

KINDLEY LAW PC

RAYMOND S. KINDLEY

ADMITTED IN OREGON AND WASHINGTON

March 26, 2014

VIA ELECTRONIC AND U.S. MAIL

PUC Filing Center
Public Utility Commission of Oregon
P.O. Box 2148
Salem, OR 97308-2148

**Re: UM1670 – Columbia Basin Electric Cooperative vs Pacific Power &
North Hurlburt Wind LLC**

Attention Filing Center:

Enclosed for filing in docket UM-1670, are an original and two copies of Columbia Basin Electric Cooperative's Motion to Amend Complaint.

A copy of this filing has been served on all parties to this proceeding as indicated on the attached certificate of service.

Please contact this office with any questions.

Sincerely,

/s/ Raymond S. Kindley

Raymond S. Kindley
Attorney for Columbia Basin Electric Cooperative, Inc.

cc: UM 1670 Service List

CERTIFICATE OF SERVICE

I hereby certify that on the 26th day of March 2014, I served the foregoing document upon the persons named on the service list by electronic mail only as all parties have waived paper service.

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DATED: March 26, 2014

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

8 COLUMBIA BASIN ELECTRIC) Docket No. UM 1670
COOPERATIVE, INC. an Oregon)
9 cooperative corporation) COLUMBIA BASIN ELECTRIC
Complainant,) COOPERATIVE, INC'S MOTION
10 vs.) TO AMEND COMPLAINT
PACIFICORP, dba Pacific Power, an)
11 Oregon business corporation,)
12 Defendant,)
NORTH HURLBURT WIND, LLC, a)
13 foreign limited liability company,)
14 Defendant,)
SOUTH HURLBURT WIND, LLC, a)
15 foreign limited liability company,)
16 Defendant,)
17 HORSESHOE BEND WIND, LLC, a)
18 foreign limited liability company,)
19 Defendant,)
and)
20 CAITHNESS SHEPHERDS FLAT, LLC, a)
foreign limited liability company,)
21 Defendant)

22
23 The Complainant Columbia Basin Electric Cooperative, Inc. (the "Cooperative") in this
24 matter hereby moves the Oregon Public Utilities Commission (the "Commission") to allow the
25 Cooperative to file the Amended Complaint attached to this Motion (*See* Attachment 1).
26 Defendants Pacific Power and North Hurlburt Wind, LLC oppose this motion.

1 **BACKGROUND**

2 The Cooperative initially filed its complaint on August 28, 2013. The parties conducted
3 discovery until the Cooperative filed a Motion to Temporarily Suspend Procedural Schedule on
4 December 5, 2013. The parties attempted to reach a settlement agreement, but failed. The
5 Cooperative filed a Motion to Lift the Suspension to the Procedural Schedule on February 24,
6 2014.

7 The Cooperative believes it is necessary and appropriate to add three new defendants to
8 this matter: Caithness Shepherd Flat, LLC, South Hurlburt Wind, LLC, and Horseshoe Bend,
9 LLC, and to raise claims against them. The Cooperative also believes it is necessary and
10 appropriate to amend the complaint to seek additional remedies against Pacific Power. The
11 Cooperative received additional information through discovery that supports the proposed
12 amendments to the Cooperative’s complaint.

13 The Cooperative’s initial complaint alleged that Pacific Power and North Hurlburt Wind,
14 LLC offered and provided utility service into, and in, the Cooperative’s exclusive service
15 territory in violation of ORS § 758.450 and Commission Order 38089. The Cooperative named
16 Pacific Power and North Hurlburt Wind, LLC as the defendants in its initial complaint based on
17 the incorrect information available to the Cooperative at that time. Based on that information,
18 the Cooperative believed that North Hurlburt Wind, LLC purchased power from Pacific Power
19 and redistributed that power to South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC,
20 which are located partially or entirely, respectively, in the Cooperative exclusive service
21 territory.

22 In response to the Cooperative’s data requests in this proceeding, however, Pacific Power
23 identified Caithness Shepherds Flat, LLC as the entity that purchases power from Pacific Power
24 and distributes the power to North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and
25 Horseshoe Bend, LLC. *See Declaration of Raymond S. Kindley in Support of Columbia Basin*
26 *Electric Cooperative, Inc.’s Motion to Amend Complaint* (“Kindley Decl.”) Exhibit 1 at 1 and 5.

1 Caithness Shepherds Flat, LLC plays a critical role of supplying power and utility service in, and
2 into, the Cooperative's exclusive service territory.

3 According to correspondence filed at the Federal Energy Regulatory Commission
4 ("FERC") by the three wind projects, Caithness Shepherds Flat, LLC redistributes the power to
5 the three wind projects on transmission facilities that are jointly owned by the three wind
6 projects. (Kindley Decl., Exhibit 2 at 4.) That correspondence describes the jointly owned
7 facilities:

8 Output from each of these three phases of project development will reach BPA's
9 Slatt Substation by means of a combination of individually owned and jointly
10 owned connector facilities. Each phase will have individually owned 34.5-kV
11 collecting lines and a 34.5/230-kV substation. From the high side of these three
12 34.5/230-kV substations, output from each phase will be collected over jointly
13 owned collector facilities consisting of two 230-kV lines, each of approximately
14 41/2 miles in length, a 230-kV three-ring power circuit breaker ring bus, and two
15 additional 230-kV lines connecting the other side of the ring bus to the adjacent
16 Slatt Substation. North Hurlburt, South Hurlburt and Horseshoe Bend each have
17 an undivided ownership interest in these jointly owned connector facilities, which
18 are designated as the "Shared Facilities" in the SFA [Shared Facilities
19 Agreement] as part of this filing. These Shared Facilities constitute the
20 "interconnection customer's interconnection facilities" specified in the LGIA
21 between each Shepherds Flat Company and BPA.
22 (Kindley Decl., Exhibit 2 at 4.)

23 In the same correspondence, Caithness Shepherds Flat LLC is represented as the owner
24 of all the membership interests of the three wind projects. (Kindley Decl., Exhibit 2 at 3.)
25 Therefore, in addition to purchasing and distributing station service power for the three projects,
26 Caithness Shepherds Flat, LLC is a necessary party as the owner of all three wind projects.

27 The Cooperative requests that the Commission add Caithness Shepherds Flat, LLC as a
28 party to this proceeding due to its ownership and management control over the three wind
29 projects at issue and its involvement in providing utility service into the Cooperative's exclusive
30 service territory.

31 To fully resolve the issues of this proceeding, the Cooperative also submits that is
32 necessary to add South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC as defendants

1 because of their role in jointly owning and operating, along with North Hurlburt Wind, LLC, the
2 electrical system that is used to provide utility service into, and in, the Cooperative's exclusive
3 service territory.

4 Each of the three wind projects, North Hurlburt Wind, LLC, South Hurlburt Wind, LLC
5 and Horseshoe Bend, LLC are parties to a Shared Facilities Agreement by which each wind
6 project owns an undivided interest in the transmission facilities that are used to receive electric
7 power from Pacific Power and to distribute that power to each wind project for station power
8 service. (Kindley Decl., Exhibit 2 at 5.)

9 The three wind projects have created, by the Shared Facilities Agreement and their joint
10 actions, an association that provides utility service into, and in, the Cooperative's exclusive
11 service territory in violation of ORS § 758.450 and Commission Order 38089. The
12 Cooperative's amended complaint includes two new claims against the wind projects and
13 Caithness Shepherds Flat, LLC based on their joint efforts to violate ORS § 758.450 and the
14 Commission's order.

15 The Cooperative is seeking the additional remedies of treble damages and attorney fees
16 against Pacific Power due to information set forth in notes of a meeting between Pacific Power,
17 Caithness Development, LLC and the Bonneville Power Administration dated August 5, 2010.
18 (Kindley Decl., Exhibit 1 at 3-4.) Those meeting notes indicate that Pacific Power offered to
19 provide utility service into the Cooperative's exclusive service territory as a result of either gross
20 negligence or willful misconduct under ORS § 756.185.

21 **II. OREGON LAW ALLOWS THE COOPERATIVE TO AMEND ITS**
22 **COMPLAINT TO INCLUDE ADDITIONAL DEFENDANTS**
23 **AND CLAIMS**

24 The Cooperative may amend its complaint at any time, before the completion of taking
25 evidence, by order of the Commission. ORS § 756.500; *see also, Reeves v. Reeves*, 203 Or. App.
26 80, 84, 125 P3d 755 (2005) ("leave to amend a complaint should be freely given 'when justice so
requires.'") ORCP 28 permits the joining of additional defendants and claims to a complaint "if

1 there is asserted against them jointly, severally, or in the alternative, any right to relief in respect
2 to or arising out of the same transaction, occurrence, or series of transactions or occurrences and
3 if any question of law or fact common to all defendants will arise in the action.”

4 Here, the law and facts are common to all three of the wind project owners and Caithness
5 Shepherds Flat, LLC, as explained in this motion. The original claims against North Hurlburt
6 Wind, LLC and Pacific Power were based on violations of ORS § 758.450 and Commission
7 Order 38089. The new claims asserted against South Hurlburt Wind, LLC, Horseshoe Bend
8 Wind, LLC and Caithness Shepherds Flat, LLC arise out of the same transactions and
9 occurrences that are the basis of the Cooperative’s initial claims. The Cooperative is still making
10 claims under ORS § 758.450 and the Commission’s Order and is seeking the same remedies
11 against the new parties as sought against North Hurlburt Wind, LLC and Pacific Power.
12 Additionally, since the parties are still in the discovery process and have several months to
13 complete that process, the existing parties to this proceeding would not be prejudiced or
14 disadvantaged by the addition of the three new defendants.

15 The Cooperative’s amendment to include an additional remedy against Pacific Power is
16 likewise permitted. ORS 756.500; *see Reeves*, 203 Or. App. at 84. (Plaintiff was allowed to add
17 a theory of recovery to his already existing claims.) Here, the Cooperative proposes to amend its
18 claim against Pacific Power to include remedies under ORS § 756.185. Similar to the holding in
19 *Reeves*, the Cooperative amended claim against Pacific Power is still based on the same series of
20 transactions and occurrences as in the original claim. The Cooperative is merely seeking
21 additional remedies. Pacific Power would not be prejudiced by this amendment.

22 /
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1 **CONCLUSION**

2 Based on the foregoing and information set forth in the Kindley Declaration attached
3 hereto, Complainant Columbia Basin Electric Cooperative, Inc. respectfully moves for an order
4 authorizing the filing of the attached Amended Complaint.

5 DATED this 26th day of March 2014.

6 **KINDLEY LAW PC**

7 By /s/ Raymond S. Kindley
8 RAYMOND S. KINDLEY, OSB 964910
9 Email: kindleylaw@comcast.net
10 Tel: (503) 206-1010
11 Attorney for Columbia Basin Electric
12 Cooperative, Inc.

ATTACHMENT 1

**TO COLUMBIA BASIN ELECTRIC COOPERATIVE, INC.'S
MOTION TO AMEND COMPLAINT
UM 1670**

PROPOSED AMENDED COMPLAINT

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

8 COLUMBIA BASIN ELECTRIC) Docket No.: UM 1670
COOPERATIVE, INC. an Oregon)
9 cooperative corporation) AMENDED COMPLAINT
Complainant,)
10 vs.)
11 PACIFICORP, dba Pacific Power, an)
Oregon business corporation,)
12 Defendant,)
)
13 NORTH HURLBURT WIND, LLC, a)
foreign limited liability company,)
14 Defendant,)
)
15 CAITHNESS SHEPHERDS FLAT, LLC, a)
foreign limited liability company,)
16 Defendant,)
17)
18 SOUTH HURLBURT WIND, LLC, a)
foreign limited liability company,)
Defendant)
19 and)
20 HORSESHOE BEND WIND, LLC, a)
foreign limited liability company,)
21 Defendant)

22
23 **INTRODUCTION**

24 This is a formal amended complaint filed by the Columbia Basin Electric Cooperative,
25 Inc. (the "Cooperative") with the Oregon Public Utility Commission (the "Commission") under
26 Oregon Revised Statutes § 756.500, and Oregon Administrative Rules § 860-001-0170. The

1 Cooperative alleges that Defendant PacifiCorp dba Pacific Power (“Pacific Power”), Caithness
2 Shepherds Flat, LLC, North Hurlburt Wind, LLC (dba Shepherds Flat North Project), South
3 Hurlburt Wind, LLC (dba Shepherds Flat Central Project) and Horseshoe Bend Wind, LLC (dba
4 Shepherds Flat South Project), are all providing electric utility service to the Shepherds Flat
5 Central Project and Shepherds Flat South Project, which are located, partially and entirely,
6 respectively, in the Cooperative’s exclusive service territory in violation of the laws of the State
7 of Oregon and the rules of the Commission. The Cooperative respectfully requests the
8 Commission to order Pacific Power, Caithness Shepherds Flat, LLC, North Hurlburt Wind, LLC,
9 South Hurlburt Wind, LLC, and Horseshoe Bend, LLC to immediately terminate all activities
10 related to providing electric utility service into and in the Cooperative’s exclusive service
11 territory and to grant any other relief that the Commission deems necessary.

12
13 **PRELIMINARY MATTERS**

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

16 Raymond S. Kindley
17 OSB No. 964910
18 Kindley Law, P.C.
19 P.O. Box 569
20 West Linn, OR 97068
21 Telephone: (503) 206-1010
22 kindleylaw@comcast.net

23 In support of this Complaint, the Cooperative hereby alleges the following against
24 Defendants Pacific Power, North Hurlburt Wind, LLC, Caithness Shepherds Flat, LLC, South
25 Hurlburt Wind, LLC, and Horseshoe Bend Wind, LLC.
26

1 **IDENTITY OF THE PARTIES**

2 1. Defendant PacifiCorp is a domestic business corporation doing business in
3 Oregon under the name of its division, Pacific Power, which at all relevant times provided and
4 does provide electric utility services in various areas of Oregon with its principal place of
5 business at 825 NE Multnomah Street, Portland, in Multnomah County, Oregon,
6 www.pacificpower.net, (503) 813-5100. The registered agent in Oregon for Pacific Power is CT
7 Corporation, 388 State Street, Ste. 420, Salem, Oregon, 97301, ct.wolteskluwer.com, (503) 566-
8 6883. Email addresses for representatives of Pacific Power are pat.egan@pacificcorp.com and
9 ryan.flynn@pacificcorp.com. At all material times, Pacific Power was and is a “public utility”
10 subject to regulation of the Oregon Public Utility Commission under O.R.S. chapters 756, 757
11 and 758.

12 2. At all material times herein defendant North Hurlburt Wind, LLC was and is a
13 foreign limited liability company registered with the Secretary of State to do business in Oregon.
14 North Hurlburt Wind, LLC is organized under the laws of the State of Delaware with its
15 principal address of C/O Caithness Corporation, 565 Fifth Ave, 29th Floor, New York, New
16 York, 10017, www.caithnessenergy.com, (212) 921-9099. The registered agent in Oregon for
17 North Hurlburt Wind, LLC is Corporation Service Company, 285 Liberty St. NE, Salem, OR,
18 www.cscglobal.com, (503) 443-1822. Email addresses for representatives of North Hurlburt
19 Wind, LLC are jdelgado@caithnessenergy.com and johncameron@dwt.com.

20 3. At all material times herein defendant South Hurlburt Wind, LLC was and is a
21 foreign limited liability company registered with the Secretary of State to do business in Oregon.
22 South Hurlburt Wind, LLC is organized under the laws of the State of Delaware with its
23 principal address of C/O Caithness Corporation, 565 Fifth Ave, 29th Floor, New York, New
24 York, 10017, www.caithnessenergy.com, (212) 921-9099. The registered agent in Oregon for
25 South Hurlburt Wind, LLC is Corporation Service Company, 285 Liberty St. NE, Salem, OR,
26

1 www.cscglobal.com, (503) 443-1822. Email addresses for representatives of South Hurlburt
2 Wind, LLC are jdelgado@caithnessenergy.com and johncameron@dwt.com.

3 4. At all material times herein defendant Horseshoe Bend Wind, LLC was and is a
4 foreign limited liability company registered with the Secretary of State to do business in Oregon.
5 Horseshoe Bend Wind, LLC is organized under the laws of the State of Delaware with its
6 principle address of C/O Caithness Corporation, 565 Fifth Ave, 29th Floor, New York, New
7 York, 10017, www.caithnessenergy.com, (212) 921-9099. The registered agent in Oregon for
8 Horseshoe Bend Wind, LLC is Corporation Service Company, 285 Liberty St. NE, Salem, OR,
9 www.cscglobal.com, (503) 443-1822. Email addresses for representatives of Horseshoe Bend
10 Wind, LLC are jdelgado@caithnessenergy.com and johncameron@dwt.com.

11 5. At all material times herein defendant Caithness Shepherds Flat, LLC was and is a
12 foreign limited liability company registered with the Secretary of State to do business in Oregon.
13 Caithness Shepherds Flat, LLC is organized under the laws of the State of Delaware with its
14 principle address of C/O Caithness Corporation, 565 Fifth Ave, 29th Floor, New York, New
15 York, 10017, www.caithnessenergy.com, (212) 921-9099. The registered agent in Oregon for
16 Caithness Shepherds Flat, LLC is Corporation Service Company, 285 Liberty St. NE, Salem,
17 OR, www.cscglobal.com, (503) 443-1822. Email addresses for representatives of Caithness
18 Shepherds Flat, LLC are jdelgado@caithnessenergy.com and johncameron@dwt.com.

19 6. At all material times herein the Cooperative was and is an Oregon electric
20 cooperative corporation registered with the Secretary of State to do business in Oregon. The
21 Cooperative's offices are located 171 W. Linden Way, Heppner, Oregon, 97836, www.cbec.cc,
22 (541) 676-9146. The manager of the Cooperative is Jerry Healy and his email address is
23 jhealy@columbiabasin.cc. The Cooperative owns and operates an electrical transmission and
24 distribution system in North Central Oregon for the purpose of providing retail electric power
25 and other services to its cooperative members.

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APPLICABLE LAWS AND REGULATIONS

7. The Commission has jurisdiction over this Complaint, Pacific Power, North Hurlburt Wind, LLC, South Hurlburt Wind, LLC, Horseshoe Bend Wind, LLC, and Caithness Shepherds Flat, LLC under O.R.S. §§ 756.040 and 756.500.

8. The Cooperative expects this case to involve the following Oregon Revised Statutes: O.R.S §§ 756.040, 756.060, 756.062, 756.185, 756.990, 758.400, and 758.450. The Cooperative expects this case to also involve the following Oregon Administrative Rules: O.A.R. § 860-025-0001.

FACTUAL BACKGROUND

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

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

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

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

13. On or about September 11, 2009, the Oregon Energy Facility Siting Council (“Council”) issued three site certificates for three separate wind generation facilities located in

1 North Central Oregon under Final Order on Amendment #1 dated September 11, 2009
2 (“September 11, 2009, Council Order”).

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

7 15. The Horseshoe Bend Wind, LLC facilities are located entirely in the
8 Cooperative’s exclusive service territory. A true copy of the legal description of boundaries of
9 the Shepherds Flat South wind project held by Horseshoe Bend Wind, LLC, is attached hereto as
10 **Exhibit 2** and fully incorporated herein by this reference.

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

15 17. The North Hurlburt Wind, LLC facilities are located entirely in Pacific Power’s
16 exclusive service territory. A true copy of the legal description of boundaries of the Shepherds
17 Flat North wind project held by North Hurlburt Wind, LLC, is attached hereto as **Exhibit 4** and
18 fully incorporated herein by this reference.

19 18. Caithness Shepherd Flat, LLC owns North Hurlburt Wind, LLC, South Hurlburt
20 Wind, LLC and Horseshoe Bend Wind, LLC. Caithness Shepherds Flat, LLC does not directly
21 own any physical electric facilities associated with the three wind projects at issue in this
22 proceeding.

23 19. On or about July 23, 2012, Pacific Power notified the Cooperative via email that
24 Pacific Power was in a contractual relationship to supply electric power to the three wind
25 projects. A true copy of the email from Pacific Power is attached hereto as **Exhibit 5** fully
26 incorporated herein by this reference.

1 20. On or about January 15, 2013, Pacific Power informed the Cooperative that its
2 contract to supply power to the three wind Projects would remain in place and Pacific Power
3 would revisit its decision to provide service to the three wind projects when the current contract
4 terminates. A true copy of the email from Pacific Power is attached hereto as **Exhibit 6** fully
5 incorporated herein by this reference.

6 21. On or about June 14, 2013, a representative of the three wind projects informed
7 the Cooperative that North Hurlburt Wind, LLC purchases retail electric power from Pacific
8 Power for electric service to South Hurlburt Wind, LLC (dba Central Shepherds Flat project) and
9 to Horseshoe Bend Wind, LLC (dba South Shepherds Flat project). According to that
10 correspondence, Pacific Power serves one hundred percent of the load for the three wind
11 projects. A true copy of the email is attached hereto as **Exhibit 7** fully incorporated herein by
12 this reference.

13 22. Pacific Power identifies Caithness Shepherds Flat, LLC as the entity that
14 purchases power from Pacific Power on behalf of all three wind projects.

15 23. Pacific Power sells power to Caithness Shepherds Flat, LLC under Pacific
16 Power's rate schedule 47 and aggregates the entire energy and capacity demand of all three
17 projects as if they are one entity with a single load.

18 24. Pacific Power offered to provide electric utility service into the Cooperative's
19 exclusive service territory in spite of its knowledge that part of South Hurlburt Wind, LLC
20 project facilities and all of Horseshoe Bend Wind, LLC's project facilities were located in the
21 Cooperative's exclusive service territory.

22 25. Caithness Shepherds Flat, LLC redistributes the power from Pacific Power to the
23 three wind projects at the Slatt Substation. The three wind projects then receive that power and
24 transmit the power via jointly owned transmission facilities to separately owned collector
25 substations for each wind project. The collector substation for each project is located within the
26 perimeter of each project's boundary.

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2 26. North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend
3 Wind, LLC have entered into a shared facilities agreement whereby the three wind projects
4 jointly own and operate transmission facilities that are used to transmit and distribute electric
5 power provided by Pacific Power, via the power sale to Caithness Shepherds Flat, LLC, into, and
6 in, the Cooperative's exclusive service territory for the purpose of providing electric utility
7 service to South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC.
8

9 **LEGAL CLAIMS**

10 **Complainant's First Claim for Relief**

11 **Pacific Power's Violation of ORS 758.450(2)**

12 27. The Cooperative re-alleges paragraphs 1-26.

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

15 29. Pacific Power's action of providing electric utility service to the Horseshoe Bend
16 Wind, LLC for the Shepherds Flat South wind project, which is located entirely in the
17 Cooperative exclusive service territory, via its sale of retail power to Caithness Shepherds Flat,
18 LLC, violates O.R.S. § 758.450 and the Cooperative's right to provide exclusive electric utility
19 service in its allocated service territory.

20 30. Pacific Power's action of offering and providing electric utility service to the
21 South Hurlburt Wind, LLC for the Shepherds Flat Central wind project, to the extent the
22 Shepherds Flat Central wind project lies within the Cooperative's exclusive territory, via Pacific
23 Power's sale of retail power to Caithness Shepherds Flat, LLC, violates O.R.S. § 758.450 and the
24 Cooperative's rights to provide exclusive electric utility service in its allocated service territory.

25 31. Pacific Power's actions of offering and providing electric utility service to South
26 Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC, via a power sale to Caithness Shepherds

1 Flat, LLC, have harmed the Cooperative's economic interests by precluding the Cooperative
2 from providing utility service to, and obtaining power sale revenues, from the Wind Farms had
3 the Cooperative served those loads.

4 32. Pacific Power's actions in selling power to Caithness Shepherds Flat, LLC for
5 redistribution to South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC for station power
6 service are the result of gross negligence or willful misconduct.

7
8 **Complainant's Second Claim for Relief**

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

10 33. The Cooperative re-alleges paragraphs 1- 32.

11 34. In Order No. 38089, the Commission approved the Cooperative's application "for
12 the allocation of territory within which to provide electric utility service as exclusively served
13 territory" for the territory described in the Order.

14 35. Pacific Power actions of offering and providing utility service into the
15 Cooperative's exclusive service territory, via the sale of retail power to Caithness Shepherds
16 Flat, LLC for redistribution to South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC,
17 violates the Commission's Order No. 38089 to the extent they are located in the Cooperative's
18 exclusive service territory as described in that Order.

19 36. Pacific Power's actions in selling power to Caithness Shepherds Flat, LLC for
20 redistribution to South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC for station power
21 service are the result of gross negligence or willful misconduct.

22
23 **Complainant's Third Claim for Relief**

24 **Caithness Shepherds Flat, LLC's Violation of the Cooperative's Exclusive Service
25 Territory Under ORS 758.450(2)**

26 37. The Cooperative re-alleges paragraphs 1- 36.

1 38. Under Oregon law, no person “shall offer, construct, or extend utility service in or
2 into and allocated service territory.” O.R.S. § 758.450(2).

3 39. Caithness Shepherds Flat, LLC’s action of providing electrical utility service to
4 the Horseshoe Bend Wind, LLC for the Shepherds Flat South wind project, which is located
5 entirely in the Cooperative exclusive service territory, via its purchase, resale, and redelivery of
6 retail power from Pacific Power, violates O.R.S. § 758.450 and the Cooperative’s right to
7 provide exclusive electric service in its allocated service territory.

8 40. Caithness Shepherds Flat, LLC’s action of offering and providing utility service
9 to the South Hurlburt Wind, LLC for the Shepherds Flat Central wind project, to the extent
10 certain facilities owned by Shepherds Flat Central wind project are within the Cooperative’s
11 exclusive territory, via its purchase, resale, and redelivery of retail power from PacifiCorp,
12 violates O.R.S. § 758.450 and the Cooperative’s rights to provide exclusive electric service in its
13 allocated service territory.

14 41. Caithness Shepherds Flat, LLC’s actions of offering and providing utility service
15 to the South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC with retail electric power it
16 purchased from Pacific Power have harmed the Cooperative’s economic interests by precluding
17 the Cooperative from obtaining power sale revenues from those two wind farms had the
18 Cooperative served those loads.

19
20 **Complainant’s Fourth Claim for Relief**

21 **Caithness Shepherds Flat, LLC Failed to Comply with Commission Order No. 38089**

22 42. The Cooperative re-alleges paragraphs 1- 41.

23 43. In Order No. 38089, the Commission approved the Cooperative’s application “for
24 the allocation of territory within which to provide electric utility service as exclusively served
25 territory” for the territory described in the Order.
26

1 44. Caithness Shepherds Flat, LLC's actions of offering and providing utility service
2 to South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC violate the Commission's Order
3 No. 38089.

4
5 **Complainant's Fifth Claim for Relief**

6 **North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC**
7 **Violation of the Cooperative's Exclusive Service Territory**
8 **Under ORS 758.450(2)**

9 45. The Cooperative re-alleges paragraphs 1-44.

10 46. Under Oregon law, no person "shall offer, construct, or extend utility service in or
11 into and allocated service territory." O.R.S. § 758.450(2).

12 47. North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend
13 Wind, LLC own undivided interests in transmission facilities that they use to distribute power,
14 via a power sale from Pacific Power to Caithness Shepherds Flat, LLC, to South Hurlburt Wind,
15 LLC and Horseshoe Bend Wind, LLC.

16 48. North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend
17 Wind, LLC entered into an agreement whereby they jointly own and operate various
18 transmission facilities that are used, in part, to distribute electric power, via a power sale from
19 Pacific Power to Caithness Shepherds Flat, LLC, to South Hurlburt Wind, LLC and Horseshoe
20 Bend Wind, LLC.

21 49. The North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend
22 Wind, LLC have created an unincorporated association, in conjunction with Caithness Shepherds
23 Flat, LLC, which has been used to provide utility service into, and in, the Cooperative's
24 exclusive service territory in violation of O.R.S. § 758.450.

25 50. The joint actions of North Hurlburt Wind, LLC, South Hurlburt Wind, LLC, and
26 Horseshoe Bend Wind, LLC as an unincorporated association, in conjunction with Caithness
Shepherds Flat, LLC, have harmed the Cooperative's economic interests.

1 **Complainant's Sixth Claim for Relief**

2 **North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and**
3 **Horseshoe Bend Wind, LLC Violation of Commission Order No. 38089**

4 51. The Cooperative re-alleges paragraphs 1-50.

5 52. In Order No. 38089, the Commission approved the Cooperative's application "for
6 the allocation of territory within which to provide electric utility service as exclusively served
7 territory" for the territory described in the Order.

8 53. North Hurlburt Wind, LLC, South Hurlburt Wind, LLC, and Horseshoe Bend
9 Wind, LLC's joint actions of providing utility service in, and into, the Cooperative's exclusive
10 service territory violate the Commission's Order No. 38089.

11 **PRAYER FOR RELIEF**

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

13 1. Finding that Pacific Power is in violation of O.R.S § 758.450(2) for its past and
14 continuing actions of offering and providing electric utility service into the Cooperative's
15 exclusive service territory.

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

17 3. Enjoining any and all actions by Pacific Power concerning its offering and
18 providing electric utility service into the Cooperative's exclusive service territory.

19 4. Instituting penalties under O.R.S. § 756.990 and O.R.S. § 756.185, including
20 awarding the Cooperative compensation for its attorney fees and treble damages, with penalties
21 passed on to PacifiCorp's shareholders, not Pacific Power's ratepayers, for violation of O.R.S. §
22 758.450(2) and Commission Order No. 38089.

23 5. Finding that North Hurlburt Wind, LLC is in violation of O.R.S. § 758.450(2) for
24 its past and continuing actions of offering and providing electric utility service into, and in, the
25 Cooperative's exclusive service territory.
26

1 6. Finding that North Hurlburt Wind, LLC is in violation of Commission Order No.
2 38089.

3 7. Enjoining any and all actions by North Hurlburt Wind, LLC concerning its
4 offering and providing electric utility service into, and in, the Cooperative's exclusive service
5 territory.

6 8. Instituting penalties under O.R.S. § 756.990 to North Hurlburt Wind, LLC for
7 violation of O.R.S. § 758.450(2) and Commission Order No. 38089.

8 9. Finding that South Hurlburt Wind, LLC is in violation of O.R.S. § 758.450(2) for
9 its past and continuing actions of offering and providing electric utility service into, and in, the
10 Cooperative's exclusive service territory.

11 10. Finding that South Hurlburt Wind, LLC is in violation of Commission Order No.
12 38089.

13 11. Enjoining any and all actions by South Hurlburt Wind, LLC concerning its
14 offering and providing electric utility service into, and in, the Cooperative's exclusive service
15 territory.

16 12. Instituting penalties under O.R.S. § 756.990 to South Hurlburt Wind, LLC for
17 violation of O.R.S. § 758.450(2) and Commission Order No. 38089.

18 13. Finding that Horseshoe Bend Wind, LLC is in violation of Oregon law for its past
19 and continuing actions of offering and providing electric utility service into, and in, the
20 Cooperative's exclusive service territory.

21 14. Finding that Horseshoe Bend Wind, LLC is in violation of Commission Order No.
22 38089.

23 15. Enjoining any and all actions by Horseshoe Bend Wind, LLC concerning its
24 offering and providing electric utility service into, and in, the Cooperative's exclusive service
25 territory.

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 #38089

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, 1961

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.

Order #38089

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 27th 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 #36107

**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 7th 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 1,152.60 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

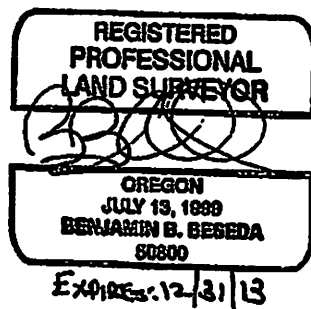
with the East line of Government Lot 4, said Section 30; thence leaving said Northerly right-of-way line, North 65°54'20" West 738.46 feet; thence North 75°10'29" West 1,359.09 feet; thence North 46°29'37" West 2,035.70 feet; thence North 44°17'17" West 1,112.98 feet; thence North 47°52'44" West 2,028.92 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.050.m



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.

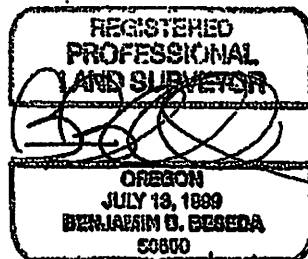
Excepting therefrom the following described tract of land:

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.049sm

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 Caithness 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 Caithness that it supports a change in suppliers?

Thanks,
Michelle

EXHIBIT

5

tabbles

Jerry Healy

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 Calthness will remain in place and CBEC and Pacific Power can revisit backup service to Calthness when the current contract terminates.

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

Thanks very much,
Michelle

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 15th.

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: 503.280.3626
Mobile: 503.708.1341



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); Jeffrey J. Delgado (idelgado@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

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 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. UM 1670
COOPERATIVE, INC. an Oregon)
9 cooperative corporation) DECLARATION OF RAYMOND S.
Complainant,) KINDLEY IN SUPPORT OF COLUMBIA
10 vs.) BASIN ELECTRIC COOPERATIVE, INC'S
PACIFICORP, dba Pacific Power, an) MOTION TO AMEND COMPLAINT
11 Oregon business corporation,)
12 Defendant,)
13 NORTH HURLBURT WIND, LLC, a)
foreign limited liability company,)
14 Defendant,)
15 SOUTH HURLBURT WIND, LLC, a)
foreign limited liability company,)
16 Defendant,)
17)
Horseshoe Bend Wind, LLC, a)
18 foreign limited liability company,)
19 Defendant,)
and)
20 Caithness Shepherds Flat, LLC, a)
foreign limited liability company,)
21 Defendant.)

22
23 I, Raymond S. Kindley, do declare the following if called to testify, would and could
24 completely testify thereto:

- 25 1. I am over age of 18, and make this Declaration based upon personal knowledge.
26 2. I am an attorney at the law firm of Kindley Law, P.C., in Oregon City, Oregon,

1 and I am the attorney of record for Columbia Basin Electric Cooperative, Inc. (the
2 “Cooperative”) in the above captioned docket before the Public Utility Commission of Oregon
3 (“OPUC”).

4 3. True and correct copies of several of Defendant’s Pacific Power’s Responses to
5 the Cooperative’s Data Requests in this docket are attached as Exhibit 1 to this Declaration.

6 4. True and correct copy of Defendant’s North Hurlburt Wind, LLC’s cover letter
7 for its joint filing with South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC at the
8 Federal Energy Regulatory Commission (“FERC”) of their Shared Facilities Agreement and
9 Request for Waivers in FERC Docket No. ER11-3381-000 is attached as Exhibit 2 to this
10 Declaration.

11
12 DATED this 26th day of March 2014.

13 **KINDLEY LAW PC**

14 By /s/ Raymond S. Kindley
15 RAYMOND S. KINDLEY, OSB 964910
16 Email: kindleylaw@comcast.net
17 Tel: (503) 206-1010
18 Attorney for Columbia Basin Electric
19 Cooperative, Inc.
20
21
22
23
24
25
26

EXHIBIT 1

**OF DECLARATION OF RAYMOND S. KINDLEY
IN SUPPORT OF COLUMBIA BASIN ELECTRIC COOPERATIVE INC.S'
MOTION TO AMEND COMPLAINT**

UM 1670/PacifiCorp
November 21, 2013
CBEC Data Request 8

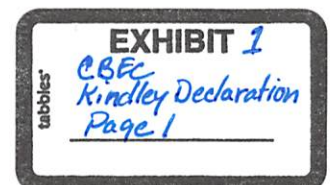
CBEC Data Request 8

Please provide the full and accurate legal name of the entity (or entities) that purchases power directly from Pacific Power for station power service of each wind project, North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC and copies of any contracts with such entity (or entities) for such electrical service to each wind project.

Response to CBEC Data Request 8

The name of the entity that purchases power from Pacific Power is Caithness Shepherds Flat, LLC. Please see Confidential Attachment CBEC 8 for a copy of the Electric Service Agreement with Caithness Shepherds Flat, LLC.

The confidential attachment is designated as confidential under Order No. 13-426 and may only be disclosed to qualified persons as defined in that order.



UM 1670/PacifiCorp
November 21, 2013
CBEC Data Request 9

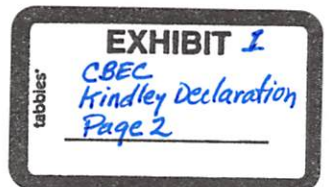
CBEC Data Request 9

Please provide copies of all communications, documents, notes of any communications and any other information relating to any communications concerning Pacific Power's offer to aggregate the loads of all three wind projects, North Hurlburt Wind, LLC, South Hurlburt Wind, LLC and Horseshoe Bend Wind, LLC, for billing purposes.

Response to CBE Data Request 9

The Company objects to this request as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving these objections, the Company responds as follows:

Please refer to Attachment CBE 9 for a copy of informal, internal meeting notes taken by the Company during an August 5, 2010 meeting with BPA and Caithness.



Meeting Notes Pacific Power, BPA, and Calthness Development regarding Shepherds Flat Wind Farm

Attendees

Pacific Power

Vince Crawford, Tom Eyford, Bob Simpson, Bob McCarthy, Les Bahls, Chuck Phinney

Calthness Development, LLC

Derrel Grant, John Cameron

BPA

Ken Johnston, Eric Taylor, Angela DeClerk

Vince gave the background on the definition of station service, and backup service, our typical expected demand for backup service, the details of the service territory issues with serving the backup service, and the precedents that have already been set in situations similar to Shepherds Flat.

It was clear that any service territory disputes may have to go to debate and resolution from OPUC.

Vince explained the Pacific Power position that the backup service to the North, Central and South projects will be taken at one point of delivery at Slatt Substation and that Slatt Sub is in our service territory. He recommended that the customer apply for service for the entire backup load at Slatt Sub.

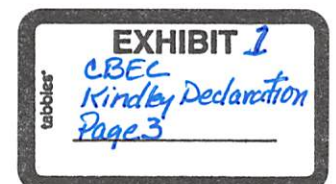
The customer asked about the process if Columbia Basin disputes service to the South project since it is in their service territory. Vince explained the process with the PUC.

Angela stated that she believes that Columbia Basin will dispute the service territory issue if we serve backup service to all three sites.

The customer asked if the service territory policy that we are proposing has been blessed by the PUC. Vince explained that it has been set by precedent within Pacific Power, but not a PUC ruling.

The customer indicated that it is their desire that resolution of any disputes have no impact on their construction time.

The group discussed the methodology of how Pacific Power interfaces with BPA to request capacity and the ability to split the request into separate blocks for the North, Central, and South projects. Vince explained that we need the customer to make the request for the load and provide the amount, and timing. The customer will have bi-directional, revenue quality metering at the collector substation in each section of the project.



Derrel and John explained that they have made concessions to local officials as part of their permitting process to support local businesses. John asked if Pacific Power could serve the North and Central projects and Columbia Basin could serve the South project.

Vince and Tom explained the issues regarding change of ownership of the transmission system, and stated that if Columbia Basin were to build a separate transmission line from Slatt Substation to the South project, they could meter the load in their service territory. BPA indicated that Columbia Basin would not be interested in being in the transmission business.

John asked if we could get a declarative statement from the OPUC. Vince and Tom indicated that we would only get a ruling if Columbia Basin filed a protest with the PUC.

Vince, Tom, and Bob went over a similar scenario at Jones Canyon where multiple entities are served from one source. John stated that the North, Central, and South projects are all separate entities.

The ability of the customer to request service from Pacific Power for the North and Central projects and from Columbia Basin for the South project was discussed. Pacific Power indicated that we would object on the grounds of protecting our service territory and go to the PUC.

John felt that this situation could be considered a special case and not affect the precedents already set for protection of service territory.

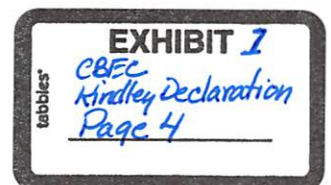
It was questioned whether the BPA metering at Slatt Sub was revenue quality. Bob Simpson explained our metering requirements and the ability of our metering to interface with BPA metering at Slatt Sub.

A discussion was held regarding the customers ability to request service at each collector substation and have the billing adjusted for losses back to Slatt Sub. In this case both Pacific Power and Columbia Basin would be requesting capacity from BPA.

Bob McCarthy explained rate Schedule 47 and discussed the customer's ability to increase or decrease their demand thresholds during the contract year. The contractual process was explained. Pacific Power will provide John with the proper toll free number for Caithness to use to request service.

It was decided that the issue will need to be escalated within Pacific Power to obtain direction on the issue of service territory protection. The customer will call and request service to the North and Central projects with Pacific Power.

Other issues discussed were the alternate feed for station service at the substations. We told the customer that these requests were in process, and that Columbia Basin would need to request service for the alternate feed to the South Substation.



UM 1670/PacifiCorp
November 21, 2013
CBEC Data Request 17

CBEC Data Request 17

Please provide legal name of the entity or entities to which Pacific Power sends its invoices for power sold by Pacific Power that is ultimately used by the three wind projects, North Hurlburt Wind, LLC, South Hurlburt Wind, LLC, and Horseshoe Bend, LLC for power-station service.

Response to CBEC Data Request 17

Caithness Shepherds Flat, LLC.

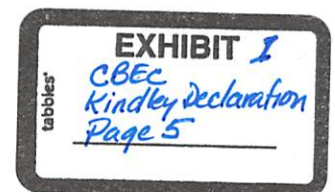


EXHIBIT 2

**OF DECLARATION OF RAYMOND S. KINDLEY
IN SUPPORT OF COLUMBIA BASIN ELECTRIC COOPERATIVE INC.S'
MOTION TO AMEND COMPLAINT**



Suite 800
1919 Pennsylvania Avenue NW
Washington, DC 20006-3401

Brian R. Gish
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April 18, 2011

VIA ELECTRONIC TARIFF FILING

Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Horseshoe Bend Wind, LLC
North Hurlburt Wind, LLC
South Hurlburt Wind, LLC

Filing of Shared Facilities Agreement and Request for Waivers
Docket Nos. ER11-_____, OA11-_____, and TS11-_____

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act ("FPA"), 16 U.S.C. 824d, Part 35 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") regulations, 18 C.F.R. Part 35 (2010), and Order No. 714,¹ Horseshoe Bend Wind, LLC ("Horseshoe Bend"), on behalf of itself, North Hurlburt Wind, LLC ("North Hurlburt"), and South Hurlburt Wind, LLC ("South Hurlburt," and together with Horseshoe Bend and North Hurlburt, the "Shepherds Flat Companies") hereby submits for filing the "Shepherds Flat Wind Project Shared Facilities Agreement (FERC)" ("SFA").

For purposes of Order No. 714's filing requirements, Horseshoe Bend is the designated filer of this joint filing.² South Hurlburt and North Hurlburt concur in this filing as evidenced by their execution of the SFA, and also will each file a separate concurrence. The Shepherds Flat Companies request an effective date of June 17, 2011.

The Shepherds Flat Companies also request herein waivers of the Open Access Transmission Tariff ("OATT") requirements of Order No. 888 and 890, and other FERC transmission-related regulatory requirements that might otherwise be applicable with respect to facilities to be owned and operated by the Shepherds Flat Companies.

¹ *Electronic Tariff Filings*, Order No. 714, 73 Fed. Reg. 57515, FERC Stats. & Regs. ¶ 31, 276 (2008).

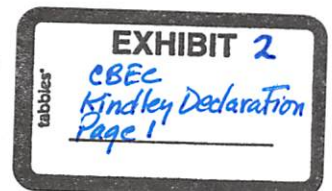
² *Id.* at P 63.

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April 18, 2011
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. This filing consists of the following:

- 1) this transmittal letter in PDF format;
- 2) The SFA, including First Amendment thereto, in PDF format;
- 3) The SFA submitted as an eTariff.

I. COMMUNICATIONS

All communications and service related to this filing should be directed to the following:

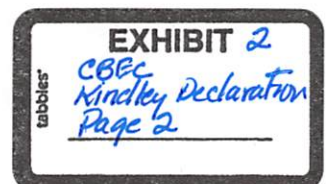
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II. BACKGROUND

A. The Shepherds Flat Companies

Each of the Shepherds Flat Companies is a Delaware limited liability company, and all of the membership interests of each are owned by Caithness Shepherds Flat, LLC ("CSF"), which is also a Delaware limited liability company. All of the Class B membership interests of CSF are owned by Caithness Northwestern Wind, LLC ("Caithness Northwestern"), which is wholly owned by Caithness Energy, L.L.C. ("Caithness Energy"). Caithness Energy is a Delaware limited liability company engaged through its subsidiaries in the development, ownership and operation of power generation facilities. Caithness Northwestern is the Managing Member of CSF, with the authority to conduct all business operations and has overall management control over the company. The Class A membership interests of CSF are passive investment interests with no day-to-day operational control over the business of selling electricity, as described in Applications for market-based rates being filed concurrently herewith by each of the Shepherds Flat Companies.

B. Shepherds Flat Wind Facility

Each of the Shepherds Flat Companies is developing a separate phase of the 845-MW Shepherds Flat wind-energy generation facility in the eastern Oregon counties of Gilliam and Morrow. Each phase has been authorized for construction and operation under a separate site certificate issued by the Oregon Energy Facility Siting Council ("Oregon EFSC") pursuant to ORS 469.450-469.520. Financing of each Shepherds Flat phase has been aided by a loan-guarantee from the U.S. Department of Energy under the loan-guarantee program authorized by Title XVII of the Energy Policy Act of 2005.

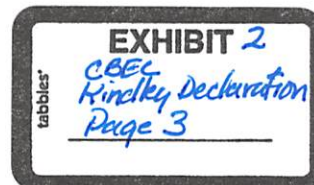
Horseshoe Bend is the owner of the "Shepherds Flat South" phase,³ which will consist of 116 General Electric ("GE") wind turbines with a nameplate capacity of 2.5 MW each. The maximum peak generating capacity of Shepherds Flat South currently authorized under its Oregon EFSC site certificate of March 10, 2010, is 290 MW.

"Shepherds Flat Central," owned by South Hurlburt, has an electrical capacity that is the same as Shepherds Flat South, with another 116 GE turbines with total nameplate capacity of 290 MW. The site certificate for this phase was also issued by Oregon EFSC on March 10, 2010.

North Hurlburt owns the "Shepherds Flat North" phase, slightly smaller than these other two phases and consisting of 106 wind generators with a 265 MW total nameplate capacity.⁴ The site certificate for this phase was also issued on March 10, 2010.

³ Sometimes identified in various project development documents as the "Horseshoe Phase."

⁴ The combined capacity for the three projects of 845 MW represents the interconnection requests submitted for the Projects. However, some or all of the Companies may increase their capacity such that the total capacity of the Projects may be as high as 1,014 MW.



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The total output of each of these three phases (including any upgrades) has been sold to Southern California Edison Company ("SCE") under three separate 20-year power purchase agreements. Each of the Shepherds Flat Companies is an Exempt Wholesale Generator ("EWG").⁵ As mentioned above, each is also filing a market-based rate tariff concurrently with the present filing.

Test power from the first phase to be constructed, Shepherds Flat North, is anticipated in August, 2011. Completion of all three phases is anticipated by the end of 2012.

Bonneville Power Administration ("BPA") is the transmission provider for all three phases. North Hurlburt, South Hurlburt and Horseshoe Bend have each executed a Large Generator Interconnection Agreement ("LGIA") with BPA. Each of these three LGIAs specify the same "point of interconnection" within BPA's new Slatt Substation that is nearing completion as of the date of this filing.

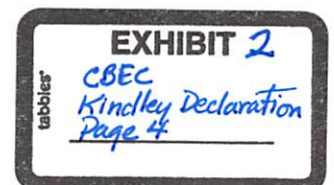
Output from each of these three phases of project development will reach BPA's Slatt Substation by means of a combination of individually owned and jointly owned connector facilities. Each phase will have its individually owned 34.5-kV collecting lines and a 34.5/230-kV substation. From the high-side of these three 34.5/230-kV substations, output from each phase will be collected over jointly owned collector facilities consisting of two 230-kV lines, each of approximately 4½ miles in length, a 230-kV three-ring power circuit breaker ring bus, and two additional 230-kV lines connecting the other side of the ring bus to the adjacent Slatt Substation. North Hurlburt, South Hurlburt and Horseshoe Bend each have an undivided ownership interest in these jointly owned connector facilities, which are designated as the "Shared Facilities" in the SFA submitted as part of this filing. These Shared Facilities constitute the "interconnection customer's interconnection facilities" specified in the LGIA between each Shepherds Flat Company and BPA.

C. The Saddle Butte Phase Of Project Development

Saddle Butte Wind, LLC ("Saddle Butte"), another affiliate of Caithness Energy, is planning a 565 MW wind farm, a fourth phase of development of the wind resources in an area that would be located on land adjacent to Shepherds Flat South. Saddle Butte is at an earlier stage of development than the projects being developed by the Shepherds Flat Companies. It has not yet received a site certificate from Oregon EFSC. Saddle Butte has requested, but not yet been offered, an LGIA from BPA.

Anticipating construction of the Saddle Butte phase of development, the Shared Facilities have been sized to accommodate the connection of Saddle Butte's 565 MW of capacity to BPA's Slatt Substation. This anticipatory over-sizing of the Shared Facilities is intended to minimize capital costs, construction costs and environmental impacts associated with the connection of all four development phases to the BPA transmission network.

⁵ See Docket Nos. EG09-82-000, EG09-83-000, and EG09-84-000.



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III. THE SHARED FACILITIES AGREEMENT

The Shepherds Flat Companies are each a party to the SFA and a "Co-Tenant" thereunder. The geographic proximity of the three phases to each other (and ultimately the Saddle Butte phase as well) makes it more economically efficient to share rather than duplicate the "Shared Facilities." Another party to the SFA, but not a Co-Tenant, is the Manager, who is initially designated as Shepherds Flat Management, LLC, a Delaware limited liability company. The Manager does not have any ownership interests under the SFA, and will not engage in any jurisdictional sales or activities. The Manager is an independent contractor of the Co-Tenants given specific duties related to the administration, operation, and maintenance of the Shared Facilities, as well as other shared assets.⁶

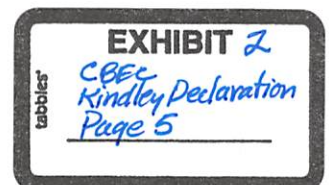
Under the SFA, each Co-Tenant will own an undivided tenancy in common interest in the Shared Facilities according to its respective "Percentage Interest." The SFA provides for Percentage Interests in proportion to the anticipated nameplate capacity of each of the first three phases of projects development, so that Horseshoe Bend and South Hurlburt would each have an approximate 34% interest and North Hurlburt would have an approximate 31% interest. All construction costs and operating expenses will be shared by the Co-Tenants in proportion to their Percentage Interest.

Each Co-Tenant has the right to use the hourly, bi-directional transfer capacity of the Shared Facilities, up to its Percentage Interest, as necessary to: (a) transmit to the Point of Interconnection the full electrical output of its project for and during that hour, and (b) receive all back-up and station-service power made available to it at the LGIA "Point of Interconnection" for and during that hour. Anticipating the intermittent nature of wind-energy generation, each Co-Tenant's share of transfer capacity in excess of its actual hourly requirements shall be available for use by the other Co-Tenants during and for that hour.

The SFA explicitly states that usage rights in the Shared Facilities constitute the rights of undivided joint-ownership for the purpose of optimizing the utilization of capital and electrical interconnection facilities, and minimizing the potential waste of renewable electric energy associated with potential intermittent over-generation at any Project. The SFA does not provide for services by any Party to any other Party either with or without compensation.

Saddle Butte is not an original signatory to the SFA because it has not yet received a site certificate from Oregon EFSC. Instead, the Co-Tenants and Saddle Butte have entered into an Option Agreement, whereby the Co-Tenants have granted to Saddle Butte an option to acquire an undivided interest in the Shared Facilities to enable Saddle Butte to use the remaining capacity of the Shared Facilities for the purpose of connecting the fourth phase of project development to the BPA transmission system.

⁶ The Shepherds Flat Companies are also sharing certain real estate, easements, leases and rights that are not subject to the Commission's jurisdiction.



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The SFA contains no jurisdictional rates or charges, and no jurisdictional services are to be offered or performed under the SFA. No payments will be made among Co-Tenants other than to reimburse shared construction costs and expenses that might have been advanced by one of the Co-Tenants on behalf of the others. It is arguable that the SFA is not the type of document that needs to be filed with the Commission under section 205 of the FPA because of the absence of jurisdictional services therein. The Shared Facilities are very limited interconnection facilities consisting of a ring bus and less than five miles of transmission lines. They are not part of an integrated grid nor are they intended to be used to serve entities that are not Co-Tenants. The Shepherds Flat Companies submit the SFA for filing out of an abundance of caution and to facilitate financing. The SFA has terms comparable to other shared facilities agreements that the Commission has accepted,⁷ and the Shepherds Flat Companies ask that the Commission accept the SFA for filing as of the requested effective date.

IV. REQUEST FOR WAIVERS OF REQUIREMENTS APPLICABLE TO TRANSMISSION PROVIDERS

The Shepherds Flat Companies request waiver of FERC's transmission-related regulatory requirements otherwise applicable to any of their facilities. Specifically, the Companies request waiver of Order Nos. 717, 888, 889, 890, 2003, and 2004, and any other regulatory requirements that FERC imposes on owners and operators of transmission facilities and on transmission providers.

The only transmission facilities that the Shepherds Flat Companies will own are in the nature of "generator lead lines" that are not integrated with the grid and merely connect a generating unit and a substation.⁸ In the past, the Commission has held that shared generator tie lines were not subject to its transmission jurisdiction.⁹ In more recent orders, however, the Commission has taken the position that the fact that a line may be a generator lead line does not exempt it from open access transmission requirements.¹⁰ Hence, many owners of generator lead lines have been requesting, and the Commission has been granting, waivers of open access and other requirements applicable to transmission providers. The Shepherds Flat Companies request waiver here to be consistent with recent Commission practice.

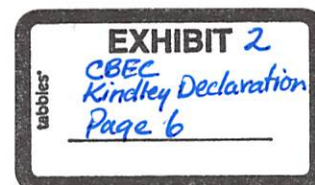
The Commission's standards for granting waivers of Order No. 888 are set forth in *Black Creek Hydro, Inc.*, 77 FERC ¶ 61,232 (1996). The Commission there explained that it would grant waivers to public utilities "that can show that they own, operate, or control only limited and

⁷ See, e.g., *Goshen Phase II, LLC*, 133 FERC ¶ 61,090 (2010); *Evergreen Wind Power V, LLC*, 131 FERC ¶ 61,239 (2010).

⁸ *NorthWestern Corporation*, 127 FERC ¶ 61,266 at P 27 (2009) ("Traditionally, generator lead lines (also known as generation-tie facilities) consist of "limited and discrete facilities" that do not form an integrated transmission grid, but instead connect at two points—a generating unit and a substation—without any electrical breaks between the two points.")

⁹ *Sagebrush*, 103 FERC ¶ 61,300 at P 12 (2003).

¹⁰ See, e.g., *Milford Wind Corridor, LLC*, 129 FERC ¶ 61,149 at P 24 (2009).



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discrete transmission facilities (facilities that do not form a part of the integrated transmission grid)....” The Commission has also applied this “limited and discrete facilities” standard to requests for waivers of Order Nos. 889, 890, and 2004. Additionally, the Commission has applied a “small utilities” standard under which it will grant waivers for Order Nos. 889 and 2004.¹¹

The transmission facilities each Shepherds Flat Company will own are “limited and discrete.” They will own an undivided interest in the Shared Facilities described above, consisting of a 230 kV ring bus and two 4.5 mile 230 kV lines. Each Company will also individually own certain 34.5 kV collecting lines and a 34.5/230 kV switchyard necessary to connect the generators to the Shared Facilities. None of these facilities are designed or intended to be used to transmit power for any entity other than the Shepherds Flat Companies.

Moreover, each of the Shepherds Flat Companies will be a small public utility as defined in *Black Creek Hydro*, and thus entitled to waivers of Order Nos. 889 and 2004 on that basis alone. Even if each of the Shepherds Flat Companies generated its full nameplate capacity every hour of the year, each would generate under the 4 million MWh threshold that qualifies a utility as “small.”¹²

For the foregoing reasons, the Shepherds Flat Companies request that the Commission waive for each of them the requirements of Order Nos. 717, 888, 889, 890, 2003, and 2004, and any other regulatory requirements that FERC imposes on owners and operators of transmission facilities and on transmission providers. Such waiver would be consistent with Commission precedent in other cases with similar facts.¹³

V. OTHER FILING REQUIREMENTS UNDER SECTION 18 C.F.R. § 35.12

1. Copies of this filing have been mailed to:

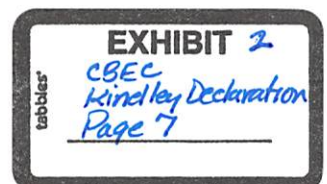
Public Utility Commission of Oregon
550 Capitol St NE #215
PO Box 2148
Salem OR 97308-2148

2. Because the SFA contains no rates for jurisdictional activities, but only provides for reimbursement of shared costs advanced by one Co-Tenant on behalf of the others, there are no estimated annual revenues under the SFA.

¹¹ See *Black Creek Hydro* at 61,941; Order No. 2003, FERC Stats. and Regs. ¶ 31,146 at P 830 (2003); *FPL Energy Oliver Wind, LLC*, 123 FERC ¶ 61,246 at PP 10-11 (2008).

¹² See *Black Creek Hydro* at 61,941.

¹³ See, e.g., *Milford*, *supra*; *Goshen*, *supra*; *Evergreen*, *supra*; *Grand Ridge Energy*, 128 FERC ¶ 61,134 (2009); *FPL Energy Oliver Wind*, *supra*.



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3. All requisite agreements to the SFA have been obtained, as evidenced by the jointly executed Agreement.

VI. EFFECTIVE DATE

The Shepherds Flat Companies propose that the SFA become effective for FERC regulatory purposes on June 17, 2011.

Please contact the undersigned with any questions regarding this filing.

Very truly yours,

DAVIS WRIGHT TREMAINE LLP

/s/ Brian R. Gish

Brian R. Gish
John Cameron

Attorneys for Horseshoe Bend Wind, LLC,
North Hurlburt Wind, LLC, and South Hurlburt Wind, LLC

Enclosures

