PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
327 N WENATCHEE AVENUE
WENATCHEE WA 98801

REGULAR COMMISSION MEETING

OCTOBER 1, 2018

STUDY SESSION

1:00 PM

1. Pledge of Allegiance and Safety Minute – Cathy Melton

2. Approval of the Agenda
   Any item on the Consent Agenda shall be subject to transfer to the Regular Agenda upon request of any Commission member

3. Introduction of Managing Director of District Services

4. Apprenticeship Program

5. Draft 5-Year Business Plans

BUSINESS SESSION

Consent Agenda

6. Minutes of the September 17, 2018 Regular Meeting

7. Vouchers: Accounts Payable Summary Report dated September 26, 2018:

   a. Vouchers totaling $17,916,271.67;

   b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 12, 2018 through September 25, 2018 in the amount of $29,183.98;

   c. Approval of the net Payrolls, Warrant Nos. 236166 through 236186 and Advice Nos. 660494 through 661280 for the pay period ending 09/16/2018 in the amount of $2,063,819.62; and

   d. Approval of Warrant Nos. 24809 through 24867 totaling $15,140.97 for claim payments from the workers' compensation self-insurance fund for the period ending September 24, 2018.

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-69 WITH RIMMER & ROETER CONSTRUCTION, INC. OF CASHMERE, WA AND AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is $3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On December 12, 2017, the District entered into a contract (Bid No. 17-69) with Rimmer & Roeter Construction, Inc. of Cashmere, WA Rocky Reach Visitor Center Open Air Gaps, in the amount of $311,980.00. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order Nos. 1 and 2 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order Nos. 1 and 2, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	**Amount**
1. Change to scope and increase of Contract Price	$976.87
2. Reduction of force account and decrease in Contract Price	-$6,700
Total	-$5,723.13

Field Work Order Nos. 1 and 2 result in a net decrease in the contract price $5,723.13 for a new revised total price of $306,256.87 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on August 27, 2018. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Order Nos. 1 and 2 and authorize the payment of retainage due the Contractor, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order Nos. 1 and 2 to Bid No. 17-69 with Rimmer & Roeter Construction, Inc. for the work specified above, which will result in a net decrease in the purchase price of $5,723.13, for a total revised contract price of $306,256.87, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 17-69 was completed on August 27, 2018 and the same is hereby accepted, subject to Section 3 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department’s Certificate of Payment of Contributions, Penalties and Interest on Public works Contracts and the Department of Labor & Industries’ Certificate of Release of the State’s Lien on Public Works contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and the balance shall be paid to the Contractor.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 15-52 WITH BURKE ELECTRIC, LLC OF BELLEVUE, WA AND AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 16-14009 on January 4, 2016 which authorized the District to enter into a contract (Bid No. 15-52) with Burke Electric, LLC (Contractor) of Bellevue, WA for Rock Island Dam Powerhouse 2 Governor Controls Installation, in the amount of $3,079,957.19.

District staff has determined that the work required under the contract has been performed in accordance with the terms of the contract and recommends that the District accept the work.

District staff has determined that the completion of all contract work occurred on September 12, 2018. At the completion of the Work, the total contract spend was $789,866.73. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor and recommends the District authorize the payment of retainage due the Contractor, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. All the contract work required under Bid No. 15-52 was completed on September 12, 2018, and the same is hereby accepted, subject to Section 2 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 2 and Section 3 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 2. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PURCHASE A 1.63 ACRE PARCEL OF LAND LOCATED ADJACENT TO HIGHWAY 97A IN THE CITY OF ENTIAT FROM R&S RENTALS, LLC

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County, Washington ("District"), is authorized under Chapter 1, Laws of Washington 1931 (RCW 54.16.020 and 54.16.040) as amended, to purchase land, structures and other property rights and privileges, within and without its limits, necessary for the purpose of furnishing the District and its inhabitants and any other persons, including public and private corporations, with electric service.

The District desires to purchase property in Entiat for construction of a new substation site identified through a collaborative planning process in coordination with the City of Entiat.

R&S RENTALS, LLC ("Seller") are the owners of a 1.63 acre parcel of land located adjacent to Highway 97A in the City of Entiat ("Land") that is currently for sale.

Staff was able to negotiate a purchase agreement for $129,900.00 subject to Commission approval.

Staff recommends the District approve the purchase of the Land. The General Manager has reviewed staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Board of Commissioners hereby approves the purchase of a 1.63 acre parcel of land from R&S Rentals, LLC in the amount of $129,900.00.

Section 2. The General Manager of the District or his designee is hereby authorized to take such further steps as may be required to complete the purchase of the Land from the Seller.

Dated this 1st day of October, 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

S E A L

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A LEASE AGREEMENT WITH PORT OF CHELAN COUNTY FOR THE LEASE OF A PORTION OF PORT INDUSTRIAL BUILDING NUMBER 5 (IB No. 5) LOCATED IN WENATCHEE, WASHINGTON

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District, as part of the Strategic Facilities Plan implementation process, reached a proposed agreement in principal (Term Sheet) with the Port of Chelan County (Port) on July 5, 2018. The Term Sheet detailed four (4) property transactions including the District's purchase of approximately 19 acres of Port-owned land, the Port's purchase and lease-back to the District of the District's condominium units in the Confluence Technology Center (CTC) and the lease of space in the Port's Industrial Building Number 5.

The District has identified a short-term need for operational space while the Strategic Facilities planning process is completed and decisions are made concerning the long-term solutions for operations, service and administration, currently located at Hawley Street, Fifth and Wenatchee Ave and in the CTC.

District staff has negotiated with the Port and recommends that it is in the best interest of the District to enter into a four-year lease with the Port for 26,000 square feet of space in IB No. 5, located at 200 Olds Station Road, Wenatchee, WA, at a monthly rate of $16,900 ($202,800 annually), plus utilities and common area maintenance charges estimated at $15,600 annually, for an estimated total lease cost for four years of $873,600. The lease provides for the initial term starting October 1, 2018, and provides an option to renew subject to rental rate CPI increases for two (2) extension terms of one (1) year each for a total potential lease term of up to six (6) years. The lease also allows for termination, upon 180 days' notice if the Port and District do not enter into the other Term Sheet transactions or, if after completing the Term Sheet transactions, the District elects not to pursue development of the property purchased from the Port as part of the Transactions.

The negotiated lease authorizes the District to construct minor improvements necessary for intended District use of the facility and the District and the Port must coordinate on plans and specifications to be submitted to the Port for approval prior to any submission by the District for bids.

The General Manager of the District has reviewed staff's recommendation and concurs in the same.

RESOLUTION NO. _____

A RESOLUTION APPROVING A REQUEST FOR QUALIFICATION (RFQ) (NO. 18-10) FOR ROCK ISLAND DAM POWERHOUSE #2 – GENERATING UNIT REHABILITATION PROJECT AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO PUBLISH NOTICE INVITING SEALED PROPOSALS FOR SAID PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District intends to rehabilitate all eight hydro turbine-generator units in Rock Island Powerhouse Two as well as the associated balance of plant equipment and systems. Rehabilitation includes refurbishment of most major components, replacement of some due to known poor condition and limited remaining life, and procurement of some new components to mitigate schedule impacts from finding unrepairable items during the construction outage. The rehabilitation work on the first unit will begin in 2021 and the last unit should complete rehabilitation in 2029.

To complete the work at the least cost and within the schedules, the District intends to procure the work using a hybrid Progressive Design-Build work process. The initial procurement is to request qualifications, technical expertise and experience from qualified firms for project design and shortlist the most qualified. The second phase will be to provide a Request for Proposal (RFP) to the short-listed firms to evaluate project specific criteria, technical design and cost factors. Services performed by the selected Design-Builder may lead to a negotiated contract for Design-Build work.

The District has received Washington State Capital Projects Advisory Review Board (CPARB) approval for a Public Body Project to use Design/Build alternative contracting procedures for Rock Island Dam.

Resolution No. 17-14215 requires Commission approval of Requests for Qualifications (RFQs) and authorization to invite proposals that will exceed $3,000,000. Staff estimates that the contract(s) resulting from this RFQ to cost more than $3,000,000. An RFQ is being prepared by the District and is on file in the offices of the District.

District staff recommends that RFQ No. 18-10 is in the best interests of the District and that said document be approved and that the invitation for proposals be published.

The General Manager of the District has reviewed District staff's recommendation and concurs in the same.

RESOLUTION NO. _____

A RESOLUTION RESCINDING AND REPLACING RESOLUTION NO. 17-14199 AND ADOPTING NEW TELECOMMUNICATION RATES FOR WHOLESALE TELECOMMUNICATIONS SERVICES BY SERVICE PROVIDERS ON THE DISTRICT'S BROADBAND SYSTEM

FACTUAL BACKGROUND AND REASONS FOR ACTION

Pursuant to RCW 54.16.330 and RCW 54.16.005, the District has constructed, and may cause to be constructed from time to time, a Broadband System through which the District is authorized to provide wholesale telecommunications services and facilities ("hereinafter Telecommunications Services") to entities authorized to provide telecommunications services to the general public and internet service providers at reasonable and nondiscriminatory rates.

The District must comply with the laws of the State of Washington, RCW 54.24.080, sound utility principles and the covenants of the District's Bond resolutions in establishing rates. The District is required to establish, maintain and collect rates which are fair, nondiscriminatory and adequate to provide revenues sufficient for the payment of the principal and interest on such revenue obligations for which payment has not otherwise been provided and all payments which the District is obligated to set aside in any special fund or funds created for such purpose. The District must also collect revenues for the proper operation and maintenance of the public utility and all necessary repairs, replacements and renewals.

In determining non-preferential and nondiscriminatory rates, terms and conditions, RCW 54.16.340 allows the District to consider such matters such as service quality, cost of service, technical feasibility of connection points on the District's system, time of response to service requests, system capacity, and other matters reasonably related to the provision of wholesale telecommunications services.

RCW 54.16.330 requires the District to account for any and all revenues and expenditures related to its wholesale telecommunications facilities and services separately from revenues and expenditures related to its internal telecommunications operations.

The District previously adopted rates for Telecommunications Services, pursuant to Resolution No. 17-14199.

From time to time, District staff reviews telecommunications services offered, actual usage and costs of the services, along with rate analysis to review market conditions. Staff is recommending amending the Telecommunications Rates to add competitive Virtual Local Area Network (VLAN) services with term rates to create sales and adjust Aggregate Transport Bandwidth rate range as well as clarify language and update rates for Coarse Wave Division Multiplex (CWDM) services. Based on that action, staff recommends the following changes to the Telecommunications Rates:

- Delineation of VLAN services
  - Rename current service to: Business Class VLAN service
    - Reduce rates for 100 Mbps and 1 Gbps services
    - Applies to Fixed and Burstable services
  - Addition of Carrier Class VLAN service
    - Applies to Fixed and Burstable services
    - Addition of 3- and 5- year term rates

- Adjust Aggregate Transport Bandwidth rate range
  - Reduction of rates

- Clarification of language in Rate Schedule 300
  - Addition of "per pathway" clarification
  - Changing descriptions from "Simplex" to "Single Fiber" and "Duplex" to "Dual Fiber (pair)"

- Adjusting mileage rate for CWDM service
  - Reduction in rate per mile

As set forth in Exhibit A, Telecommunications Rates, attached hereto and incorporated herein by this reference.

Based upon District staff's evaluation and analyses of the proposed changes to the Wholesale Telecommunications Rates, District staff recommends and the General Manager concurs, that the Wholesale Telecommunication Rates be adopted as set forth in this resolution at Exhibit A, attached hereto and incorporated herein by this reference, to be effective January 1, 2019.

The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under SEPA guidelines, WAC Ch. 197-11-800(15)(i).

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Resolution No. 17-14199 is hereby rescinded and replaced, effective as of 24:00 hours on December 31, 2018.

Section 2. The Commission hereby adopts those Telecommunications Services categories, rates and conditions for service, as set forth in Exhibit A attached, entitled *Wholesale Telecommunication Services Rates,* pursuant to RCW 54.16.330 effective as of 24:00 hours Pacific Time on December 31, 2018.

1. General Conditions of Service: **All Wholesale Telecommunications Services shall be subject to Availability.** In addition, all of the following conditions shall be met for District provision of all Telecommunication Services referenced.

A. Service Providers shall enter into a Telecommunications Access and Transport Services License Agreement ("Agreement"), in the form(s) approved by the District, make timely deposit and payment, as set forth in the Agreements, in order to avoid termination of service.

B. Service Providers will be charged on a monthly basis according to the rates set in this document. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to and be the responsibility of the Service Provider.

C. Unless otherwise specified, charges include the Network Termination Equipment (NTE) device at the District's specified demarcation point. The Service Provider must supply, at its own cost, any additional equipment required to deliver services.

D. Service Providers shall submit service requests to the District through the District's approved and designated submission process. Upon approval of the request form and in compliance with District regulations, the service request will be completed at such time designated by the District.

E. Service Providers will be charged Non-Recurring Charges (NRC) and other fees as set forth in the Wholesale Telecommunications Services Rates policy and the Wholesale Telecommunications Services Fees & Charges policy.

F. Any request for special services outside of this document, Telecommunications Rates, shall be on an Individual Case Basis (ICB). All charges and fees incurred and corresponding rates will be determined at the time of request.

2. Definitions – Unless the context clearly indicates otherwise, the following definitions shall apply to this document, Telecommunications Rates.

24/7: An acronym to describe availability. The "24" relates to the number of hours in a day. The "7" relates to the number of days in a week.

95th Percentile: The pricing for Burstable Rate billing is based upon sustained bandwidth usage, which is determined on a monthly basis. The methodology for measuring sustained usage is as follows: The Network Terminating Equipment (NTE) is polled every 5 minutes for total bits ingress and total bits egress (on VLAN service polling only occurs on the ingress interface). The data is divided by 300 (the number of seconds in a 5-minute interval). This gives two averages (ingress, egress) for the 5-minute period. The averages become data points (a total of 17,280 in a 30-day month) which are tracked over the course of

acquiring a network service, a network provider may specify the CIR level that is less than or equal to the port speed of the circuit and/or service. The network provider may provide Service Level Assurances in which conforming data not exceeding the CIR level will be delivered through the provider's network circuit only and does not provide assurance beyond the service's Network Terminating Equipment (NTE). The presence of a CIR on a service does not eliminate data traffic exceeding the CIR. Data traffic exceeding the CIR may be transmitted upon the medium, however that traffic exceeding the CIR is queued and placed upon the medium and is subject to discard should the circuit or service exceed the CIR threshold and experience network congestion.

Coarse Wave Division Multiplex (CWDM): Coarse wavelength-division multiplexing (WDM) is a technology which multiplexes a number of optical carrier signals onto a single optical fiber by using different wavelengths (i.e., colors) of laser light defined under ITU ITU-T G.694.2.

Colocation: In general, co-location is moving or placing things together, sometimes implying a proper order. This term (often spelled "colocation") is used to mean the provision of space for a customer's telecommunications equipment on the service provider's premises. For example, a Web site owner could place the site's own computer servers on the premises of the Internet service provider (ISP). Or an ISP could place its network routers on the premises of the company offering switching services with other ISPs. The alternative to co-location is to have the equipment and the demarcation point located at the customer's premises. The District offers co-location on a wholesale basis to Service Providers.

Critical Dark Fiber Pathway. A Critical Path Dark Fiber Pathway is formally defined by the associated Critical Path Dark Fiber Service Level Agreement (SLA) contained within the Telecommunications Facilities License Agreement. The SLA defines a response and restoration time along with credits should the SLA not be met.

DLL-Data Local Loop: Term used to describe the connection between the Service Provider's End-users and a central aggregation point on a network often termed a Central Office. *See Also: Local Loop*

DS-1 (T-1) Business Transport Services: Delivers a DS-1 (T-1) standard 1.544 Mbps in support of 24 voice or data connections each encoded at 64Kbps.

End-user: A customer of a Service Provider receiving telecommunications services over the District's telecommunications network. Each customer billed by the Service Provider is considered a separate End-user. For example, a Duplex with each unit-owner or tenant billed separately by the Service Provider is considered two End-users.

Ethernet: Layer 2 networking technology widely used as the connection mechanism for local area networking. Originally introduced in 1980, Ethernet has become the defacto standard for many networked systems worldwide. Computing systems utilize Ethernet for communicating by assembling data into packets which are transmitted over the wire or "Ether". Ethernet speeds

originally began widespread adoption at the 10 Mbps level and have since increased at 10x intervals so that today 100 Mbps is the typical speed for computers on Local Area Network Connections. 1000 Mbps or 1Gbps (Gigabits/sec) is also common to high-speed workstations, computers, and homes, 10 Gbps is typically a metro backbone link, and 100 Gbps are typically used on Internet Backbone connections between providers.

Fixed Rate: A specific amount of data sent or received in one continuous operation, usually done at a regular or preset rate.

Gateway: A device used to provide an entrance and exit to a communications network.

Gbps: Gigabits per second. Gig is one thousand million bits per second.

Internet Access Provider (IAP): One of several large companies that offers access directly to the Internet. An IAP has the equipment and the telecommunication line access required to have a point-of-presence (PoP) on the Internet for the geographic area served.

Internet Protocol (IP) Multicast: A method of sending Internet Protocol **(**IP**)** datagrams to a group of interested receivers in a single transmission. It is often employed for streaming media applications on the Internet and private networks. The method is the IP-specific version of the general concept of multicast networking. IP multicast is a technique for one-to-many and many-to-many real-time communication over an IP infrastructure in a network. It scales to a larger receiver population by requiring neither prior knowledge of a receiver's identity nor prior knowledge of the number of receivers. Multicast uses network infrastructure efficiently by requiring the source to send a packet only once, even if it needs to be delivered to a large number of receivers. The nodes in the network (typically network switches and routers) take care of replicating the packet to reach multiple receivers such that messages are sent over each link of the network only once.

ISP-Internet Service Provider: An Internet Service Provider may provide other services than just Internet as the term implies. *See Also: Service Provider*.

Layer 2: Layer 2 refers to the Data Link layer of the commonly-referenced multilayered communication model, Open Systems Interconnection (OSI). The Data Link layer is concerned with moving data across the physical links in the network. In a network, the switch is a device that redirects data messages at the layer 2 level, using the destination Media Access Control (MAC) address to determine where to direct the message.

Layer 3: Layer 3 refers to the Network layer of the commonly-referenced multilayered communication model, Open Systems Interconnection (OSI). The Network layer is concerned with knowing the address of the neighboring nodes in the network, selecting routes and quality of service, and recognizing and forwarding to the Transport layer incoming messages for local host domains.

Local Loop: A local loop is the connection from a communication company's central office in a locality to its customers' premises, at homes and businesses. The District currently provides Local Loops via fiber-optics.

MAC/MAC Address: MAC is an abbreviation and acronym applied to the term Media Access Control. A "MAC Address" is a hardware identification number that uniquely identifies each device on a network. The MAC address is manufactured into every network card, such as an Ethernet card, and therefore cannot be changed. A network device needs to have a unique MAC address. MAC addresses are made up of six two-digit hexadecimal numbers, separated by colons. For example, an Ethernet card may have a MAC address of 00:0d:83:b1:c0:8e.

Mbps: Mbps stands for millions of bits per second or megabits per second and is a measure of bandwidth (the total information flow over a given time) on a telecommunications medium. Depending on the medium and the transmission method, bandwidth is also sometimes measured in the Kbps (thousands of bits or kilobits per second) range or the Gbps (billions of bits or gigabits per second) range.

Meet-me: A pre-determined point between communications networks, where information is transferred and/or cross connected.

Metro Ethernet Forum (MEF): Metropolitan Ethernet (Metro Ethernet) refers to using carrier Ethernet technology in metropolitan networks. Corporations, academic institutions and government agencies in large cities use Metro Ethernet to connect branch campuses and offices to the Internet. Metro Ethernet connects business local area networks (LAN) and end users to wide area networks (WAN) or the Internet. Metro Ethernet is a service provider collection of Layer 2 or Layer 3 switches or routers connected through optical fiber. The topology may be a ring, hub and star or full or partial mesh.

MRC: Monthly Recurring Charge, occurring every month.

Multihomed/Multihoming: Refers to a computer or device connected to more than one computer network or service. It can be used, for example, to increase the reliability of an Internet Protocol (IP) network, such as a user served by more than one Internet service provider.

NRC: Non-Recurring Charge, a one-time charge.

NTE-Network Terminating/Termination Equipment: Defines the terminating device installed by the District, delivering services to the Service Provider's End-users. The term NTE is interchangeable with Customer Premises Equipment (CPE), Premise Gateway Device (PGD), and/or Optical Network Terminal (ONT).

ONT-Optical Network Terminal: Defines the terminating device installed by the District, delivering services to the Service Provider's End-users. Also may be referred to as a Premises Gateway Device (PGD), Customer Premises Equipment (CPE) and/or Network Terminating Equipment (NTE).

Pathway: A communications pathway is analogous to a circuit, which connects two or more points to exchange information.

PGD-Premises Gateway Device: Defines the terminating device installed by the District, delivering services to the Service Provider's End-users. Also may be referred to as an Optical Network Terminal (ONT), Customer Premises Equipment (CPE) and/or Network Terminating Equipment (NTE).

Point-to-Point: Connecting location A with location B via communications circuits.

Point-to-Multipoint: Connecting multiple locations together via communication circuits.

PoP: A point-of-presence (PoP) is an access point to the Internet with a unique Internet Protocol (IP) address. An Internet service provider (ISP) has a point-of-presence on the Internet and probably more than one.

POTS: Plain Old Telephone Service. The basic service supplying standard single line telephones, telephone lines and access to the public switched network.

Port(s): The physical interface between a device and a circuit, located on the End-user Gateway device for provision of Service Providers' telecommunications services.

PRI-Primary Rate Interface. A term used to describe a DS-1 rate access to a network that supports standard combinations of channels with a 1536 Kbit/s payload.

Provision / Provisioning, Re-provisioning: The act of placing service upon a broadband network. Provisioning is typically done through the ordering of a service. Re-provisioning is often done in the process of troubleshooting in an effort to reset the service.

Service Provider: Includes Third Party Services Providers as defined in the Electric Service Regulations and other authorized entities including Public Utility Districts and NoaNet.

Service-Off Provisioning Hold: Allows a POTS line to be temporarily turned off during seasonal periods of non-use, while holding the provisioning information including the phone number for an end-user.

SONET: Synchronous Optical NETwork. An optical interface standard that allows flexibility in transporting many digital signals with different capacities, and to provide a design standard for manufacturers.

STS-1/STS-3: Synchronous Transport Signal level 1. An electrical signal that is converted to or from SONET's optically based signal; equivalent to the OC-1 signal of 51.84 Mbps. STS-3 is equivalent in bandwidth to 3 STS-1's.

Symmetrical: The term symmetric (also symmetrical) refers to any system in which data speed or quantity is the same in both directions, averaged over time. Examples include two-way radio, standard twisted-pair telephone Internet connections, cable modem Internet connections in which the cable is used for transmission as well as for reception, and full-motion videoconferencing.

TDM-Time Division Multiplex: A technique for transmitting a number of separate data, voice and/or video signals simultaneously over one communications medium by quickly interleaving a piece of each signal one after another.

UPS-Uninterrupted Power Supply: A device that supplies reliable and continuous power to the Network Termination Equipment (NTE). The UPS system is comprised of two major components, which may be integrated into a single enclosure, which include the power supply unit and the sealed battery (charged by the power supply unit).

Video/Video Transport: Video is the recording, producing, or broadcasting of moving visual images. Video Transport is the placing of video on a medium for transmission or broadcasting.

VLAN: A virtual (or logical) LAN is a local area network with a definition that maps workstations on some other basis than geographic location (for example, by department, type of user, or primary application). The virtual LAN controller can change or add workstations and manage load balancing and bandwidth allocation more easily than with a physical picture of the LAN. Network management software keeps track of relating the virtual picture of the local area network with the actual physical picture.

Voice over Internet Protocol (VoIP): A technology for transmitting ordinary telephone calls over the Internet using packet-linked routes.

Wireless: Wireless is a method of transmitting data without wires using a system of transmitters and antennas.

Wholesale Telecommunications Services (or sometimes referred to herein as Telecommunications Services): The provision of telecommunications services or facilities for resale by authorized Service Providers, all as defined by RCW 54.16.005 as now exists or as may be hereafter amended.

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 100
WHOLESALE TELECOMMUNICATION SERVICES – DATA LOCAL LOOP (DLL) SERVICES

AVAILABLE: To Service Providers and District Business Units desiring to use the District's Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2019.**

PRODUCT SUMMARY: The District offers local loop data connectivity to the End-user premises, to Service Providers. Data Local Loop (DLL) services includes Domain Name System (DNS) services. Local loops are offered in Symmetrical and Asymmetrical form. In addition to DLL charges, Service Providers will be billed for Aggregate Transport Bandwidth usage. Other optional services in Rate Schedule 100 include IP Multicast and VOIP services when purchased with the DLL or other data-type service provided by an ONT including but not limited to VLAN service. DLL Services are best effort services for residential and business internet access. Specifications for residential and business DLL services are listed below in Table 1 and 2, respectively, at the end of this schedule. For the operation of commercial type services such as servers a dedicated bandwidth service other than DLL must be used from schedule 200, 300 or 400.

AGGREGATE TRANSPORT BANDWIDTH: Purchase of a DLL service connection includes charges for bandwidth usage utilizing a rate range specified in the table below. Usage charges will be based on an aggregated bandwidth revenue requirement calculated annually. Usage charges will be within the rate range specified below and adjusted quarterly for the purpose of meeting the annual core services revenue requirement.

The annual core services revenue requirement is based on projected costs to provide and maintain core services.

Core services include:

- DLL services provided at 100 Mbps and 1 Gbps speeds, measured by the number of connections.
- Bandwidth consumed by each Service Provider measured in gigabytes and normalized.
- Voice
- Video

The aggregated bandwidth revenue requirement is calculated annually by the District as follows: Projected annual core services revenue requirement less fixed rate and charges revenue attributable to the provision of core services.

The initial aggregate bandwidth rate and quarterly adjustments are calculated as follows:

- The target aggregated bandwidth revenue requirement
- Divided by the average aggregate bandwidth forecast as determined by the District
- Adjusted quarterly based on previous quarters actual aggregated bandwidth usage
- Applied to each service providers normalized average bandwidth usage on a monthly basis

Normalized Gigabyte Calculation

Two-way aggregate data usage of each Service Provider that offers DLL services forecasted on a quarterly basis. Data usage will be measured each month by the District and will be applied to data traffic using DLL services. Data usage will be expressed in terms of gigabytes and will be calculated by adding together total upload gigabytes and download gigabytes for the given forecasting period and normalized based on the previous quarter.

The District reserves the right to adjust the range of rates dependent upon the revenue needs of the District and the bandwidth usage of the Service Providers.

Provided, however, that the aggregate bandwidth rate, as computed above on a forecasted basis, shall not increase by more than 5% for the next year without Board approval.

INTERNET PROTOCOL MULTICAST (IPTV): Internet Protocol (IP) Multicast (IPTV) charges shall apply where the Service Provider provides IPTV services to End-users. A one-time Non-Recurring Charge will be charged to establish IPTV Quality of Service parameters.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider's End-users and may not be resold to more than one End-user.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-Recurring Charges (NRC)'s may apply to each of the Services. Fees will be charged per order, regardless of number of services. Installation fee will only be charged when installation of an NTE is required. Service Providers will incur charge at the time of request on a per order basis. Fees and any other associated charges will be billed at time of service billing. Additional charges for special equipment may apply. See Wholesale Telecommunications Services Fees & Charges Schedule.

Data Local Loop – Residential*(See Table 1 Below for Specifications)	**Unit of Measure**	**Monthly Rate**
Data Local Loop Access Fee per End-user. Aggregate Transport Bandwidth rates apply.		
Ethernet Service Connection to SP - up to 100 Mbps X 10 Mbps	Each	$12.00
Aggregate Transport Bandwidth	Gigabyte	$0.02 - $0.07
Ethernet Service Connection to SP - up to 100 Mbps X 100 Mbps	Each	$24.00
Aggregate Transport Bandwidth	Gigabyte	$0.02 - $0.07
Ethernet Service Connection to SP - up to 1 Gbps X 100 Mbps	Each	$36.00
Aggregate Transport Bandwidth	Gigabyte	$0.02 - $0.07

Data Local Loop – Business **(See Table 2 Below for Specifications)	**Unit of Measure**	**Monthly Rate**
Data Local Loop Access Fee per End-user. Aggregate Transport Bandwidth rates apply.		
Ethernet Service Connection to SP - up to 100 Mbps X 10 Mbps	Each	$13.20
Aggregate Transport Bandwidth	Gigabyte	$0.02 - $0.07
Ethernet Service Connection to SP - up to 100 Mbps X 100 Mbps	Each	$26.40
Aggregate Transport Bandwidth	Gigabyte	$0.02 - $0.07
Ethernet Service Connection to SP - up to 1 Gbps X 100 Mbps	Each	$39.60
Aggregate Transport Bandwidth	Gigabyte	$0.02 - $0.07

Optional Services Over Data Local Loop (DLL)	**Unit of Measure**	**Monthly Rate**
Internet Protocol (IP) Multicast		
IP Multicast, per End-user	Each	$2.90

SPECIFICATIONS

*Table 1
Residential DLL (E-Tree)

EVC Service Attribute	Values
EVC Type	Rooted-Multipoint
EVC ID	**HSI**
UNI List	1-Root UNI ≥ 2 Leaf UNIs {<U1, Role=Root>, <U2, Role=Leaf>, <U3, Role=Leaf>}
Max Number of UNIs	Must be ≥ 3
Unicast Service Frame	Conditional – Dynamic learning DHCP
Broadcast Service Frame	Discard
CE-VLAN ID Preservation	Not Enabled
CE-VLAN CoS Preservation	Not Enabled
MTU	≤ 1500
EVC Performance	CoS Name =BE
Intended Customer	Single End-User
Source MAC Address Limit	2
Intended Gateway	Residential Gateway with Private IP Addresses
Static IP Routing	No

Key Attributes:

- IP Address must be assigned dynamically via DHCP
- Maximum of 2 DHCP leases
- Static IP assignment and/or static IP routing is not allowed
- MTU is fixed 1500 Bytes
- All traffic will be classified as “best effort”
- The DLL service is for one single End-User only and is not to be sold or re-sold
- MAC addresses are limited to 2 source MAC addresses

- The intended End-User device is a Residential Gateway Firewall using Private IP addresses on the LAN translated to a publically routable IP address on the WAN obtained via DHCP

**Table 2
Business DLL (E-Lan)

EVC Service Attribute	Values
EVC Type	Point-to-Point
EVC ID	**HSI**
UNI List	2 Root UNIs {<U1, Role=Root>, <U2, Role=Root>}
Max Number of UNIs	2
Unicast Service Frame Delivery	Deliver Unconditionally
Broadcast Service Frame Delivery	Deliver Unconditionally
Multicast Service Delivery	Deliver Unconditionally
CE-VLAN ID Preservation	Not Enabled
CE-VLAN CoS Preservation	Not Enabled
MTU	≤ 1500
EVC Performance	CoS Name =BE
Intended Customer	Single End User
Source MAC Address Limit	10/UNI
Intended Gateway	Router with Private or Public Statically Routed IP Addresses
Static IP Routing	Yes

Key Attributes

- IP Address must be assigned dynamically via DHCP
- Point-to-point from RSP ENNI to End-User only
- Maximum of 10 DHCP leases
- Static IP routing is allowed
- MTU is fixed 1500 Bytes

- All traffic will be classified as “best effort”
- The DLL service is for one single End-User only and is not to be sold or re-sold
- MAC addresses are limited to 10 source MAC addresses
- The intended End-User device is an IP Router

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 200
WHOLESALE TELECOMMUNICATION SERVICES –VIRTUAL LOCAL AREA NETWORK (VLAN)

AVAILABLE: To Service Providers and the District desiring to use the District's Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2019.**

PRODUCT SUMMARY: The District offers Layer 2, Point-to-Point and Point-to-Multipoint Ethernet transport VLAN with Metro Ethernet Forum attributes applied. Services offered as Fixed Rate or Burstable Rate products.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider's End-users and may not be resold to more than one End-user.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

METRO ETHERNET FORUM ATTRIBUTES: Purchase of this service requires the Service Provider to meet the following standards:

- **Protocols** – The District will not impede the passing of any protocol frames on the Ethernet Virtual Connection (EVC) for the specific type of service (EPL, EVPL, etc…) whilst adhering to the standards set forth in MEF 6 which specifically addresses L2CP protocols. Any impediment or modification of protocol frames not specified by the MEF standards will constitute a service

outage. This shall include, but not be limited to, topology discovery protocols, routing protocols, multicast protocols, streaming protocols, and voice protocols.

- **Maximum Transmission Unit (MTU)** – The District shall allow the customer to be able to transmit up to a 9000 byte frames on Carrier Class service (not inclusive of Link Aggregation Group – LAG – links, unless one of the subtended circuits on the LAG is of 1G or higher bandwidth). The Business Class VLAN service limits MTU sizes of 1600 byte frames.

- **"Out of Service" Definition** - The definition of "out of service" is the inability to reliably pass data at the purchased rate on any Service Provider managed transport path due to excessive latency, errors, loss or violations.

- **Service Interface & Termination Requirements** - Unless otherwise specified by the Service Provider, the interfaces provided to the Service Provider locations must be administratively configured for use as a fixed full duplex 100 Mbps, 1,000 Mbps or 10,000 Mbps interface per the resulting work order or site agreement. Auto negotiate will be used when available. The District is responsible for all access and fiber/cabling to the point of service handoff at the customer premise equipment (switch, ONT, router).

- **Link Aggregation** - If the Service Provider orders an aggregated Ethernet service from the District, the District must support Link Aggregation Control Protocol (LACP) via the IEEE 802.3ad standard while keeping in compliance with MEF standards set forth in MEF 10. If and/or where possible, the Purchaser would prefer to have the LACP configuration to be a Multi-Chassis LACP Configuration, providing chassis redundancy in addition to link redundancy. While aggregation of Ethernet services is not a mandatory requirement, the use of LACP in instances where this service is provided is mandatory.

- **Ethernet Standards** – The District's Ethernet interface provided at the Service Provider's point-of-presence must adhere to IEEE 802.3 standards for Ethernet, depending on the service purchased at the location by the Service Provider.

- **VLAN** – The District's Ethernet services must provide support for Virtual Local Area Network (VLAN) via the IEEE 802.1Q standard.

- **BPDUs** - Except for specific L2CP protocols as specified by the Metro Ethernet Forum (MEF) Ethernet Services Definitions – MEF 6, the District shall not manipulate any Bridge Protocol Data Units (BPDU) which are sent along the circuit by the Service Provider without the provider's expressed consent.

- **Spanning Tree Protocols** - Except for specific L2CP protocols as specified by the Metro Ethernet Forum (MEF) Ethernet Services Definitions – MEF 6, the District shall not impede the operation of any spanning tree protocols, including, but not limited to; Spanning Tree Protocol (STP), Per-VLAN Spanning Tree (PVST), Per-VLAN Spanning Tree Plus (PVST+), Rapid Spanning Tree Protocol (RSTP), Rapid Per-VLAN Spanning Tree Protocol (R-PVST), Multiple Spanning Tree Protocol (MSTP), VLAN Spanning Tree Protocol (VSTP), without the Service Provider's expressed consent.

- **VLAN Tags** - In accordance with established standards in MEF 6, the District shall not rewrite any VLAN tags affixed to packets by the Service Provider without expressed consent. The District shall also ensure that they do not impede the ability of the Service Provider to utilize 802.1ad tagging, also known as Q-in-Q.

- **Marking of Traffic** – The District must not mark or remark any traffic without approval from the Service Provider. The Service Provider will expect that all traffic leaving a site will arrive after traversing the District's network with the same markings it left with (QoS, Multicast, etc.).

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time of service billing. The VLAN NRC will be reduced to 20% of the standard NRC for changes to an existing VLAN that only require provisioning. See Wholesale Telecommunications Services Fees & Charges Schedule.

Virtual Local Area Network (VLAN) Business Class	Unit of Measure	Monthly Rate	3 Year Term Rate	5 Year Term Rate
Metro Ethernet Forum attributes applied. Multiple VLAN's can occur on a single port. Pricing for Point-to-Point and Point-to-Multipoint services are offered as best effort bandwidth for either Fixed Rate or Burstable Rate products. All services allow up to 100 MAC Addresses per port, with a maximum of up to 4000 per VLAN, Network capacity of MAC addresses and speed may be a limitation of Network Termination Equipment (NTE). The District reserves the right to limit network parameters and performance based on NTE and other factors that may not be fully expressed until a detailed network design is completed. See Specifications table below. Charges apply to each additional block of 50 MAC Addresses. **				
Fixed Rate				
50 Mbps per VLAN/Port	Port	$112.16	N/A	N/A
100 Mbps per VLAN/Port	Port	$149.00	N/A	N/A
1 Gbps per VLAN/Port	Port	$399.00	N/A	N/A
*Burstable Rate**				
50 Mbps per VLAN/Port	Port	$112.16	N/A	N/A
100 Mbps per VLAN/Port	Port	$149.00	N/A	N/A
Burst Above CIR – 50 Mbps per VLAN/Port	Mb	$8.81	N/A	N/A
Burst Above CIR – 100 Mbps per VLAN/Port	Mb	$1.15	N/A	N/A
***MAC Address Blocks for Additional VLAN Capacity*				
Block Increments of 50 MAC addresses	Block	$75.00	N/A	N/A
*Usage measured and billed on 95th percentile of total ingress traffic, measured per VLAN per port, over full month. Burst usage rounded up to next full Mbps.				

Virtual Local Area Network (VLAN) Carrier Class	Unit of Measure	Monthly Rate	3 Year Term Rate	5 Year Term Rate
Metro Ethernet Forum attributes applied. Multiple VLAN's can occur on a single port. Pricing for Point-to-Point and Point-to-Multipoint services are offered as dedicated bandwidth for either Fixed Rate or Burstable Rate products, All services allow up to 100 MAC Addresses per port, with a maximum of up to 4000 per VLAN. Network capacity of MAC addresses and speed may be a limitation of Network Termination Equipment (NTE). The District reserves the right to limit network parameters and performance based on NTE and other factors that may not be fully expressed until a detailed network design is completed. Charges apply to each additional block of 50 MAC Addresses. **				
Fixed Rate				
50 Mbps per VLAN/Port	Port	$158.95	$135.11	$127.16
100 Mbps per VLAN/Port	Port	$499.50	$424.58	$399.60
1 Gbps per VLAN/Port	Port	$899.00	$764.15	$719.20
*Burstable Rate**				
50 Mbps per VLAN/Port	Port	$158.95	$135.11	$127.16
100 Mbps per VLAN/Port	Port	$499.50	$424.58	$399.60
Burst Above CIR – 50 Mbps per VLAN/Port	Mb	$8.81	$8.81	$8.81
Burst Above CIR – 100 Mbps per VLAN/Port	Mb	$1.15	$1.15	$1.15
***MAC Address Blocks for Additional VLAN Capacity*				
Block Increments of 50 MAC addresses	Block	$75.00	$75.00	$75.00
*Usage measured and billed on 95th percentile of total ingress traffic, measured per VLAN per port, over full month. Burst usage rounded up to next full Mbps.				

Specifications Table: E-LAN (VLAN)

EVC Service Attribute	Values
EVC Type	Multipoint-to-Multipoint or Point-to-Point
EVC ID	String
UNI List	≥ 2 UNIs {<U1, Role=Root>, <U2, Role=Root>
Max Number of UNIs	Must be ≥ 2
Unicast Service Frame	Conditional – Dynamic learning
Broadcast Service Frame	Unconditional
CE-VLAN ID Preservation	Enabled
CE-VLAN CoS Preservation	Enabled
MTU	Business Class < 1600; Carrier Class ≥ 1600
EVC Performance	CoS Name = SAL driven
Source MAC Address Limit	Disabled - Unlimited

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 300
WHOLESALE TELECOMMUNICATION SERVICES – FIBER PATHWAY SERVICES

AVAILABLE: To Service Providers who have entered into an approved Telecommunications Facilities License Agreement with the District and after determination of Availability. This Rate Schedule 300 shall only be applicable to existing District fiber facilities. This Rate Schedule 300 shall not be constructed to create any obligation on the part of the District to construct any new fiber facilities. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2019**.

PRODUCT SUMMARY: The District offers fiber pathway services. Services offered as Dark Fiber, Critical Dark Fiber or Coarse Wave Division Multiplexing (CWDM) products.

BILLING RATES: Term of License Agreement shall not exceed 36 months and may be renewed one time for up to the length of the initial term. Rates for the renewal period will be from the District's Rate Schedule 300 in effect 60 days prior to the beginning of the renewal period. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time of service billing. See Wholesale Telecommunications Services Fees & Charges Schedule.

Dark Fiber Pathway Services	Unit of Measure	Monthly Rate
Dark Fiber Component Maximum Order - 4 stands. Minimum mileage fixed charge for first 14 miles.		
Dark Fiber Pathway		
Single Pair, Non-Redundant Minimum Monthly Charge	Service	$1,198.43
Single Pair, Non-Redundant, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	$42.80
Four Fiber Strands, Redundant Full Duplex Minimum Monthly Charge	Service	$2,185.57
Four Fiber Strands, Redundant Full Duplex, Length Redundant fibers. Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	$39.03
Single Fiber Minimum Monthly Charge	Service	$669.75
Single Fiber, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	$47.84

Critical Dark Fiber Pathway		
Single Pair, Non-Redundant Minimum Monthly Charge	Service	$2,397.04
Single Pair, Non-Redundant, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	$85.61
Four Fiber Strands, Redundant Full Duplex Minimum Monthly Charge	Service	$4,371.07
Four Fiber Strands, Redundant Full Duplex, Length Redundant fibers. Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	$78.06
Single Fiber Minimum Monthly Charge	Service	$1,321.90
Single Fiber, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	$94.42

Coarse Wave Division Multiplex (CWDM)	Unit of Measure	Monthly Rate
CWDM wavelengths defined by ITU-T G.694.2. Point to Point application only. Minimum mileage fixed charge for first 14 miles.		
Single Fiber		
Lambda 1 Minimum Monthly Charge	Lambda	$602.78
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	$43.06
Lambda 2-4 Minimum Monthly Charge, Each Lambda	Lambda	$502.31
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	$35.88
Dual Fiber		
Lambda 1 Minimum Monthly Charge	Lambda	$1,078.59
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	$38.52
Lambda 2-8 Minimum Monthly Charge, Each Lambda	Lambda	$898.82
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	$32.10

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 400
WHOLESALE TELECOMMUNICATION SERVICES – TIME DIVISION MULTIPLEX (TDM) SERVICES

AVAILABLE: To Service Providers and District Business Units desiring to use the District's Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2019.**

PRODUCT SUMMARY: The District offers Time Division Multiplex (TDM) services. Services offered as DS-1 (PRI), DS3 (T3), STS-1 and STS-3 business transport products.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider's End-users and may not be resold to more than one End-user.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time of service billing. See Wholesale Telecommunications Services Fees & Charges Schedule.

Time Division Multiplex (TDM) Services	Unit of Measure	Monthly Rate
STS-1 Synchronous Transport Service @ STS-1 Delivered Rate (51.84 Mbps)	Circuit	$1,121.61
STS-3 Synchronous Transport Service @ STS-3 Delivered Rate (155.52 Mbps)	Circuit	$3,275.00
DS1/PRI	Circuit	$120.00
DS3/T3	Circuit	$2,225.00

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 500
WHOLESALE TELECOMMUNICATION SERVICES – MISCELLANEOUS SERVICES

AVAILABLE: To Service Providers and District Business Units desiring to use the District's Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2019.**

PRODUCT SUMMARY: The District offers optional additional services with the purchase of the District's DLL service. Those services include telephony (POT's) and RF video transport. Other miscellaneous services offered include Internet Bandwidth, a Layer 3 transport and upstream Internet connectivity service to the District's upstream Multi-Homed Internet Access Provider (IAP), as well as Colocation floor space for equipment at District facilities.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider's End-users and may not be resold to more than one End-user.

BILLING RATES – AFTER HOURS RESPONSE: Service Providers will incur charge at the time of request on a per incident basis. Fees and any other charges will be billed at time of service billing.

BILLING RATES – CONSTRUCTION CHARGES & ENGINEERING/DESIGN FEES: Customer will incur charge at the time of request on a per order basis. Fees and any other charges will be collected prior to commencement of work.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time of service billing. See Wholesale Telecommunications Services Fees & Charges Schedule.

Miscellaneous Services	Unit of Measure	Monthly Rate
Telephony Services (Available only when an ONT provided data-type service is purchased)		
Traditional Voice Service (POTS not VOIP) Dial-Tone Only	Each	$5.50
Video Transport Services (Available only when an ONT provided data-type service is purchased)		
RF Video Transport Services	Each	$2.90
Colocation of Equipment in District Facilities (When space and appropriate facilities are Available and required agreement executed)		
Floor Space Real estate floor space rounded up to nearest Sq/Ft	Sq/Ft	$23.95
Internet Bandwidth		
The District offers Layer 3 transport and upstream Internet connectivity to the District's upstream Multi-Homed Internet Access Provider (IAP). Internet is offered on a 100 Mbps Internet access port. Port speed Committed Information Rate (CIR) and Burstable Rate in megabits per second (Mbps). Internet bandwidth is burstable above the minimum commitment level at the burst price related to the minimum commitment level. Service Provider may choose to fix their maximum bandwidth burst at the commitment level or at a higher level at the time of signup, at whole, not partial Mbps. Internet Bandwidth is billed at the 95th percentile of the greater of inbound or outbound traffic, measured over a full month. If a Service Provider's usage is measured at less than its committed level, it will pay the minimum monthly committed amount. Pricing includes transport to delivery points on the District's network.		
30 Mbps Internet Connection (Burst up to 100Mbps)	Port	$825.00
50 Mbps Internet Connection (Burst up to 100Mbps)	Port	$1,550.00
100 Mbps Internet Connection (Non-Burstable)	Port	$2,870.00
Burst Charge Above CIR per Month per Mb*	Mb	$38.35

RESOLUTION NO. _____

A RESOLUTION TO REVISE THE DISTRICT'S TELECOMMUNICATION SERVICE INSTALLATION POLICY

FACTUAL BACKGROUND AND REASONS FOR ACTION

As part of the District's effort to improve business processes and provide options to our customers, it is recommended by staff that the Telecommunications Service Installation Policy as approved by the Commission in November of 2015 by Resolution No. 15-13999 be revised to provide vaults and handholes free of cost to developers wishing to install fiber infrastructure in their developments.

The current Telecommunications Service Installation Policy provides conduit to developers at no cost, but not vaults and handholes. By providing these additional infrastructure materials, staff believes developers will be incentivized to build "fiber-ready" developments at District standard, bringing long-term benefit to the District and customer end users.

The revised Telecommunications Service Installation Policy cancels and supersedes any previous policy.

The proposed Telecommunications Service Installation Policy is attached as Exhibit A.

The General Manager has reviewed District staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON as follows:

Section 1. The amended Telecommunications Service Installation set forth in Exhibit A is determined by the Commission to be fair, reasonable, necessary and non-discriminatory and the same is hereby approved to become effective January 1, 2019.

Section 2. This resolution supersedes and replaces all prior resolutions related to this policy.

DATED this 1st day of October 2018.

_____

TELECOMMUNICATIONS SERVICE INSTALLATION POLICY

1. GENERAL PURPOSE AND PROVISIONS

The purpose of this policy is to identify the general procedure for requests to expand and connect through Service Installations and Special Construction to existing District Telecommunications Facilities. Modifications or relocations of existing facilities are covered in a separate policy.

All provisions of this policy apply to all requests of Telecommunication Service Installations.

This policy does not limit or apply to District's decisions to extend or modify its own Telecommunication Facilities.

2. SERVICE INSTALLATION AND SPECIAL CONSTRUCTION POLICY

A. Service Installation: Connection

A Service Installation is defined as a request by a Customer to connect to existing District Telecommunications Facilities required to serve a qualifying District Service Provider that requires a Fiber Drop extended to new or existing homes, businesses and industries within the District's established Service Area.

If District Fiber Distribution is available as determined by the District, in the public right-of-way and immediately Adjacent to the Customer's property, the Customer will make a Customer Service Request (CSR) to an authorized District Service Provider or the District. After the request is made, the District will evaluate the serving arrangement to bring the connection to the home or business. If the length exceeds 1000 feet, the Customer will be responsible for costs in excess of 1000 feet and all provisions of this Service Installation policy shall apply.

B. Service Installation: Special Construction

A Service Installation Customer Service Request that requires Special Construction is defined as a request to connect to the existing District Telecommunications Facilities where Fiber Distribution does not exist to serve an authorized District Service Provider within the District's Telecommunications Service Area. All Service Installation Special Construction requests are subject to engineering and financial feasibility analysis by the District. The Customer will be responsible for all Special Construction costs. Once new District Fiber Distribution construction is complete, as determined by the District, the Service Installation Connection policy will apply.

The District will evaluate requests for Special Construction consistent with business-like practices and operational parameters to provide efficient service to the Customer

taking into consideration future expansion options, ongoing maintenance and operations activities.

3. DEFINITIONS

The following terms wherever used in this Service Installation Policy and in any Application for Telecommunication Facilities shall have the following meanings and will be supplemented by the definitions in the District's Utility Service Regulations, the District's Design and Construction Standards and are subject to RCW 54.16.005 and RCW 54.16. 330 governing District telecommunication facilities and wholesale telecommunications services, as now exist or as maybe amended:

Application

A request for the District to expand its current Service Area as set forth in Section 6.c. below. Examples include, but are not limited to, subdivisions, developments, multi-unit dwellings, commercial and industrial Service Installations, as set out under. The Application must be completed to the District's satisfaction prior to review or other action by the District.

Adjacent

Means fiber distribution is existing and available in public right-of-way on customer's side of centerline.

Customer

A person or entity owning or occupying a Premise that has made a Customer Service Request with a Service Provider.

Customer Service Request (CSR)

A request for service placed with the District by one of the District's authorized Service Providers or by the Customer. This request is made prior to the District performing an Initial Cost Review and Estimate.

Customer Service Staff

Designated District staff acting as the District's authorized contact for the request in the Service Installation process.

District

Public Utility District No. 1 of Chelan County, Washington.

End-user

A Customer of a Service Provider receiving telecommunications services over the District's Telecommunications Facilities.

Equipment

The machinery, accessories, appurtenances, and manufactured articles to be furnished and/or installed for the Service Installation.

Estimate

The statement, performed by the District, of the approximate costs of a Service Installation, including labor, Materials, tools, transportation, services, administration, engineering, inspections, permitting, easements and other related costs.

Fees and Charges

District Fees and Charges based on District cost recovery as set forth in the **District's Fees and Charges** schedule, as now exists or as may be hereafter amended.

Fiber Drop

Connection from Fiber Distribution to a Premises Gateway Device location which is installed at the time Customer Service Request is completed.

Fiber Distribution

Telecommunications Facilities to make telecommunications service available to the Fiber Drop.

Initial Cost Review

A preliminary review by District after a written complete Customer Service Request is made and received by the District to evaluate the scope of Work and associated District cost.

Materials

The machinery, manufactured articles, Materials of construction (fabricated or otherwise), and any other classes of material to be furnished and permanently incorporated into the Work.

Plans and Specifications

All plans or drawings and reproductions of drawings prepared by a District Customer Services Engineer made pertaining to the Work provided with the Service Installation request and including all applicable federal, state, local, District regulations, policies, and/or standards related to such Work.

Premises

Address of house or business where a Fiber Drop will be installed to one or more End-users.

Premises Gateway Device

The terminating device installed by the District that delivers telecommunications services to the End-users. Also may be referred to as an Optical Network Terminal (ONT), Customer Premises Equipment (CPE) and/or Network Terminating Equipment (NTE).

Service Area

The area in which the District is authorized to provide and in which it has built Telecommunication Facilities to provide wholesale telecommunications services. For clarity, Service Area was formerly referred to as existing network footprint.

Service Installation

An extension of the District's Telecommunication Facilities required to serve an End-user's/Customer's Premises. A Service Installation may include new facilities or improvements to existing Telecommunication Facilities.

Service Providers (also known as Third Party Service Providers)

Entities which are authorized, pursuant to RCW 54.16.005 and 54.16.330, to provide resale of District wholesale telecommunications services or facilities to the general public and have entered into agreements with the District to provide telecommunications Services to District Customers through the District's Telecommunications Facilities.

Special Construction

A Customer Service Request or an Application to connect to the District's existing Telecommunications Facilities that requires the addition of Fiber Drop and Fiber Distribution required to serve an End-user within the District's Telecommunications Service Area.

Telecommunication Facilities

The lines, conduits, ducts, poles, wires, cables, fiber optic cable, Premises Gateway Devices, crossarms, receivers, transmitters, instruments, machines, appliances, instrumentalities and all devices, real estate, easements, apparatus, property, and routes used, operated, owned, or controlled by the District to facilitate the provision of wholesale telecommunication services.

Work

The Work necessary to complete the Service Installation including, but not limited to all Materials, labor, tools, Equipment, where required and other necessities for the construction shown and called for in the Plans and Specifications or required by District Design and Construction Standards.

4. PAYMENT FOR SERVICE INSTALLATION

The Customer will be provided an Initial Cost Review upon District receipt of a written complete Customer Service Request (CSR). Initial Cost Reviews are high

level estimates and any further estimating will require the Customer to proceed with a formal Estimate.

If the Customer wants to proceed, it will provide written approval to the Service Provider submitting the CSR and/or the District. After payment of applicable Fees and Charges, as now exist or as may be hereafter amended, the District will provide Customer with an Estimate. The Estimate will be based on the Construction Options listed in Section 6, below. The Estimate will include all costs, fees and charges required by and/or associated with constructing and/or connecting the Customer to the District Telecommunication Facilities.

The Customer will be required to pay an engineering fee as outlined in Section 5, below.

All Service Installation costs and engineering fees (if applicable) must be paid by the Customer prior to the District scheduling construction crews and proceeding with any Work. Estimates provided to the Customer are void after 60 days from the date of issue by the District if full payment has not been received.

The Customer will be required to make payment arrangements for any ongoing permit fees or reoccurring fees prior to construction by the District.

District staff will process payments directly from Customers for the installation and construction Telecommunication Facilities when the CSR is made directly to the District.

5. ENGINEERING FEES FOR SPECIAL CONSTRUCTION

A. Customers requesting Service Installation Special Construction described in Section 2.B above, shall be required to pay in advance a non-refundable engineering fee upon submittal of the request to proceed with the Estimate. This engineering fee is specified in the **District's Fees and Charges** schedule.

B. The Customer's engineering fee will be applied to the overall cost of the Work.

C. Customers will be required to retain and pay for professional services where the project design requires (as determined by the District) additional or specialized services including, but not limited to, advanced engineering, surveying, geotechnical, environmental and/or other professional services.

6. CONSTRUCTION PROCESS

The following options and conditions apply to the construction of Service Installations:

A. Existing Facilities
   a. Underground non-electrical conduit

b. If non-electrical conduit is present, the District will assess, in its sole discretion, the viability of the conduit for utilization. If a viable option, the District will perform all Work necessary for connection, pursuant to this Service Installation Connection Policy.
c. Underground electrical conduit
    i. If a viable option, the District will perform all Work associated with a Service Installation Connection utilizing electrical conduit. The District will determine in its sole discretion viability of the option. Customers will be responsible for all costs of the extension pursuant to this Service Installation Connection policy.
d. Overhead
    i. If a viable option, the District will perform all Work associated with an overhead connection. The District will determine in its sole discretion viability of the option. Customers will be responsible for all costs of the extension pursuant to this Service Installation Connection policy.

B. New Construction
    a. Underground
        i. Except as provided herein, the Customer will provide the trench, install warning tape, conduit, vaults, handholes, and backfilling of trench on its property to the public right-of-way.

        All Work must comply with the Plans and Specifications provided by the District. Upon completion of the Work, the Connection policy will apply.

        Vaults and handholes shall be purchased from the District and paid for prior to receipt and shall be installed per the Plans and Specifications to ensure compatibility and uniformity with the District's Telecommunication Facilities.
    b. Overhead
        i. If a viable option, the District will perform all Work associated with an overhead connection. The District will determine at its sole discretion viability of the option. Customers will be responsible for all costs of the Service Installation Connection pursuant to this Service Installation Connection policy.

C. **Land Developments, Commercial or Industrial Service Installations**

Applicants submitting Applications requesting Service Installations for land development including but not limited to subdivisions, commercial or industrial properties must construct facilities including but not limited to conduit, vaults and handholds in accordance with the following:

a. The Applicant will provide and install the trench, conduit, warning tape, vaults, bases, hand holes and backfill. A Washington state licensed electrical contractor must install the grounding (if required). All Work must comply with District Construction and Design Standards. The Applicant shall do all Work or hire a qualified contractor to perform Work within the Applicant's property. All Work must be inspected by a District on-site inspector prior to backfilling.

b. Vaults, bases, handholes and Fiber conduit will be made available to Applicant at no cost. All must be installed per District Construction and Design Standards to ensure compatibility and uniformity with the District's Telecommunication system.

c. All Work performed on public right-of-way or private easements will be completed by the District, unless the Applicant or developer has the specific permitting and authority to perform Work within the right or way or private property. Applicant must provide proof of appropriate rights or permits satisfactory to the District before commencing any Work.

d. Except as provided herein, the District will install all Telecommunications Facilities including but not limited to nodes, distribution towers, connectors, splices, fiber optic cable and other Telecommunication apparatus as needed. These items will be included in the Estimate to be paid by the Applicant.

e. The Applicant will pay for all estimated costs prior to the scheduling of District construction crews.

D. General Provisions

a. The District will provide and install Telecommunications Facilities including all nodes, splice cases, distribution towers, fiber optic cable, connectors, splices, cabinets and other telecommunications apparatus as needed for the Service Installation Connection. These items will be included in the Estimate to be paid by the Customer.

b. All Work on public right-of-way or Work to be completed, which is not on the Customer's property, must be completed by the District. All costs of such Work must be paid for by the Customer as part of the Service Installation. All permitting and easements must be secured prior to the start of construction.

7. CONSTRUCTION REQUIREMENTS

A. Prior to the commencement of any Work or construction, all easements and/or permits for the Telecommunication Facilities must be executed and on file with the District. The easements and/or permits must be complete and satisfactory as solely determined by the District. For easements and permits on government owned lands, see Section 8, below.

B. Overhead or underground construction will be installed as determined appropriate by the District. The District shall determine the most suitable type of construction at its sole discretion.

C. The District will be the sole owner of all Service Installation Telecommunication Facilities with the exception of non-electrical conduit provided and installed by the Customer. The following conditions will apply to the installation of the underground conduit for the Service Installation:

1. The construction will be completely on private property or on an established right-of-way with the permanent right to locate and maintain the facilities. The District will not accept any Service

Installation located on government agency lands with revocable permits.

2. Where the city, county or state requires improvements within the right-of-way as a result of a proposed development and said right-of-way improvements require relocation of the District's Telecommunication Facilities, the Customer shall pay the estimated cost of relocating or converting these facilities.
3. All handholes, vaults, conduits, sweeps, and the installation thereof must meet the Plans and Specifications as provided by the District.
4. After receiving required advance notice from the Customer or its contractor, the District may provide an on-site inspector at times during construction and before the trench is backfilled to determine if the conduits, sweeps, and vaults are installed according to the District's Plans and Specifications.
5. The presence of the on-site inspector or other District representative does not constitute assurance that the District will accept the Service Installation or the Work as satisfactory. All other matters connected with Customer providing Telecommunication Facilities shall be in compliance with the District's Utility Service Regulations, Policies, Design and Construction Standards and other applicable federal, state, and local regulations, policies and standards as may be amended.
6. If the Service Installation has been installed according to the approved Plans and Specifications, and after all of the Telecommunication Service Installation Policy conditions are fully satisfied, the District will install the remaining Equipment required to provide District wholesale telecommunication services. District crews will light the Service Installation only after all Estimates and Fees and Charges have been paid.

8. EASEMENTS AND PERMITS – GOVERNMENT OWNED LANDS

When an extension of the District's Telecommunication Facilities is to be installed on state, county or city right-of-way, federal Lands or by permits from a governmental agency, the District shall physically construct such facilities.

The District will attempt to secure the appropriate easements and/or permits from governmental entities. When an extension of District Telecommunication Facilities is to be constructed on property or right-of-way not under the jurisdiction of a governmental agency with which the District has an existing franchise or permit, the District will attempt to secure necessary easements and will initially process the easements. The Customer shall be responsible to pay all costs to obtain right-of-way easements and/or permits prior to construction. All easements and permits shall name the District as grantee or permittee and shall include all Telecommunication Facilities. In the event the District personnel are unable to secure right-of-way easements and/or permits, the Customer may assist with negotiating said easements or permits. All non-standard or non-typical costs (as determined by the District)

associated with the District's obtaining easements or permits in excess of these included in the Estimate will be paid by the Customer.

The District is under no obligation to commence any legal action to secure easements, permits or rights-of-way.

Any and all costs associated with obtaining easements and/or permits or ongoing permit fees will be paid by the Customer. The payment of ongoing easement or permit fees may require a recorded agreement, such as a participation contract, on all properties connected to the Service Installation. As an example, if a Service Installation crosses Forest Service land, Department of Natural Resources land or railroad property, all properties connected to the Service Installation will share in the annual cost of the easement or permit.

9. DISTRICT OWNERSHIP

Except for Customer provided facilities, the District will be the sole owner of all the Telecommunication Facilities upon completion and final acceptance by the District.

10. REVISION

This policy cancels and supersedes any previous policy related to Telecommunications & Fiber Line Extensions. This policy may be revised, supplemented or otherwise modified by action of the District's Board of Commissioners.

EFFECTIVE: **January 1, 2019**