

AMENDMENT NO. 1 TO AGREEMENT

This Amendment is made and entered into effective as July ____, 2019, ("Effective Date") by and between Lewis County (the "County") and the City of Tacoma, Department of Public Utilities, Light Division a.k.a. Tacoma Power ("Tacoma"), a municipal utility of the City of Tacoma, (hereinafter collectively referred to as the "Parties").

WHEREAS effective March 23, 2000, the Parties entered into an Agreement to establish payments to be made by Tacoma to the County under RCW 35.21.425 et seq. and to set forth other obligations of the Parties relative to Tacoma's Cowlitz River Hydroelectric Project ("Agreement"); and

WHEREAS the Portland-Salem CPI-U Consumer Price Index for determining the escalation rate of payments identified in Section 15 of the Agreement was discontinued in January 2018 by the US Bureau of Labor and Statistics; and

WHEREAS Tacoma has analyzed the Consumer Price Index performance trends from 2009-2017 in the Region; and

WHEREAS Tacoma has proposed the West Size Class A CPI-U as a replacement Consumer Price Index for determining the escalation rate of payments identified in the Agreement; and

WHEREAS Tacoma proposed reconciling the payments due under the Agreement with the West Class A CPI and to use this CPI for future payment calculations throughout the remaining term of the Agreement; and

WHEREAS the Parties have agreed to the proposed replacement Consumer Price Index for determining the escalation rate of payments identified in the Agreement.

NOW, THEREFORE, in consideration of the mutual promises and obligations hereinafter set forth, the parties agree as follows:

1. The first sentence of the third paragraph of Section fifteen which reads:

"The escalation index shall be the Portland-Salem CPI-U."

Is hereby deleted and replaced with the following:

"The escalation index shall be the West Class A CPI-U (CPI)."

This change shall apply retroactively to January 2018.

2. All other terms of the Agreement, are hereby ratified and shall remain in full force and effect, unaltered by this Amendment.

AMENDMENT TO RESOLUTION U-9523 dated March 22, 2000
Mitigation Payment Agreement: City of Tacoma and Lewis County

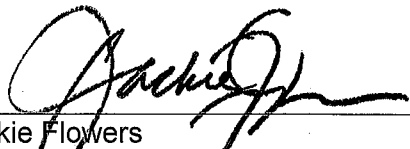
IN WITNESS WHEREOF, the Parties hereto have accepted and executed this Amendment, as of the Effective Date stated above, which shall be Effective Date for bonding purposes as applicable. The undersigned Party representative, by signature below, represents and warrants they are duly authorized to execute this legally binding Amendment for and on behalf of Party.

LEWIS COUNTY

CITY OF TACOMA
Department of Public Utilities

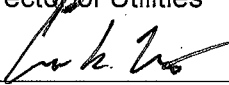
Approved:

Edna J. Fund
Commissioner



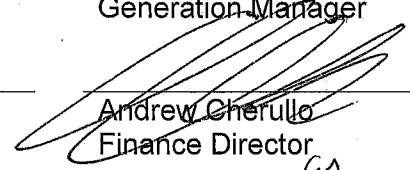
Jackie Flowers
Director of Utilities

Robert C. Jackson
Chair



Chris Mattson
Generation Manager

Gary Stamper
Vice Chair

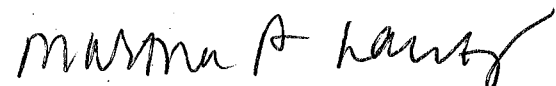


Andrew Cherullo
Finance Director

Approved as to form and legality:

Approved as to form:

Attorney



Martha Lantz
Deputy City Attorney