

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1670

Served electronically and by U.S. Mail, at Salem, Oregon, August 30, 2013, to:

*Respondent PacifiCorp dba Pacific Power Representatives*

CT Corporation-Registered Agent  
PacifiCorp dba Pacific Power  
388 State Street, Suite 420  
Salem, Oregon 97301

Pat Egan  
PacifiCorp dba Pacific Power  
825 NE Multnomah Street  
Portland, Oregon 97232  
[pat.egan@pacificcorp.com](mailto:pat.egan@pacificcorp.com)

Ryan Flynn  
PacifiCorp dba Pacific Power  
825 NE Multnomah Street  
Portland, Oregon 97232  
[ryan.flynn@pacificcorp.com](mailto:ryan.flynn@pacificcorp.com)

*Respondent North Hurlburt Wind, LLC Representatives*

Corporation Service Company-Registered Agent  
North Hurlburt Wind, LLC  
285 Liberty Street NE #370  
Salem, Oregon 97301

John Cameron  
Davis Wright Tremaine  
1300 SW Fifth Avenue Ste 2400  
Portland, Oregon 97201  
[johncameron@dwt.com](mailto:johncameron@dwt.com)

J. Delgado  
North Hurlburt Wind, LLC  
c/o Caithness Corporation  
565 Fifth Avenue, 29<sup>th</sup> Floor  
New York, New York 10017  
[jdelgado@caithnessenergy.com](mailto:jdelgado@caithnessenergy.com)

*Complainant's Representatives*

Raymond S. Kindley  
Kindley Law, P.C.  
P.O. Box 569  
West Linn, Oregon 97068  
[kindleylaw@comcast.net](mailto:kindleylaw@comcast.net)

Jerry Healy  
Columbia Basin Electric  
Cooperative, Inc.  
171 W. Linden Way  
Heppner, Oregon 97836  
[jhealy@columbiabasin.cc](mailto:jhealy@columbiabasin.cc)

Re: UM 1670, Columbia Basin Electric Cooperative, Inc., an Oregon cooperative corporation, Complainant  
vs. PacifiCorp, dba Pacific Power, an Oregon business corporation, and  
North Hurlburt Wind, LLC, a foreign limited liability company

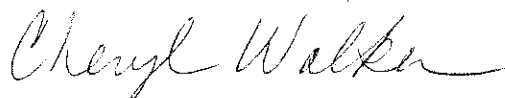
Columbia Basin Electric Cooperative, Inc. has filed a complaint against PacifiCorp, dba Pacific Power, and North Hurlburt Wind, LLC. A copy of the complaint is attached and served on Respondents, under ORS 756.512(1). The Commission has assigned Docket No. UM 1670 to this complaint. Please use this number whenever you refer to this case.

The Public Utility Commission must receive an Answer from the Respondents or its attorneys by September 19, 2013, under OAR 860-001-0400(4)(a). A copy must be served on the complainant.

Please refer to our rules in effect prior to filing your answer. I have included a link for your convenience at [http://arcweb.sos.state.or.us/rules/OARS\\_800/OAR\\_860/860\\_tofc.html](http://arcweb.sos.state.or.us/rules/OARS_800/OAR_860/860_tofc.html). Other useful information can be located on the Commission's website at <http://www.puc.state.or.us/>, specifically under the Hearings Division and Filing Center sections.

After the filing of the answers, the matter will be set for hearing and you will be notified of the time and place.

PUBLIC UTILITY COMMISSION OF OREGON



Cheryl Walker  
Administrative Specialist 2  
Administrative Hearings Division

(503) 378-2849

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Attachments: Complaint  
Notice of Contested Case Rights and Procedures

**KINDLEY LAW, PC**  
P.O. BOX 569  
WEST LINN, OR 97068

RAYMOND S. KINDLEY  
ADMITTED IN OREGON AND WASHINGTON

kindleylaw@comcast.net  
PH: (503)206-1010

August 28, 2013

*Via Electronic and U.S. Mail*

Public Utility Commission  
Attn: Filing Center  
3930 Fairview Industrial Drive SE  
P.O. Box 1088  
Salem, OR 97308

Re: In the Matter of Columbia Basin Electric Cooperative v. PacifiCorp and North  
Hurlburt Wind, LLC.

Dear Filing Center:

Enclosed please find a Complaint on behalf of Columbia Basin Electric Cooperative in the above referenced docket. Pursuant to ORS § 756.512, I am providing the Commission with this Complaint.

Thank you for your assistance.

Sincerely,

/s/ Raymond S. Kindley  
Raymond S. Kindley  
KINDLEY LAW, P.C.

Enclosures

1 Raymond S. Kindley  
OSB No. 964910  
2 Kindley Law, P.C.  
P.O. Box 569  
3 West Linn, OR 97068  
Tel: (503) 206-1010  
4 kindleylaw@comcast.net

5  
6 **BEFORE THE**  
7 **PUBLIC UTILITY COMMISSION OF OREGON**

8 COLUMBIA BASIN ELECTRIC ) Docket No.: \_\_\_\_\_  
COOPERATIVE, INC. an Oregon )  
9 cooperative corporation ) COMPLAINT  
Complainant, )  
10 vs. )  
11 PACIFICORP, dba Pacific Power, an )  
Oregon business corporation, )  
12 Defendant )  
and )  
13 NORTH HURLBURT WIND, LLC, a )  
foreign limited liability company, )  
14 Defendant )

15  
16 **INTRODUCTION**

17 This is a formal complaint filed by the Columbia Basin Electric Cooperative, Inc. (the  
18 “Cooperative”) with the Oregon Public Utility Commission (the “Commission”) under Oregon  
19 Revised Statutes § 756.500, and Oregon Administrative Rules § 860-001-0170. The Cooperative  
20 alleges that Defendant PacificCorp dba Pacific Power (“Pacific Power”) and North Hurlburt  
21 Wind, LLC (dba Shepherds Flat North Project) are providing electrical service to South Hurlburt  
22 Wind, LLC (dba Shepherds Flat Central Project) and Horseshoe Bend Wind, LLC (dba  
23 Shepherds Flat South Project), which are two consumers located in the Cooperative’s exclusive  
24 service territory, in violation of the laws of the State of Oregon and the rules of the Commission.  
25 The Cooperative respectfully requests the Commission to order Pacific Power and North  
26

1 Hurlburt Wind, LLC to immediately terminate electric service to consumers in the Cooperative's  
2 exclusive service territory and to grant any other relief that the Commission deems necessary.

3  
4 **PRELIMINARY MATTERS**

5 Copies of all pleadings and other correspondence in this matter should be served upon  
6 counsel for the Cooperative:

7 Raymond S. Kindley  
8 OSB No. 964910  
9 Kindley Law, P.C.  
10 P.O. Box 569  
11 West Linn, OR 97068  
12 Telephone: (503) 206-1010  
13 kindleylaw@comcast.net

14 In support of this Complaint, the Cooperative hereby alleges the following against  
15 Defendants Pacific Power and North Hurlburt Wind, LLC.

16 **IDENTITY OF THE PARTIES**

17 1. Defendant PacifiCorp is a domestic business corporation doing business in  
18 Oregon under the name of its division, Pacific Power, which at all relevant times provided and  
19 does provide electric utility services in various areas of Oregon with its principle place of  
20 business at 825 NE Multnomah Street, Portland, in Multnomah County, Oregon,  
21 www.pacificpower.net, (503) 813-5100. Email addresses for Pacific Power representatives are  
22 The registered agent in Oregon for Pacific Power is CT Corporation, 388 State Street, Ste. 420,  
23 Salem, Oregon, 97301, ct.wolteskluwer.com, (503) 566-6883. Email addresses for  
24 representatives of Pacific Power are pat.egan@pacificcorp.com and ryan.flynn@pacificcorp.com.  
25 At all material times, Pacific Power was and is a "public utility" subject to regulation of the  
26 Oregon Public Utility Commission under O.R.S. chapters 756, 757 and 758.

2. At all material times herein defendant North Hurlburt Wind, LLC was and is a  
foreign limited liability company registered with the Secretary of State to do business in Oregon.

1 North Hurlburt Wind, LLC is organized under the laws of the State of Delaware with its  
2 principle address of C/O Caithness Corporation, 565 Fifth Ave, 29<sup>th</sup> Floor, New York, New  
3 York, 10017, www.caithnessenergy.com, (212) 921-9099. The registered agent in Oregon for  
4 North Hurlburt Wind, LLC is Corporation Service Company, 285 Liberty St. NE, Salem, OR,  
5 www.cscglobal.com, (503) 443-1822. Email addresses for representatives of North Hurlburt  
6 Wind, LLC are jdelgado@caithnessenergy.com and johncameron@dwt.com.

7 3. At all material times herein the Cooperative was and is an Oregon electric  
8 cooperative corporation registered with the Secretary of State to do business in Oregon. The  
9 Cooperative's offices are located 171 W. Linden Way, Heppner, Oregon, 97836, www.cbec.cc,  
10 (541) 676-9146. The manager of the Cooperative is Jerry Healy and his email address is  
11 jhealy@columbiabasin.cc. The Cooperative owns and operates an electrical transmission and  
12 distribution system in North Central Oregon for the purpose of providing retail electric power  
13 and other services to its cooperative members.

#### 14 APPLICABLE LAWS AND REGULATIONS

15 4. The Commission has jurisdiction over this Complaint, Pacific Power and North  
16 Hurlburt Wind, LLC under O.R.S. §§ 756.040 and 756.500.

17 5. The Cooperative expects this case to involve the following Oregon Revised  
18 Statutes: O.R.S § 756.040, § 756.060, § 756.062, § 756.990 § 758.400, and § 758.450. The  
19 Cooperative expects this case to also involve the following Oregon Administrative Rules: O.A.R.  
20 § 860-025-0001.

#### 21 FACTUAL BACKGROUND

22 6. Under Oregon Public Utility Commission Order No. 38089, Docket No. UF 2308,  
23 dated November 1, 1961, issued pursuant to authority in O.R.S. §§ 758.00 to 758.475, the  
24 Oregon Public Utility Commission granted the Cooperative an exclusive service territory in  
25 Morrow and Gilliam Counties. A true copy of the Public Utility Commission Order No. 38089  
26 is attached hereto as **Exhibit 1** and fully incorporated herein by this reference.

1           7.     The legal description of the Cooperative's exclusive service territory is set forth in  
2 **Exhibit 1**, page 9.

3           8.     At all material times herein, the Cooperative offered electric utility service in the  
4 exclusive service territory granted to the Cooperative and it was and is ready, willing, and able to  
5 provide electrical service in its exclusive service territory.

6           9.     Under the statutes set forth in O.R.S., 758.400 *et seq.*, the Cooperative belongs to  
7 the class of utilities with exclusive service territories that are protected under O.R.S. 758.450.

8           10.    On or about September 11, 2009, the Oregon Energy Facility Siting Council  
9 ("Council") issued three site certificates for three separate wind generation facilities located in  
10 North Central Oregon under Final Order on Amendment #1 dated September 11, 2009  
11 ("September 11, 2009, Council Order").

12          11.    Under the September 11, 2009, Council Order the Council granted site certificates  
13 to North Hurlburt Wind, LLC for the Shepherds Flat North wind project, South Hurlburt Wind,  
14 LLC for the Shepherds Flat Central wind project, and Horseshoe Bend Wind, LLC for the  
15 Shepherds Flat South wind project. The three wind projects are electrically interconnected.

16          12.    The Horseshoe Bend Wind, LLC facilities are located entirely in the  
17 Cooperative's exclusive service territory. A true copy of the legal description of boundaries of  
18 the Shepherds Flat South wind project held by Horseshoe Bend Wind, LLC, is attached hereto as  
19 **Exhibit 2** and fully incorporated herein by this reference.

20          13.    The South Hurlburt Wind, LLC facilities are located partially in the Cooperative's  
21 exclusive service territory. A true copy of the legal description of boundaries of the Shepherds  
22 Flat Central wind project held by South Hurlburt Wind, LLC, is attached hereto as **Exhibit 3** and  
23 fully incorporated herein by this reference.

24          14.    The North Hurlburt Wind, LLC facilities are located entirely in Pacific Power's  
25 exclusive service territory. A true copy of the legal description of boundaries of the Shepherds  
26

1 Flat North wind project held by North Hurlburt Wind, LLC, is attached hereto as **Exhibit 4** and  
2 fully incorporated herein by this reference.

3 15. On or about July 23, 2012, Pacific Power notified the Cooperative via email that  
4 Pacific Power was in a contractual relationship to supply electric power to the Wind Projects. A  
5 true copy of the email form Pacific Power is attached hereto as **Exhibit 5** fully incorporated  
6 herein by this reference.

7 16. On or about January 15, 2013, Pacific Power informed the Cooperative that its  
8 contract with the Wind Projects would remain in place and Pacific Power would revisit its  
9 decision to provide service to the Wind Projects when the current contract terminates. A true  
10 copy of the email form Pacific Power is attached hereto as **Exhibit 6** fully incorporated herein by  
11 this reference.

12 17. On or about June 14, 2013, a representative of the Wind Projects informed the  
13 Cooperative that North Hurlburt Wind, LLC was purchasing retail electric power from Pacific  
14 Power for electric service to South Hurlburt Wind, LLC (dba Central Shepherds Flat project) and  
15 to Horseshoe Bend Wind, LLC (dba South Shepherds Flat project). According to that  
16 correspondence, Pacific Power serves one hundred percent of the load for the two Wind Projects  
17 and the North Hurlburt Wind, LLC project. A true copy of the email is attached hereto as  
18 **Exhibit 7** fully incorporated herein by this reference.

## 19 LEGAL CLAIMS

### 20 Complainant's First Claim for Relief

#### 21 Pacific Power's Violation of ORS 758.450(2)

22 18. The Cooperative re-alleges paragraphs 1- 17.

23 19. Under Oregon law, no person "shall offer, construct, or extend utility service in or  
24 into an allocated service territory." O.R.S. § 758.450(2).

25 20. Pacific Power's action of providing electrical power service to the Horseshoe  
26 Bend Wind, LLC for the Shepherds Flat South wind project, which is located entirely in the



1 Cooperative exclusive service territory, via its sale of retail power to the North Hurlburt Wind,  
2 LLC, violates O.R.S. 758.450 and the Cooperative's right to provide exclusive electric service in  
3 its allocated service territory.

4 21. Pacific Power's action of offering and providing electrical power service to the  
5 South Hurlburt Wind, LLC for the Shepherds Flat Central wind project, to the extent the  
6 Shepherds Flat Central wind project lies with the Cooperative's exclusive territory, via Pacific  
7 Power's sale of retail power to North Hurlburt Wind, LLC, violates O.R.S. 758.450 and the  
8 Cooperative's rights to provide exclusive electric service in its allocated service territory.

9 22. Pacific Power's actions of offering and providing retail electrical power service to  
10 the Wind Projects have harmed the Cooperative's economic interests by precluding the  
11 Cooperative from obtaining power sale revenues from the Wind Farms had the Cooperative  
12 served those loads.

13 **Complainant's Second Claim for Relief**

14 **Pacific Power has failed to comply with the Commission Order No. 38089**

15 23. The Cooperative re-alleges paragraphs 1- 22.

16 24. In Order No. 38089, the Commission approved the Cooperative's application "for  
17 the allocation of territory within which to provide electric utility service as exclusively served  
18 territory" for the territory described in the Order.

19 25. Pacific Power actions of offering and providing retail electric service to the Wind  
20 Farms, via the sale of retail power to North Hurlburt Wind, LLC, violates the Commission's  
21 Order No. 38089 to the extent they are located in the Cooperative's exclusive service territory as  
22 described in that Order.

23 **Complainant's Third Claim for Relief**

24 **North Hurlburt Wind, LLC Violation of the Cooperative's Exclusive Service Territory**  
25 **Under ORS 758.450(2)**

26 26. The Cooperative re-alleges paragraphs 1- 25.



1 **PRAYER FOR RELIEF**

2 WHEREFORE, the Cooperative requests that the Commission issue an Order:

3 1. Finding that Pacific Power is in violation of Oregon law for its past and  
4 continuing actions of offering and providing electric power service into the Cooperative's  
5 exclusive service territory.

6 2. Finding that Pacific Power is in violation of Commission Order No. 38089.

7 3. Enjoining any and all actions by Pacific Power concerning its offering and  
8 providing electric power service into the Cooperative's exclusive service territory.

9 4. Instituting penalties under O.R.S. § 756.990 with penalties passed on to  
10 PacifiCorp's shareholders, not Pacific Power's ratepayers, for violation of O.R.S. § 758.450, the  
11 Commission Orders No. 38089.

12 5. Finding that North Hurlburt Wind, LLC is in violation of Oregon law for its past  
13 and continuing actions of offering and providing electric power service into the Cooperatives  
14 exclusive service territory.

15 6. Finding that North Hurlburt Wind, LLC is in violation of Commission Order No.  
16 38089.

17 7. Enjoining any and all actions by North Hurlburt Wind, LLC concerning its  
18 offering and providing electric power service into the Cooperative's exclusive service territory.

19 8. Instituting penalties under O.R.S. § 756.990 to North Hurlburt Wind, LLC for  
20 violation of O.R.S. § 758.450 and the Commission Orders No. 38089.

21 Granting any other relief that the Commission deems necessary.

22 DATED this 28<sup>th</sup> day of August, 2013.

23 **KINDLEY LAW PC**

24 By /s/ Raymond S. Kindley

25 RAYMOND S. KINDLEY, OSB 964910

26 Email: kindleylaw@comcast.net

Tel: (503) 206-1010

Attorney for Columbia Basin Electric  
Cooperative, Inc.

BEFORE THE PUBLIC UTILITY COMMISSIONER  
OF OREGON  
No. U-F-2308

To—

Columbia Basin Electric Cooperative, Inc.  
Harley B. Young, Manager  
P. O. Box 715  
Heppner, Oregon

In the matter of the Application of  
COLUMBIA BASIN ELECTRIC COOPERATIVE, INC.,  
Heppner, Oregon, for an order allocating  
utility service territory.

Enclosed is Order #36089

in above entitled cause. Please accept service thereof on the enclosed form and mail to the PUBLIC UTILITY COMMISSIONER, Salem, Oregon.

PUBLIC UTILITY COMMISSIONER  
OF OREGON

Mailed at Salem, Oregon

.....Nov. 1....., 19..61.  
Engr

Form No. J-502  
State Printing 28748



Order #38089

BEFORE THE PUBLIC UTILITY COMMISSIONER

OF OREGON

U-F 2308

In the matter of the Application )  
of COLUMBIA BASIN ELECTRIC )  
COOPERATIVE, INC., Heppner, ) ORDER.  
Oregon, for an order allocating )  
utility service territory. )

The above entitled matter was duly heard on Monday, October 9, 1961, at Heppner, Oregon, before Malcolm L. Jones and Charles E. Leierer, Examiners for the Commissioner. The following appearances are of record herein:

For Applicant:

Raymond M. Kell, Attorney  
Portland, Oregon  
In behalf of Columbia Basin  
Electric Cooperative

For Commissioner:

Norman F. Webb, Assistant Attorney  
General, of Counsel for the Public  
Utility Commissioner  
Salem, Oregon

Interested Parties:

Alfred Cunha, Attorney  
Pendleton, Oregon  
In behalf of Umatilla Electric  
Cooperative Assn.

Robert F. Harrington, Attorney  
Portland, Oregon  
In behalf of Pacific Power &  
Light Company

Order #38089

On August 14, 1961, Columbia Basin Electric Cooperative, Inc., hereinafter referred to as Applicant, filed an application with the Commissioner pursuant to the provisions of Section 8, Chapter 691, Oregon Laws 1961, for an order allocating to Applicant an exclusively served electric service territory and adjacent unserved area within territory in Gilliam and Morrow Counties more particularly bounded as follows:

Beginning at the Southwest corner of Section 33, Township 1 North, Range 27 East, W.M., 15 miles west of the intersection of the Morrow-Umatilla County line with the Willamette Base Line which is the Northeast corner of Section 1, Township 1 South, Range 29 East W.M., thence North 12 miles to the Southwest corner of Section 33, Township 3 North, Range 27 East, thence West approximately 11 miles to the Southwest corner of Section 34, Township 3 North, Range 25 East, thence Northwest to the Southwest corner of Section 20, Township 4 North, Range 24 East, thence North approximately 2 miles to the Columbia River, thence in a Southwesterly direction along and conforming to the South bank of said river to the intersection of the range line between Ranges 21 and 22 East, thence South along said Range line to the Willamette Base line, thence East along said base line to the point of beginning.

Notice of the time and place of hearing of the within matter together with a description of the application was published in newspapers of general circulation in the territory covered by the application once weekly for two successive weeks and in this instance the following publications: Heppner Gazette Times, Heppner, Oregon; East Oregonian, Pendleton, Oregon; and Globe-Times, Condon, Oregon. In addition, notices of the hearing were served upon Applicant, electric utilities engaged in operations in territory adjacent to that being applied for and others. Copies of the notice were also mailed to many individuals and concerns who had heretofore expressed an interest in the matter and whose identities appear on an official mailing list. Information as to the application and hearing was widely circulated to the general press and other informational media.

No one appeared in opposition to the granting of the application. Those appearing as interested parties indicated their position was for purposes of

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observation, not waiving any privilege of thereafter changing the nature and extent of their respective appearances. These interested parties did not otherwise change their appearance or participate in the proceeding.

Evidence was adduced on behalf of the Applicant only, the hearing was completed and the matter was submitted for determination. Based upon the evidence and record in the matter it is found that:

Applicant is a cooperative organized and constituted under the Laws of the State of Oregon, filing its Articles of Incorporation September 20, 1940, for the purpose of generating, purchasing, transmitting, distribution, furnishing and selling electric energy to its members and to acquire, own and hold, among other things, plants, buildings, supplies, apparatus, and electric transmission and distribution lines or systems necessary and useful for carrying out its purposes. Applicant's principal office and headquarters is in Heppner, Oregon. Applicant serves 817 customers in rural areas in Morrow, Gilliam, Wheeler and Umatilla Counties, although the greatest number is in Morrow and Gilliam Counties. Applicant's annual gross revenue is \$197,000.

The within application does not cover Applicant's entire service area. The area selected herein includes territory in Morrow and Gilliam Counties on and north of the Willamette Base Line running east and west approximately 11 miles north of Heppner, the county seat of Morrow County. Applicant makes no attempt herein to include other territory in which it operates south of the aforestated base line.

Applicant introduced its Exhibit No. 1, a key map, to identify the entire territory embraced in the application, bounded in the outer limits in accordance with the description of territory detailed in the application and herein previously set forth. Exhibit No. 1 further delineates the territory which is claimed as exclusively served territory as distinguished from adjacent unserved areas also denoted thereon.

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Applicant defines its exclusively served territory, for ready reference, as (1) the south service area; (2) along and adjacent to Oregon State Highway Route No. 74 - Willow Creek Extension; (3) East of Oregon State Highway Route No. 74 - 6 mile Extension; and (4) from and west of Oregon State Highway Route No. 74 along and adjacent to the Columbia River - Willow Extension.

That area Applicant seeks as adjacent unserved area, likewise included in the prime boundary description, can be generally described as follows:

N. E. Unserved Area

That area in Morrow County north of the south service area, east of Willow Creek Extension service area, south of the 6 mile Extension Service area and easterly to the east boundary of the territory applied for.

West Unserved Area

That area lying north of the south service area, west of the Willow Creek Extension Service area, south of the Willow Extension Service area and westerly to the west boundary of the territory applied for.

Applicant is solely providing service in the areas claimed as exclusively served and heretofore described. Service is and can be provided through the facilities of two independent 69 KV transmission lines, two sub-stations and distribution lines radiating from them. One 69 KV transmission line owned by Applicant extends from Hermiston in Umatilla County southward and through the eastern portion of the south service area and westward along and paralleling Willamette Base Line to the vicinity of Ione in Morrow County. At that point, distribution extends in all directions via 7.2/12.5 KV lines, including territory not under consideration herein. Applicant also has a joint interest in another 69 KV transmission line extending from the De Moss sub-station in Sherman County running easterly to a point terminating at a substation approximately 2 miles south of Blalock in Gilliam County known as the Blalock sub-station. Distribution lines radiating therefrom extend



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to a point approximately two miles west of the west boundary of the West Unserved Area.

Applicant's 7.2/12.5 KV distribution lines extend from Ione northward along Willow Creek and Oregon State Highway No. 74 to the Columbia River, west thereof into the Willow Creek Service territory and east thereof into the 6 mile Extension Service Area. Further, Applicant's distribution system extends into all parts of the South Service Area. No transmission or distribution lines of any other person providing utility service extends into or through any territory designated by Applicant as exclusively served areas.

Applicant has been issued franchises by Morrow and Gilliam Counties to erect and maintain upon county roads and rights of way therein poles, wires, and other appliances for the purpose of transmitting electricity subject to certain terms and conditions therein stated. Applicant is bound thereby to keep and maintain its poles, wires and other appliances in good and safe condition and fully comply with the provisions of Chapter 235 Oregon Laws of 1947 or amendments thereto.

Applicant is seeking as adjacent unserved areas those which it believes that it can serve more economically and feasibly by extensions of its existing facilities than by the extension of the facilities of any other person providing electric utility service. The unserved areas so designated are basically rural areas with the characteristics of areas presently served with the possible exception of a portion of the Northeast Unserved Area which is being considered as an industrial site by The Boeing Company, hereinafter referred to as Boeing. There is no person providing electrical utility service into or through Applicant's designated unserved areas.

Pacific Power & Light Company, hereinafter referred to as Pacific, has transmission and distribution facilities in territory adjoining the western and southern boundaries of Applicant's unserved and served territory. Pacific owns a 22 KV transmission line running south from Arlington to Olex and thence easterly to Ione, and from Ione a 69 KV transmission line extending along Willow Creek to Willow in the vicinity of Heppner with distribution

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facilities along the same route. Pacific serves Lexington, Ione, Heppner and to the west in Gilliam County and by a 22 KV line extension to Gwendolen, Condon and Fossil, all located in territory not involved in the within application.

Umatilla Electric Cooperative originates its system at McNary Dam on the Columbia River with a 69 KV transmission line extending southward to a point one mile north of Hermiston and thence west to a substation east of Boardman. 7.2/12.5 KV distribution lines radiate from the substation eastward to Ordnance and westward to a point approximately four miles west of Boardman. Also, Umatilla has a substation at a point on Applicant's 69 KV transmission line running from Hermiston to Heppner, heretofore described, where it serves portions of Butter Creek northward to Hermiston. Thus, Umatilla serves to the north, northeast and east of the boundary of the territory encompassed in the instant application.

Applicant's construction and other costs necessary in providing service are financed by REA loans. Applicant would continue to have access to this type of financing to cover extensions into and through said unserved area.

As to the West Unserved Area, it appears from the nature thereof that it would be developed in the same manner as the service area to the south. Facilities could be easily and readily extended into this area from lines in the north, east and west thereof and only minor extensions of plant would be needed. Power loads of the size which have been constantly supplied in the past in nearby service territory would be required.

A consulting electrical engineer who has performed professional engineering services for Applicant since its inception and for all electrical REA cooperatives east of the Cascade Mountain range in Oregon was produced by Applicant. The witness was not only familiar with Applicant's system but was likewise fully acquainted with Umatilla Electric Cooperative Association, having performed its electrical engineering service since 1946.

It was his considered judgment that the West Unserved Area could be more economically and feasibly

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served by Applicant by extensions of existing facilities than by an extension of the facilities of another person.

As to the Northeast Unserved Area, the witness was of the opinion that it could be readily and easily served by Applicant by extensions thereof when required loads would not exceed 500 KW. Loads of 500 KW and under would be within easy capacity of Applicant or by minor modification of facilities. Larger loads would warrant analysis of each load separately together with the precise point of delivery.

There is nothing of record that any demand would be placed upon Applicant to serve prospective customers with a load demand greater than 500 KW in the Northeast Unserved Area, save and except for the Boeing installation which might be located in the near future in Section 33, Township 3 North, Range 24 East in said designated unserved area. This tentative location is approximately 12 miles due north of Ione, 9 miles due south of Castle Rock and 4 miles inside a segment of Applicant's eastern boundary description when computed to the nearest side of said boundary.

Boeing's test site would be located in the Boardman Space Age Industrial Park, part of which lies with Applicant's Northeast Unserved Area. Boeing has indicated to Applicant that it might require a 900 KW power load with the possibility of an increase to 1500 KW. Boeing's plans are not firm as to site or demand.

It was the opinion of this engineering witness that on required loads ranging from 500 KW to 900 KW, at the specific proposed Boeing location in Section 33, as aforesaid, Umatilla Electric Cooperative Association could possibly serve more economically as less cost would be involved in extending service from its sources and making necessary modifications. Applicant's relative maximum load that its distribution facilities could handle at that location would be slightly in excess of 500 KW. On the other hand, usage of 1500 KW of energy would require construction of transmission facilities by either Applicant or Umatilla to handle the higher level of voltage required to economically supply a large block of power which would exceed normal service limitations on a distribution basis of 7.2/12.5 KV. The witness agreed that Applicant's costs would be lower on a transmission basis.

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As to the balance of this area covering territory where no known or indicated demand exists, no easy generalization can be made where required loads would exceed 500 KW. Larger loads would warrant analysis of each load separately and in consideration of its precise location in order to shade costs. The witness testified that any one load between 500-1500 KW might be more economically served by Applicant or Umatilla Electric Cooperative Association depending on the exact location for use. For energy loads of 1500 KW and above, the witness testified that Applicant unquestionably could best serve the area inside its boundaries.

At meetings held both separately and jointly by the boards of directors of Applicant and Umatilla on May 23, 1961, the boundaries between the two cooperatives were established and approved by the respective boards. The boundary agreement contemplates potential service to the Industrial Park. The same boundary description separating the territory of the two cooperatives was included in the within application. Applicant's engineering expert stated uncommon sized loads on either side of the boundary are difficult to fully reconcile and the boundary arrived at by the two cooperatives is a reasonable division of the territory. Also, the application in form filed with the Commissioner was submitted to officials of Pacific prior to the hearing and the latter indicated there would be no objection. Both Umatilla and Pacific appeared and were represented at the hearing and made no objection.

Applicant is exclusively serving the territory designated as exclusive territory in the application. It would be more economical and feasible for Applicant to serve the area designated as adjacent unserved area by extension of its facilities than by an extension of the facilities of another person giving due consideration to the proximity of the service area thereto, the location of transmission and distribution facilities, method of financing and the nature and character of the unserved area and its foreseeable development.

From the foregoing it is concluded that the instant application for allocation of territory within

Order #38089

which to provide electric utility service, both as to exclusively served territory and adjacent unserved area, should be approved; it is therefore

ORDERED that the application of Columbia River Electric Cooperative, Inc., Hermiston, Oregon, for the allocation of territory within which to provide electric utility service, both as to exclusively served territory and adjacent unserved areas as applied for, be and the same is hereby approved; and it is further

ORDERED that the territory herein allocated to Columbia Basin Electric Cooperative, Inc., is described as follows:

Beginning at the Southwest corner of Section 33, Township 1 North, Range 27 East, W.M., 15 miles west of the intersection of the Morrow-Umatilla County line with the Willamette Base Line which is identical to the Northeast corner of Section 1, Township 1 South, Range 29 East, W.M., thence North 12 miles to the Southwest corner of Section 33, Township 3 North, Range 27 East, thence West approximately 11 miles to the Southwest corner of Section 34, Township 3 North, Range 25 East, thence Northwest to the Southwest corner of Section 20, Township 4 North, Range 24 East, thence North approximately 2 miles to the Columbia River, thence in a Southwesterly direction along and conforming to the South bank of said river to the intersection of the range line between Ranges 21 and 22 East, thence South along said range line to the Willamette Base Line, thence East along said base line to the point of beginning; and it is further

ORDERED that this order shall be effective upon the date of the execution hereof.

Made and entered this 27<sup>th</sup> day of October, 1961.

  
Public Utility Commissioner

(SEAL)

**BEFORE THE PUBLIC UTILITY COMMISSIONER  
OF OREGON  
No. U-F-2308**

**To— Columbia Basin Electric Cooperative, Inc.  
Harley B. Young, Manager  
P. O. Box 715  
Heppner, Oregon**

**In the matter of the Application of  
COLUMBIA BASIN ELECTRIC COOPERATIVE, INC.,  
Heppner, Oregon, for an order allocating  
utility service territory.**

**Enclosed is**

**copy of Order #38107**

**in above entitled cause. Please accept service thereof on the enclosed form and mail to the PUBLIC  
UTILITY COMMISSIONER, Salem, Oregon.**

**PUBLIC UTILITY COMMISSIONER  
OF OREGON**

**Mailed at Salem, Oregon  
Nov. 8, 19 61.**

Order #38107

BEFORE THE PUBLIC UTILITY COMMISSIONER  
OF OREGON  
UF 2308

In the matter of the application )  
of COLUMBIA BASIN ELECTRIC )  
COOPERATIVE, INC., Heppner, )  
Oregon, for an Order allocating )  
utility service territory. )

ORDER

It appearing that in Order No. 38089 made and entered October 27, 1961, the name and address of Applicant is erroneously stated in lines 1 and 2 of the first Order provision of page 9 thereof and said Order should be corrected to reflect the correct name and address of the party; it is therefore

ORDERED that the name and address of Applicant appearing in lines 1 and 2 of the first Order provision on page 9 of Order No. 38089 be and the same is hereby corrected to read as follows:

Columbia Basin Electric Cooperative, Inc.,  
Heppner, Oregon

Made and entered this 7<sup>th</sup> day of November  
1961.

  
Public Utility Commissioner

(SEAL)

October 11, 2012

**LEGAL DESCRIPTION**  
for  
**Shepherds Flat South Project Site**  
**(Horseshoe Bend Wind, LLC)**

A tract of land lying in Sections 25, 26, and 35 of Township 3 North, Range 21 East, and in Sections 19, 20, 28, 29, 30, and 33 of Township 3 North, Range 22 East, Sections 4, 9, 15, 16, 22, 23, 25, 26, 33, and 35 of Township 2 North, Range 22 East, Sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, and 16, Township 1 North, Range 22 East, Willamette Meridian, Gilliam County, Oregon, and in Sections 30 and 31, Township 2 North, Range 23 East, and Sections 5, 6, 7, 8, 16, 17, 18, 19, 20, 21, 22, 29, and 30, Township 1 North, Range 23 East, Willamette Meridian, Morrow County, Oregon being more particularly described as follows:

Commencing at the Northeast corner of said Section 25, Township 3 North, Range 21 East; thence along the East line of said Section 25, South 00°23'24" East 325.57 feet to the true point of beginning of this description, said true point of beginning lies on the Southeasterly line of the B.P.A. Ashe #1 and #2 easement as described in M-61-181, Deed Records of Gilliam County; thence leaving said East line along said Southeasterly line, South 53°22'12" West 4,750.86 feet; thence leaving said Southeasterly line, South 02°27'39" West 833.35 feet to a point on the Southerly line of the P.G.E. transmission line easement described in M-61-158, Deed Records of Gilliam County; thence along said Southerly line, South 88°23'49" West 189.86 feet; thence South 53°22'12" West 3,254.84 feet to the intersection with the Northeasterly line of the B.P.A. Slatt substation as described in Document #2010-000556, Deed Records of Gilliam County; thence along said Northeasterly line, South 36°37'37" East 100.00 feet to a point being 100.00 feet distant Southerly from the Southerly line of said P.G.E. transmission line easement; thence parallel with and 100.00 feet distant from said Southerly line, North 53°22'12" East 3,223.29 feet; thence North 88°23'49" East 251.45 feet; thence leaving said parallel line, North 02°27'39" East 878.90 feet to a point being 100.00 feet distant Southeasterly from said Southeasterly line of the B.P.A. Ashe #1 and #2 easement; thence parallel with and 100.00 feet distant from said Southeasterly line, North 53°22'12" East 5,372.21 feet; thence North 48°02'50" East 1,169.85 feet; thence North 64°28'43" East 9,604.96 feet; thence leaving said parallel line, South 25°44'13" East 454.44 feet; thence South 63°59'58" West 143.19 feet; thence North 26°00'02" West 46.25 feet; thence South 63°59'58" West 257.00 feet; thence South 26°00'02" East 291.00 feet; thence North 63°59'58" East 257.00 feet; thence North 26°00'02" West 80.75 feet; thence North 63°59'58" East 142.99 feet; thence South 26°00'00" East 76.82 feet; thence South 04°19'40" West 5,492.30 feet; thence South 18°46'57" East 3,793.03 feet; thence South 71°07'45" West 72.27 feet; thence North 20°00'00" West 65.33 feet; thence South 70°00'00" West 283.00 feet; thence South 20°00'00" East 302.00 feet; thence North 70°00'00" East 264.79 feet; thence South 04°36'31" West 118.22 feet; thence South 23°13'47" East 1,712.98 feet; thence South 32°06'21" East 5,671.48 feet; thence South 13°04'31" East 5,140.84 feet; thence South 00°04'11" East 5,928.02 feet; thence South 32°06'46" East 1,406.40 feet; thence South 14°01'15" East 4,452.00 feet; thence South 49°16'03" East 4,775.07 feet; thence South 07°32'53" East 3,109.90 feet; thence North 89°25'24" East 5,124.31 feet; thence South 57°34'51" East 3,084.48 feet; thence South 74°48'12" East 3,301.65 feet; thence South





03°05'19" East 5,277.22 feet; thence South 43°15'57" West 5,194.38 feet; thence South 00°00'56" East 1,725.45 feet; thence North 44°32'06" West 1,375.24 feet; thence South 11°31'38" West 1,173.18 feet; thence South 07°28'25" West 1,625.60 feet; thence North 76°51'02" West 1,563.12 feet; thence North 26°12'24" West 925.26 feet; thence North 13°39'17" West 2,054.91 feet; thence North 03°49'19" West 1,576.59 feet; thence North 31°13'52" West 3,671.17 feet; thence North 58°00'45" West 1,960.42 feet; thence North 32°39'34" East 1152.60 feet; thence North 62°16'28" West 747.78 feet; thence South 32°24'18" West 895.07 feet, to the intersection with the West line of said Section 35, Township 2 North, Range 22 East; thence along said West line, South 00°34'46" East 2,440.62 feet to the Southwest corner of said Section 35; thence along the South line of said Section 35, North 89°46'41" East 1,333.71 feet; thence leaving said South line, South 45°55'20" East 1,809.24 feet; thence South 00°03'38" West 6,601.62 feet; thence South 22°23'19" West 1,895.96 feet; thence South 88°05'27" West 1,393.95 feet; thence North 09°42'32" West 3,144.32 feet; thence North 45°28'01" West 1,853.45 feet; thence North 09°23'50" West 5,318.17 feet, to the intersection with the North line of said Section 3, Township 1 North, Range 22 East; thence along the North line of said Section 3, South 89°46'41" West 746.99 feet; thence leaving said North line, South 02°16'24" East 1,302.15 feet; thence North 88°59'12" East 262.72 feet; thence South 00°12'36" West 3,558.75 feet; thence South 37°40'51" East 2,156.36 feet; thence South 00°10'41" East 3,471.41 feet; thence South 89°17'47" West 2,643.05 feet; thence North 00°02'11" West 2,153.29 feet; thence North 63°51'43" West 2,928.05 feet; thence North 00°03'25" East 5,277.15 feet; thence North 37°04'55" West 5,493.09 feet; thence South 57°04'42" West 784.93 feet, to the Northwest corner of the Southwest 1/4 of said Section 33, Township 2 North, Range 22 East; thence along the West line of said Section 33, South 00°29'19" East 1,324.04 feet; thence leaving said West line, South 45°21'04" East 1,859.02 feet; thence South 00°08'48" East 5,316.69 feet to the intersection with the North line of said Section 9, Township 1 North, Range 22 East; thence along the North line of said Section 9, North 89°40'53" East 1,276.16 feet, to the Northwest corner of the Northeast 1/4 of said Section 9; thence along the West line of said Northeast 1/4, South 00°06'17" West 2,616.74 feet to the Southwest corner of said Northeast 1/4; thence along the South line of said Northeast 1/4, North 89°36'25" East 2,637.68 feet to the Northeast corner of the Southeast 1/4 of said Section 9; thence along the East line of said Section 9, South 00°18'34" East 1,313.52 feet; thence leaving said East line, South 89°40'39" West 1,300.80 feet; thence South 44°51'03" West 1,863.49 feet; thence South 27°36'53" East 1,488.10 feet; thence South 00°16'23" East 1,980.21 feet; thence South 71°23'17" East 2,038.83 feet to the intersection with the West line of said Section 15, Township 1 North, Range 22 East; thence along said West line, South 00°08'06" East 1,328.26 feet, to the Southwest corner of said Section 15; thence along the South line of said Section 15, North 89°07'35" East 2,615.69 feet to the Southwest corner of the Southeast 1/4 of said Section 15; thence along the West line of said Southeast 1/4, North 00°09'22" East 2,641.47 feet to the Northwest corner of said Southeast 1/4; thence along the North line of said Southeast 1/4, North 89°27'32" East 2,652.17 feet to the Southwest corner of the North 1/2 of said Section 14, Township 1 North, Range 22 East; thence along the South line of said North 1/2, North 89°29'51" East 5,286.54 feet, to the Southeast corner of said North 1/2; thence along the East line of said North 1/2, North 00°13'52" West 2,632.63 feet to the Northeast corner of said Section 14; thence North 45°09'07" West 1,861.24 feet; thence North 44°33'08" East 1,852.28 feet to the 1/4 corner on the West line of said Section 12, Township 1 North, Range 22 East; thence North 89°37'14" East 2,650.26 feet; thence South 00°00'58" West 5,276.37 feet to the intersection with the South line of the North 1/2 of said Section 13, Township 1 North, Range 22 East; thence along the South line of said North 1/2,

North 89°51'41" East 2,624.74 feet to the Southeast corner of said North 1/2; thence along the East line of said North 1/2, North 00°03'52" West 1,355.46 feet; thence leaving said East line, North 28°29'11" West 2,172.13 feet; thence North 62°55'54" East 1,552.32 feet; thence South 75°39'52" East 472.07 feet; thence North 69°38'47" East 2,012.55 feet; thence South 75°49'59" East 1,219.70 feet; thence North 78°07'28" East 639.33 feet; thence South 50°47'27" East 2,188.23 feet; thence South 00°25'25" West 377.85 feet; thence South 14°14'25" West 2,746.35 feet to the Northeast corner of the East 1/2 of the Southeast 1/4 of said Section 18, Township 1 North, Range 23 East; thence along the East line of said Section 18, South 00°33'24" East 1,264.22 feet; thence leaving said East line, North 89°45'20" West 1,318.12 feet to the intersection with the West line of said East 1/2 of the Southeast 1/4; thence along said West line, South 00°36'52" East 1,358.72 feet to the Northwest corner of the East 1/2 of the Northeast 1/4 of said Section 19, Township 1 North, Range 23 East; thence along the West line of said East 1/2 of the Northeast 1/4, South 00°19'32" East 2,625.84 feet, to the Southwest corner of said East 1/2 of the Northeast 1/4; thence along the South line of said East 1/2 of the Northeast 1/4, South 89°39'51" East 1,317.30 feet to the Northwest corner of the South 1/2 of said Section 20, Township 1 North, Range 23 East; thence along the North line of said South 1/2, South 89°52'26" East 3,951.82 feet; thence leaving said North line, South 00°15'26" East 3,922.26 feet to the intersection with the North line of the South 1/2 of the Northeast 1/4 of said Section 29, Township 1 North, Range 23 East; thence along the North line of said South 1/2 of the Northeast 1/4, South 89°53'45" West 1,309.86 feet to the Northwest corner of said South 1/2 of the Northeast 1/4; thence along the West line of said South 1/2 of the Northeast 1/4, South 00°10'37" East 1,309.20 feet to the Southeast corner of the East 1/2 of the Northwest 1/4 of said Section 29; thence along the South line of said East 1/2 of the Northwest 1/4, South 89°49'11" West 1,318.32 feet; thence to the Southwest corner of said East 1/2 of the Northwest 1/4; thence along the West line of said East 1/2 of the Northwest 1/4, North 00°12'54" West 2,621.92 feet to the Northwest corner of said East 1/2 of the Northwest 1/4; thence along the North line of said Section 29, South 89°58'20" West 1,320.05 feet to the Northeast corner of said Section 30, Township 1 North, Range 23 East; thence along the North line of said Section 30, North 89°57'44" West 1,313.01 feet; thence leaving said North line, South 00°13'36" East 2,586.98 feet; thence South 89°53'06" East 1,314.19 feet to the intersection with the West line of said Section 29, Township 1 North, Range 23 East; thence along said West line, South 00°15'09" East 2,631.60 feet to the intersection with the Northerly right-of-way line of Ely Canyon County Road; thence along said North right-of-way line, North 89°33'24" East 2,633.24 feet to the intersection with the West line of the Southeast 1/4 of said Section 29; thence leaving said North right-of-way line, North 45°45'01" East 1,833.72 feet to the Southwest corner of the Northeast 1/4 of the Southeast 1/4 of said Section 29; thence along the West line of said Northeast 1/4 of the Southeast 1/4, North 00°08'21" West 1,307.44 feet; thence along the North line of said Northeast 1/4 of the Southeast 1/4, North 89°49'11" East 1,318.32 feet; thence to the Southeast corner of the Northeast 1/4 of said Section 29; thence along the East line of said Northeast 1/4, North 00°06'04" West 2,611.37 feet to the Southwest corner of said Section 21, Township 1 North, Range 23 East; thence along the West line of said Section 21, North 00°40'33" West 2,611.42 feet to the Northwest corner of the Southwest 1/4 of said Section 21; thence along the North line of said Southwest 1/4 to the Northwest corner of the Northeast 1/4 of the Southwest 1/4; thence leaving said North line along the West line of said Northeast 1/4 of the Southwest 1/4, South 00°35'17" East 1,306.25 feet to the Southwest corner of said Northeast 1/4 of the Southwest 1/4; thence along the South line of said Northeast 1/4 of the Southwest 1/4, North 89°32'01" East 1,323.69 feet to the Southwest corner of the North 1/2 of the Southeast 1/4 of

said Section 21; thence along the South line of said North 1/2 of the Southeast 1/4, North 89°32'01" East 1,306.00 feet; thence North 52°14'24" East 2,140.06 feet; thence North 16°22'02" West 1,371.54 feet to the Northeast corner of the South 1/2 of the Northeast 1/4 of said Section 21; thence South 89°29'45" West 1,326.10 feet; thence North 00°14'51" West 1,311.11 feet; thence North 45°23'46" West 1,858.88 feet; thence South 89°49'41" West 846.78 feet; thence North 00°00'54" West 1,310.09 feet; thence North 20°16'26" West 1,395.30 feet; thence North 29°59'21" West 1,491.08 feet to the intersection with the North line of said Section 16, Township 1 North, Range 23 East; thence along the North line of said Section 16, South 89°39'53" West 598.94 feet to the Southeast corner of said Section 8, Township 1 North, Range 23 East; thence along the South line of said Section 8, North 89°43'22" West 1,318.85 feet to the Southwest corner of the West 1/2 of the Southeast 1/4 of said Section 8; thence along the East line of said West 1/2 of the Southeast 1/4, North 00°02'25" East 2,624.41 feet to the Southeast corner of the West 1/2 of the Northeast 1/4 of said Section 8; thence along the East line of said West 1/2 of the Northeast 1/4, North 00°02'25" East 2,624.41 feet to the Northeast corner of said West 1/2 of the Northeast 1/4; thence North 00°08'03" West 3,300.19 feet; thence North 89°40'20" West 965.93 feet; thence South 10°19'06" West 1,991.11 feet; thence North 89°17'58" West 863.43 feet; thence North 10°52'55" West 2,309.50 feet; thence South 89°48'09" West 847.83 feet to the intersection with Cecil Lane County Road; thence along said centerline in a Southerly direction 1,764 feet more or less; thence leaving said centerline, South 35°06'30" East 2,440.63 feet to the intersection with the South line of said Section 5, Township 1 North, Range 23 East; thence along said South line, North 89°28'17" West 1,352.46 feet to the Southeast corner of said Section 6, Township 1 North, Range 23 East; thence along the South line of said Section 6, North 89°44'00" West 3,943.29 feet; thence leaving said South line, South 00°10'07" East 1,287.57 feet; thence South 89°44'07" East 1,320.70 feet; thence South 00°09'28" East 1,768.54 feet; thence South 73°20'29" West 2,174.74 feet; thence North 80°43'36" West 785.87 feet; thence North 76°08'09" West 1,237.48 feet; thence North 31°25'47" West 1,687.03 feet; thence North 00°04'30" West 534.61 feet; thence North 43°20'11" West 519.65 feet; thence North 00°00'56" West 2,541.77 feet; thence North 43°15'57" East 5,197.51 feet; thence North 03°05'19" West 5,392.30 feet; thence North 74°48'12" West 3,358.78 feet; thence North 57°34'51" West 3,098.95 feet; thence South 89°25'24" West 5,065.41 feet; thence North 07°32'53" West 3,059.48 feet; thence North 49°16'03" West 4,781.31 feet; thence North 14°01'18" West 4,436.24 feet; thence North 32°06'46" West 1,393.60 feet; thence North 00°04'11" West 5,910.70 feet; thence North 13°04'31" West 5,169.00 feet; thence North 32°06'21" West 5,680.48 feet; thence North 23°13'47" West 1680.44 feet; thence North 04°36'31" East 329.37 feet; thence North 18°46'57" West 3,832.86 feet; thence North 04°19'40" East 5,498.96 feet; thence North 26°00'00" West 103.92 feet; thence North 63°59'58" East 143.01 feet; thence North 26°00'02" West 164.00 feet; thence South 63°59'58" West 142.81 feet; thence North 25°44'13" West 553.60 feet to the intersection with said Southeasterly line of said BPA Ashe #1 and #2 easement; thence along said Southeasterly line, South 64°28'43" West 9,719.02 feet, thence South 48°02'50" West 1,179.64 feet; thence South 53°22'12" West 664.31 feet to the true point of beginning of this description.

Contains 6,364 acres, more or less.

The above description is written using the Oregon State Plane Coordinate System North Zone grid bearings and distances.

13312\_DESC.051sa



October 9, 2012

**LEGAL DESCRIPTION**  
for  
**Shepherds Flat Central Project Site**  
**(South Huribert Wind, LLC)**

A tract of land lying in Sections 25, 26, and 35 of Township 3 North, Range 21 East, and in Sections 19, 20, 21, 27, 28, 29, 30, 31, 32, and 33 of Township 3 North, Range 22 East, Sections 4, 9, 15, 16, 22, 23, 25, 26, and 36, Township 2 North, Range 22 East, Section 1, Township 1 North, Range 22 East, Willamette Meridian, Gilliam County, Oregon, and in Sections 19, 29, 30, 31, and 32, Township 2 North, Range 23 East, and in Sections 5 and 6, Township 1 North, Range 23 East, Willamette Meridian, Morrow County, Oregon being more particularly described as follows:

Commencing at the Northeast corner of said Section 25, Township 3 North, Range 21 East; thence along the East line of said Section 25, South 00°23'24" East 325.57 feet to the true point of beginning of this description, said true point of beginning lies on the Southeasterly line of the B.P.A. Ashe #1 and #2 easement as described in M-61-181, Deed Records of Gilliam County; thence leaving said East line along said Southeasterly line, South 53°22'12" West 4,750.86 feet; thence leaving said Southeasterly line, South 02°27'39" West 833.35 feet to a point on the Southerly line of the P.G.E. transmission line easement described in M-61-158, Deed Records of Gilliam County; thence along said Southerly line, South 88°23'49" West 189.86 feet; thence South 53°22'12" West 3,254.84 feet to the intersection with the Northeasterly line of the B.P.A. Slatt substation as described in Document #2010-000556, Deed Records of Gilliam County; thence along said Northeasterly line, South 36°37'37" East 100.00 feet to a point being 100.00 feet distant Southerly from the Southerly line of said P.G.E. transmission line easement; thence parallel with and 100.00 feet distant from said Southerly line, North 53°22'12" East 3,223.29 feet; thence North 88°23'49" East 251.45 feet; thence leaving said parallel line, North 02°27'39" East 878.90 feet to a point being 100.00 feet distant Southeasterly from said Southeasterly line of the B.P.A. Ashe #1 and #2 easement; thence parallel with and 100.00 feet distant from said Southeasterly line, North 53°22'12" East 4,629.97 feet; thence leaving said parallel line, North 73°39'28" East 1,424.42 feet; thence South 31°14'57" West 1,491.16 feet; thence North 89°37'58" East 991.26 feet; thence South 00°30'16" East 6,696.28 feet; thence South 88°34'25" East 2,630.06 feet; thence South 00°37'31" East 1,284.90 feet; thence South 89°23'58" East 1,334.22 feet, more or less, to the intersection with the West line of said Section 32, Township 3 North, Range 22 East; thence along said West line, South 00°33'59" East 1,251.25 feet to the Southwest corner of said Section 32; thence along the South line of said Section 32, North 89°44'43" East 2,635.44 feet to the 1/4 corner on the South line of said Section 32; thence continuing along said South line, North 89°45'16" East 2,638.80 feet to the Southeast corner of said Section 32, said point also being the Northwest corner of said Section 4, Township 2 North, Range 22 East; thence along the West line of said Section 4, South 00°30'06" East 5,268.11 feet to the Northeast corner of said Section 9, Township 2 North, Range 22 East; thence along the West line of said Section 9, South 00°15'55" East 2,620.81 feet to the Southwest corner of the Northwest 1/4 of said Section 9; thence leaving said West line, South 89°58'07" East 758.71 feet; thence North 07°29'39" East 3,950.41 feet; thence North 34°24'30" East 730.71 feet;



thence North 23°40'36" East 2,212.02 feet; thence North 89°43'31" East 1,320.38 feet; thence South 13°04'31" East 4,466.68 feet; thence South 47°43'14" West 1,332.49 feet; thence South 00°11'39" East 3,918.23 feet to the intersection with the South line of said Section 9; thence along the South line of said Section 9, North 89°54'10" East 1,067.63 feet; thence leaving said South line parallel with the East line of said Section 16, Township 2 North, Range 22 East, South 00°07'03" West 1,320.00 feet; thence leaving said parallel line, South 33°17'17" East 454.08 feet to the intersection with the West line of said Section 15, Township 2 North, Range 22 East; thence along the West line of said Section 15, South 00°07'03" West 942.54 feet to the 1/4 corner on the West line of said Section 15; thence continuing along said West line, South 00°41'48" East 2,653.86 feet to the Northwest corner of said Section 22, Township 2 North, Range 22 East; thence along the North line of said Section 22, North 89°46'46" East 1,313.30 feet to the Northwest corner of the East 1/2 of the Northwest 1/4 of said Section 22; thence leaving said North line, along the East line of said West 1/2 of the Northwest 1/4, South 00°00'49" West 1,323.78 feet; thence leaving said West line, South 44°58'43" East 5,605.12 feet to the Northwest corner of said Section 26, Township 2 North, Range 22 East; thence along the West line of said Section 26, South 00°33'46" East 2,565.91 feet to the Southwest corner of the North 1/2 of said Section 26; thence along the South line of said North 1/2, North 89°25'24" East 5,283.95 feet to the Southeast corner of said North 1/2; thence South 58°18'57" East 3,090.81 feet; thence South 77°27'15" East 1,850.46 feet; thence South 65°36'18" East 485.74 feet to the intersection with the Northerly right-of-way line of Fairview County Road; thence along said Northerly right-of-way line on a 355.00 foot radius curve to the right, a radial line to which bears South 11°07'55" West through a central angle of 10°58'05", a distance of 67.96 feet (the long chord of which bears South 73°23'03" East 67.85 feet); thence leaving said Northerly right-of-way line, North 89°25'19" East 348.34 feet; thence South 52°09'04" East 639.64 feet; thence South 25°15'07" West 643.46 feet; thence South 65°39'30" West 1,719.24 feet; thence North 72°15'02" West 756.71 feet; thence South 68°17'38" West 639.75 feet; thence South 42°12'55" East 1,867.56 feet; thence South 00°27'11" East 2,643.29 feet; thence South 45°10'57" East 1,808.16 feet to the intersection with the West line of said Section 6, Township 1 North, Range 23 East; thence along said West line, South 00°03'52" East 1,344.41 feet; thence leaving said West line, South 89°51'23" East 4,202.51 feet; thence South 00°28'20" West 1,218 feet, more or less, to the intersection with the centerline of Cecil Lane County Road; thence along said centerline in a Northeasterly direction 1,487 feet, more or less, to the intersection with the East line of said Section 6; thence along said East line, North 00°08'09" West 640.77 feet; thence leaving said East line, North 08°53'21" East 1,307.19 feet; thence North 21°55'55" East 4,266.20 feet; thence North 04°54'38" East 1,560.35 feet; thence South 89°10'12" West 624.64 feet; thence South 02°39'02" East 856.49 feet; thence South 23°28'16" West 196.98 feet; thence South 53°59'33" West 505.49 feet; thence South 25°21'42" West 632.75 feet; thence South 06°16'57" East 530.73 feet; thence South 56°29'32" West 746.55 feet; thence North 16°26'53" West 4,139.01 feet; thence North 14°36'59" East 2,665.55 feet; thence North 45°10'58" East 1,472.75 feet; thence North 78°55'15" East 734.13 feet; thence North 00°50'42" East 599.83 feet; thence North 89°45'11" West 2,208.61 feet; thence North 00°40'41" West 3,217.92 feet; thence South 66°42'37" West 698.54 feet; thence South 07°05'32" East 2,076.72 feet; thence South 00°01'40" West 2,627.69 feet; thence South 89°48'39" West 1,329.63 feet to the intersection with the West line of the East 1/2 of said Section 30, Township 2 North, Range 23 East; thence along said West line, South 00°10'00" East 2,641 feet, more or less, to the intersection with the Northerly right-of-way line of said Fairview Lane County Road; thence along said Northerly right-of-way line, North 89°39'12" West 1,323.61 feet to the intersection

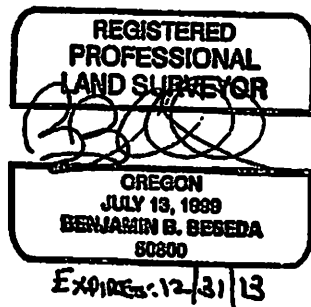
with the East line of Government Lot 4, said Section 30; thence leaving said Northerly right-of-way line, North 65°54'20" West 738.46 feet; thence North 75°10'29" West 1,359.09 feet; thence North 46°29'37" West 2,035.70 feet; thence North 44°17'17" West 1,112.98 feet; thence North 47°52'44" West 2,028.92 feet; thence North 53°07'20" West 1,509.44 feet; thence North 59°58'44" West 847.64 feet; thence North 48°27'55" West 1,288.48 feet; thence North 35°45'14" West 570.78 feet; thence North 29°04'46" West 923.41 feet; thence North 52°25'53" West 236.36 feet; thence North 68°24'17" West 318.83 feet; thence North 83°07'03" West 1,116.65 feet; thence North 75°53'42" West 625.13 feet; thence North 64°53'07" West 145.51 feet; thence North 43°27'07" West 107.76 feet; thence North 16°25'02" West 120.19 feet; thence North 50°00'47" West 1,707.54 feet; thence North 63°27'26" West 397.22 feet; thence North 73°13'43" West 279.04 feet; thence North 81°46'08" West 587.98 feet; thence North 46°33'10" West 173.00 feet; thence North 00°19'11" West 381.86 feet, more or less, to the intersection with the South line of said Section 15, Township 2 North, Range 22 East; thence along said South line, South 89°46'46" West 219.51 feet to the Southwest corner of the Southeast 1/4 of said Section 15; thence along the East line of said Southeast 1/4, North 00°21'46" West 1,326.42 feet to the Southwest corner of the North 1/2 of said Southeast 1/4; thence along the South line of said North 1/2 of the Southeast 1/4, North 89°47'22" East 2,624.34 feet to the intersection with the East line of said Section 15; thence along said East line, North 00°27'39" West 1,325.97 feet to the 1/4 corner on the East line of said Section 15; thence continuing along said East line, North 00°24'33" West 1,315.22 feet to the Northeast corner of the South 1/2 of the Northeast 1/4 of said Section 15; thence leaving said East line along the North line of said South 1/2 of the Northeast 1/4, South 89°51'56" West 2,621.01 feet to the Northeast corner of the South 1/2 of the Northwest 1/4 of said Section 15; thence along the North line of said South 1/2 of the Northwest 1/4, South 89°51'55" West 2,631.02 feet to the intersection with the West line of said Section 15; thence along said West line, North 00°07'03" East 1,321.27 feet to the Southeast corner of said Section 9, Township 2 North, Range 22 East; thence along the East line of said Section 9, North 00°07'25" West 4,874.94 feet; thence leaving said East line, North 13°04'31" West 4,882.63 feet; thence North 00°19'40" West 1,290.65 feet; thence North 89°27'34" East 1,077.88 feet to the intersection with the East line of said Section 33, Township 3 North, Range 22 East; thence along said East line, North 00°11'12" West 2,267.20 feet to the 1/4 corner on the East line of said Section 33; thence continuing along said East line, North 00°14'38" West 2,676.40 feet to the Southeast corner of said Section 27, Township 3 North, Range 22 East; thence along the West line of said Section 27, North 01°52'39" West 1,306.96 to the Southwest corner the North 1/2 of the Southwest 1/4 of said Section 27; thence leaving said West line, North 67°00'03" East 1,410.62 feet; thence North 01°44'50" West 2,587 feet, more or less, to the intersection with the centerline of Rhea County Road; thence along said centerline in a Westerly direction 7360 feet, more or less; thence leaving said centerline, North 04°19'40" East 3,516.50 feet; thence North 26°00'00" West 103.92 feet; thence North 63°59'58" East 143.01 feet; thence North 26°00'02" West 164.00 feet; thence South 63°59'58" West 142.81 feet; thence North 25°44'13" West 553.60 feet; thence South 64°28'43" West 9,719.02 feet; thence South 48°02'50" West 1,179.64 feet; thence South 53°22'12" West 664.31 feet to the intersection with the West line of said Section 30, Township 3 North, Range 22 East; thence along said West line, South 00°23'24" East 123.98 feet; thence leaving said West line, North 53°22'13" East 742.25 feet; thence North 48°02'50" East 1,169.85 feet; thence North 64°28'43" East ,9604.96 feet, thence South 25°44'13" East 454.44 feet; thence South 63°59'58" West 143.19 feet; thence North 26°00'02" West 46.25 feet; thence South 63°59'58" West 257.00 feet; thence South 26°00'02" East 291.00 feet; thence North

63°59'58" East 257.00 feet; thence North 26°00'02" West 80.75 feet; thence North 63°59'58" East 142.99 feet; thence South 26°00'00" East 76.82 feet; thence South 04°19'40" West 3471 feet, more or less, to the intersection with the centerline with Rhea County Road; thence along said centerline in a Westerly direction, 9,475 feet, more or less, to a point that bears South 87°57'44" East 1,370.80 feet from the Northwest corner of said Section 30, Township 3 North, Range 22 East; thence leaving said centerline, South 73°39'28" West 1,424.42 feet to the intersection with the West line of said Section 30; thence along said West line, North 00°23'24" West 123.98 feet to the true point of beginning of this description.

Contains 7,151 acres, more or less.

The above description is written using the Oregon State Plane Coordinate System North Zone grid bearings and distances.

13312\_DESC.050m





March 22, 2012

**LEGAL DESCRIPTION**  
for  
**Shepherds Flat North Project Site**  
**(North Hubert Wind, LLC)**

A tract of land lying in Sections 25, 26, and 35 of Township 3 North, Range 21 East, and in Sections 3, 5, 7, 8, 9, 10, 11, 15, 16, 17, 18, 19, 20, 21, 27, 28, and 30 of Township 3 North, Range 22 East, Willamette Meridian, Gilliam County, Oregon, being more particularly described as follows:

Commencing at the Northeast corner of said Section 25; thence along the east line of said Section 25, South 00°23'24" East 449.56 feet, to the true point of beginning, said true point of beginning being 100.00 feet distant Southeasterly, from the Southeasterly line of the B.P.A. Ashe #1 and #2 easement as described in M-61-181 Deed Records of Gilliam County; thence leaving said East line parallel with and 100.00 feet distant from said Southeasterly line, South 53°22'12" West 4629.96 feet; thence leaving said parallel line, South 02°27'39" West 878.90 feet, to a point being 100.00 feet distant Southerly, from the Southerly line of the P.G.E. transmission line easement described in M-61-158 Deed Records of Gilliam County; thence parallel with and 100.00 feet distant from said Southerly line, South 88°23'49" West 251.45 feet; thence South 53°22'12" West 3223.29 feet to the intersection with the Northeasterly line of the B.P.A. Slatt substation as described in Document #2010-000556 Deed Records of Gilliam County; thence along said Northeasterly line, North 36°37'37" West 100.00 feet to the intersection with the Southerly line of said P.G.E. transmission line easement; thence leaving said Northeasterly property line along said Southerly line, North 53°22'12" East 3254.84 feet; thence North 88°23'49" East 189.86 feet; thence leaving said Southerly line, North 02°27'39" East 833.35 feet to the intersection with said Southeasterly line of the B.P.A. Ashe #1 and #2 easement; thence along said Southeasterly line, North 53°22'12" East 4750.86 feet to the intersection with the East line of said Section 25; thence along said East line, North 00°23'24" West 325.57 feet to the Southwest corner of said Section 19; thence along the West line of said Section 19, North 01°21'14" West 2633.41 feet to the Southwest corner of the Northwest 1/4 of said Section 19; thence along the South line of said Northwest 1/4, North 89°27'10" East 1576.23 feet, to the Southwest corner of the East 1/2 of said Northwest 1/4; thence along the West line of said East 1/2, North 01°19'37" West 2635.68 feet to the Northwest corner of said East 1/2, said point also being the Southwest corner of the East 1/2 of the Southwest 1/4 of said Section 18; thence along the West line of said East 1/2, North 01°24'27" West 2636.06 feet, to the Southwest corner of the East 1/2 of the Northwest 1/4 of said Section 18; thence along the West line of said East 1/2, North 01°05'35" West 2653.32 feet, to the Northwest corner of said East 1/2; thence along the North line of said Section 18, South 89°34'18" West 1548.81 feet, to the Southwest corner of said Section 7; thence along the West line of said Section 7, North 01°45'24" West 2643.40 feet, to the Northwest corner of the Southwest 1/4 of said Section 7; thence leaving said West line along the North line of said Southwest 1/4, North 89°43'02" East 2900.21 feet, to the Southwest corner of the Northeast 1/4 of said Section 7; thence along the West line of said Northeast 1/4,



North 01°13'33" West 2288.55 feet; thence leaving said West line, North 89°13'30" East 631.26 feet; thence North 84°46'30" East 3336.77 feet, to a point on the South line of said Section 5, said point bears South 87°23'35" East 1250.31 feet from the Southwest corner of said Section 5; thence North 41°08'42" East 1049.09 feet; thence North 71°33'51" East 589.85 feet; thence South 00°41'17" East 1034.10 feet, to the Northwest corner of the Northeast 1/4 of said Section 8; thence along the North line of said Section 8, South 89°54'59" East 2657.08 feet, to the Northwest corner of said Section 9; thence along the North line of said Section 9, South 89°53'24" East 2640.94 feet, to the 1/4 corner on the North line of said Section 9; thence continuing along said North line, South 89°51'30" East 2625.93 feet, to the Southwest corner of said Section 3; thence along the West line of said Section 3, North 00°47'28" West 2651.86 feet, to the 1/4 corner on the West line of said Section 3; thence continuing along said West line, North 00°49'29" West 1317.07 feet; thence leaving said West line, North 43°55'35" East 1587.92 feet, to the intersection with the Southwesterly line of that tract of land described in Book 44, Page 287, Deed Records of Gilliam County; thence along said Southwesterly line, South 40°32'38" East 399.71 feet, to the Southwesterly corner of said tract of land; thence along the Southeasterly line of said tract of land, North 49°27'12" East 759.30 feet, to the intersection with the North line of said Section 3; thence along said North line, North 88°52'30" East 629.92 feet, to the 1/4 corner on the North line of said Section 3; thence continuing along said North line, North 89°41'44" East 2706.92 feet, to the Northeast corner of said Section 3; thence along the East line of said Section 3, South 00°51'52" East 2642.26 feet, to the 1/4 corner on the East line of said Section 3; thence continuing along said East line, South 00°31'10" East 2651.39 feet, to the Northwest corner of said Section 11; thence along the North line of said Section 11, North 89°39'01" East 2657.59 feet, to the 1/4 corner on the North line of said Section 11; thence continuing along said North line, North 89°58'16" East 772.22 feet, to the intersection with the Westerly right-of-way line of Highway 74; thence leaving said North line along said Westerly right-of-way line, South 19°49'27" East 2471.48 feet; thence leaving said Westerly right-of-way line, South 01°39'01" West 2121.90 feet; thence South 41°30'23" West 647.76 feet; thence North 06°28'11" West 997.52 feet, to the intersection with the South line of the North 1/2 of the Southeast 1/4 of said Section 11; thence along the South line of said North 1/2 of the Southeast 1/4, South 89°59'56" West 944.04 feet, to the Southeast corner of the North 1/2 of the Southwest 1/4 of said Section 11; thence along the South line of said North 1/2 of the Southwest 1/4, South 89°59'05" West 2599.92 feet, to the Southwest corner of said North 1/2 of the Southwest 1/4; thence along the West line of said Section 11, South 01°47'39" East 1308.17 feet, to the Northeast corner of said Section 15; thence along the East line of said Section 15, South 00°34'08" East 2645.51 feet, to the 1/4 corner on the East line of said Section 15; thence continuing along said East line, South 00°30'57" East 2638.31 feet, to the Southeast corner of said Section 15; thence along the South line of said Section 15, South 89°38'07" West 2620.12 feet, to the 1/4 corner on the South line of said Section 15; thence continuing along said South line, South 89°37'59" West 2619.38 feet, to the Northeast corner of said Section 21; thence along the East line of said Section 21, South 00°29'17" East 2615.94 feet, to the 1/4 corner on the East line of said Section 21; thence continuing along said East line, South 00°12'04" East 2619.12 feet, to the Northwest corner of said Section 27; thence along the North line of said Section 27, South 89°19'25" East 2644.98 feet, to the Northwest corner of the Northwest 1/4 of the Northeast 1/4 of said Section 27; thence along the North line of said Northwest 1/4 of the Northeast 1/4, North 89°28'07" East 1311.72 feet, to the Northeast corner of said Northwest 1/4 of the Northeast 1/4; thence along the East line of said Northwest 1/4 of the Northeast 1/4, South

01°35'36" East 1309.84 feet, to the Southeast corner of said Northwest 1/4 of the Northeast 1/4; thence South 69°32'53" East 1301.68 feet; thence South 16°57'33" West 738.33 feet; thence North 89°26'38" West 1300.70 feet, more or less, to the intersection with the centerline of Rhea County Road; thence along said centerline in a Westerly direction 19,898 feet, more or less, to a point which bears North 73°39'27" East from the true point of beginning of this description; thence leaving said centerline, South 73°39'27" West 1424.42 feet, to the true point of beginning of this description.

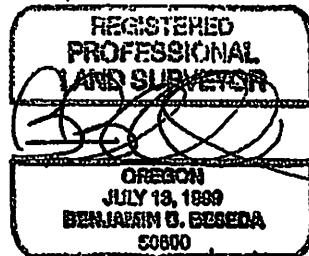
Excepting therefrom the following described tract of land:

A tract of land lying in the Northwest 1/4 of said Section 16, being more particularly described as follows.

Commencing at the Southwest corner of said Northwest 1/4; thence along the West line of said Northwest 1/4, North 02°51'33" West 337.14 feet; thence leaving said West line at a right angle, North 87°08'27" East 123.14 feet to the true point of beginning of this description; thence North 00°17'49" West 483.95 feet; thence North 71°38'38" East 464.63 feet; thence South 55°49'30" East 254.46 feet; thence South 00°17'56" East 483.95 feet; thence South 89°42'07" West 651.53 feet to the true point of beginning of this description.

Contains 7,490 acres, more or less.

The above description is written using the Oregon State Plane Coordinate System North Zone grid bearings and distances.



13312\_DESC.049sa

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**From:** Mishoe, Michelle [mailto:Michelle.Mishoe@PacifiCorp.com]  
**Sent:** Monday, July 23, 2012 3:07 PM  
**To:** Kirk Gibson  
**Cc:** Jocelyn Pease  
**Subject:** RE: Electric Service to Wind Projects

Hi Kirk-

We've been discussing this internally and are considering the points you raised during our meeting July 13. As PacifiCorp is already in a contractual relationship with Calithness for supplying Shepards Flat, there is some concern for disrupting that contract. It would be helpful if you could provide further details about the tax credit you mentioned. Also, has CBEC received any indication from Calithness that it supports a change in suppliers?

Thanks,  
Michelle

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**Jerry Healy**

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**From:** Mishoe, Michelle <Michelle.Mishoe@PacifiCorp.com>  
**Sent:** Tuesday, January 15, 2013 2:28 PM  
**To:** Kirk Gibson  
**Cc:** Jerry Healy; Flynn, Ryan; Egan, Pat  
**Subject:** RE: Service Territory Update

Hi Kirk-

Hope the new year is treating you well. After careful consideration of the issues CBEC and Pacific Power have been discussing regarding providing certain electric service to wind farms that may cover both utilities' service territories, we believe we have a solution that will hopefully be beneficial and acceptable to both parties. Pacific Power developed its policy on provision of backup service to wind farms after thoroughly reviewing service territory issues, as well as business and other regulatory issues and believes this policy would withstand legal challenges. However, in the interest of reaching an amicable resolution with CBEC, going forward Pacific Power is willing to review wind farms crossing both utilities' service territories on a case-by-case basis and divide the backup service according to the physical location of the towers. Pacific Power's contract with Caithness will remain in place and CBEC and Pacific Power can revisit backup service to Caithness when the current contract terminates.

Please let me or Ryan Flynn know if this is acceptable to CBEC.

Thanks very much,  
Michelle

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**From:** Kirk Gibson [mailto:kirk@mcg-law.com]  
**Sent:** Tuesday, January 15, 2013 12:17 PM  
**To:** Flynn, Ryan  
**Cc:** Mishoe, Michelle; Jerry Healy  
**Subject:** Service Territory Update

Ryan --

When CBEC and PacifiCorp representatives met about a month ago, PacifiCorp representatives stated that they needed some time to resolve their internal issues and that PacifiCorp, as an organization, would have a decision concerning the CBEC service territory issue around January 15<sup>th</sup>.

As you are aware, these service territory discussions have been ongoing since last July. CBEC needs a resolution sooner rather than later. Please advise concerning PacifiCorp's position on resolving this matter with CBEC. Thanks.

Best regards,  
Kirk

**Kirk Gibson**  
**McDowell Rackner & Gibson PC**  
**419 SW 11th Avenue, Suite 400**  
**Portland, OR 97205**

**Phone: 503.290.3626**  
**Mobile: 503.708.1341**



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**From:** Cameron, John [<mailto:johncameron@DWT.COM>]  
**Sent:** Friday, June 14, 2013 2:43 PM  
**To:** Jerry Healy; Phinney, Chuck  
**Cc:** Mishoe, Michelle; Kirk Gibson ([kirk@mcd-law.com](mailto:kirk@mcd-law.com)); Jeffrey J. Delgado ([jdelgado@caithnessenergy.com](mailto:jdelgado@caithnessenergy.com))  
**Subject:** Station Service

Caithness needs assurance that its three station-service loads, one for each of the three projects, will continue to be aggregated so that it continues to benefit from the load diversity among these loads. Presently, Shepherds Flat North is the customer of Pacific Power, purchasing in aggregate for North, Central and South. Pacific serves 100% of that load. As we transition, we want this continued, even though there will be two utilities, instead of one. As we see it, the only division of these three loads will be in the percentage of the total load served by each utility. Caithness wants to ensure that both utilities, and especially BPA, satisfies this expectation.

When this is clear, I believe that Caithness is ready to proceed.

Thanks.

**JOHN CAMERON**  
**Davis Wright Tremaine, LLP**  
**Suite 2300, 1300 SW Fifth Ave.**  
**Portland, OR. 97201**  
**Voice: 503.778.5206**  
**Fax: 503.778.5299**  
**Email: [johncameron@dwt.com](mailto:johncameron@dwt.com)**

**PLEASE NOTE:** This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.



1 **CERTIFICATE OF FILING**

2 I hereby certify that on August 28, 2013, on behalf of Columbia Basin Electric  
3 Cooperative, Inc. I filed the foregoing COMPLAINT with the Public Utility Commission; Att'n  
4 Filing Center, by electronic transmission and mailed the original and five copies to the Public  
5 Utility Commission, Att'n Filing Center, 3930 Fairview Industrial Drive, P.O. Box 1088, Salem,  
6 Oregon 97308 by first class mail in a sealed envelope.

7 KINDLEY LAW PC

8 By /s/ Raymond S. Kindley  
9 Raymond S. Kindley, OSB No. 964910  
10 Of Attorneys for Complainant  
11 Columbia Basin Electric Cooperative, Inc.  
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## NOTICE OF CONTESTED CASE RIGHTS AND PROCEDURES

Oregon law requires state agencies to provide parties written notice of contested case rights and procedures. Under ORS 183.413, you are entitled to be informed of the following:

**Hearing:** The time and place of any hearing held in this proceeding will be noticed separately. The Commission will hold the hearing under its general authority set forth in ORS 756.040 and use procedures set forth in ORS 756.518 to 756.610 and OAR Chapter 860, Division 001. Copies of these statutes and rules may be accessed via the website at [www.puc.state.or.us](http://www.puc.state.or.us). The Commission will hear issues as identified by the parties.

**Right to Attorney:** As a party to this hearing, you may be represented by counsel. Should you desire counsel but cannot afford one, legal aid may be able to assist you; parties are ordinarily represented by counsel. The Commission staff, if participating in the case, will be represented by the Department of Justice. Once a hearing has begun, you will not generally be allowed to postpone the hearing to obtain counsel.

**Administrative Law Judge:** The Commission has delegated the authority to preside over hearings to Administrative Law Judges (ALJs). The scope an ALJ's authority is defined in OAR 860-001-0090. The ALJ make evidentiary and other procedural rulings, analyze the contested issues, and present legal and policy recommendations to the Commission.

**Hearing Rights:** You have the right to respond to all issues identified, and present evidence and witnesses on those issues. *See* OAR 860-001-0450 to OAR 860-001-0490. You may obtain discovery from other parties through depositions, subpoenas, and data requests. *See* ORS 756.538 and 756.543; OAR 860-001-0500 to 860-001-0540.

**Evidence:** Evidence is generally admissible if it is of a type relied upon by reasonable persons in the conduct of their serious affairs. *See* OAR 860-001-0450(1)(b). Objections to the admissibility of evidence must be made at the time the evidence is offered. Objections are generally made on grounds that the evidence is unreliable, irrelevant, repetitious, or because its probative value is outweighed by the danger of unfair prejudice, confusion of the issues, or undue delay. The order of presenting evidence is determined by the ALJ. The burden of presenting evidence to support an allegation rests with the person raising the allegation. Once a hearing is completed, the ALJ will not generally allow the introduction of additional evidence without good cause.

**Record:** The hearing will be recorded, either by a court reporter or by audio/digital tape, to preserve the testimony and other evidence presented. Parties may contact the court reporter about ordering a transcript or request the Commission for a copy of the tape for a fee set forth in OAR 860-001-0060(3)(e)(B). The hearing record will be made part of the evidentiary record that serves as the basis for the Commission's decision and, if necessary, the record on any judicial appeal.

**Final Order and Appeal:** After the hearing, the ALJ will prepare a draft order resolving all issues and present it to the Commission. The ALJ's draft order is not open to party comment. The Commission will make the final decision in the case and may adopt, modify, or reject the ALJ's recommendation. If you disagree with the Commission's decision, you may request reconsideration of the final order within 60 days. *See* ORS 756.561 and OAR 860-001-0720. You may also file a petition for review with the Court of Appeals within 60 days. *See* ORS 756.610.