

Exhibit A, SERVICE AND MAINTENANCE AGREEMENT draft

This SERVICE AND MAINTENANCE AGREEMENT (as further defined below, the "Agreement") is made and entered into as of _____, 2017 by and between Portland General Electric Company, an Oregon corporation doing business as Portland General Distribution Services (hereinafter, "PGE"), and the City of Portland, Oregon, a municipal corporation (hereinafter, "City"). PGE and City are sometimes referred to individually as a "Party" and together as the "Parties."

- A. City owns a portion, approximately ten (10) miles in length, of the 57kV overhead electrical transmission line that interconnects the Portland Hydroelectric Project on the Bull Run River with PGE's Dunns Corner Substation, together with associated towers, guys, wires, and other appurtenances (collectively, the "Transmission Facilities").
- B. The Transmission Facilities are located on and over real property owned by [____], being a corridor of land approximately ____ feet in width and further described in the attached Exhibit A (the "Transmission Corridor").
- C. PGE has provided maintenance, replacement and repair services for the Transmission Facilities pursuant to a Power Sales Agreement dated April 12, 1979 (the "Power Sales Agreement"), and has agreed to continue provide such services to City following the expiration of the Power Sales Agreement on September 1, 2017 on the terms and subject to the conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1. TERM

Unless terminated earlier in accordance with the provisions of this Agreement, this Agreement shall become effective on September 1, 2017 (the "Effective Date") and continue in effect until 11:59:59 PM on August 31, 2022 (such period the "Initial Term"). This Agreement shall be automatically renewed for two successive five-year renewal terms (each a "Renewal Term") unless either party gives written notice to terminate this Agreement at least 180 days prior to the end of the preceding term. The Renewal Term(s), if any, and the Initial Term are collectively referred to herein as the "Term."

2. MAINTENANCE AND OUTAGE SERVICES

- a. During the Term, PGE shall provide maintenance and outage services for the Transmission Facilities as set forth in this Agreement and a Statement of Work. Each Statement of Work will be subject to the terms and conditions of this Agreement. As used in this Agreement, "Work" means all services, material and equipment provided in accordance with the terms and conditions of this Agreement.
- b. PGE intends to perform the duties of this Agreement with the same standard as it would perform its own duties for its transmission lines. In the event of emergencies or personnel shortages, PGE reserves the right in its sole discretion, without liability or penalty, to attend to and prioritize the needs of its own transmission lines, facilities or systems prior to the Work herein. PGE will notify the City as soon as reasonably

possible of any emergency or personnel shortage affecting its performance hereunder and the estimated duration of such condition.

- c. Nothing contained in the Agreement, including without limitation any Statement of Work, is intended to affect the City's responsibility as owner of the Transmission Facilities for complying with all laws, rules and regulations applicable to the Transmission Facilities.
- d. City will provide all necessary security measures required to protect the Transmission Corridor and the Transmission Facilities from vandalism and other unauthorized access. Upon discovery of any security or vandalism problems, PGE will notify the City as soon as reasonably possible.
- e. PGE shall, to the best of its ability and consistent with other obligations, minimize and pre-schedule interruptions of transmission for repairs, replacements, investigations, inspections or other reasons so that transmission shall not be unreasonably interfered with nor interrupted. Notwithstanding the foregoing, the Parties agree that PGE shall not be liable for and will incur not penalties or charges for interruptions of transmission, whether through the fault or negligence of PGE or otherwise.

3. **PRICE AND PAYMENT.** City will pay PGE for Work the fees at the time and material rates as specified in the applicable Statement of Work.

4. **LICENSE**

- a. City hereby grants the following licenses to PGE and its contractors, subcontractors, agents and permitted assigns, which shall be irrevocable during the Term:
 - i. A non-exclusive license to enter on the Transmission Corridor for the purposes of inspecting, maintaining and repairing the Transmission Facilities and otherwise performing its obligations and exercising its rights under this Agreement;
 - ii. A non-exclusive license to use [] for access to and from the Transmission Corridor as reasonably necessary to carry out PGE's rights and obligations under this Agreement; and
 - iii. A non-exclusive license to park vehicles at [] when accessing the Transmission Corridor.
 - iv. Minor tree trimming and brush removal may be performed as necessary on the Transmission Corridor to facilitate repairs.
- b. City shall be responsible for ensuring that it maintains all necessary rights, licenses, consents and/or government approvals as necessary for the grant of the foregoing licenses.

5. **STANDARDS OF PERFORMANCE.** PGE shall perform the Work in accordance with Prudent Industry Practices, and applicable laws and the standards set forth in the Reference Documents attached in Exhibit D. "Prudent Industry Practices" means those practices, methods, specifications and standards of safety, performance, dependability, efficiency and economy, generally recognized by industry members in the US as good and proper, and such other practices, methods or acts which, in the exercise of

reasonable judgment by those reasonably experienced in the industry in light of the facts known at the time a decision is made, would be expected to accomplish the result intended at a reasonable cost and consistent with applicable laws, reliability, safety and expedition. Prudent Industry Practices are not intended to be limited to the optimum practices, methods or acts to the exclusion of all others, but rather to be a spectrum of good and proper practices, methods and acts.

6. **NOTICES.** Any notice, request or other communication required or permitted hereunder shall be in writing and shall be deemed to have been duly given (a) when received if personally delivered, (b) within 7 days after being sent by registered or certified mail, return receipt requested, postage prepaid, or (c) within 3 business days of being sent by priority delivery by established overnight courier, to the Parties at their respective addresses as set forth below:

To PGE:

Portland General Electric Company
Portland General Distribution Services
121 SW Salmon St., 1WTC-0405
Portland, OR 97204
Attention: Linda Read
Telephone: 503-464-7892
Facsimile: 503-464-2325
With a copy to:

Portland General Electric Company
121 SW Salmon St., Suite 1700
Portland, OR 97204
Attention: VP General Counsel
Telephone: (503) 464-8402
Facsimile: (503) 464-2222

To City:

Portland, OR 97201
Attention:
Telephone:
Facsimile:

7. **AGREEMENT**

- a. Documents Constituting Agreement. This Agreement consists of the following documents:
- i. This Service and Maintenance Agreement
 - ii. Exhibit A Transmission Corridor Description
 - iii. Exhibit B General Terms and Conditions
 - iv. Exhibit C Reference Documents
 - v. Exhibit D Statement of Work(s)

- b. Entire Agreement. This Agreement constitutes the complete agreement between PGE and City with respect to the subject matter addressed herein and supersedes all prior negotiations, representations or agreements, whether oral or written related to the subject matter of this Agreement.

IN WITNESS WHEREOF, the undersigned have entered into this agreement as of the date first written above.

PORTLAND GENERAL ELECTRIC COMPANY

CITY OF PORTLAND

By: _____
Name:
Title

By: _____
Name:
Title:

Exhibit A

TRANSMISSION CORRIDOR DESCRIPTION

Exhibit B**GENERAL TERMS AND CONDITIONS****1. SCOPE OF WORK**

(a) Permits. Except to the extent set forth in the Statement of Work, PGE shall not be responsible for obtaining or paying for any governmental permits, fees, licenses and inspections relating to the Work or the approval of any non-governmental entities that may place restrictions on the Work.

(b) Schedule. PGE shall not be bound by any schedule of performance except to the extent set forth in the Statement of Work. Any change from an approved schedule due to City's election or events beyond the reasonable control of PGE shall entitle PGE to additional compensation in accordance with PGE's then applicable rates. Unless a specific schedule is otherwise specified in this Agreement, PGE shall commence the Work within a reasonable time after this Agreement is fully executed, and PGE shall complete the Work within a reasonable time.

(c) Right to Subcontract; Personnel. PGE shall have the right to engage subcontractors (including entities affiliated with or related to PGE) to assist it in performing the Work. PGE shall staff the project with such personnel, including employees and supervisors that it deems appropriate in its sole discretion. PGE reserves the right, in its sole discretion, to change the personnel it assigns to the performance of the services.

(d) GIS Data Disclaimer. Geospatial data and maps provided under this Agreement ("GIS Data") are for informational purposes only and have not been prepared for legal, engineering or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information. GIS Data is not survey accurate and is not intended for design purposes. The GIS Data may contain PGE secure information that the user needs to be in compliance with FERC regulations. GIS Data may not be shared, sold or given away beyond the recipient's office and operations, except as expressly provided in the Statement of Work.

2. CHANGES.

(a) Change Orders. No additional Work shall be required of PGE without a prior written agreement between PGE and City as to the additional Work to be performed, the additional amount of time to complete the project and the amount of PGE's compensation for such additional Work ("Change Order"). All Change Orders shall be in writing, signed by both parties and shall become a part of this Agreement. Where additional Work is added to this Agreement by Change Order, all terms and conditions of this Agreement shall apply to such additional Work, except to the extent expressly set forth in the Change Order.

(b) Response to Written Requests for Change Orders. PGE shall respond to written requests for Change Orders by stating costs and/or credits for the proposed Change Order and the modified schedule for performing the Work under such proposed Change Order. Any Change Orders not approved by City and received by PGE within five business days after submission by PGE shall be deemed withdrawn by PGE.

(c) Changes to Conform to Law; Adverse Conditions. Any change in the Plans or the Work necessary to conform to existing or future building codes, zoning laws, or regulations of any public authorities (including, but not limited to, any inspections) or Work performed during freezing or other

adverse weather conditions, not otherwise anticipated and accounted for in the Statement of Work shall entitle PGE to a Change Order.

3. WORK SITE CONDITIONS.

(a) Environmental/Hazardous Materials. City represents and warrants that it has informed PGE in writing of any hazardous substances City knows or suspects are present on the property upon which or for which the Work is to be performed. City agrees that PGE shall have no responsibility or liability for hazardous substances present on such property. The parties further intend that nothing in this Agreement shall be construed or interpreted as requiring PGE to assume the status of an owner, operator, generator, person who arranges for disposal, transporter or storer, as those terms, or any other similar terms, are used in any federal, state or local statute, regulation, order or ordinance governing the treatment, storage, handling and disposal of any hazardous substance or waste. City shall indemnify, reimburse, defend and hold harmless PGE from and against any and all claims, demands, damages, liabilities, penalties, fines, lawsuits and related costs and expenses (including expert witness and attorneys' fees at trial, on appeal and in connection with any petition for review) to the extent arising out of or related to hazardous substances on the property upon which or for which the Work is to be performed, except to the extent resulting from PGE's negligence.

(b) Unforeseen Conditions. If at any time during the performance of the Work, PGE reasonably believes that the site conditions or circumstances are different from those contemplated by the Statement of Work, PGE will promptly notify City and PGE may elect to cease performing the Work. If PGE ceases the Work, it will consult and negotiate with City in good faith regarding the circumstances and conditions under which PGE will recommence the Work. In no event will PGE recommence the Work unless City and PGE agree upon and execute a Change Order, setting out the additional or changed scope of services and the adjustment to PGE's compensation and/or time for performing the services. If PGE ceases its services pursuant to this section, and PGE and City do not agree upon a Change Order within 30 days of PGE's notice to City, this Agreement shall be terminated and City shall compensate PGE for its services prior to the date of termination in accordance with PGE's then applicable rates.

4. CERTAIN CITY OBLIGATIONS.

(b) Information. City shall provide all information reasonably necessary for PGE to perform the Work safely and in accordance with applicable law, rules and regulations and sound business practices. In providing the Work, PGE relies upon the information provided by City as being complete, true and accurate. The parties agree that PGE has no obligation to investigate any conditions other than those expressly requested by City. City assumes responsibility for any injury, illness or death, or property damage that may be caused by an actual or alleged interference by PGE with subterranean structures, utilities, tanks or conditions not accurately or adequately shown on plans provided by City or otherwise not properly located by written notice to PGE, unless such interference is caused by the sole negligence or willful misconduct of PGE. PGE shall not be responsible for repairing or restoring property damaged in the course of the Work, if such damage is not avoidable using reasonable precautions and work practices.

(c) Safety. City agrees to provide PGE with safe working conditions, to the extent reasonably possible under the circumstances, and to take no action which would be likely to increase the risk of harm to PGE, its employers, and subcontractors in their performance of PGE's work under this Agreement.

(d) City's Activities at the Work Site. City agrees that, in the event City works upon or around the work site or employs or retains other persons or entities to do so, City shall coordinate schedules with PGE so that the Work is not impeded. City shall not interfere with or cause delay to the

Work in any way, and City shall not allow any person or entity to interfere with or cause delay to PGE's Work.

(e) Responsibility for Third Parties. PGE is not responsible for labor, materials, equipment or services furnished by City or anyone working under the direction of the City and any loss or additional work that results from them shall be the City's sole responsibility. Should PGE provide any proposal, including design or equipment specifications, to City for work which a third party performs under agreement with the City, PGE shall not be liable for any costs, damages, losses, liabilities or expenses arising in any way out of the work of the third party except to the extent that such costs, damages, losses, liabilities or expenses are caused by PGE's negligence. City shall be solely responsible for the safety of City and its invitees or agents, and shall fully and forever defend, reimburse, indemnify and hold harmless PGE and its affiliates and their respective employees, directors and agents for from, and against any and all claims and damages related to work performed by third parties to the fullest extent permitted by law, except to the extent that said claims or damages are caused by PGE's negligence. PGE shall not be responsible for any damage occasioned by City or City's invitees or agents or any of them.

5. PAYMENT. City agrees to pay all invoices according to their terms. Terms are net 30 days. PGE shall have the right to charge interest on any late payments at the rate of 1.7% per month. No pay if paid or pay when paid clause is applicable to amounts due PGE. The amount of any PGE invoice shall be conclusively binding upon City as due and owing, unless City objects in writing before the due date of the invoice. In the event of a disputed or contested invoice, only that portion so contested will be withheld from payment and the undisputed portion will be paid in accordance with this paragraph 6. In the event of a disputed or contested billing, City's written notice shall include a description of the basis for City's objection. TIME IS OF THE ESSENCE. If PGE does not receive payment in full and on time, PGE shall have the right to pursue all available remedies under the law, including, but not limited to, obtaining a lien under Oregon Revised Statutes Chapter 87, if applicable.

6. LABOR ONLY WARRANTY. EXCEPT AS PROVIDED IN THE FOLLOWING PARAGRAPH, PGE MAKES NO GUARANTIES OR WARRANTIES, EXPRESS OR IMPLIED INCLUDING ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR USE FOR ANY LABOR, MATERIAL, EQUIPMENT OR SERVICES AND THE SAME ARE EXCLUDED FROM THIS AGREEMENT. No obligation of PGE concerning or relating to the Work shall be deemed a performance specification of any kind. Any guaranty, warranty or limited guaranty/warranty shall be as provided by others and is not that of PGE.

PGE provides a limited warranty to City only for PGE's labor relating to the Work for the period commencing on the date of this Agreement and ending one year from the date of substantial completion of the Work. This warranty is non-assignable and any purported assignment or transfer is void. This warranty commences on the date of this Agreement, and excludes remedy for damage or defect caused by abuse, modifications to the contract documents not approved by PGE, improper or insufficient maintenance, improper operation and normal wear and tear. The sole and exclusive remedy is replacement of the nonconforming Work or refund of City's payment, at PGE's sole option.

7. RISK OF LOSS. City bears the risk of loss, damage, theft and vandalism to the Transmission Facilities, except to the extent directly caused by PGE's willful misconduct or gross negligence in carrying out its obligations under this Agreement.

8. INDEMNIFICATION.

(a) City's Duty to Indemnify. City shall, to the fullest extent permitted by law, protect, defend, reimburse, indemnify and hold harmless, PGE and its affiliates and their respective employees,

directors, and agents ("Indemnitees") from and against any losses, costs, claims, penalties, fines, liens, demands, liabilities (including environmental liability), legal actions, judgments, and expenses of every kind (including, without limitation, reasonable attorney's fees including at trial, on appeal and in connection with any petition for review) (collectively, "Losses") asserted or imposed against any Indemnitees (including, without limitation, claims asserted by employees of City or PGE) for or on account of injury, bodily or otherwise, to, or death of, persons or for damage to, or destruction of third party property resulting from the gross negligence or willful misconduct of City or any subcontractor of or consultant to City or any of their respective employees, directors or agents in the performance, nonperformance, or breach of this Agreement, except to the extent that such Losses were caused by the negligence or willful misconduct of PGE or PGE's Indemnitees.

(b) PGE's Duty to Indemnify. PGE shall, to the fullest extent permitted by law, protect, defend, indemnify and hold harmless, City and its employees, directors, and agents ("City Indemnitees") from and against any Losses asserted or imposed against any City Indemnitees by any third party (including, without limitation, employees of City or PGE) for or on account of injury, bodily or otherwise, to, or death of, persons or for damage to, or destruction of third party property (except Transmission Facilities which shall be governed by Section 9 hereof) resulting from the gross negligence or willful misconduct of PGE or any subcontractor of or consultant to PGE or any of their respective employees, directors or agents in the performance, nonperformance, or breach of this Agreement, except to the extent that Losses were caused by the negligence or willful misconduct of the City or the City's Indemnitees.

9. LIMITATION OF LIABILITY; INSURANCE.

- (a) PGE SHALL NOT BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY SPECIAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, INCIDENTAL OR INDIRECT LOSSES OR DAMAGES (IN TORT, CONTRACT OR OTHERWISE) INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUES, LOSS OF USE OF THE TRANSMISSION FACILITIES OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF PURCHASED POWER, COSTS OF SUBSTITUTE EQUIPMENT, DOWNTIME COSTS UNDER OR IN RESPECT OF THIS AGREEMENT OR FOR ANY FAILURE OF PERFORMANCE RELATED HERETO HOWSOEVER CAUSED, WHETHER OR NOT ARISING FROM PGE'S SOLE, JOINT OR CONCURRENT NEGLIGENCE AND WHETHER OR NOT PGE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING ANY PROVISION IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL PGE BE LIABLE, UNDER ANY THEORY OF LAW OR EQUITY WHATSOEVER, FOR MORE THAN THE AMOUNT OWING TO PGE UNDER THE TERMS OF THIS AGREEMENT.
- (b) At all times during the Term of this Agreement, insurance on the Transmission Facilities shall be obtained and maintained by the City. Such insurance shall name the City as a named insured and provide that losses shall be payable to the City for its benefit, to protect and insure against property damage to the Transmission Facilities with responsible limits and subject to appropriate exclusions and deductibles. Such insurance shall be for "all risks" of physical loss or damage, and shall be for an amount not less than the replacement cost of the Transmission Facilities under such terms and conditions, with such retentions, and with such insurers as are reasonable under the circumstances. Without limiting the generality of the foregoing, any property damage caused by or occurring in or in connection with the Transmission Facilities in excess of the limitation set forth in Section 9(a) shall be the sole responsibility of the City.

10. LIMITATIONS ON CLAIMS.

- (a) Notice of Nonconforming Work. Notice of nonconforming Work shall be made within the earlier of: (a) 10 calendar days after performance or furnishing or (b) prior to the affected work

being covered by other work. Failure so to advise shall relieve PGE from any claims and shall constitute a waiver of all claims by City with respect to said Work. City's sole and exclusive remedy shall be either replacement of the nonconforming Work or refund of City's payment related to the defective Work, at PGE's sole option.

(b) Deadline to Commence Claims. Any claim or action by City related to or arising out of this Agreement must be commenced not later than one year after substantial completion of the Work performed under this Agreement.

11. DEFAULT AND TERMINATION.

(a) Events of Default. It shall constitute an event of default (an "Event of Default") with respect to a party if the party fails in any material respect to comply with, observe, or perform, any material respect in the performance of, the terms and conditions of this Agreement, and such failure remains unremedied more 10 days of receipt of written notice from the other part, or if such failure is not capable of being remedied within such 10-day period with the exercise of reasonable diligence, then such cure period shall be extended for an additional reasonable period of time, not to exceed ninety (90) days, so long as the defaulting party is exercising reasonable diligence to cure such failure.

(b) Right to Terminate for Default. Either Party shall have the right to terminate this Agreement immediately upon written notice to the other party following an Event of Default by such party.

(c) PGE's Rights to Terminate. PGE shall have the right to terminate this Agreement or any Statement of Work by providing no less than ninety (90) days' written notice to City in the event that PGE ceases to operate in the line of business currently conducted by its High Voltage Services, or Distribution Services, business unit.

(d) Effect of Termination. Upon any termination, PGE shall be entitled not only to the sums billed but also payment for all Work related to the Work that PGE has ordered, fabricated or delivered and for which it has not been paid. Upon any termination other than termination for PGE's breach of this Agreement, City shall also pay PGE costs attributable to early termination, including without limitation, costs of subcontractors and other project-related contracts and commitments, and demobilization costs, less any amounts previously paid by City therefore.

12. **FORCE MAJEURE.** PGE shall not be liable for delays in performing the Work contemplated by this Agreement or for the direct or indirect cost resulting from such delays that may result from unusual or extreme adverse weather, labor strikes, riots, war, or any other cause beyond PGE's control.

13. **OWNERSHIP OF DOCUMENTS.** Except as otherwise expressly provided in the Statement of Work: (1) All reports, maps, field notes, calculations, estimates, and other documents (collectively, "Documents") which are prepared, as instruments of service, shall be and remain the exclusive property of PGE, and City agrees to deliver the same to PGE promptly upon request by PGE; (2) City shall be entitled to retain a copy of any such materials, provided they are maintained as confidential and are not used for any purpose other than performance or enforcement of this Agreement; (3) Documents are not intended or represented to be suitable for reuse by City or others, and any such reuse without the written authorization of PGE will be at the City's or other users' sole risk and without liability to PGE.

14. MISCELLANEOUS.

(a) No Flow Down. Without its express agreement, PGE is not bound by the terms of any other agreement between City and Owner or any other person or entity, including but not limited to any agreement incorporated by reference and any flow down or incorporation of any term or condition is hereby deleted.

(b) No Bond Required. PGE shall not be required to post a bond of any kind, including but not limited to a payment or performance bond, at any time or for any reason.

(c) Collective Bargaining Agreements. Nothing contained herein shall be construed so as to require the commission of any act contrary to any collective bargaining agreement and wherever there is any conflict between any provisions contained therein, in such instance the provision of the Agreement which is affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of such agreement(s).

(d) No Duty to Name as Additional Insured. PGE shall not be obligated to name City or any other person as an additional insured on any policy of insurance or provide any endorsement naming the same as additional insured.

(e) Attorney Fees. In the event of any legal action to enforce any of the terms of this Agreement, the prevailing party shall be entitled to its reasonable attorney fees, including attorney fees on appeal.

(f) Independent Contractor. The parties intend that PGE, in performing Services specified in this Agreement, shall act as an independent contractor and shall have control of its work and the manner in which it is performed. PGE shall be free to contract for similar services to be performed for other individuals or entities while it is under contract with City.

(g) Governing Law and Jurisdiction. This Agreement shall be construed in accordance with and governed by the laws of the state of Oregon, without regard to choice-of-law principles. CITY IRREVOCABLY CONSENTS TO THE JURISDICTION OF THE COURTS OF THE STATE OF OREGON OR OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON FOR ANY ACTION, SUIT OR PROCEEDING IN CONNECTION WITH THIS AGREEMENT AND WAIVES ANY OBJECTION WHICH CITY MAY NOW OR HEREAFTER HAVE REGARDING THE CHOICE OF FORUM.

(h) Marketing Disclaimer. As required by OAR 860-038-0500 through 860-038-0640, PGE Citys do not have to buy this (product/service) to continue to receive your current electricity services from PGE. You may purchase this (product/service) from other providers.

(i) Section Headings. Section headings are for convenience only and are not intended to have any legal or interpretive effect.

Exhibit C

REFERENCE DOCUMENTS

Exhibit D

Statement of Work #1 Transmission Line / Regular Maintenance

This Statement of Work #1 ("SOW") is between Portland General Electric Company ("PGE") and the City of Portland ("City") and adopts and incorporates by reference the terms and conditions of the Service and Maintenance Agreement between PGE and the City effective as of September 1, 2017 (the "Agreement"). This SOW is effective beginning on September 1, 2017 (the "SOW Effective Date"). Work performed under this SOW will be conducted in accordance with and be subject to the terms and conditions of this SOW and the Agreement. Capitalized terms used by not defined herein have the meanings stated in the Agreement.

Section 1. Overview

PGE will provide the project management, engineering, skilled labor, vehicles and equipment to provide transmission line maintenance services.

Work includes (see Section 2 below for further details):

- Transmission Line Maintenance
- Pole Inspections and Maintenance
- Forestry Management and Maintenance (*NOTE: Maintenance tree trimming will depend upon growing season, climate change, weather & storm conditions, rot pockets and timing of trim.*)
- Project management and written reports will be provided for each service, along with recommendations, as applicable, including providing location maps.
- Administration of this SOW

Section 2. Description of Work

- A. **Regular Maintenance** -- PGE shall institute a preventative and predicative maintenance program for the Transmission Facilities using the same type of procedures, periodicities, records and equipment history as used by PGE transmission facilities. Below is a description of those processes:

Air Patrol by Helicopter

Performed annually. This is a visual inspection looking for major problems with the transmission line.

Exception only reporting with recommendations will be provided.

Infra-Red (IR) Scan Patrol

Performed every five (5) years. This is a vehicle/foot patrol with IR camera to inspect all dead-end clamps, jumper clamps and splices. IR scans will show any faulty (heated) connections that are potential failure spots. Exception only reporting with recommendations will be provided.

Ground Patrol

Performed every ten (10) years. This is a vehicle/foot patrol to visually inspect the entire line and each pole location. Exception only reporting with recommendations will be provided.

Pole Inspections/Treatment

Performed every ten (10) years. Poles are visually inspected, impact tested, drilled and treated from the ground line to eight feet above grade. Reporting with recommendations will be provided.

Annual Forestry Survey

Performed annually. This is a planning effort to assess for additional risks or any issues that may have come up over the previous year if no maintenance has been done. Reporting with recommendations will be provided.

Maintenance Tree Trimming

Performed every three (3) years. Tree trimming and/or removal performed to mitigate hazard trees and maintain compliance around the lines. Reporting with recommendations will be provided.

Troubleshooting Patrol

Performed as needed. This vehicle/foot patrol is usually prompted by the daily operation log which notifies transmission engineering of substation breaker operations related to the transmission line. A line outage or air patrol report would also prompt this inspection and likely result in a crew repair.

B. Additional Maintenance**Repairs**

Performed as needed. Most inspections result in some kind of reported issue. Transmission Engineering staff will create a work order based on the severity of the issue and its impact on system reliability. Minor issues are logged and a work order is created when the quantity warrants mobilizing a repair crew. The duration of repairs depends on the severity of repairs, location and weather conditions.

Pole Replacement

Performed as needed. When a pole is reported as failed during the pole inspection process. The duration of construction depends on the pole structure, location and weather conditions. When a pole is replaced, an insulators or switches on the pole are also replaced.

C. Exclusions

- Repairs to communication cable
- Replacement of wire for capacity improvement

D. Reporting

- PGE will maintain a file on all equipment history, maintenance and repair records.
- PGE shall use reasonable efforts to obtain the City's prior oral authorization of overtime work, except for overtime work necessary to prevent damage to the Transmission Facilities.

Section 3. Cost of the Work

The term "Cost of the Work" means costs reasonably incurred by PGE in the performance of the Work. Payment for Work will be made in accordance with the Agreement.

3.11 Labor Costs:

3.1.1 Wages – Construction Workers. Wages of field personnel directly employed by PGE to perform the Work, at PGE's current standard rates.

3.1.2 Wages – Supervisory and Administrative Personnel. Wages or salaries of PGE's supervisory, administrative or other personnel, other than field personnel, but only for that portion of their time required for production of the Work, at PGE's current standard rates.

All wage rates for labor costs are "fully loaded" and include the cost of overhead and benefits.

3.2 Subcontractor Costs.

Payments made by PGE to Subcontractors in accordance with the requirements of the applicable subcontracts and supply contracts. As used in this Exhibit, the term Subcontractors will include all subcontractors, suppliers, material and equipment dealers at all tiers.

3.3 Costs of Materials and Equipment Incorporated in the Completed Construction.

3.3.1 Incorporated Materials and Equipment. Costs, including transportation and installation, of materials and parts incorporated in the Transmission Facilities.

3.3.2 Excess Materials. Costs of materials in excess of those installed but required to provide reasonable allowance for waste and for spoilage.

3.4 Costs of Other Materials and Equipment, Temporary Facilities and Related Items.

3.4.1 Consumed in the Performance of the Work. Costs, including transportation, installation, maintenance, dismantling, and removal of materials, supplies, temporary facilities, machinery, equipment, and hand tools not customarily owned by the field personnel, which are provided by PGE and fully consumed in the performance of the Work; and costs less salvage value on such items if not fully consumed, whether sold to others or retained by PGE.

3.4.2 Rental Charges. Rental charges for temporary facilities, machinery, equipment, not customarily owned by the field personnel, which are provided by the PGE at the site, whether rented from the PGE or others, and cost of transportation, installation, minor repairs and replacements, dismantling and removal thereof.

3.5 Miscellaneous Costs.

3.5.1 Permits and Fees. Costs of permits, fees, paid by PGE. PGE agrees not to charge City markup on these costs.

3.5.2 Other Approved Costs. Other costs incurred in the performance of the Work, if and to the extent approved in advance in writing by City.

Exhibit D

Statement of Work #2 Transmission Line / Emergency and Outage Services

This Statement of Work #2 ("SOW") is between Portland General Electric Company ("PGE") and the City of Portland ("City") and adopts and incorporates by reference the terms and conditions of the Service and Maintenance Agreement between PGE and the City effective as of September 1, 2017 (the "Agreement"). This SOW is effective beginning on September 1, 2017 (the "SOW Effective Date"). Work performed under this SOW will be conducted in accordance with and be subject to the terms and conditions of this SOW and the Agreement. Capitalized terms used by not defined herein have the meanings stated in the Agreement.

Section 1. Overview

PGE will provide the project management, engineering, skilled labor, vehicles and equipment to provide transmission line emergency maintenance services.

Section 2. Description of Work

E. Emergency and Outage Services

Performed as needed. Emergency repairs performed in an outage or emergency situation. Includes pole, anchor, guy wire, insulator, switch and/or wire replacement.

F. Emergency Tree Trimming

Performed as needed. Tree trimming and/or removal performed to support repair crew efforts, typically during a storm or outage. The duration of this work depends on the location and issue.

G. Exclusions

- Repairs to communication cable
- Replacement of wire for capacity improvement

Section 3. Cost of the Work

The term "Cost of the Work" means costs reasonably incurred by PGE in the performance of the Work. Payment for Work will be made in accordance with the Agreement.

3.11 Labor Costs:

3.1.1 Wages – Construction Workers. Wages of field personnel directly employed by PGE to perform the Work, at PGE's current standard rates.

3.1.2 Wages – Supervisory and Administrative Personnel. Wages or salaries of PGE's supervisory, administrative or other personnel, other than field personnel, but only for that portion of their time required for production of the Work, at PGE's current standard rates.

All wage rates for labor costs are "fully loaded" and include the cost of overhead and

benefits.

3.2 Subcontractor Costs.

Payments made by PGE to Subcontractors in accordance with the requirements of the applicable subcontracts and supply contracts. As used in this Exhibit, the term Subcontractors will include all subcontractors, suppliers, material and equipment dealers at all tiers.

3.3 Costs of Materials and Equipment Incorporated in the Completed Construction.

3.3.1 Incorporated Materials and Equipment. Costs, including transportation and installation, of materials and parts incorporated in the Transmission Facilities.

3.3.2 Excess Materials. Costs of materials in excess of those installed but required to provide reasonable allowance for waste and for spoilage.

3.4 Costs of Other Materials and Equipment, Temporary Facilities and Related Items.

3.4.1 Consumed in the Performance of the Work. Costs, including transportation, installation, maintenance, dismantling, and removal of materials, supplies, temporary facilities, machinery, equipment, and hand tools not customarily owned by the field personnel, which are provided by PGE and fully consumed in the performance of the Work; and costs less salvage value on such items if not fully consumed, whether sold to others or retained by PGE.

3.4.2 Rental Charges. Rental charges for temporary facilities, machinery, equipment, not customarily owned by the field personnel, which are provided by the PGE at the site, whether rented from the PGE or others, and cost of transportation, installation, minor repairs and replacements, dismantling and removal thereof.

3.5 Miscellaneous Costs.

3.5.1 Permits and Fees. Costs of permits, fees, paid by PGE. PGE agrees not to charge City markup on these costs.

3.5.2 Other Approved Costs. Other costs incurred in the performance of the Work, if and to the extent approved in advance in writing by City.