

UM 1424

**RAINBOW YOUTH GOLF EDUCATION PROGRAM INC.**

36563 Agency Loop Road  
Chiloquin, Oregon 97624

Oregon Public Utilities Commission  
550 Capitol St. NE Suite 215  
P.O. Box 2148  
Salem, OR 97308-2148

March 2, 2009

Dear Oregon Public Utilities Commission:

The reason for my correspondence is to issue a formal complaint against PacifiCorp DBA Pacific Power and Light (PPL).

A brief background is as follows of the organization I represent, the Rainbow Youth Golf Education Program Inc (RYGEP), an IRS 501(c)(3) nonprofit tax exempt organization DBA the DMOLO Golf Facility Project. The RYGEP operates a successful youth program delivering a ten-week program for 30-40 American Indian youth ages 7-18. As part of our program, we created an effective method to reach out to our young people and help build and instill critical life skills and cultural knowledge to help them be true Human Beings. Specifically, we combine ancient traditions and values with the lessons inherent in golf to teach and improve life skills that will benefit Indian youth in their every day life. Since 2000, we have operated a summer golf program with great success for more than 250 Indian youth. The program uses golf and its inherent values to teach and improve life skills of responsibility, sportsmanship, confidence, integrity, perseverance, respect, judgment, courtesy, honesty, and honor. The program uses golf to help bridge the generation gap by introducing young people to elders and mentors who walk the course with them and discuss everything from traditional culture to working on language and pronunciation. The RYGEP works to address the severe social, behavioral and health problems facing American Indian youth such as obesity, diabetes, high blood pressure, sedentary life styles, high school drop out rates, teenage pregnancy, drug and alcohol abuse, teenage suicide, unemployment and other social ills. The social, economic and health issues create a tremendous problem that demands a vigorous response from all Indian Nations.

In order for the RYGEP to become financially sustainable and to expand the youth program, the Board of Directors planned, developed and constructed the DMOLO Golf Facility Project. The DMOLO Golf Facility is a nonprofit business open to the general public and revenues generated will support the delivery of youth programs and golf facility maintenance. The RYGEP has accomplished many wonderful things and made substantial progress toward meeting the goal of constructing the DMOLO Golf Facility and youth program delivery. We worked very hard through the 2008 spring, summer and fall to complete the construction of 3 golf holes (Par 3, 4 & 5), driving range and practice area. By November 2008, the irrigation system was operational; we have planted grass seed for the greens, fairways and tee boxes, so when spring arrives the golf facility will be growing towards a goal of being mature enough to begin plan and open by August 2009.

The complaint is as follows:

**Item #1: Delay in Delivery of Electricity Service.**

The reason for the complaint stems from the delays in the delivery of electricity when needed by September 1, 2008. The DMOLO Golf Facility did not receive the electricity to power the irrigation pumping station in order to water the greens, fairways, tee boxes and driving range until October 14, 2008. This delay of electricity to power the irrigation pumping station cost over 6 weeks of critical growing time, which in-turn will delay opening the DMOLO Golf Facility in August, rather than June 2009. The 6-week delay will cost the greens, fairways, tee boxes and driving range grass to develop a firm root system in order to survive the 2008-2009 winter, which means if they do not respond early in the spring 2009, they will require replanting, which will cost the program over \$21,000 for seed, fertilizer, equipment and labor costs.

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This 6-week delay will push back the opening of the DMOLO Golf Facility from June 2009 to August 2009 and loss of critical summer revenues and the ability for the RYGEP to pay for operation costs, maintenance and more importantly the delivery of youth programs. According to the RYGEP Market Feasibility Analysis for the DMOLO Golf Facility the revenues lost will be over \$6,000.

The RYGEP could understand if our request for electricity was done at the last minute and would accept the delays and costs, but this is not the case. The RYGEP began discussing the electricity needs of the DMOLO Golf Facility with PPL in September 2007. It was no surprise to PPL that we needed the electricity by September 1, 2008, based on the golf facility construction schedule. On July 8, 2008, RYGEP Executive Director and Board of Directors Chair made this very clear to PPL's Klamath Falls District Manager and Estimator that the electricity was needed by September 1, 2008 for the DMOLO Golf Facility. The RYGEP maintained communications with the PPL's Klamath Falls District Manager and Estimator throughout July, August and September.

This situation could have been avoided if the Klamath Falls District Manager would have approved hooking up the irrigation pumping station temporarily. The reason PPL could not hookup the electricity was their delays in securing the power line materials or this is what they informed the RYGEP of the delays were caused by. The irony of this situation is PPL's Klamath Falls District Manger finally approved hooking up the electricity temporarily on October 14, 2008, since PPL did not receive the CT devices to primary meter the DMOLO Golf Facility power line. The CT devices finally arrived on October 21, 2008.

The question is why PPL's Klamath Falls District Manager did not approve hooking up the temporary electricity service on September 8, 2008, when the contract was executed and the power was needed? Why did the District Manager wait until October 14, 2008, which the power was hooked-up temporarily anyways until October 21, 2008, when the CT devices finally arrived.

**Resolution:** PPL will state that they are not liable for any economic losses, but the public utility commission should hold them accountable for delivering the electricity by September 8, 2008, when the contract was executed, after all that is the sole purpose of PPL is to deliver electricity. PPL figures the usage at \$12.94/day (based on PPL November 2008 statement) times 36 days (September 8, 2008 to October 14, 2008) equals \$465.84 and 6-week loss in revenues of over \$6,000.

**Item #2: PPL Contract Minimum Billing Costs Excessive and Contract Language.**

The contract minimum billing continues to be a moving target for understanding why and terms of PPL's contract minimum. During the July 8, 2008 meeting with PPL District Manager and Estimator provided there explanation, which was vague and elusive to the RYGEP Chair and Executive Director. The RYGEP asked for clarification from PPL. PPL lawyers and a contract officer called to explain the contract minimum and monthly charges. They stated the charges were for maintenance of the line and cost to put the line in. The powerline PPL is referring consists of (1) 50-55 foot power pole, 15 feet of 3-phase, CT devices and a meter base for a monthly charge of \$210.55. The RYGEP has paid \$1,434.00 up front before PPL would do anything.

- The 5-year contract will cost the non-profit RYGEP a minimum of \$12,633.00 for PPL's cost for maintenance and line construction. The electricity will be on top of this cost.

The RYGEP is trying to understand PPL's justification in charging so much for a 15 foot powerline, (1) pole and maintenance. PPL's maintenance costs do not have much validity considering the fact that PPL has not conducted any maintenance to the over 25-year old 3-phase line approximately 600-700 feet of line. The RYGEP has asked many questions in an attempt to understand why it will cost so much?

The question is PPL's contract charges fair for 15 feet of powerline?

**Resolution:** Readjust contract minimum for 3 years for \$105.55 per month and delete PPL's 80 percent clause.

### **Item # 3: PPL's Inequitable and Prejudicial Treatment.**

On July 8, 2008, when we met with PPL's District Manager and Estimator, the relationship was let's get it done and how can we help attitude, since they were counting on PPL constructing, owning and having an easement across the property. This relationship quickly changed after the RYGEP began asking questions concerning PPL's contract language, easement restrictions across the property and upfront costs to PPL. When the RYGEP met with the PPL representatives over the contract and easement language, we had many questions and concerns over the contract language and easement. The response from the PPL representatives, "why all the questions when you are the only customers to question the contracts and easement?" The PPL representatives informed us that all modifications would need to go through PPL's attorneys in Portland. The RYGEP provided written changes to the contact and easement.

The RYGEP had (2) separate discussions, one on July 18 and the other on July 23, 2008 with (2) separate PPL attorneys regarding the contract and easement language. PPL Contract Attorney accepted the contract clause modifications proposed by RYGEP, but the PPL Easement Attorney would not accept or modified any of the easement language. The PPL Easement Attorney stated "this is what we will do, this is our contract, take it or leave it." The RYGEP could not accept the restrictive easement language being dictated by PPL. The PPL easement attorney stated that the grantee had the rights to dictate to the grantor over the terms of the easement. RYGEP disagreed with PPL Easement Attorney on the rights of the grantor and grantee. The easement language and statements from PPL Easement Attorney were completely unacceptable.

The RYGEP then decided since PPL was not willing to workout the differences and were dictating to the property owners, we decided to Primary Meter the powerline and infrastructure rather than paying PPL and giving away the powerline. The relationship among the local PPL representatives changed from bad to worse. An example of this occurred when PPL crews arrived to construct the 15 feet of line, they stated that the District Manager gave them specific orders not to help in anyway the RYGEP. Another PPL crew of lineman received the same orders. Why?

There was an existing overhead powerline constructed through the opening Par 5 DMOLO Golf Facility golf hole, which required removal once the underground powerline was constructed. At the July 8, 2008 meeting, the RYGEP asked the PPL District Manager and Estimator about having the overhead powerline removed. They stated that the powerline materials (poles, insulators, wire 25 KV transformer etc.) was not worth anything as the line was over 25-years old, but would cost over \$3,000 for a PPL crew to remove. The RYGEP thought the costs were not reasonable.

During the meeting, William Ray, Sr, retired PPL Chiloquin District Lineman with over 50 years of being a union journeyman lineman and owner of Rainbow Power & Excavating, asked PPL's District Manager and Estimator if they would allow him to remove the powerline and save \$3,000 for the RYGEP. The response from PPL's District Manager was no, but would look into the possibility. From July 8, 2008 through November 1, 2008 PPL District Manager questioned Mr. Ray's skill, knowledge and worthiness if he was capable and qualified to remove 7 power poles and approximately 800 feet of wire. This was insulting to say the least. The PPL District Manager we are told is not even a journey level lineman, so what specific qualifications does the District Manager possess or have any right to question the qualifications or abilities of William Ray, Sr. whose reputation is stellar in the journeyman lineman community.

On October 6, 2008, the PPL District Manager and Estimator now stated and provided a PPL contract for sale of (7) power poles and transformer which now was worth \$1,389.00, but had stated on July 8, 2008 the materials were worth nothing. The PPL District Manager finally approved Mr. Ray, Sr. to remove the overhead powerline, once the PPL's liability was released and signed over to RYGEP.

Another PPL crew arrived to pickup some miscellaneous line materials on November 25, 2008. The PPL lineman also informed RYGEP that PPL's District Manager instructed them not to help in anyway.

Another inequitable and prejudicial treatment occurred when on November 26, 2008, another PPL representative showed up unauthorized, since PPL no longer had an easement to enter the property to remove a meter from the meter base. Here again, Mr. Ray, Sr. had discussed this meter with the PPL's District Manager, who had stated they PPL would leave as a part of the \$1,389.00. When this PPL representative entered the property unauthorized to remove, I asked what are doing. He stated that he was ordered to remove the meter from the meter base by PPL's District Manager. I stated this was not the agreement. The PPL representative stated he was removing the meter, I said fine, remove then get off of my property. The PPL representative stated the he has nothing against the Ray family, but PPL District Manager has informed all PPL workers not to work with or help in anyway the Rays or RYGEP. I stated in an unfriendly tone to get your meter and do not enter my property again.

Another incident of inequitable and prejudicial treatment occurred when PPL did not even make a valid attempt to read the meter, PPL's own billing statement states "cannot locate the meter." It is PPL's own meter and meter base and could not locate, this makes no sense. PPL estimated the usage at \$521.01. The next month's billing statement stated that the snow was preventing the PPL meter reader to read the meter, PPL's estimated usage was \$543.87. The RYGEP questioned PPL Customer Service representatives on January 2 and 3, 2009 and resolved the billing statement, but could not answer all the RYGEP questions.

The question is why has the Ray family and the RYGEP been treated with such blatant inequitable and prejudicial treatment by PPL. We hope this is not racial prejudices because we are enrolled members of the Klamath Indian Nation.

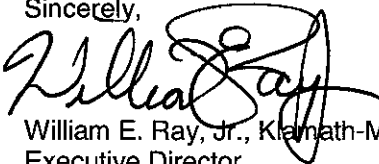
Issue # 1 provides additional facts related to Issue #3.

There are factual appearances that PPL's District Manager has prejudices, disparate, misguided and unfounded ill-will towards the RYGEP and Ray family. Furthermore, there is an appearance by PPL District Manager's of unethical conduct, malfeasance and misfeasance.

**Resolution:** All PPL representatives will need to treat the Ray family and RYGEP Board of Directors with courtesy and respect. Furthermore, PPL District Manager will need to stop her inequitable and prejudicial treatment and attitudes. Lastly, PPL provide a 3-year donation of \$10,000/year to the RYGEP, a 501(c)(3) non-profit, tax exempt organization for youth program delivery.

With the economic melt down and things are getting worse, all the utilities are charging more and increasing their prices. The question is whether you're a profit or non-profit business, with PPL's costs so high, how viable will Oregon businesses be? The RYGEP is asking this question before we even have an opportunity to open the DMOLO Golf Facility. We hope the public utility commission will help to resolve our complaint and be diligent in how PPL is treating home owner and business customers with fairness and ethical conduct and contracts. If you have any questions, please call me at (541) 783-7712. We look forward to your response and hope you will pursue this complaint and its resolutions. Thank you.

Sincerely,



William E. Ray, Jr., Klamath-Modoc Enrolled Tribal Member  
Executive Director

PPL Contact Telephone Numbers: Klamath Falls District Manager Cary Ann Bailey (541) 883-7825  
Klamath Falls Estimator Bob Hinkel (541) 883-7825