



**202301260005**

01/26/2023 10:46 AM Pages: 1 of 7 Fees: \$209.50  
Skagit County Auditor

<b>REVIEWED BY</b>	
<b>SKAGIT COUNTY TREASURER</b>	
DEPUTY	<i>Kailee Ovdaman</i>
DATE	<i>1/26/2023</i>

WHEN RECORDED RETURN TO:  
CASCADE NATURAL GAS CORPORATION  
8113 W. GRANDRIDGE BLVD.  
KENNEWICK, WA 99336  
ATTN: Engineering Services / System Integrity

### GRANT OF EASEMENT

GRANTOR:	<b>TESORO REFINING &amp; MARKETING COMPANY LLC</b>
GRANTEE:	<b>CASCADE NATURAL GAS CORPORATION</b>
LEGAL DESC:	Ptn. Sec. 33, T35N, R2E, W.M. – Full legal description in Exhibit A
TAX PARCEL:	P32990

This Agreement is made and entered into this 17<sup>th</sup> day of January, 2023 (the “Effective Date”) by and between TESORO REFINING & MARKETING COMPANY LLC, a Delaware limited liability company with a mailing address of c/o Real Estate Department, 539 S. Main Street, Findlay, Ohio 45840 (“GRANTOR”) and CASCADE NATURAL GAS CORPORATION, a Washington Public Utility Corporation with a mailing address of 8113 W. Grandridge Blvd., Kennewick, WA 99336 (“GRANTEE”).

1. In consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, GRANTOR grants and conveys to GRANTEE a non-exclusive easement (the “Easement”) to relocate its existing facility and to construct, operate, inspect, replace, and maintain a new gas pipeline or lines, including without limitation necessary pipes, regulation devices, equipment, fixtures, and facilities related to the operation or maintenance of said gas lines, measuring approximately 1688 square feet in area (the “Facility”) for the sole purpose of transportation of natural gas on, over, across or through GRANTOR’s property in Skagit County, Washington (the “Easement Area”) which is described and depicted on Exhibit A attached hereto and made a part hereof, together with the right of reasonable ingress to and egress from said Easement Area as GRANTOR may reasonably direct.

2. GRANTEE shall ensure that: the Facility and its use does not interfere with GRANTOR’s present or future operations consistent with present use; and, GRANTEE’s facilities and activities comply with all applicable Federal, State, and local laws, regulations and ordinances and with GRANTOR’s operational rules and policies in effect at that time (copies available to GRANTEE upon request).

3. GRANTEE shall compensate GRANTOR for damages or injury to real or personal property, persons and business operations caused by any construction or activities related to the construction and/or operation of GRANTEE’s Facility. GRANTEE further covenants and agrees that after the completion of the construction of the Facility and any alteration, repair or replacement thereof, GRANTEE will restore GRANTOR’s property to its original condition insofar as may be practicable.

4. **INDEMNITY.** To the maximum extent permissible by law, GRANTEE shall indemnify, defend and hold harmless GRANTOR, its affiliates and their employees, contractors and agents from any Claim relating to or arising from (i) any activity by or on behalf of GRANTEE on the Easement, or (ii) the existence or operation of GRANTEE's Facility. "Claim" includes without limit any claim, liability, loss, damage, cost or expense and includes without limit such for personal injury or death, property damage, environmental damage, remediation, and business loss, except to the extent such Claim(s) are caused by the gross negligence or willful misconduct of the GRANTOR or its employees, agents, or contractors. If GRANTEE fails to keep any promise or covenant in this Agreement or any amendment thereto, GRANTEE shall pay to GRANTOR all GRANTOR's costs and attorney fees in enforcing performance.

Except as may be otherwise provided in this Easement Agreement, GRANTEE shall be solely responsible for the Facility, including the laying, constructing, installing, inspecting, maintaining, repairing, replacing, operating, removing and relocating thereof, and for any damages resulting from the Facility or such activities unless such damage results solely from the gross negligence or willful misconduct of GRANTOR or its employees, contractors or agents.

5. **INSURANCE.** GRANTEE agrees to procure and maintain, and shall require all GRANTEE related parties that enter the Easement Area to procure and maintain, insurance coverages with reputable insurers. All insurance policies procured and maintained by GRANTEE must be written with insurance companies licensed to do business in the state of Washington, and carry a rating of A- VII or better as shown in the most current issue of A.M. Best's Key Rating Guide, under forms of policies satisfactory to GRANTOR, in the kinds and amounts as set forth below. Grantee may meet the insurance requirements below through any combination of primary, umbrella/excess and/or self-insurance:

5.1 Worker's Compensation Insurance, including occupational disease coverage, in accordance with the benefits afforded by the statutory worker's compensation acts applicable to the state, territory or district of hire, supervision or place of accident and including, when applicable, full coverage for maritime obligations, the United States Longshoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Lands Act, the Jones Act, Death on the High Seas Act, and the Federal Employer's Liability Act.

5.2 Employer's Liability Insurance to include alternate employer, all states and in rem (if applicable) coverage, in an amount not less than \$1,000,000 each accident, \$1,000,000 disease each employee and \$1,000,000 disease policy limit, except for offshore work or other work entailing maritime or U.S. Longshoremen's and Harbor Worker's Compensation Act obligations, in which case limits shall be carried of not less than \$1,000,000 each accident, \$1,000,000 disease each employee and \$1,000,000 disease policy limit.

5.3 Commercial General Liability Insurance with a single limit of liability for bodily injury or property damage of \$1,000,000 per occurrence (\$3,000,000 aggregate) on ISO Coverage Form CG 00 01 (or equivalent), such coverage to include products/completed operations liability, premises/operations, independent contractors, broad form bodily injury and property damage, personal and advertising injury, in rem (if applicable), explosion, blanket contractual liability covering the obligations assumed by GRANTEE herein and sudden and accidental pollution liability with respect to GRANTEE and all GRANTEE related parties.

5.4 Business Automobile Liability Insurance covering all owned, non-owned, leased, rented, and hired motor vehicles, including coverage for loading and unloading, used in the Easement Area, with limits of not less than \$1,000,000 combined single limit.

5.5 Excess Liability Insurance with limits of not less than \$5,000,000 per occurrence and in the aggregate providing additional limits of insurance to the coverage described in Sections 5.2, 5.3 and 5.4 above.

5.6 Pollution Liability that responds to sudden, accidental and Pollution conditions with limits of \$10,000,000 on a claims basis with an endorsement for Transportation of Hazardous Waste Cargo, if applicable.

6. TERMINATION. GRANTOR may terminate the easement upon the removal, disrepair, or non-use of the Facility for a period of two years, upon 60 days' written notice to GRANTEE, or upon breach of this agreement and GRANTEE fails to initiate action to remedy the breach within 60 days after receipt of written notice from GRANTOR. Notwithstanding the costs of improvements and alterations incurred by GRANTEE, GRANTOR's right to terminate the Easement shall be without compensation to GRANTEE in any manner whatsoever. Should the Easement be terminated in any manner, GRANTEE shall, at GRANTEE's sole cost, completely restore the property as nearly as possible to the condition existing before the construction of the Facility and, at GRANTOR's option, (i) remove any improvements on GRANTOR's property or (ii) shall require GRANTEE to convey all of its real and personal property on the Easement Area to GRANTOR.

7. EFFECT OF AGREEMENT. This Agreement shall bind and benefit the parties' successors and assigns, however, no assignment of the easement or any of the rights hereunder by GRANTEE shall be valid without GRANTOR's express, written consent, which shall not be unreasonably withheld. GRANTEE's successors and assigns shall assume full liability for all obligations of GRANTEE and its successors and assigns. Any unauthorized act of assignment by GRANTEE shall constitute a substantial breach of this Agreement and shall render this Agreement a nullity, and it will be deemed an event triggering GRANTOR's right to terminate. The terms of this Agreement shall be independent of, and unless otherwise expressly stated, survive execution of any further agreements. If any provision of this Agreement is deemed void, invalid, or unenforceable by a court or tribunal of competent jurisdiction, such provisions shall be stricken without effect on the remaining provisions. GRANTOR's failure or delay in exercising any right, power or privilege hereunder shall not operate as a waiver thereof or preclude the exercise of any other right, power or privilege hereunder. Any individual signing this Agreement in a representative capacity warrants full authority and power from the purported principal to fully bind the principal to all terms and conditions contained herein.

[SIGNATURE PAGES FOLLOW]

GRANTOR:  
TESORO REFINING & MARKETING  
COMPANY LLC

By: 

Name: Kevin Bogard

Title: SVP Refining Operations

Approved As To Form

SK  
SK

State of Ohio )

County of Hancock ) ss

The foregoing instrument was acknowledged before me this December 27<sup>th</sup>, 2022, by  
Kevin Bogard of Tesoro Refining & Marketing Company  
LLC, on behalf of the company.



Amber Kaye Dyer  
Notary Public, State of Ohio  
My Commission Expires:  
September 05, 2027

Signature: 

Name: Amber Kaye Dyer

My commission expires: 9/5/27

GRANTEE:  
CASCADE NATURAL GAS CORPORATION

Signature: *Ryan Privratsky*

Name: Ryan Privratsky

Title: Director, System Integrity

State of Washington )

County of Benton ) ss

The foregoing instrument was acknowledged before me this January 17, 20 23  
by Ryan Privratsky of Cascade Natural Gas Corporation, on  
behalf of the company.

Signature: *Pamela J. Archer*

Name: PAMELA J. ARCHER

My commission expires: MARCH 26, 2023

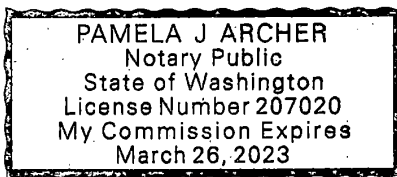
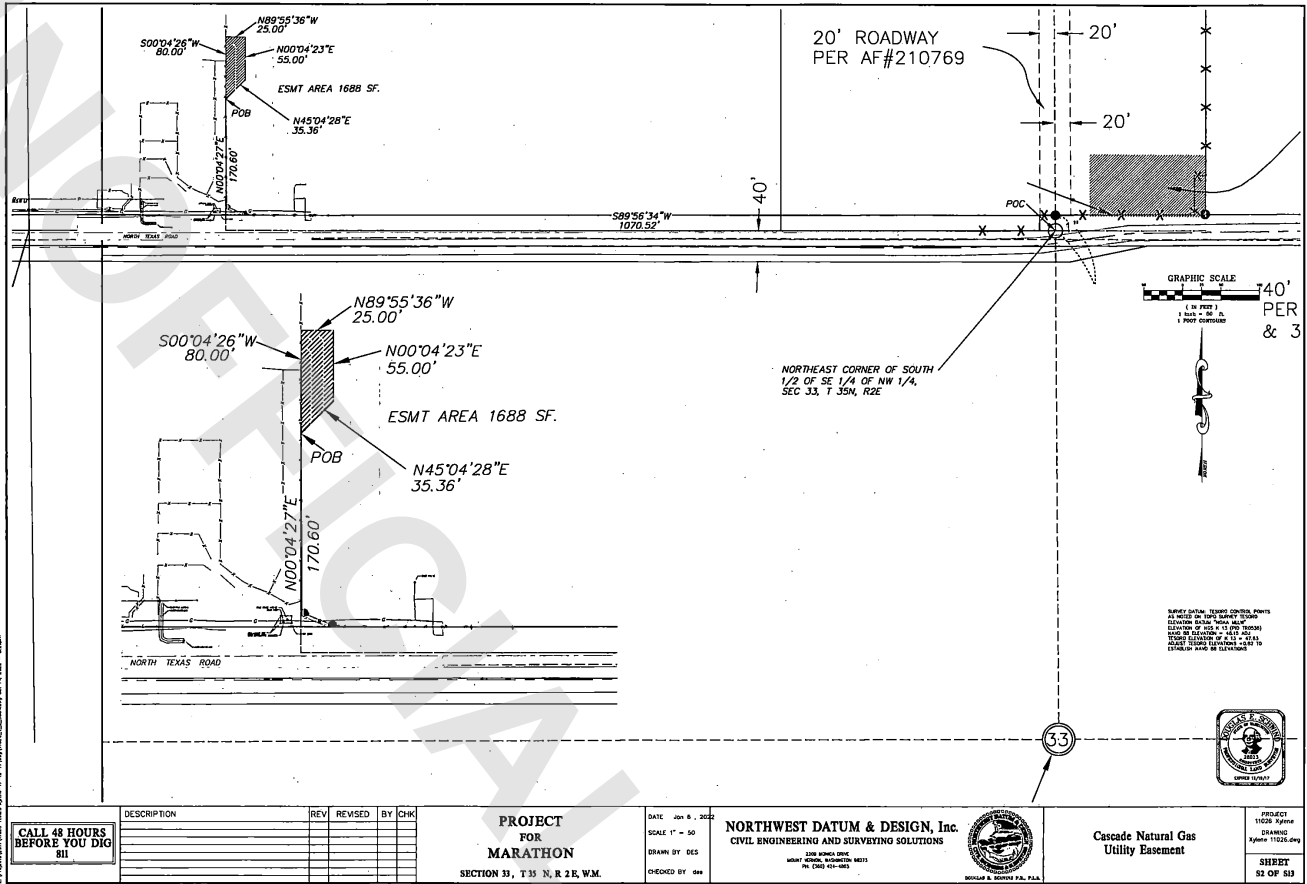


EXHIBIT A  
(pg 1 of 2)



**EXHIBIT A**

(pg. 2 of 2)

**Easement Description – Cascade Natural Gas Corporation**

An Easement for the purposes of ingress/egress, utilities and maintenance, over, under and upon the following described parcel.

A portion of the Section 33 Township 35 North Range 2 East, W.M more particularly described as follows:

Beginning at the Northeast Corner of the South 1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 33;

thence West on the North Line of said South 1/2, South 89° 56' 34" West a distance of 1070.52 ft. (equating to Marathon Refinery Grid Coordinate of North: -7386.3062/East : -1081.2195 TYP);

thence North 00° 04' 27" East a distance of 170.60 ft. (North: -7215.7105/East : -1080.9987) to the point of beginning;

thence North 45° 04' 28" East a distance of 35.36 ft. (North: -7190.7425/East : -1055.9657);

thence North 00° 04' 23" East a distance of 55.00 ft. (North: -7135.7425/East : -1055.8956);

thence North 89° 55' 36" West a distance of 25.00 ft. (North: -7135.7105/East : -1080.8956);

thence South 00° 04' 26" West a distance of 80.00 ft. (North: -7215.7106/East : -1080.9987) to the point of beginning;

Easement Area 1,688 sf

Situated in Skagit County Washington