



**Office of The
City Attorney**

December 10, 2024

VIA US MAIL

Customer and Community Affairs Vice President
Pacific Power
825 NE Multnomah
Lloyd Center Tower, Ste 2000
Portland, OR 97232

RE: Notice of Franchise Fee Modification

Dear _____,

I am writing on behalf of the City of Hermiston (the “City”) regarding the Franchise Agreement by and between the City and Pacific Power (“PacifiCorp”) dated January 28, 2013 (the “Agreement.”) This letter serves as formal notice pursuant to Section 16 of the Agreement that the City is exercising its authority under Section 11.1 to modify the current franchise fee.

Effective as of January 31, 2025, the franchise fee payable to the City shall equal five percent (5%) of the Utility’s gross revenues generated within the City for a calendar year, provided that the fee shall not total less than \$2,500 per year. If and when it becomes applicable, the gross revenue fee shall be paid by PacifiCorp to the City within forty-five (45) days following the end of each calendar quarter. Each such quarterly payment shall be accompanied by a written report of PacifiCorp's gross revenues derived from electric service within the City.

Please note that this includes electric service provided by PacifiCorp in areas that have been annexed into the City, for which the City has previously provided notice to PacifiCorp by certified mail as required by Section 6.2. For your convenience, a map showing the current City boundaries as of the date of this letter is enclosed.

We appreciate your attention to this matter and look forward to working with you to implement this change.

Sincerely,

Richard S. Tovey
Hermiston City Attorney
rtovey@hermiston.gov

cc: