Attachment A

I. PERMANENT DISCONNECTION OF COMPANY FACILITIES:

1. Except as set forth in I.2 of this rule, a Customer subject to Permanent Disconnection must either:

   a. Pay the Actual Cost for Removal of all Facilities dedicated to exclusively serve the Customer requesting Permanent Disconnection less any salvage from the removed Facilities consistent with Schedule 300. Other than when requested by the Customer, the Company may remove only those Facilities that need to be removed for safety or operational reasons, and only if those Facilities were necessary to provide service to the Customer. The Company will provide an estimate of the Actual Cost for Removal within 60 days from the date of the Customer's request to disconnect or the date the Customer has complied with section I.6 of this rule. The departing Customer is required to pay the estimate of the Actual Cost for Removal within 90 days from the date the Company provides the estimate and before the Permanent Disconnection of any Facilities.

   b. Purchase ~~underground conduit and vaults~~Facilities at Net Book Value, in lieu of removal ~~and pay the Actual Cost of Removal for all remaining Facilities less salvage consistent with Schedule 300~~. The Company will provide the Net Book Value for the purchase of Facilities and an estimate of the Actual Cost for Removal within 60 days of the Customer's request to purchase the Facilities. The departing Customer is required to pay the Net Book Value and the estimate of the Actual Cost for Removal within 90 days from the date the Company provides the Net Book Value and estimate. The Company will not remove any facilities until the Net Book Value and estimate are paid in full. Remaining Washington Customers are allocated the net proceeds from the sale of Facilities~~conduit and vaults~~. The departing Customer assumes all responsibility and liability associated with purchased ~~underground conduit and vaults~~Facilities at the time of disconnection.

2. The Company may decommission, at the Company~~ustomer~~'s expense, some or all of the underground conduit and vaults used to provide dedicated service to the departing Customer if ~~the Company finds that~~ removal of the underground equipment would create a safety or operational concern, and~~or~~ when the departing Customer declines to purchase the equipment. The Company will safely decommission equipment in a manner consistent with NESC guidelines and industry best practices. Decommissioning Facilities may include, but is not limited to, filling and capping conduit, severing direct-buried lines, and providing necessary back fill. The Company will maintain a record of all decommissioned Facilities, and will, upon request, notify third parties of the location of the decommissioned underground Facilities. The Company will confirm in writing to the departing Customer all steps it took to decommission underground facilities. The Company will retain ownership of, and liability for, all decommissioned Facilities.

3. No later than 90 days after removal of Facilities the Company will determine the Actual Cost of Removal~~, which may include unbilled costs for decommissioning equipment,~~ and adjust the initial estimate. The Company will refund any overpayment from the estimated amount, and will issue a bill for any underpayment.

4. All Customers requesting Permanent Disconnection will be required to pay a Stranded Cost Recovery Fee (SCRF). Within 60 days of the Customer's request for Permanent Disconnection, the Company will provide the departing Customer with the SCRF set forth in Schedule 300. The SCRF will be based on the date of anticipated disconnection stated by the Customer.

5. Within 60 days after receiving the Company's SCRF, the Customer must notify the Company: (1) of its intent to pay the SCRF as calculated;~~ or~~ (2) of its intent to obtain, at the Customer's expense, an evaluation of the Company's SCRF by an independent third-party; or (3) of its intent to no longer proceed with a permanent disconnection.

   a. If a Customer with a load less than 1 MW does not dispute the SCRF, it must pay the SCRF within 90 days from the date the Company provides the SCRF to the Customer. The SCRF will expire after 90 days from the date the Company provided the SCRF to the Customer. The Customer must pay the SCRF before Facilities are disconnected.

   b. If a Customer with a load equal to or greater than 1 MW does not dispute the SCRF, the Company will submit the SCRF to the Commission for approval. ~~The Customer must pay the SCRF within 90 days from the date the Commission approves the SCRF. The SCRF will expire after 90 days from the date the Commission approves the SCRF.~~ The Customer must pay the SCRF after~~before~~ Facilities are disconnected, over a period not to exceed 2 years from the date of disconnection.

   c. If a Customer, regardless of size, elects to have an independent third-party evaluation of the SCRF, the Customer must provide the results of the evaluation to the Company within 60 days from the date it elected to obtain such analysis. The Company will respond to the independent third-party evaluation within 30 days after the Customer provides it.

   d. The Company will take reasonable steps to provide the independent third-party evaluator with the information necessary to calculate the Company's SCRF within 10 business days from the date the evaluator requests the information. If the independent third-party evaluator requests confidential information, the Company will take reasonable and timely steps to negotiate a confidentiality or non-disclosure agreement with the independent third-party evaluator. The Company, however, has no obligation to provide the independent third-party evaluator with confidential information without first entering into a confidentiality or non-disclosure agreement.

   e. The Company and the Customer will make reasonable efforts to informally resolve any disputes regarding the Company's SCRF and the alternative analysis prepared by the third-party evaluator. If the alternative analysis suggests modifications to the Company's SCRF calculation, and the Company agrees with the modifications, the Company will recalculate the SCRF incorporating the third- party analysis. The Company's determination on the SCRF will be provided to the customer in response to the third-party evaluator's analysis as described in section 5 of this rule.

f. The independent third-party evaluator's recommendations will not be binding on
the parties.

g. If informal efforts to resolve the disputed SCRF are unsuccessful, the Commission will assign a qualified~~Customer may request~~ mediator~~ion~~ as described in WAC 480-07-710 before ~~filing~~ a formal commission complaint is filed.

h. If the SCRF dispute exceeds one year, the Company reserves the right to update inputs to the SCRF calculation to more accurately capture the stranded costs at the time the permanent disconnection occurs.

i. The Company and Customer will attempt to resolve SCRF disputes in a timely manner.

j. The Company will submit any mutually-agreed upon SCRF to the Commission for review and approval. Or, if the dispute resolution processes in this rule do not result in an agreed-upon SCRF, the Company will submit its proposed SCRF to the Commission for review.

6. If the departing Customer is a tenant, the departing Customer must provide the Company with a notarized affidavit stating that the departing Customer has obtained the owner's permission for the Permanent Disconnection of Facilities.

7. If a departing Customer requests permanent disconnection of service from the Company's system within five years of initially connecting service and provides documentation of the actual costs paid to install conduit, vaults, and trenching, the Customer will receive a credit per Schedule 300.

8. Section I. of this rule does not apply to negotiated sales and transfers of facilities to another utility.