

AGREEMENT

THIS AGREEMENT executed this _____ day of _____, 19____, by and between the CITY OF PORTLAND, a municipal corporation of the State of Oregon, referred to as City, and PORTLAND GENERAL ELECTRIC COMPANY, an Oregon corporation, referred to as Company.

RECITALS

1. The City and the Company desire to continue a previous arrangement which will enable the Company to obtain water from City for the purpose of generating electrical power at Company's Bull Run Hydroelectrical Plant for which Roslyn Lake serves as a forebay, and

2. City is desirous of selling surplus water by diversion from Conduits No. 2 and 4 to Roslyn Lake and will obtain monetary benefits from the sale of such surplus water.

The Parties hereto agree as follows:

COVENANTS

1. City shall continue to have title to the diversion facilities as now constructed in Roslyn Lake from City-owned Conduits No. 2 and 4, including but not limited to all pipes, valves and other material and equipment and shall be responsible for maintenance thereof. Upon termination of this agreement, City will remove all facilities from the property of Company, and title to any property not so removed within six (6) months after termination shall become vested in the Company.

2. City agrees to sell and Company agrees to purchase surplus water, upon demand, from City conduits for a period of five (5) years; however, the amount of water sold and delivered by City shall be within the discretion of the Manager of the Bureau of Water Works and subject to the minimum purchase described in paragraph 4 hereof.

3. Company shall pay to City each monthly billing period an amount equal to the arithmetic average of any minimum charges specified in the "wholesale non-firm energy rate" established by the Bonneville Power Administration (Schedule H) times 731.53 times the number of million gallons of water delivered during said period subject to a minimum of 5.5 mills per kwh; provided, however, that if such increases in charges resulting from the future application of such rate formula are deemed to be excessive by the Company, the City and the Company shall negotiate in good faith to adjust such charges. If agreement is not reached, this agreement may be cancelled upon 30 days written notice by the Company.

4. City shall bill Company every month and Company shall pay amounts due City within thirty (30) days after receipt of the bill. Company agrees to purchase from the City an amount of water each year to provide a minimum annual payment to City of \$40,000.00, unless the Company is unable to use such water by reason of a Force Majeure.

5. It is understood and agreed that diversion and sale of surplus water from Conduits No. 2 and 4 shall be for the use of Company only, at Company's existing Bull Run Hydroelectric Plant at Roslyn Lake, and in the event additional facilities for generation of electrical power are built by Company at Roslyn Lake, this agreement shall be subject to renegotiation upon the request of either party.

6. All water furnished by City under this agreement shall be measured by metering equipment now installed and shall be maintained, calibrated and read by City at its expense. Company shall have the right, upon reasonable notice to City, to inspect and check meters or metering equipment.

IN WITNESS WHEREOF, Company has caused this agreement to be executed in triplicate, and City has caused the same to be executed in triplicate by its Mayor and Commissioner of Public Utilities in accordance with Ordinance No. _____.

PORTLAND GENERAL ELECTRIC CO.

By *Alvin E. Bredemund*
VICE PRESIDENT (Title)

By _____

(Title)

CITY OF PORTLAND

By _____
Mayor

By _____
Commissioner of Public Utilities

ORDINANCE No. 149330

An Ordinance authorizing and directing the Commissioner of Public Utilities to execute a new five year agreement with Portland General Electric Company providing for the sale of surplus water from the Bull Run Watershed and declaring an emergency.

The City of Portland ordains:

Section 1. The Council finds:

1. The Council finds that on December 12, 1973, the Council passed Ordinance No. 137584 which authorized the Mayor and Commissioner of Public Works to enter into a five year agreement with Portland General Electric Company to provide surplus water from the Bull Run Watershed for electric power generation to the Portland General Electric Company. Council extended that agreement on December 13, 1978 by passing Ordinance 146944.
2. A new agreement has been negotiated with Portland General Electric Company.

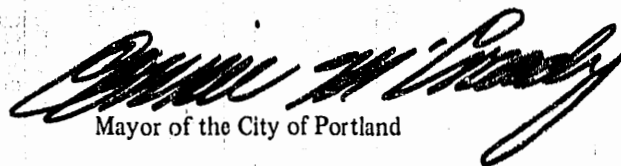
NOW, THEREFORE, the Council directs:

- a. The Commissioner of Public Utilities is authorized and directed to execute on behalf of the City a five year agreement with Portland General Electric Company providing for sales of surplus water, a copy of which is attached to the original only hereof and by this reference made a part hereof.

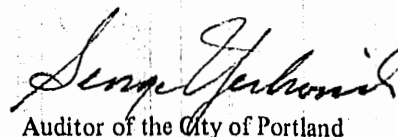
Section 2. The Council declares that an emergency exists in order to gain full advantage of this contract with Portland General Electric; therefore, this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council, **MAR 27 1980**

Commissioner Ivancie
JLD:alh
March 6, 1980
BUC# 49502524


Mayor of the City of Portland

Attest:


Auditor of the City of Portland

Calendar No. 1034

ORDINANCE No. 149330

Title

An Ordinance authorizing and directing the Commissioner of Public Utilities to execute a new five year agreement with Portland General Electric Company providing for the sale of surplus water from the Bull Run Watershed and declaring an emergency.

| THE COMMISSIONERS VOTED AS FOLLOWS: | | |
|-------------------------------------|------|------|
| | Yeas | Nays |
| Ivancie | | |
| Jordan | | |
| Lindberg | | |
| Schwab | | |
| McCready | | |

| FOUR-FIFTHS CALENDAR | |
|----------------------|--|
| Ivancie | |
| Jordan | |
| Lindberg | |
| Schwab | |
| McCready | |

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|----------------------|
| INTRODUCED BY |
| Commissioner Ivancie |

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|----------------------------|
| NOTED BY THE COMMISSIONER |
| Affairs |
| Finance and Administration |
| Safety |
| Utilities <i>FJI/May</i> |
| Works |

| | |
|---|--------------|
| BUREAU APPROVAL | |
| Bureau: | |
| Water Works | |
| Prepared By: J. L. Doane | Date: 3-6-80 |
| Budget Impact Review: | |
| <input checked="" type="checkbox"/> Completed <input type="checkbox"/> Not required | |
| Bureau Head: <i>[Signature]</i> | |
| Carl Goebel, Administrator | |

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|----------------------------------|
| NOTED BY |
| City Attorney |
| City Auditor |
| City Engineer <i>[Signature]</i> |
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| |

Filed MAR 17 1980

GEORGE YERKOVICH
Auditor of the CITY OF PORTLAND

By *[Signature]*
Deputy