

**RETURN TO:**

City Clerk  
City of Oak Harbor  
865 SE Barrington Drive  
Oak Harbor, WA 98277

**GRANTOR:** City of Oak Harbor  
**GRANTEE:** Puget Sound Energy, Inc.

**ORDINANCE NO. 1309**

AN ORDINANCE GRANTING PUGET SOUND ENERGY, INC., A WASHINGTON CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE, AUTHORITY AND FRANCHISE TO SET, ERECT, LAY, CONSTRUCT, EXTEND, SUPPORT, ATTACH, CONNECT, MAINTAIN, REPAIR, REPLACE, ENLARGE, OPERATE AND USE FACILITIES IN, UPON, OVER, UNDER, ALONG, ACROSS AND THROUGH THE FRANCHISE AREA TO PROVIDE FOR THE TRANSMISSION, DISTRIBUTION AND SALE OF ELECTRIC ENERGY FOR POWER, HEAT AND LIGHT, AND ANY OTHER PURPOSES FOR WHICH ELECTRIC ENERGY MAY BE USED

THE CITY COUNCIL OF THE CITY OF OAK HARBOR do ordain as follows:

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**Section One. Definitions.**

- (1) When used in this franchise (the "Franchise") ordinance, unless otherwise indicated, the following terms shall mean:
- (a) "Administrator" means the Public Works Superintendent or other person designated by the Mayor, or any successor office with responsibility for management of the public properties within the City of Oak Harbor, or his/her designee. Changes of designation will be sent to PSE in writing.
  - (b) "PSE" means Puget Sound Energy, Inc., a Washington corporation, and its successors and assigns.
  - (c) "City" means the City of Oak Harbor, a first class city of the State of Washington, and its successors and assigns.
  - (d) "Franchise Area" means any, every and all of the roads, streets, avenues, alleys, highways, grounds and public places of the City as now laid out, platted, dedicated or improved; and any, every and all roads, streets, avenues, alleys, highways, grounds and public places that may hereafter be laid out, platted, dedicated or improved within the present limits of the City and as such limits may be hereafter extended.
  - (e) "Facilities" means, collectively, any and all
    - (i) electric transmission and distribution systems, including but not limited to, poles (with or without crossarms), wires, lines, conduits, cables, braces, guys, anchors and vaults, meter-reading devices, fixtures, and communication systems; and
    - (ii) any and all other equipment, appliances, attachments, appurtenances and other items necessary, convenient, or in any way appertaining to any and all of the foregoing, whether the same be located over or under ground.

- (f) "Ordinance" means this ordinance which sets forth the terms and conditions of this Franchise.
- (g) "WUTC" means the Washington Utilities and Transportation Commission or a successor regulatory entity.

**Section Two. Facilities Within Franchise Area.**

- (1) All other franchises heretofore granted by the City to PSE, or its predecessors in interest of which it has acquired, for utilization of streets, avenues, rights-of-way, roads, alleys, lands or other public places within the City for electrical power are hereby canceled.
- (2) Pursuant to the laws of the State of Washington (including, but not limited to, RCW 35A.47.040 and RCW 80.32.010), the City hereby grants to PSE, subject to the terms and conditions set forth hereinafter, a Franchise for a period of ten (10) years, commencing upon the effective date of this Ordinance.
- (3) The City does hereby grant to PSE the right, privilege, authority and franchise to set, erect, lay, construct, extend, support, attach, connect, maintain, repair, replace, enlarge, operate and use Facilities in, upon, over, under, along, across and through the Franchise Area to provide for the transmission, distribution and sale of electric energy for power, heat, light and such other purposes for which electric energy may be used.

**Section Three. Non-Interference of Facilities.**

- (1) PSE's Facilities shall be constructed, installed, maintained and repaired within the Franchise Area so as to provide safety of persons and property, and so as not to unreasonably interfere with the free passage of traffic and in accordance with the laws of the State of Washington, and the Ordinances, rules and regulations of the City. PSE shall exercise its rights within the Franchise Area in accordance with applicable City codes and ordinances governing use and occupancy of the Franchise Area; provided, however, in the event of any conflict or inconsistency of such codes and ordinances with the terms and conditions of this Franchise, the terms and conditions of this Franchise shall govern and control, unless otherwise specifically provided; provided, further, nothing herein shall be deemed to waive, prejudice or otherwise limit any right of appeal afforded PSE by such City codes and ordinances.
- (2) In the event that the Administrator reasonably determines, after providing written notice to PSE and a reasonable opportunity for PSE to respond to the Administrator's concerns, that any one or more of PSE's Facilities within the Franchise Area interfere with the free and safe passage of pedestrian and/or vehicular traffic, then PSE shall promptly take such action as is reasonably necessary to eliminate such interference. In so doing, the City shall fully cooperate with PSE, including, without limitation, allowing changes to or

modifications of the Franchise Area (and other City property), at PSE's expense, if such changes or modifications provide the most effective or economical means of eliminating such interference. Should such interference require relocation of PSE's Facilities within the Franchise Area, such relocation shall be accomplished in accordance with Section Six "Relocation of Facilities" below.

- (3) Whenever it shall be necessary for PSE to engage in work within the Franchise Area, PSE shall inform the City of where and when such work will be done and who will be doing the work. PSE shall apply for and receive City approval for all necessary City permits to do such work prior to doing the work, and shall, except where expressly provided otherwise herein, comply with all requirements and conditions of such permits, including but not limited to, location restrictions, security regulations as promulgated by the City, State or Federal Government, traffic control, and restoration of the Franchise Area. The City may require PSE to post a bond to ensure satisfactory restoration of the Franchise Area following the completion of PSE's work therein. In lieu of a separate bond for routine individual projects involving work in the Franchise Area, PSE may satisfy the City's bond requirements by posting a single on-going performance bond.
- (4) PSE shall maintain and provide to the City a current list of designated subcontractors who are authorized to do work under subsection (3) above.
- (5) PSE shall, after installation, construction, relocation, maintenance, removal or repair of any of PSE Facilities within the Franchise Area, restore the surface of the Franchise Area and any other City property within the Franchise Area which may be disturbed or damaged by such work as nearly as practical to its condition prior to such work or as otherwise required by the Public Works Department as conditioned by the permit. The Public Works Superintendent shall have final approval of the condition of the Franchise Area restoration. All survey monuments which are to be disturbed or displaced by such work shall be referenced and restored by a licensed land surveyor, as per WAC 332-120, as the same now exists or may hereafter be amended, and all pertinent federal, state and local standards and specifications. All work by PSE pursuant to this section shall be performed in accordance with the permit issued by the City, together with the laws of the State of Washington, Oak Harbor Municipal Code and the City of Oak Harbor Public Works Construction Standards as the same now exists or as may hereafter be amended or superseded.
- (6) PSE shall maintain its Facilities within the Franchise Area in accordance with the National Electric Safety Code and the laws of Washington State. In the event PSE becomes or is made aware of any Facility not in compliance with such code or law, PSE shall promptly act to bring such Facility into compliance with same. PSE will cooperate with the City to address any such instances brought to its attention by the City.

**Section Four. City Use of Facilities.** During the term of this Franchise and with respect to poles which are Facilities, which are wholly owned by PSE and which are within the Franchise Area, the City may, subject to PSE's prior written consent, which consent shall not be unreasonably withheld, install and maintain City-owned overhead wires upon such poles for signal interconnect and communication capabilities or other public purpose with no charge being made for such Facilities attachment. The foregoing rights of the City to install and maintain such wires are further subject to the following:

- (1) Such installation and maintenance shall be done by the City at its sole risk and expense in accordance with all applicable laws (including, but not limited to, RCW 70.54.090), and subject to such reasonable requirements as PSE may specify from time to time (including without limitation, requirements accommodating PSE's Facilities or the facilities of other parties having the right to use PSE's Facilities); and
- (2) PSE shall have no obligation under Section Eight (or arising under the purview of Section Eight) in connection with any City-owned wires so installed or maintained; and
- (3) PSE shall not charge the City a fee for the use of such poles in accordance with Section Four as a means of deriving revenue therefrom; provided, however, nothing herein shall require PSE to bear any cost or expense in connection with such installation and maintenance by the City.

**Section Five. Records of Installation and Planning.**

- (1) PSE shall provide to the City, upon the City's reasonable request, copies of available drawings in use by PSE showing the approximate location of Facilities at specified locations within the Franchise Area. PSE shall further provide, upon the City's reasonable request, in connection with the City's design of new streets and intersections and major renovations of existing streets and intersection, field markings of PSE's underground Facilities within the Franchise Area, if such Facilities can be so field marked with reasonable accuracy using devices designed to respond to the presence of PSE's underground Facilities, pursuant to all applicable law, regulations and industry standards.
- (2) When the City reasonably determines it to be necessary for design of City improvement within the Franchise Area, PSE will verify the exact location of its underground Facilities within the Franchise Area in connection with the design of such City improvement by excavating (e.g., pot holing) at no expense to the City.
- (3) PSE shall provide to the City, annually or at the time of upgrades, copies of PSE's available long term plans for additions and improvements to its transmission and distribution systems within the City.

**Section Six. Relocation of Facilities.**

- (1) Whenever the City causes a public works improvement to be undertaken within the Franchise Area, and such public works improvement requires the relocation of PSE's then existing Facilities within the Franchise Area (for purposes other than those described in Subsection (2) below), the City shall:
  - (a) provide PSE, within a reasonable time prior to the commencement of such public works improvement, written notice requesting such relocation; and
  - (b) provide PSE with reasonable plans and specifications for such public works improvement.

After receipt of such notice and such plans and specifications, PSE shall relocate such Facilities within the Franchise Area at no charge to the City. If the City requires the subsequent relocation of any Facilities within five (5) years from the date of relocation of such Facilities pursuant to Subsection (1), the City shall bear the entire cost of such subsequent relocation. As used in this section, the term "public works improvement" is a capital improvement of the public right-of-way by or on behalf of the City for the primary benefit of the City and its general constituents, including, but not limited to, City roads/streets and City utility facilities. If, during the construction of any such public works improvement, an emergency posing a threat to public safety or welfare, or a substantial risk of severe economic consequences to the City, arises requiring the relocation of PSE's Facilities within the Franchise Area, the City shall give PSE notice of the emergency as soon as reasonably practicable. Upon receipt of such notice from the City, PSE shall endeavor to respond as soon as reasonably practicable to relocate the affected Facilities.

- (2) Whenever:
  - (a) any public or private development within the Franchise Area, other than a public works improvement, requires the relocation of PSE's Facilities within the Franchise Area to accommodate such development; or
  - (b) the City requires the relocation of PSE's Facilities within the Franchise Area for the benefit of any person or entity other than the City;

then in such event, PSE shall have the right as a condition of such relocation, to require such developer, person or entity to make payment to PSE, at a time and upon terms acceptable to PSE, for any and all costs and expenses incurred by PSE in the relocation of PSE's Facilities.

- (3) Any condition or requirement imposed by the City upon any person or entity, other than PSE, that requires the relocation of PSE's Facilities shall be a required relocation for purposes of Subsection (2) above (including, without limitation, any condition or requirement imposed pursuant to any contract or in conjunction with approvals or permits for zoning, land use, construction or development).
- (4) Nothing in Section Six "Relocation of Facilities" shall require PSE to bear any cost or expense in connection with the relocation of any Facilities then existing pursuant to easements or such other rights not derived from this Franchise.

**Section Seven. Undergrounding of Facilities.**

- (1) PSE acknowledges that the City desires to promote a policy of undergrounding of Facilities within the Franchise Area. The City acknowledges that PSE provides electrical services on a non-preferential basis subject to and in accordance with tariffs on file with the WUTC. Subject to and in accordance with such tariffs, PSE will cooperate with the City in the formulation of policy and development regulations concerning undergrounding of PSE's Facilities within the Franchise Area.
- (2) New Facilities of 15kV or less, constructed by PSE during the term of this Franchise, shall be located underground.
- (3) If, during the term of this Franchise, the City shall direct PSE to underground existing Facilities (of 15kV or less) within the Franchise Area, such undergrounding shall be arranged and accomplished subject to and in accordance with applicable tariffs on file with the WUTC. This section shall govern all matters related to undergrounding of PSE Facilities (i.e., conversion or otherwise) within the Franchise Area.

**Section Eight. Indemnification.** PSE shall indemnify and hold the City harmless from any and all claims and demands made against it on account of injury or damage to the person or property of another, to the extent such injury or damage is caused by the negligence of PSE, its agents, servants or employees in exercising the rights granted to PSE in this Franchise; provided, however, that in the event any such claim or demand is presented to or filed with the City, the City shall promptly notify PSE thereof, and PSE shall have the right, at its election and at its sole cost and expense, to settle and compromise such claim or demand; provided further, that in the event any suit or action is brought against the City based upon any such claim or demand, the City shall likewise promptly notify PSE thereof, and PSE shall have the right, at its election and its sole cost and expense, to settle and compromise such suit or action, or defend the same at its sole cost and expense, by attorneys of its own election.

**Section Nine. Compliance with Federal, State and Local Regulations.**

- (1) PSE shall comply with all federal, state and local laws or regulations applicable to the exercise of Franchise functions or Franchise obligations. Upon written inquiry, PSE shall provide a specific reference to either federal, state or local law or the WUTC order or action, if any, establishing a basis for PSE's actions related to a specific Franchise issue.
- (2) PSE is hereby notified that there are asbestos cement pipes within the Franchise Area and that PSE needs to comply with applicable statutes, regulations and standards relating to the handling of such, if encountered by PSE.
- (3) This Franchise shall not limit, and the City hereby reserves, all lawful powers and Franchise authority available to it under its general police authority; provided, however, such authority shall be exercised in a manner consistent with this Franchise.

**Section Ten. Reservation of Easement in Event of Vacation.** In the event the City vacates any portion of the Franchise Area during the term of this Franchise, the City shall, in its vacation procedure, reserve a public utility easement for PSE's Facilities, unless it is determined by the City Council not to do so for good and/or lawful cause.

**Section Eleven. Moving Buildings Within the Franchise Area.** If any person or entity obtains permission from the City to use the Franchise Area for the moving or removal of any building or other object, the City shall, prior to granting such permission, require such person or entity to make any necessary arrangements with PSE for the temporary adjustment of PSE's wires to accommodate the moving or removal of said building or other object. Such necessary arrangements with PSE shall be made, to PSE's satisfaction, not less than fourteen (14) days prior to the moving or removal of said building or other object. In such event, PSE shall, at the expense of the person or entity desiring to move or remove such building or other object, adjust any of its wires which may obstruct the moving or removal of such building or other object, provided that:

- (1) the moving or removal of such building or other object which necessitates the adjustment of wires shall be done at a reasonable time and in a reasonable manner so as not to unreasonably interfere with PSE's business;
- (2) where more than one route is available for the moving or removal of such building or other object, such building or other object shall be moved or removed along the route approved by the City; and
- (3) the person or entity obtaining such permission from the City to move or remove such building or other object shall be required to indemnify and save PSE harmless from any and all claims and demands made against it on account of injury or damage to the person or property of another arising out of or in conjunction with the moving or removal of

such building or other object, to the extent such injury or damage is caused by the negligence of the person or entity moving or removing such building or other object or the negligence of the agents, servants or employees of the person or entity moving or removing such building or other object.

- (4) in the event that adjustment of any PSE wire would not otherwise be necessitated for the moving or removal of such building or other object except for the height of such wire being below the applicable minimum vertical distance of the National Electric Safety Code, then such wire shall be adjusted and thereafter positioned in the accordance with current applicable PSE standards at PSE's expense.

### **Section Twelve. Pesticides and Hazardous Materials.**

- (1) In maintaining its Facilities (including, without limitation, vegetation management activities), PSE shall not apply any pesticide, herbicide, or hazardous material within the Franchise Area without prior written approval of the City. Approval shall not be unreasonably withheld by the City, but must be in conformance with the City's Wellhead Protection Plan and the manufacturer's specifications for use and frequency of use of the specific pesticide, herbicide or hazardous material. If PSE shall first obtain the City's approval to apply a specific product in accordance with a defined procedure on an ongoing basis throughout the Franchise Area, it shall not thereafter be necessary for PSE to obtain the City's approval on each occasion the product is applied in accordance with such procedure. PSE shall notify the City of any accident by PSE involving PSE's use of hazardous materials within the Franchise Area.
- (2) Upon notice or discovery of a significant release of any hazardous substance caused by PSE or expressly authorized by PSE to occur upon the Franchise Area and Facilities covered by this Franchise, PSE shall notify the City within twenty-four (24) hours of discovery. If the encountered or suspected hazardous substances are not the result of acts or omissions of PSE, the City shall, at its own expense, determine if the material is hazardous, in accordance with applicable law. If the materials should prove to be hazardous, then the City shall, at its own expense, if possible, remove, dispose, or otherwise handle such hazardous substances, as necessary, in accordance with applicable law. If hazardous substances are removed, the City also shall provide substitute nonhazardous material to replace the removed material for PSE to use in its operation, if necessary. Upon approval by the City to proceed, PSE shall proceed with the operations at its own cost, with no recourse against the City for the cost of schedule delays incurred due to the delay in operation. If the encountered or suspected hazardous substances within the Franchise Area are the results of the acts or omissions of PSE, then the City's characterization of the substances involved and the removal, disposal, or other handling costs incurred in connection with the removal, disposal, or handling of the hazardous substances will be at PSE's expense. Any environmental mitigation requirements

imposed, by operation of applicable law or otherwise, as a result of the exercise or any right or obligation of PSE hereunder shall be the sole responsibility and expense of PSE.

**Section Thirteen. Default and Revocation.**

- (1) If PSE willfully violates or fails to comply with any of the provisions of this Franchise, and thereafter through willful misconduct or gross negligence fails to correct such violation or noncompliance within thirty (30) days, or less if the City determines an emergency situation exists, after written notice of such violation or noncompliance is given to PSE by the City, then PSE shall, upon the City's adoption of an ordinance declaring an immediate forfeiture of this Franchise, forfeit all rights conferred hereunder; provided, however, if any failure to comply with this Franchise by PSE cannot be corrected with due diligence within said thirty (30) day period (PSE's obligation to comply and to proceed with due diligence being subject to unavoidable delays and events beyond its control), then the time within which PSE may so comply shall be extended for such time as may be reasonably necessary and so long as PSE commences promptly and diligently to effect such compliance. The City may elect, in lieu of the above and without any prejudice to any of its other legal rights and remedies, to obtain an order from the Superior Court having jurisdiction compelling PSE to comply with the provisions of this ordinance and to recover damages and costs incurred by the City by reason of PSE's failure to comply.
- (2) In addition to the general provisions of subsection (1), the following circumstances shall be grounds for City revocation by ordinance of this Franchise:
  - (a) Attempt by PSE to evade any material provision of this Franchise or to practice any fraud or deceit upon the City.
  - (b) Material misrepresentation of fact by PSE in the application for or negotiation of this Franchise.
  - (c) Assignment of this Franchise for the benefit of PSE's creditors in case of PSE insolvency.
- (3) If the City fails to comply with any provision of this Franchise, PSE may, without limiting any other right or remedy available to PSE under contract or applicable law, elect to obtain an order from the Superior Court having jurisdiction compelling the City to comply with the provisions of this ordinance.

**Section Fourteen. Alternative Remedies.** No provision of this Franchise shall be deemed to bar the right of the City to seek or obtain judicial relief from a violation of any provision of the Franchise or any rule, regulation, requirement or directive promulgated thereunder. Neither the existence of other remedies identified in this Franchise nor the exercise thereof shall be deemed

to bar or otherwise limit the right of the City to recover monetary damages for such violations by PSE, or to seek and obtain judicial enforcement of PSE's obligations by means of specific performance, injunctive relief or mandate, or any other remedy at law or in equity.

**Section Fifteen. Non-exclusive Franchise.** This Franchise is not, and shall not be deemed to be, an exclusive Franchise. This Franchise shall not in any manner prohibit the City from granting other and further franchises over, upon, under and along the Franchise Area that do not interfere with PSE's rights under this Franchise. This Franchise shall not prohibit or prevent the City from using the Franchise Area or affect the jurisdiction of the City over the same or any part thereof.

**Section Sixteen. Franchise Term.** This Franchise is and shall remain in full force and effect for a period of ten (10) years from and after the effective date of the Ordinance; provided, however, PSE shall have no rights under this Franchise nor shall PSE be bound by the terms and conditions of this Franchise unless PSE shall, within thirty (30) days after the effective date of the Ordinance, file with the City its written acceptance of the Ordinance.

**Section Seventeen. Assignment.** PSE shall not have the right to assign its rights, benefits and privileges in and under this Franchise without the prior written consent of the City, which consent shall not be unreasonably withheld. Any assignee shall, within thirty (30) days of the date of any assignment, file written notice of the assignment with the City together with its written acceptance of all terms and conditions of this Franchise. Notwithstanding the foregoing, PSE shall have the right, without such notice or such written acceptance, to mortgage its rights, benefits and privileges in and under this Franchise for the benefit of bondholders.

**Section Eighteen. Subletting.** PSE shall not sublet use of its Facilities within the Franchise Area without the prior written consent of the City. Such consent shall not be unreasonably withheld. Prior to the date of any sublet, the sublettee shall file written notice with the City of the proposed sublet and shall apply for all applicable licenses and franchises together with its written acceptance of all terms and conditions of this Franchise. The sublettee may not use the Facilities until all approvals, licenses and franchises are granted and in effect.

**Section Nineteen. Severability.** If any term, provision, condition or portion of this Franchise shall be held to be invalid, such invalidity shall not affect the validity of the remaining portions of this Franchise which shall continue in full force and effect. The headings of sections and paragraphs of this Franchise are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections or paragraphs.

**Section Twenty. Modification and Amendment.**

- (1) This Franchise may be amended only by written instrument, signed by both parties, which specifically states that it is an amendment to this Franchise and is approved and executed in accordance with the laws of Washington State.
- (2) If, during the term of this Franchise, there becomes effective any change in federal or state law including changes approved by the WUTC which:
  - (a) affords either party the opportunity to negotiate in good faith a term or condition of this Franchise which term or condition would not have, prior to such change, been consistent with federal or state law; or
  - (b) pre-empts or otherwise renders null and void any term or condition of this Franchise which has theretofore been negotiated in good faith;

then, in such event, either party may, within one hundred and eighty (180) days of the effective date of such change, notify the other party in writing that such party desires to commence negotiations to amend this Franchise. Such negotiations shall encompass only the specific term or condition affected by such change in federal or state law and neither party shall be obligated to re-open negotiations on any other term or condition of this Franchise. Within thirty (30) days from and after the other party's receipt of such written notice, the parties shall, at a mutually agreeable time and place, commence such negotiations. Pending completion of such negotiations resulting in mutually agreeable amendment of this Franchise, adoption of such amendment by Ordinance by the City and acceptance of such Ordinance by PSE, and except as to any portion thereof which has been pre-empted or otherwise rendered null and void by such change in federal or state law, the Franchise shall remain in full force and effect.

**Section Twenty-one. Notification.** PSE shall notify the City in writing within five (5) days of filing any proposed tariff or schedule that would effect the terms of this franchise or any rights of the City thereunder. The intent of this section is to provide the City with timely notice of its opportunity to comment on, or become a party to, WUTC consideration of such filing if the City so chooses.

**Section Twenty-two. Effective Date.** This Ordinance shall be effective on June 13, 2002, having first been submitted to the City Attorney, having been published as required by law; having been passed at a regular meeting of the legislative body of the City by a majority of the whole of such legislative body, and having been approved by the Mayor of the City.

CITY OF OAK HARBOR

By

Attest:

Rosemary Morrison, City Clerk

Approved as to Form:

Philip L. Bleyhl, City Attorney

Published: June 8, 2002



HONORABLE MAYOR AND CITY COUNCIL  
CITY OF OAK HARBOR, WASHINGTON

In the matter of the application of Puget:  
Sound Energy, Inc., a Washington : Franchise Ordinance No. 1309  
corporation, for a Franchise to construct, :  
operate and maintain Facilities in, upon, :  
over under, along, across and through the : ACCEPTANCE  
Franchise Area of the City of Oak Harbor, :  
Washington :

WHEREAS, the City Council of the City of Oak Harbor, Washington, has granted a Franchise to Puget Sound Energy, Inc., a Washington corporation, its successors and assigns, by enacting Ordinance No. 1309, bearing the date of June 5, 2002; and

WHEREAS, a copy of said Ordinance granting said Franchise was received by Puget Sound Energy, Inc. on June 12, 2002, from said City of Oak Harbor, Island County, Washington.

NOW, THEREFORE, Puget Sound Energy, Inc., a Washington corporation, for itself, its successors and assigns, hereby accepts said Ordinance and all the terms and conditions thereof, and files this, its written acceptance, with the City of Oak Harbor, Island County, Washington.

IN TESTIMONY WHEREOF said Puget Sound Energy, Inc. has caused this written Acceptance to be executed in its name by its undersigned thereunto duly authorized on this 18th day of June, 2002.

ATTEST: PUGET SOUND ENERGY, INC.  
  
\_\_\_\_\_ By:\_\_\_\_\_

Copy received for City of Oak Harbor  
on June 21, 2002.

By:  
City Clerk

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