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| SCHEDULE 499 |
| **RETAIL WHEELING SERVICE**  (Continued) |

1. **STRANDED COSTS:**
   1. Power Supply Stranded Costs. A Customer under this Schedule will not be obligated to pay any additional charge for power (i.e., Energy or capacity or both) supply stranded costs as a condition of service under this Schedule.
   2. Transmission Stranded Costs. A Customer under this Schedule will not be obligated to pay transmission stranded costs. However, Customer is subject to all Transmission Charges as required under the OATT and Customer’s Schedule 449 Service Agreement.
   3. Distribution Stranded Costs. A Customer that terminates service under this Schedule during or after the Term will be liable for remaining costs for Dedicated Facilities identified in the Schedule 449 Service Agreement. Nothing in this Schedule alters the rights of the Company and Customer to argue that a Customer who terminates service during or after a Term is not obligated to pay Distribution Stranded Costs, other than the remaining costs for Dedicated Facilities identified in the Schedule 449 Service Agreement. Customer may terminate service, including transmission service pursuant to Section 4 of this Schedule, because it has installed self-generation, and will not be subject to Distribution Stranded Costs, except for remaining costs for Dedicated Facilities identified in the Schedule 449 Service Agreement so long as that Customer takes Back-up Distribution Service from the Company pursuant to Schedule 459.
2. **DISPUTE RESOLUTION:**
   1. Prior to commencing any complaint or court proceedings regarding any dispute between Company and Customer arising under this Schedule, (i) the Company and Customer shall each make good faith efforts to resolve such dispute pursuant to alternative dispute resolution (ADR) procedures consistent with WAC 480-07-700 through -750 and (ii) pursuant to the foregoing, the Company and Customer shall make use of ADR procedures to the maximum extent practicable in resolving such dispute.

(K) Transferred to Sheet No. 449-I

(M) Transferred from Sheet No. 449-K