PUGET SOUND ENERGY

CITY OF MEDINA

City of Medina – Schedule 74 Proposal.
DESIGN COST ESTIMATE & PROPOSED SCHEDULE PRESENTATION

PSE Project Contact

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INTRODUCTION

In response to the Conversion Project Scope of Work provided by the City of Medina and consistent with Section 3 of the Schedule 74 Design Agreement, this document and attachments hereto have been prepared by Puget Sound Energy to (present 1) the Company's estimate of the cost to perform the Design Work for this Conversion Project (the Design Cost Estimate), and 2) the Company's proposed schedule to complete the Design Work (the Design Schedule). The City of Medina should review the information contained herein and then meet with the Company to finalize the Conversion Project Scope of Work, Design Cost Estimate and Design Schedule.

CONVERSION PROJECT SCOPE OF WORK

This Design Cost Estimate and Design Schedule have been prepared based on the Scope of Work provided by the City of Medina, (drawings are not currently available.) The City of Medina has requested PSE to convert all PSE facilities within the current Right of Way and within the city limits (excluding PSE 115kV overhead transmission lines.)

This proposed scope of work will include:

1. The removal of approximately 533 poles.
2. Convert approximately 17,780 feet of PSE's 600amp overhead feeder to underground.
3. Convert approximately 18,380 feet of PSE's 200amp three phase overhead to underground.

4. Convert approximately 220 feet of PSE's 200amp two phase overhead to underground.
5. Convert approximately 27,705 feet of PSE's 200amp single phase overhead to underground.
6. Convert approximately 5,090 feet of PSE's overhead service conductor to underground.

   An approximated Total Circuit foot within the city limits is 69,880 feet.

Government-requested upgrades to be included in the design for this project include the following: Install additional City owned conduit for future. Conduits size and quantity will be determined at a future date. City owned conduit is not included in this proposal.

Company-initiated upgrades to be included in the design for this project include the following: PSE upgrades are not yet defined but may include additional 6" and 4' conduits.

Installation of ducts and vaults will be performed by PSE and its contractor. PSE's contractors will be determined prior to construction.

Design Assumptions:

The Design Cost Estimate and proposed Design Schedule reflect the following assumptions, in addition to the above "Scope of Work."

The city will provide PSE with all CAD and as-built drawings that they "currently" have. PSE will develop an overhead to underground conversion design for PSE facilities within the city limits and Rights of Way. Any other utility's that occupies space on PSE poles will be required to develop a design separately. The project will be split into "Three Construction Phases." The "Construction Phases" are.

1. ***Phase one Limits:*** PSE circuit (Overlake 13) will convert Evergreen Point Road from PSE's substation located at the intersections of 80th avenue north east and north east 10th street. Phase one of the conversion will extend West along 10th street and turn north along Evergreen Point Road to north east 24th.
2. ***Phase two Limits:*** PSE circuit (Overlake 15) will convert Overlake Drive from PSE's substation located at the intersections of 80th avenue north east and north east 10th street to the city limits.
3. ***Phase three Limits:*** PSE circuit (Medina 37) will convert north east 24th and extend north along Evergreen Point Road and include north east 28th street to the city limits.

The Company will receive written notice to proceed with the Design Work from the City of Medina prior to starting any design work. All facilities for the Underground Distribution System will be located within City of Medina public rights-of-way (Public Thoroughfare and Private Roads). Easements could be requires for new underground equipment and they will be identified on the PSE design plans.

DESIGN SCHEDULE

Upon receipt by the Company (PSE) of the City of Medina's written notice to proceed with the Design Work, the Company proposes to perform the Design Work in accordance with the following schedule:

- Completion of preliminary design and presentation of sufficient space analysis (within Public Thoroughfare) - 90 business days *after NTP received by the City of Medina.*
- Completion of design engineering and presentation of a draft Project Plan (including design drawings and specifications, project responsibilities, estimated project construction costs and proposed construction schedule) – To be Determined.
- Agreement on a final Project Plan - To be Determined.

DESIGN COST ESTIMATE

The Design Cost Estimate attached hereto reflects the Company's good faith estimate of the cost to perform the Design Work for this Conversion Project in accordance with the proposed Design Schedule above. Future changes in the City of Medina's scope of work would result in this good faith estimate being void.

CONSTRUCTION COST ESTIMATE

The Construction Cost Estimate attached hereto reflects the Company's good faith estimate of the cost to perform PSE's portion of the underground conversion work. Future changes in the City of Medina's scope of work would result in this good faith estimate being void. This estimate includes the PSE portion of trenching and backfill, installing PSE's conduit and vaults, underground wire installation, the removal of PSE poles and equipment.

Additional costs that are not reflected in this estimate are:

1. Survey
2. Landscaping restoration.
3. Material laydown yard / staging area.
4. Construction for any utility other than PSE.
5. Service conversions.
6. Permitting

CONSTRUCTION DURATION

For estimating purposes the three construction phases are split into equal parts. Civil / Duct and Vault is estimated at 200 feet of production per day. Installing PSE vaults and conduit in the joint trench will take approximately 349 working days per phase of the project. This is assuming one (3 person) civil crew. Line work for each phase will take approximately 200 working days assuming one (4 man) line crew. Construction durations can be reduced by adding resources and overlapping civil and line crew's. The construction durations can be revisited at the 60% design phase.