

**EXHIBIT NO. __ (EDH-4)
DOCKET UE-200115
COLSTRIP UNIT 4 SALE
WITNESS: EZRA D. HAUSMAN, PH.D.**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of

PUGET SOUND ENERGY,

**For an Order Authorizing the Sale of
All of Puget Sound Energy's Interests
in Colstrip Unit 4 and Certain of Puget
Sound Energy's Interests in the
Colstrip Transmission System**

Docket UE-200115

**EXHIBIT EDH-4 TO THE PREFILED
DIRECT TESTIMONY OF EZRA D.
HAUSMAN, PH.D.
ON BEHALF OF THE SIERRA CLUB**

October 2, 2020

**EXH. RJR-3
DOCKET UE-191037
COLSTRIP UNIT 4 SALE
WITNESS: RONALD J. ROBERTS**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of

PUGET SOUND ENERGY

**For an Order Authorizing the Sale of
All of Puget Sound Energy's Interests
in Colstrip Unit 4 and Certain of Puget
Sound Energy's Interests in the
Colstrip Transmission System**

Docket UE-191037

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

RONALD J. ROBERTS

ON BEHALF OF PUGET SOUND ENERGY

FEBRUARY 19, 2020

THE MONTANA POWER COMPANY
AND
PUGET SOUND POWER & LIGHT COMPANY
AND
THE WASHINGTON WATER POWER COMPANY
AND
PORTLAND GENERAL ELECTRIC COMPANY
AND
PACIFIC POWER & LIGHT COMPANY
AND
BASIN ELECTRIC POWER COOPERATIVE

OWNERSHIP AND OPERATION AGREEMENT

Colstrip Units #3 & #4

OWNERSHIP AND OPERATION AGREEMENT

COLSTRIP UNITS #3 & #4

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regulatory agencies. Such transfers shall not be effective until all required approvals and all other required action by such agencies having jurisdiction shall have been obtained.

30. Rule Against Perpetuities or Similar or Related Rules

If the duration of any term or condition of the Project Agreements shall be subject to the rule against perpetuities or a similar or related rule, then the effectiveness of such term or condition shall not extend beyond (i) the maximum period of time permitted under such rule, or (ii) the specific applicable period of time expressed in this Agreement, whichever is shorter. For purposes of applying the rule against perpetuities or a similar or related rule, the measuring lives in being shall be those of the officers and directors of Montana shown in its 1980 Annual Report, together with all such listed persons' children all of whom are living on the date of execution of the Project Agreements. As used in this paragraph, the word "children" shall have its primary and generally accepted meaning of descendants of the first degree.

End of Project

When the Project can no longer be made capable of producing electricity consistent with Prudent Utility Practice or the requirements of governmental agencies having jurisdiction, or when part or all of the Project is removed from service, Operator shall sell all salable parts of the portion of the Project being removed from service to the highest bidders; provided, however, if the entire Project is being removed from service and if Operator should determine that the Project will bring a greater amount at salvage if sold as a unit, including land and structures, than it would if it were dismantled and the salable parts removed and sold, then Operator may sell the Project as a unit to the highest bidder. After deducting all costs of ending the Project, including, without limiting the generality of the foregoing, the cost of decommissioning, razing all structures and disposing of the debris and meeting all applicable requirements of law, Operator shall close any remaining Project accounts and, if there are net proceeds, distribute to each Owner its percentage share of such proceeds. In the event such costs of ending the Project exceed available funds, each Owner shall pay its percentage share of such excess as incurred.

32. Term

This Agreement shall continue for so long as the Project or any part thereof as originally constructed, reconstructed or added to is, or can be made, capable of producing electricity consistent with Prudent Utility Practice or the requirements of governmental agencies having jurisdiction plus any time required for ending the Project as provided in Section 31.