnect switch without ground blades	Disconnect	DE-MS79-84BP91291
A-1233 MB SEC 2	D99896	DISC-A1233-SEC2	(c) One 230 kV, 2000 A disconnect switch without ground blades	Disconnect	DE-MS79-84BP91291

CCM: 15974_MO&O_Agreement

¹ Formerly listed in Exhibit A, Table II of Contract No, 14-03-43729.

² Boundary Equipment Operation and Maintenance Charges are detailed in Exhibit D of this Agreement.

EXHIBIT A
BOUNDARY EQUIPMENT MAINTENANCE REPORTING OBLIGATION
BPA TO SEATTLE

TABLE 3
BOUNDARY EQUIPMENT OWNED AND MAINTAINED BY BPA AT BPA'S EXPENSE,
JOINTLY USED BY SEATTLE

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
C&D Lead Acid – 1008AH	BOUN-LEAD	N/A	(a) Station Battery, 125 VDC, located in basement battery room	AC and DC Power Systems	N/A
INVERTER	BOUN-INVERTER	N/A	(b) Inverter	AC and DC Power Systems	N/A
Boundary Station Battery Charger	BOUN-Switched	N/A	(c) Station battery charger	AC and DC Power Systems	N/A

CCM: 15974_MO&O Agreement

EXHIBIT B
BOUNDARY EQUIPMENT MAINTENANCE REPORTING OBLIGATION
SEATTLE TO BPA

TABLE 1
BOUNDARY EQUIPMENT OWNED AND MAINTAINED BY SEATTLE AT SEATTLE'S
EXPENSE, JOINTLY USED BY BPA

Customer Equipment No.	Equipment Description	Installed under Contract No.
22-0652	(a) (3) CTs (2Y 4Y 6Y) of 230 kV BKR 240-351, For BPA (Bus Metering CTs)	14-03-43356
22-0654	(b) (3) CTs (2X 4X 6X) of 230 kV BKR 240-351, For BP For BPA (Bus Differential Relaying CTs)	14-03-43356
22-0656	(c) (3) CTs (2Y 4Y 6Y) of 230 kV BKR 240-352, For BPA (Bus Metering CTs)	14-03-43356
22-0657	(d) (3) CTs (2X 4X 6X) of 230 kV BKR 240-352, For BP For BPA (Bus Differential Relaying CTs)	14-03-43356
22-0655	(e) (3) CTs (2Y 4Y 6Y) of 230 kV BKR 240-353, For BPA (Bus Metering CTs)	14-03-43356
22-0658	(f) (3) CTs (2X 4X 6X) of 230 kV BKR 240-353, For BP For BPA (Bus Differential Relaying CTs)	14-03-43356
22-0660	(g) (3) CTs (2Y 4Y 6Y) of 230 kV BKR 240-354, For BPA (Bus Metering CTs)	14-03-43356
22-0661	(h) (3) CTs (2X 4X 6X) of 230 kV BKR 240-354, For BP For BPA (Bus Differential Relaying CTs)	14-03-43356
22-0662	(i) (3) CTs (2Y 4Y 6Y) of 230 kV BKR 240-355, For BPA (Bus Metering CTs)	DE-MS79 84BP91291
22-0663	(j) (3) CTs (2X 4X 6X) of 230 kV BKR 240-355, For BP For BPA (Bus Differential Relaying CTs)	DE-MS79 84BP91291
22-0664	(k) (3) CTs (2Y 4Y 6Y) of 230 kV BKR 240-356, For BPA (Bus Metering CTs)	DE-MS79 84BP91291

Customer Equipment No.	Equipment Description	Installed under Contract No.
22-0665	(l) (3) CTs (2X 4X 6X) of 230 kV BKR 240-356, For BP For BPA (Bus Differential Relaying CTs)	DE-MS79 84BP91291
	(m) Device 68BD/A, Auxiliary Lockout Relay, For BPA Bus A, Bus Differential Relaying	
	(n) Device 68BD/B, Auxiliary Lockout Relay, For BPA Bus B, Bus Differential Relaying	

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EXHIBIT C
BOUNDARY EQUIPMENT MAINTAINED BY EQUIPMENT OWNER
NO MAINTENANCE REPORTING OBLIGATION

TABLE 1
BOUNDARY EQUIPMENT OWNED, OPERATED AND MAINTAINED BY SEATTLE AT
SEATTLE'S EXPENSE¹

1. Primary Station Service Power Supply Source and Powerhouse Station Service equipment installed at Position Nos. 12 and 14 in BPA's Boundary Substation pursuant to Contract No. 14-03-43356 (Trust Agreement)^{2,3}:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
N/A	N/A	BK4 BK5	(a) Two 242 kV/14.3 kV, 2000 kVA 3-phase power transformers	N/A	14-03-43356
N/A	N/A	BKR-13-BK4 BKR-13-BK5	(b) Two 15 kV, 1200 A, 1000 MVA power circuit breakers	N/A	14-03-43356
N/A	N/A	N/A	(c) Two 15 kV powerhouse station service supply cables and associated potheads	N/A	14-03-43356
N/A	N/A	N/A	(d) The control and relay panel Y2, including equipment mounted thereon, which are associated (a) and (b) above	N/A	14-03-43356

¹ No Maintenance Reporting Obligation for this Exhibit C, Table 1.
² Reference Contract No. 14-03-79177 related to Station Service at Boundary.
³ Formerly listed in Exhibit A, Table I of Contract No. 14-03-43729.

2. Equipment in the 230 kV terminal positions Nos. 8, 10, 12 and 14 (Units 51, 52, 53 and 54 respectively) for the powerhouse lines as follows:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
N/A	N/A	BKR-240-351 BKR-240-352 BKR-240-353 BKR-240-354	(a) Four 230 kV, 1600 A, 15,000 MVA power circuit breakers	N/A	14-03-43356
N/A	N/A	LINE-DISC-240-351 LINE-DISC-240-352 LINE-DISC-240-353 LINE-DISC-240-354	(b) Four 230 kV, 1200A line side disconnect switches with ground blades	N/A	14-03-43356
N/A	N/A	CCVT-240-351 CCVT-240-352 CCVT-240-353 CCVT-240-354	(c) Four 132.8 kV Coupling Capacitor Voltage Transformer (CCVT)	N/A	02TX-11260
N/A	N/A	N/A	(d) The control and relay panels Y3, Y4, & Y5, including the equipment mounted thereon	N/A	14-03-43356
N/A	N/A	N/A	(e) Associated control cables	N/A	14-03-43356

3. Equipment in the 230 kV terminal position Nos. 16 and 18 (Units 55 and 56) as follows:

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
N/A	N/A	BKR-240-355 BKR-240-356	(a) Two 230 kV, 1600 A, 15,000 MVA power circuit breakers	N/A	DE-MS79-84BP91291
N/A	N/A	LINE-DISC-240-355 LINE-DISC-240-356	(b) Two 230 kV, 1200A line side disconnect switches with ground blades	N/A	DE-MS79-84BP91291
N/A	N/A	CCVT-240-355 CCVT-240-356	(c) Two 132.8 kV Coupling Capacitor Voltage Transformers (CCVT)	N/A	02TX-11260
N/A	N/A	N/A	(d) The control and relay panels Y4 & Y5, including the equipment mounted thereon, which are associated with terminal positions Nos. 16 and 18	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(e) Associated control cables associated with Terminal Positions 16 and 18	N/A	DE-MS79-84BP91291

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EXHIBIT C
BOUNDARY EQUIPMENT MAINTAINED BY EQUIPMENT OWNER
NO MAINTENANCE REPORTING OBLIGATION

TABLE 2
BOUNDARY FACILITIES AND EQUIPMENT OWNED AND MAINTAINED BY BPA
JOINTLY USED BY SEATTLE¹
MAINTENANCE COST SHARED WITH SEATTLE²

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
N/A	N/A	N/A	(a) Steel structures and concrete footings associated with items 1(a), 1(b) and 1(c) of Exhibit C, Table 1	N/A	14-03-43356
N/A	N/A	N/A	(b) The steel structure and concrete footings associated with items 1(a) and 1(b) of Exhibit A, Table 1	N/A	14-03-43356
N/A	N/A	N/A	(c) The main bus sections associated with items 2(a), 2(b), 2(c), and 2(d) of Exhibit A, Table 1	N/A	14-03-43356
N/A	N/A	N/A	(d) The steel bridges on which Seattle's 230 kV powerhouse line Nos. 1, 2, 3 and 4 are terminated associated with items 2(a), 2(b), 2(c), and 2(d) of Exhibit A, Table 1	N/A	14-03-43356
N/A	N/A	N/A	(e) The steel structures and concrete footings associated with item 2(a) of this Exhibit C, Table 2, items 2(a) and 2(b) of Exhibit C, Table 1, and items 2(a), 2(b), 2(c), and 2(d) of Exhibit A, Table 1	N/A	14-03-43356
N/A	N/A	N/A	(f) Associated conduits between the substation yard and control house	N/A	14-03-43356

¹ Formerly listed in Exhibit A, Table III of Contract No. 14-03-43729, as amended.

² Boundary Equipment Operation and Maintenance Charges are detailed in Exhibit D of this Agreement.

BPA Equipment Position	BPA Equipment No.	Customer Equipment No.	Equipment Description	BPA Equipment Category	Installed under Contract No.
N/A	N/A	N/A	(g) The main bus sections associated with items 3(a) and 3(b) of Exhibit C, Table 1	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(h) The steel bridges on which Seattle's 230 kV powerhouse line Nos. 5 and 6 are terminated, associated with items 3(a) and 3(b) of Exhibit C, Table 1	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(i) The steel structures and concrete footings associated with items 3(a) and 3(b) of Exhibit C, Table 1; and items 3(a) and 3(b) of Exhibit A, Table 1	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(j) Associated conduits between the substation yard and control house	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(k) The steel structures and concrete footings associated with the items listed on Exhibit A, Table 2	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(l) Associated conduits between the control house and the substation yard	N/A	DE-MS79-84BP91291
N/A	N/A	N/A	(m) Control House	N/A	N/A
N/A	N/A	N/A	(n) Substation land including improvements	N/A	N/A

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**EXHIBIT D
BOUNDARY EQUIPMENT
OPERATIONS AND MAINTANANCE CHARGES**

Seattle is billed based on the BPA Annual Cost Ratio and Operation and Maintenance (O&M) Tables dated September 30, 2007, or its successor, based on average BPA system maintenance expenses.

CALCULATION OF CHARGES FOR¹:

Exhibit A, Table 1 - Maintenance and Use

Maintenance of eight 230 kV group operated disconnect switches
(8)(\$855) = \$6,836

Exhibit A, Table 2 – Operations and Maintenance

O&M of one 230 kV gas power circuit breaker
(1)(\$5,944) = \$5,944

O&M of two 230 kV group operated disconnect switches
(2)(\$1,066) = \$2,132

Exhibit C, Table 2 – Maintenance and Use

Maintenance of jointly used Type U Substation (2.26%)(\$280,742) = \$6,345

Interest and Amortization of jointly used Type U Substation
(6.50%)(\$126,737) = \$8,238

TOTAL \$29,495

TOTAL ANNUAL OPERATONS AND MAINTENANCE CHARGE: \$29,496

TOTAL MONTHLY OPERATION AND MAINTENANCE CHARGE: \$2,458²

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¹ The values used in the following calculations are based on BPA's Annual O&M Tables and Annual. Cost Ratio factors dated September 30, 2007, based on average O&M expenses from fiscal years 2002, 2003, 2004, 2005 and 2006.

² The Annual Charge has been adjusted to ensure 12 equal whole dollar monthly payments.

**EXHIBIT E
NOTICES**

1. NOTICES RELATING TO PROVISIONS OF THE AGREEMENT

Any notice required under this Agreement shall be in writing and shall be delivered in person or with proof of receipt by a nationally recognized delivery service or by United States Certified Mail. Notices are effective when received. Either Party may change the name or address for receipt of notice by providing notice of such change. The Parties shall deliver notices to the following person and address:

If to Seattle:

Attention: Director, Power Contracts &
Resource Acquisition
Phone: (206) 684-3856
Fax: (206) 386-4555

If by First Class Mail:

The City of Seattle, City Light
Department
P.O. Box 34023
Seattle, WA 98124-0432

If by Overnight Delivery Service:

The City of Seattle, City Light
Department
700 Fifth Avenue, Suite 3220
Seattle, WA 98124-4023

If to BPA:

Attention: Transmission Account
Executive for The City of Seattle, City
Light Department – TSE/TPP-2
Phone: (360) 619-6016
Fax: (360) 619-6940

If by First Class Mail:

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666

If by Overnight Delivery Service:

Bonneville Power Administration – TSE/TPP-2
7500 NE 41st Street, Suite 130
Vancouver, WA 98662

2. NOTICES OF AN OPERATING NATURE

The Seattle shall provide BPA with the name (or title), address, voice phone number and Fax number for routine operational activities performed under this Agreement. Such operational activities shall include, but are not limited to outage coordination, generation dispatch and system dispatch. Any notice, request or demand of an operating nature between BPA and the Seattle shall be made orally or in writing, by facsimile, by First Class mail or overnight delivery service.

If to Seattle:

If to BPA:

The City of Seattle, City Light
Department
Attention: Director, System Operations
614 NW 46th Street
Seattle, WA 98107
Phone: (206) 706-0240
Fax: (206) 706-0145

Primary Contact:
Dittmer Dispatch:
Phone: (360) 418-2281 or 418-2280
or (503) 283-8501
Fax: (360) 418-2938

Secondary Contact:
Munro Dispatch:
Phone: (509) 465-1820
or (888) 835-9590
Fax: (509) 466-2444

Outage Coordination:
Dittmer Control Center Outage Office
Phone: (360) 418-2274
or (360) 418-2275
Fax: (360) 418-2214

3. DELIVERY OF MAINTENANCE DOCUMENTATION

If to Seattle:

Attention: James Baggs
Title: NERC Compliance Officer
Phone: (206) 684-3260
E-mail: james.baggs@seattle.gov

If to BPA Reliability Program:

E-mail: TXReliabilityCompliance@bpa.gov

If by First Class Mail:

Bonneville Power Administration
Attention: Transmission Reliability
Program – TPC/TPP-4
P.O. Box 61409
Vancouver, WA 98666

If by Overnight Delivery Service:

Bonneville Power Administration
Attention: Transmission Reliability
Program – TPC/TPP-4
7500 NE 41st Street – Suite 130
Vancouver, WA 98662