Skagit County Auditor 1 of 5/29/2007 Page

1:16PM

RETURN ADDRESS:

Puget Sound Energy, Inc. Attn: R/W Department 1700 East College Way Mount Vernon, WA 98273

EASEMENT

GRANTOR: GRANTEE:

SIERRA PACIFIC INDUSTRIES

PUGET SOUND ENERGY, INC. SHORT LEGAL: Portion Government Lot 7 in 30-35-2

ASSESSOR'S PROPERTY TAX PARCEL: P33098, 350230-0-108-0010

FIRST AMERICAN TITLE CO.

m9047-1

For and in consideration of One Dollar (\$1.00) and other valuable considerates when part, SIERRA PACIFIC INDUSTRIES, a California Corporation ("Sierra or Grantor" herein), hereby conveys and warrants to PUGET SOUND ENERGY, INC., a Washington Corporation ("Puget or Grantee" herein), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along, across, and through the following described real property ("Property" herein) in Skagit County, Washington:

SEE EXHIBIT "A" AS HERETO ATTACHED AND BY REFERENCE INCORPORATED HEREIN.

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property ("Easement Area" herein) described as follows:

SEE EXHIBIT "B" AS HERETO ATTACHED AND BY REFERENCE INCORPORATED HEREIN.

1. Purpose. Grantee shall have the right to construct, operate, maintain, repair, replace, improve, remove, enlarge, and use the easement area for one or more utility systems for purposes of transmission, distribution and sale of electricity. Such systems may include, but are not limited to:

Underground facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and fiber facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing;

Overhead facilities. Poles, towers and other support structures with crossarms, braces, guys and anchors; electric transmission and distribution lines; fiber optic cable and other lines, cables and facilities for communications; transformers, street lights, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing;

Following the initial construction of all or a portion of its systems, Grantee may, from time to time, construct such additional facilities as it may require for such systems. Grantee shall have the right of access to the Easement Areas A and B over and across the Property and other property owned by Sierra to enable Grantee to exercise its rights hereunder. Grantee shall compensate Grantor for any damage to the Property caused by the exercise of such right of access by Grantee.

- 2. Easement Area Clearing and Maintenance. Grantee shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in Easement Area B. Grantee shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area B. Grantee shall have the right to remove any buildings, structures or other objects located on Easement Area B.
- 3. Grantor's Use of Easement Area Parcel B. Grantor reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted; provided, however, Grantor shall not, without first obtaining Puget's prior written consent (which shall not be unreasonably withheld), undertake (or permit any third party to undertake):

the construction or maintenance of any building, structures or other objects in or upon the Easement Area;

- any excavation, construction or other activity under, upon, above or adjacent to the Easement Area ii. which could disturb or endanger the security or integrity of the facilities located on the Easement
- ijį. any business activities and operations on the Easement Area that will unreasonably interfere with or hinder Puget's operations or activities.
- 4. Indemnity. Puget agrees to indemnify Sierra from and against liability incurred by Sierra as a result of Puget's negligence in the exercise of the rights herein granted to Puget, but nothing herein shall require Puget to indemnify Sierra for that portion of any such liability attributable to the negligence of Sierra or the negligence of
- 5. Abandonment. The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area (as evidenced by the removal of all of Puget's systems and facilities therefrom) for a period of five (5) successive years, in which event, this easement shall terminate and all rights hereunder, and any improvements

UG Electric 11/1998 63493/105043446 61430/111008947 No monetary consideration paid remaining in the Easement Area, shall revert to or otherwise become the property of Grantor; provided, however, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

communication (collectively "Notice	 consent, request, approval, des required or permitted to be given to and stamped with the required postal 	ignation, direction, statement or other under this Easement shall be delivered in age to:
	Puget Sound Energy Attn: Director Corporate Facilities PO Box 97034 Bellevue, WA 98009-9734	
	Sierra Pacific Industries Attn: Plant Manager - Curt Adcock 14654 Ovenell Road Mount Vernon, WA 98273	
all of its rights, benefits, privileges a of the foregoing, the rights and ob respective successors and assigns.	and interests arising in and under this	ign, apportion or otherwise transfer any or easement. Without limiting the generality the benefit of and be binding upon their
DATED this day of _	May	, 2007.
GRANTOR SIERRA PACIFIC INDUSTRIES BY:		Secretary To To Late of the Secretary of
m.O. Emmerso- Title: CFO-VP		POR PORTE
STATE OF California COUNTY OF Shasta	ss (SIES STATES
SIERRA PACIFIC INDUSTRIES, acknowledged said instrument to be deed of SIERRA PACIFIC INDUSTRIES.	nown to be the person who signed the corporation that executed the e his/her free and voluntary act and rRIES for the uses and purposes the	d as <u>CFO-VP</u> , of within and foregoing instrument, and deed and the free and voluntary act and erein mentioned; and on oath stated that
he was authorized to execute the	e said instrument on behalf of said SIE	ERRA PACIFIC INDUSTRIES
	Jock J. 1	seal the day and year first above written.
JACK G. FROST COMM. NO. 164491 NOTARY PUBLIC - CALIFORNIA SHASTA COUNTY MY COMMISSION EXPIRE FEBRUARY 12, 201	(Print or stamp nam NOTARY PUBLIC in residing at	e of Notary) and for the State of,
Notary seal, text and all notations must be inside 1" m	argins	
	SKAGIT COUNTY WASHIN REAL ESTATE EXCISE	TAX
	MAY 2 9 2007	
;	Amount Paid \$ \$\frac{4}{5}\$ Skagit Co. Treasurer By	ity



5/29/2007 Page

2 of 4 1:16PM

EXHIBIT "A"

Lot 3 of that certain, "Record of Survey for Jack & Elizabeth Wallace/Wallace Ventures, LLC" dated April 2004 and recorded May 6, 2004 as Skagit County Auditor's File No. 200405060105; being a portion of the former "Plan of Fredonia" as per plat recorded in Volume 2 of Plats, page 25, records of Skagit County, Washington; being a portion of the Southwest Quarter of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

200705290178 Skagit County Auditor

5/29/2007 Page

3 of

1:16PM

EXHIBIT "B"

Easement Area A (Substation):

Those portions of Lots 13-16, Block 9, "Plan of Fredonia", according to the plat thereof recorded in Volume 2 of Plats, page 25, records of Skagit County, Washington, being more particularly described as follows:

Commencing at the Southwest corner of Lot 3, as said Lot shown on that certain Record of Survey recorded under Auditor's File No. 200405060105, records of said County and State, the West line of said Lot 3 bearing North 00° 56' 05" East; thence North 51" 16' 14" East, 42.03 feet to the TRUE POINT OF BEGINNING; thence North 00" 14' 37" East, 56.00 feet; thence South 89" 58' 40" East, 46.69 feet; thence North 00" 20' 22" East, 4.65 feet; thence South 89" 55' 13" East, 30.94 feet; thence South 89" 55' 13" East, 20.78 feet; thence South 89" 53' 20" West, 1.39 feet; thence South 00" 05' 51" West, 39.48 feet; thence South 89" 44' 49" West, 76.36 feet to the TRUE POINT OF BEGINNING:

Easement Area B (Transmission Line):

That portion of Lot 3 of that certain "Record of Survey for Jack & Elizabeth Wallace/Wallace Ventures, LLC" dated April 2004 and recorded May 6, 2004 as Skagit County Auditor's File No. 200405060105; being a portion of the former "Plan of Fredonia" as per plat recorded in Volume 2 of Plats, page 25, records of Skagit County, Washington; being a portion of the Southwest Quarter of Section 9, Township 34 North, Range 3 East W.M. lying west of the above described Easement Area A, south of the north line of said Easement Area A extended west to the west line of that certain property described in Exhibit A, north of the south line of said Easement Area A extended west to the west line of that certain property described in Exhibit A.

Situate in the County of Skagit, State of Washington.

200705290178 Skagit County Auditor

5/29/2007 Page 4 of 4 1:16PM