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August 28, 2017

### VIA ELECTRONIC FILING

Attention: Filing Center Public Utility Commission of Oregon 201 High Street SE, Suite 100 Salem, Oregon 97301-3398 Re: Docket UM 1818 – Columbia Basin Electric Cooperative Inc.'s Opening Testimony of Thomas Wolff

Dear Filing Center:

Attached for filing in the above-captioned docket is a redacted version of Columbia Basin Electric Cooperative Inc.'s Opening Testimony of Thomas Wolff. Confidential copies will be sent via overnight delivery.

Please contact this office with any questions.

Very truly yours,

Alima Till

Alisha Till

## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

## UM 1818

Columbia Basin Electric Cooperative, Inc.

## **REDACTED Opening Testimony of Thomas Wolff**

August 28, 2017

CBEC/100 Witness: WOLFF

#### BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

## UM 1818

In the Matter of the Complaint of

COLUMBIA BASIN ELECTRIC COOPERATIVE, INC.,

against

UMATILLA ELECTRIC COOPERATIVE,

Pursuant to ORS 756.500.

### **OPENING TESTIMONY OF THOMAS WOLFF**

## COLUMBIA BASIN ELECTRIC COOPERATIVE

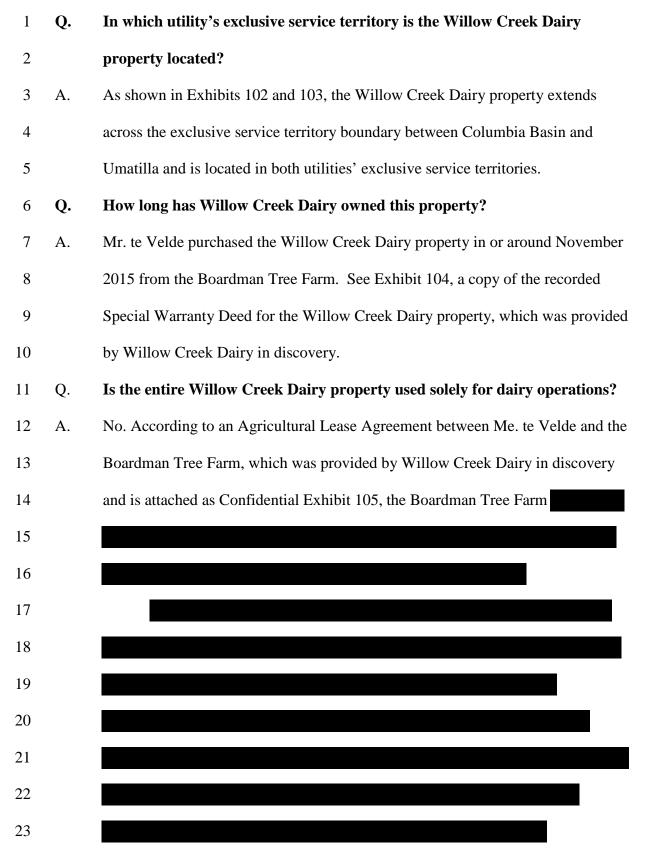
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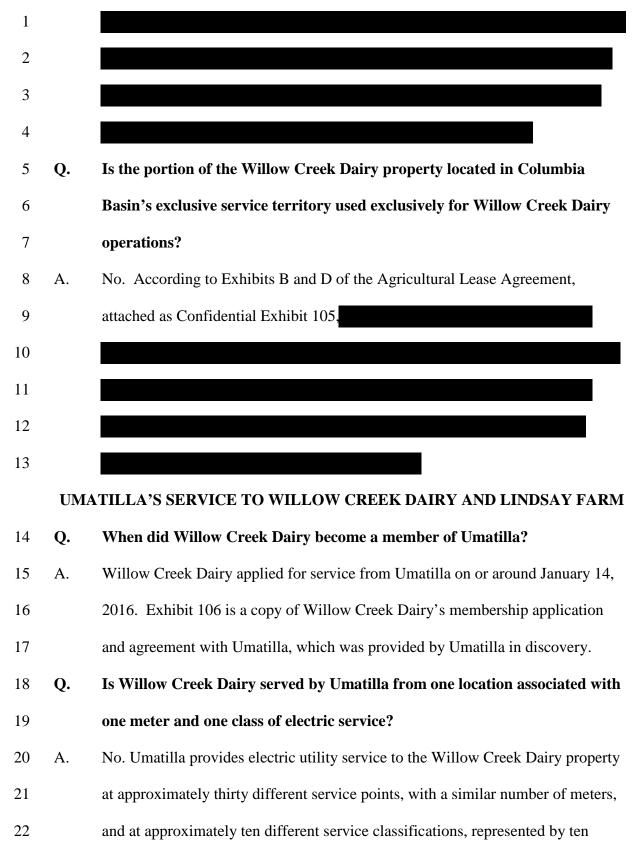
1		INTRODUCTION AND SUMMARY
2	Q.	Please state your name, business address, and position at Columbia Basin
3		Electric Cooperative ("Columbia Basin").
4	A.	My name is Thomas Wolff. My business address is 171 Linden Way, P.O. Box
5		398, Heppner, OR 97836. My current position at Columbia Basin is General
6		Manager.
7	Q.	Please summarize your educational background and experience.
8	A.	I received two Bachelor of Science degrees in Business Administration, one with
9		an emphasis in accounting and one with an emphasis in finance, from Oregon
10		State University in 1979. Prior to becoming General Manager at Columbia Basin,
11		I worked at Columbia Basin as its Manager of Finance and Administration. I am
12		also an Oregon licensed Certified Public Accountant.
13	Q.	What is the purpose of your testimony?
14	A.	My testimony is offered in support of Columbia Basin's Complaint to the Public
15		Utility Commission of Oregon ("Commission") against Umatilla Electric
16		Cooperative ("Umatilla"), which alleges that Umatilla is violating Oregon law by
17		providing utility service into Columbia Basin's exclusive service territory. The
18		purpose of my testimony is to explain the background, facts, and implications of
19		the service-territory violation.
20	Q.	Please summarize your testimony.
21	A.	My testimony describes the circumstances of Umatilla's violation of Columbia
22		Basin's exclusive service territory. I discuss how Umatilla offered and provides
23		utility service to Willow Creek Dairy for six irrigation circles that are located in

1	Columbia Basin's exclusive service territory. In spite of Columbia Basin's notice
2	to Umatilla of its violation of Columbia Basin's exclusive service territory,
3	Umatilla insists it will continue to provide utility service until it receives an Order
4	from the Commission.
5	Umatilla's service to the six irrigation circles is a clear violation of
6	Columbia Basin's exclusive service territory, allocated by this Commission.
7	Umatilla's only defense apparently is its claim that the six circles are part of a
8	unified load.
9	My testimony shows that Umatilla's service to the Willow Creek Dairy is
10	provided through approximately thirty different meters and ten different service
11	rates. Both the Willow Creek Dairy and the Boardman Tree Farm have large-
12	scale, independent, agricultural operations on the Willow Creek Dairy property-
13	the Boardman Tree Farm
14	Therefore, Umatilla
15	provides utility service on the Willow Creek Dairy property to both operations
16	and to several different types of loads, including industrial, commercial,
17	residential, and irrigation. Additionally, the irrigation system on the Willow
18	Creek Dairy property is used to supply water to an adjacent agricultural operation,
19	Lindsay Farm, which means that Umatilla's electric service to the irrigation
20	facilities on the Willow Creek Dairy property also supports Lindsay Farm's
21	operations.
22	Given all of the various loads served by the electric facilities on the
23	Willow Creek Dairy property, Umatilla's utility service to that property is not a

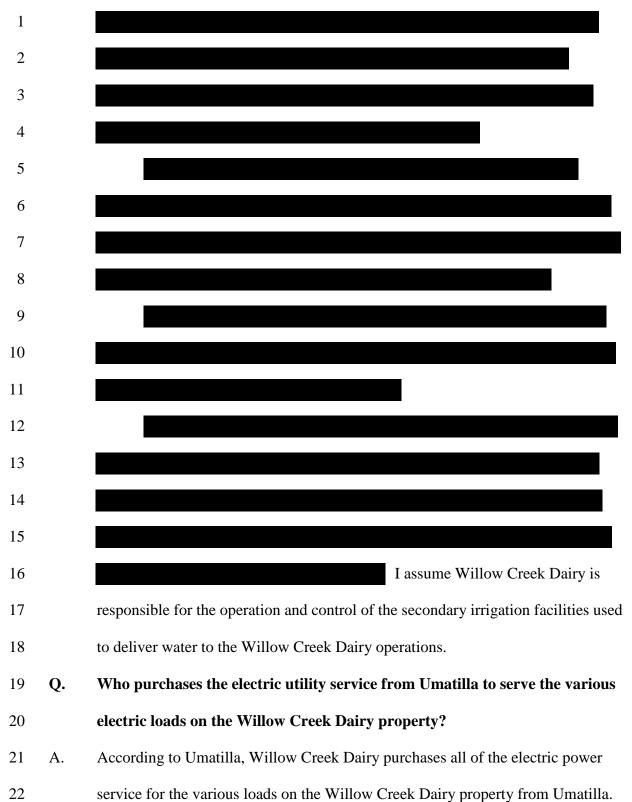
1		single, unified load. The multiple loads served by Umatilla on the Willow Creek
2		Dairy property counter Umatilla's argument that it has the right to provide utility
3		service into Columbia Basin's exclusive service territory.
		BACKGROUND
4	Q.	Please provide general background regarding Columbia Basin's history and
5		current service in Eastern Oregon.
6	А.	Columbia Basin's Articles of Association were signed in 1940, and it first
7		provided electric service in 1949. Columbia Basin is an electric cooperative,
8		organized under ORS Chapter 62. Columbia Basin provides service to more than
9		3,500 residential, commercial, industrial, and irrigation customers in Morrow,
10		Umatilla, Wheeler, Sherman, and Gilliam counties in Eastern Oregon.
11	Q.	Does Columbia Basin have an exclusive service territory allocated pursuant
12		to Oregon law?
13	А.	Yes, in 1961, the Oregon Public Utility Commissioner allocated an exclusive
14		service territory to Columbia Basin. A copy of the Commissioner's Order No.
15		38089 is attached as Exhibit 101.
16	Q.	Does Umatilla also have an allocated exclusive service territory in Eastern
17		Oregon?
18	А.	Yes, Umatilla provides electric service in Morrow, Umatilla, and Union counties.
19		Umatilla's exclusive service territory borders the northern and eastern edges of
20		Columbia Basin's exclusive service territory. Maps provided by Umatilla in
21		discovery, which depict the relevant portion of the boundary between the Umatilla

1		and Columbia Basin service territories and the Willow Creek Dairy property at
2		issue in this case, are attached as Exhibits 102 and 103.
3	Q.	Do Umatilla and Columbia Basin provide similar utility service?
4	A.	Yes. Both electric cooperatives serve residential, commercial, industrial, and
5		irrigation customers in Eastern Oregon.
6	Q.	From what actions do Columbia Basin's claims against Umatilla in UM 1818
7		stem?
8	A.	Columbia Basin's claims in this case relate to Umatilla's utility service to six
9		irrigation circles owned by Willow Creek Dairy and located entirely in Columbia
10		Basin's exclusive service territory.
		WILLOW CREEK DAIRY
11	Q.	Does Willow Creek Dairy have another name?
11 12	<b>Q.</b> A.	<b>Does Willow Creek Dairy have another name?</b> Yes. The name Willow Creek Dairy is an assumed business name that the owner
	-	
12	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner
12 13	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner Mr. te Velde used to apply for and obtain membership with Umatilla. Mr. te
12 13 14	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner Mr. te Velde used to apply for and obtain membership with Umatilla. Mr. te Velde apparently has since changed the assumed business name from Willow
12 13 14 15	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner Mr. te Velde used to apply for and obtain membership with Umatilla. Mr. te Velde apparently has since changed the assumed business name from Willow Creek Dairy to Lost Valley Dairy. Mr. te Velde executed other agreements, such
12 13 14 15 16	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner Mr. te Velde used to apply for and obtain membership with Umatilla. Mr. te Velde apparently has since changed the assumed business name from Willow Creek Dairy to Lost Valley Dairy. Mr. te Velde executed other agreements, such as the current Agricultural Lease Agreement with the Boardman Tree Farm,
12 13 14 15 16 17	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner Mr. te Velde used to apply for and obtain membership with Umatilla. Mr. te Velde apparently has since changed the assumed business name from Willow Creek Dairy to Lost Valley Dairy. Mr. te Velde executed other agreements, such as the current Agricultural Lease Agreement with the Boardman Tree Farm, which concerns the use of the Dairy property, in his personal name. For
12 13 14 15 16 17 18	-	Yes. The name Willow Creek Dairy is an assumed business name that the owner Mr. te Velde used to apply for and obtain membership with Umatilla. Mr. te Velde apparently has since changed the assumed business name from Willow Creek Dairy to Lost Valley Dairy. Mr. te Velde executed other agreements, such as the current Agricultural Lease Agreement with the Boardman Tree Farm, which concerns the use of the Dairy property, in his personal name. For convenience, my testimony will refer to Mr. te Velde and the Lost Valley Dairy as





1		different service rates. Exhibit 107 is a spreadsheet provided by Umatilla in
2		discovery that sets forth the service locations, meters, and rates that Umatilla
3		currently uses to serve the Willow Creek Dairy property.
4	Q.	Is all the electric power consumed at the Willow Creek Dairy property used
5		only for the operations of the Willow Creek Dairy?
6	A.	No. As mentioned previously, the Boardman Tree Farm currently has leased over
7		3,000 acres for growing trees on the Willow Creek Dairy property. Some of the
8		electric service to the Willow Creek Dairy is used to support the Boardman Tree
9		Farm's loads, such as the load for pumping water to the Boardman Tree Farm's
10		drip irrigation system.
11		Also, the irrigation system on the Willow Creek Dairy property is used to
12		deliver water to Lindsay Farm's irrigation circles, which are located adjacent to,
13		but not on, the southern portion of the Willow Creek Dairy property in Columbia
14		Basin's service territory. Therefore, some of the utility service to the Willow
15		Creek Dairy property is used for pumping loads associated with Lindsay Farm's
16		operations.
17	Q.	Who controls and operates the water irrigation system on the Willow Creek
18		Dairy property?
19	A.	According to the Water Delivery Agreement between Mr. te Velde and the
20		Boardman Tree Farm, which is set forth as Exhibit E to the Agricultural Lease
21		Agreement attached as Confidential Exhibit 105, the irrigation system on the
22		Willow Creek Dairy property
23		



1		However, according to section 1.5 of the Water Delivery Agreement,
2		Exhibit E to Confidential Exhibit 105,
3		
4		
5	Q.	Please describe Umatilla's electric utility service to the Willow Creek Dairy's
6		irrigation facilities located in Columbia Basin's exclusive service territory.
7	A.	That portion of the Willow Creek Dairy property located in Columbia Basin's
8		service territory consists of six irrigation circles owned and operated by the
9		Willow Creek Dairy with an additional
10		
11		
12		The six irrigation circles need utility service to power the electric motors
13		that drive the pivot sprinkler systems. Willow Creek Dairy laid underground
14		electrical wires from the six irrigation circles in Columbia Basin's service
15		territory to a new electric service point, location 3N26E346001, located in
16		Umatilla's service territory just across the service territory boundary between
17		Columbia Basin and Umatilla. See Exhibit 108, a map of Umatilla's Willow
18		Creek Dairy Services, which was provided by Umatilla in discovery.
19		Umatilla and Willow Creek Dairy both claim that Umatilla provides
20		electric utility service to the six irrigation circles to drive the pivots with a power
21		line extension Umatilla recently installed to location 3N26E346001. See Exhibit
22		108. Umatilla installed the line extension in the spring of 2016. At location
23		3N26E346001, Umatilla installed a new transformer and meter, numbered

1		8465525. Exhibit 108 displays the location of Umatilla's new line extension at
2		3N26E346001 and the pre-existing electrical facilities in the vicinity at location
3		3N26E346000.
4	Q.	Does Umatilla serve any electric loads, other than the six irrigation circles in
5		Columbia Basin's service territory, with the new line extension at location
6		3N26E346001?
7	A.	Data responses from Umatilla and Willow Creek Dairy indicate that the new line
8		extension currently does not provide service to any other electric loads. See
9		Exhibits 109 and 110.
10	Q.	Are there other electric facilities owned by Umatilla in the vicinity of location
11		3N26E346001?
12	A.	Yes, at location 3N26E346000 there is an old transformer and meter, numbered
13		17977320, which Umatilla uses to provide electric service to two booster pumps
14		owned by Lindsay Farm. The property line between Lindsay Farm and Willow
15		Creek Dairy essentially runs right through service location 3N26E346000, with
16		Lindsay Farm's booster pumps on one side of the property line and Willow Creek
17		Dairy's booster pumps on the other side.
18	Q.	Does Umatilla provide electric utility service to the Lindsay Farm irrigation
19		circles located in Columbia Basin's territory?
20	А.	No. Lindsay Farm has a similar situation to Willow Creek Dairy whereby it has
21		irrigation circles located in Columba Basin's service territory, but has booster
22		pumps that provide water to those irrigation circles located in Umatilla's service
23		territory.

1		The Lindsay Farm irrigation circles are located to the south of the
2		boundary between Columbia Basin's and Umatilla's service territories. Columbia
3		Basin has provided utility service to the Lindsay Farm irrigation circles since they
4		were installed in the 1970s.
5	Q.	Can one utility provide utility service to booster pumps when another utility
6		provides utility service to irrigation circles that rely on water from those
7		booster pumps?
8	A.	Yes. The utility service to Lindsay Farm demonstrates this to be true. Umatilla
9		provides electric service to Lindsay Farm's two booster pumps and Columbia
10		Basin provides utility service to the Lindsay Farm irrigation circles that receive
11		irrigation water from those two booster pumps.
12	Q.	What is the source of water for the Lindsay Farm irrigation circles?
13	A.	The Lindsay Farm irrigation circles receive water from the same source as the
14		Willow Creek Dairy and the Boardman Tree Farm, which is the Columbia
15		Improvement District canal located just north of the Willow Creek Dairy
16		property. The water used by the Lindsay Farm irrigation circles flows through the
17		same pipes that are used by the Willow Creek Dairy and the Boardman Tree
18		Farm. So, the load used for pumping water through the Primary Irrigation System
19		supports the operations of the Willow Creek Dairy, the Boardman Tree Farm, and
20		Lindsay Farm.

## UMATILLA'S VIOLATION OF COLUMIA BASIN'S EXCLUSIVE

## **SERVICE TERRITORY**

1	Q.	Why does Columbia Basin believe that Umatilla has violated Columbia
2		Basin's exclusive service territory?
3	A.	Columbia Basin has the right and the obligation to serve all electric loads in the
4		exclusive service territory granted to it by the Commission. Umatilla is providing
5		utility service to Willow Creek Dairy's six irrigation circles that are located in
6		Columbia Basin's exclusive service territory.
7	Q.	Do any of Umatilla's electric distribution facilities extend into Columbia
8		Basin's exclusive service territory?
9	А.	No, but Umatilla does not need to extend distribution facilities into Columbia
10		Basin's exclusive service territory to provide utility service into Columbia Basin's
11		service territory. Umatilla provides utility service into Columbia Basin's service
12		territory through power lines installed and owned by Willow Creek Dairy, and
13		that power is consumed in Columbia Basin's exclusive service territory. In effect,
14		Willow Creek Dairy decided it would receive electric service from Umatilla and
15		built a line to Umatilla's territory to facilitate the provision of utility service by its
16		service provider of choice.
17	Q.	Why did Columbia Basin file a complaint against Umatilla?
18	A.	Columbia Basin first tried to resolve the issue with Umatilla informally but was
19		not successful. Even after Columbia Basin notified Umatilla that it was providing
20		utility service into Columbia Basin's exclusive service territory, Umatilla
21		continues to offer and provide utility service to the six irrigation circles in

1		Columbia Basin's territory. Exhibit 111 is a copy of an email I sent to Umatilla's
2		general manager Robert Echenrode informing him that Umatilla was providing
3		service in Columbia Basin's exclusive service territory.
4		Despite knowing that the six irrigation circles are located in Columbia
5		Basin's service territory, Umatilla did not refuse to provide utility service to
6		Willow Creek Dairy, and Umatilla insists it will continue such service. On
7		November 21, 2016, Mr. Echenrode called me to discuss several issues, including
8		service to Willow Creek Dairy. I informed him that Umatilla was prohibited by
9		law from serving load in Columbia Basin's exclusive service territory. He
10		replied, "I will not disconnect those circles without a court order from a judge."
11		Columbia Basin's Complaint seeks such an order.
12	Q.	Can Columbia Basin efficiently provide utility service to Willow Creek
12 13	Q.	Can Columbia Basin efficiently provide utility service to Willow Creek Dairy's six irrigation circles located in Columbia Basin's exclusive service
	Q.	
13	<b>Q.</b> A.	Dairy's six irrigation circles located in Columbia Basin's exclusive service
13 14	-	Dairy's six irrigation circles located in Columbia Basin's exclusive service territory?
13 14 15	-	Dairy's six irrigation circles located in Columbia Basin's exclusive service territory? Yes. Columbia Basin previously provided utility service to irrigation circles
13 14 15 16	-	<ul> <li>Dairy's six irrigation circles located in Columbia Basin's exclusive service territory?</li> <li>Yes. Columbia Basin previously provided utility service to irrigation circles located at the same location as the six irrigation circles at issue in this case. Prior</li> </ul>
13 14 15 16 17	-	<ul> <li>Dairy's six irrigation circles located in Columbia Basin's exclusive service territory?</li> <li>Yes. Columbia Basin previously provided utility service to irrigation circles located at the same location as the six irrigation circles at issue in this case. Prior owners of the property at issue irrigated that same property with pivot irrigation</li> </ul>
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> </ol>	-	<ul> <li>Dairy's six irrigation circles located in Columbia Basin's exclusive service territory?</li> <li>Yes. Columbia Basin previously provided utility service to irrigation circles located at the same location as the six irrigation circles at issue in this case. Prior owners of the property at issue irrigated that same property with pivot irrigation systems. Columbia Basin served those irrigation circles until the Boardman Tree</li> </ul>
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> </ol>	-	Dairy's six irrigation circles located in Columbia Basin's exclusive service territory? Yes. Columbia Basin previously provided utility service to irrigation circles located at the same location as the six irrigation circles at issue in this case. Prior owners of the property at issue irrigated that same property with pivot irrigation systems. Columbia Basin served those irrigation circles until the Boardman Tree Farm replaced those circles with its drip irrigation operations.

1		that shows the current location of that service point and pole transformer in
2		Columbia Basin's service territory adjacent to the six irrigation circles.
3		When the Boardman Tree Farm removed the prior irrigation circles and
4		planted trees in this area, which utilize a drip irrigation system, Columbia Basin
5		disconnected the service but left the service point in place for future use.
6	Q.	Prior to their removal, where did the old irrigation circles receive irrigation
7		water?
8	A.	The former irrigation circles received water from the same source as the current
9		irrigation circles. Irrigation water from the Columbia Improvement District canal
10		was pumped to location 3N26E346000, just like it is currently, according to
11		Willow Creek Dairy and Umatilla.
		CHARACTERISTICS OF THE WILLOW CREEK DAIRY LOAD
12	Q.	Is Umatilla providing utility service to a single load at the Willow Creek
13		Dairy property?
14	A.	No. As discussed previously, Umatilla provides electric utility service to the
15		Willow Creek Dairy at approximately thirty different locations, with thirty
16		different meters, at approximately ten different service classifications, represented
17		by ten different rate schedules.
18		Two different legal entities—the Willow Creek Dairy and the Boardman
19		Tree Farm—have at least two separate agricultural operations on the Willow
20		Creek Dairy property—the dairy operations and the tree-growing operations.
21		And the Primary Irrigation System on the Willow Creek Dairy property
22		also supplies water to irrigation circles located on the Lindsay Farm property.

1		Therefore, Umatilla's utility service to the pumping loads of the Primary
2		Irrigation System is not used exclusively for Willow Creek Dairy operations, but
3		also is used to support two other separate agricultural operations.
4		Therefore, given all of these factors—different agricultural operations,
5		different meters, different rate classes, and different rates—Umatilla's utility
6		service to the Willow Creek Dairy property cannot be characterized as utility
7		service to a single, unified load.
8	Q.	Don't the future plans for the Willow Creek Dairy show it will be a single
9		load
10		
11	A.	No.
12		the Dairy will still have a host of points of service, varying types of service,
13		and several different electric loads.
14		Additionally, Lindsay Farm will continue to use the Primary Irrigation
15		System for the supply of water to its irrigation circles located in Columbia Basin's
16		service territory. Therefore, Umatilla's utility service to the pumping loads of the
17		Primary Irrigation System will continue to support operations for both Willow
18		Creek Dairy and Lindsay Farm.
19	Q.	Should all loads and electric service located on the Willow Creek Dairy
20		property be classified as a single load because the property is owned by a
21		single member?
22	A.	No. Ownership of the underlying property is not a determining factor in defining
23		a single load. There are many situations in which a single piece of property has

1		two or more electric loads. For example, at Lindsay Farm, the electric load for
2		one operation (booster pumps) is different from the load for another operation
3		(irrigation circles), and each operation is served by a different utility. Obviously,
4		the two loads are different and separate even though both loads occur on the same
5		property, owned by a single entity, within a short distance of each other.
6	Q.	Is Willow Creek Dairy's integrated irrigation system justification for
7		classifying the entire Willow Creek Dairy load as a single load?
8	A.	No. As discussed previously, the Willow Creek Dairy irrigation system is
9		currently used to deliver water to three different legal entities for three different
10		agricultural operations.
11		If electric utility service to an integrated water system is the determining
12		factor in classifying a single, unified load, then any irrigation district in Oregon
13		could select its electric utility supplier and run power lines to that supplier,
14		regardless of the territory allocation laws.
		FUTURE IMPLICATIONS
15	Q.	Do you think Willow Creek Dairy would be harmed by Columbia Basin
16		serving the six irrigation circles?
17	A.	No. As demonstrated by Columbia Basin and Umatilla both providing service to
18		Lindsay Farm, separating the utility service to Willow Creek Dairy's six irrigation
19		circles from Umatilla's service to the rest of the Willow Creek Dairy property will
20		not result in significant harm.

1	Q.	If the Commission decides Umatilla has the right to serve the six irrigation
2		circles as a unified load, will that decision have any implications on Columbia
3		Basin's service in the future.
4	A.	Yes, I know of a few anticipated service arrangements whereby Columbia Basin
5		would be able to provide utility service in Umatilla's service territory. For
6		example, the proposed Orchard Wind Project and Wheatridge Wind Project
7		generation facilities would extend into both Columbia Basin's and Umatilla's
8		service territories. Therefore, the Commission's decision in this case may impact
9		which utility has the right to provide utility service to each of those projects.
10	Q.	Is clarification from the Commission on these issues needed?
11	A.	Yes. When the rules for exclusive service territories are ambiguous, that
12		ambiguity creates uncertainty for utilities and customers and can lead to more
13		disputes like this one. Absent clear guidance and uniform enforcement of the
14		territorial allocation rules, electric customers may aggressively seek avenues to
15		receive utility service from the utility of their choosing, regardless of actual or
16		potential impacts resulting from duplication of facilities or stranded facilities.
17		Here, Willow Creek Dairy ran its electric service lines into Umatilla's
18		service territory and Umatilla constructed a new line extension to serve Willow
19		Creek Dairy's load in Columbia Basin's service territory, in spite of the fact that
20		Columbia Basin had an existing service point directly adjacent to the six irrigation
21		circles. If Willow Creek Dairy's choice of electric service providers and
22		Umatilla's actions in providing utility service into Columbia Basin's exclusive
23		service territory are allowed to stand, other customers may feel emboldened to

- 1 build lines to receive service from more distant utilities of their choosing. I can
- 2 imagine how such a ruling could affect electric service in Portland where
- 3 PacifiCorp and Portland General Electric are across the street from each other.
- 4 Permitting this type of behavior would undermine the policies underlying the
- 5 service territory allocation laws.

### CONCLUSION

- 6 **Q.** Does this conclude your opening testimony?
- 7 A. Yes.

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 101 to Testimony of Thomas Wolff

August 28, 2017

### 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

Form No. J-502 State Printing 20748

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#### 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

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 Gazett Times, Heppner, Oregon; East Oregonian, Pendleton, Oregon; and Globe-Times, Condon, In addition, notices of the hearing were served Oregon. 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

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.

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, likwise 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 One 69 KV transmission line owned by Applicant them. 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 substation 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 substation. Distribution lines radiating therefrom extend

-4-

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

1

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

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 aforestated, 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.

:

#### Order #38089

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

-8-

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 Constant of the allocation of territory within which to provide electric to the 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 <u>274</u> day of <u>Octobe</u>, 1961.

-9-

Publi/c Utility Commissi

(SEAL)

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

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

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

Enclosed is

copy of Order #38107

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

#### PUBLIC UTILITY COMMISSIONER OF OREGON

Mailed at Salem, Oregon Nov. 8, 19.61

Form No. J-502 State Printing 30519

### 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

Public Utili

(SEAL)

1961.

1.1.1

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

## UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 102 to Testimony of Thomas Wolff

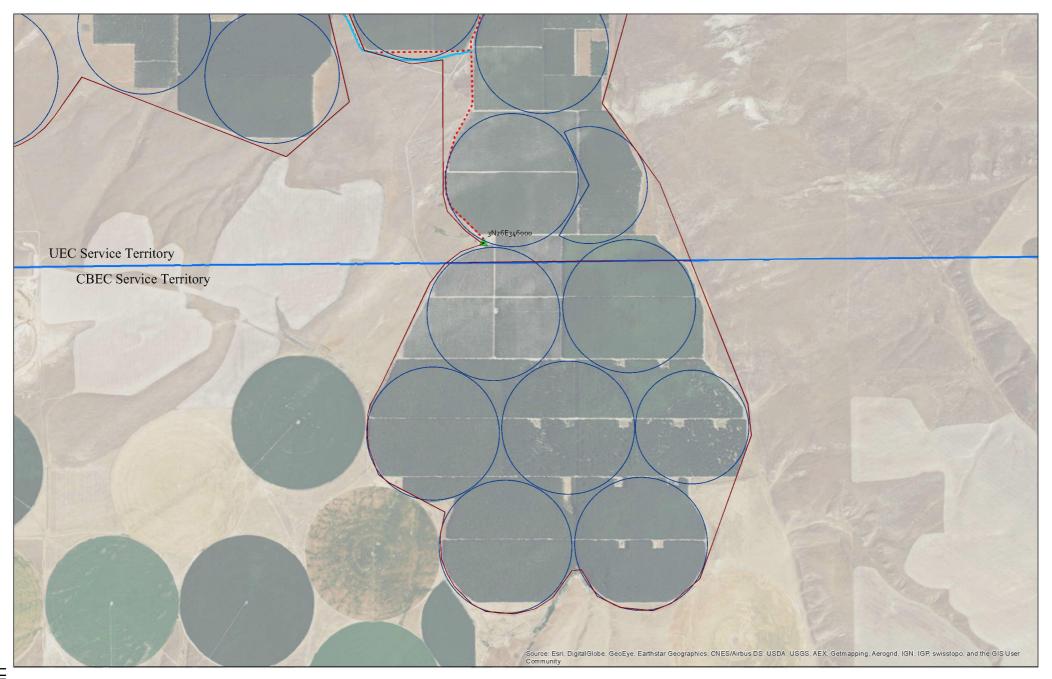
August 28, 2017



### **UM 1818**

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 103 to Testimony of Thomas Wolff



# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 104 to Testimony of Thomas Wolff

#### AFTER RECORDING RETURN TO:

Collins & Collins, LLP P.O. Box 1457 Pendleton, Oregon 97801 Attention: Mike Collins

UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO:

Greg te Velde 5850 Avenue 160 Tipton, California 93172

MORROW COUNTY OR D-WD		2015-37074
Cnt=1 Stn=23 BC	11/12/2	015 01:48:50 PM
\$95,00\$11,00\$20,00\$1	0 00	\$136.00
000273522015003707	740190194	
EBobbi Childers, County Clerk f County, Oregon, certify that the identified herein was recorded in records Bobbi Childers - County	instrument the Clerk	LORROLE COUNT

#### SPECIAL WARRANTY DEED

**BOARDMAN TREE FARM, LLC,** a Delaware limited liability company ("**Grantor**"), with an address at c/o GreenWood Resources, Inc., 1500 SW First Avenue, Suite 1150, Portland, Oregon 97201, conveys and specially warrants to **GREG TE VELDE**, an individual ("**Grantee**"), with an address at 5850 Avenue 160, Tipton, CA 93172 the real property described on <u>Exhibit A</u> attached hereto (the "**Property**"), including that certain Primary Water Delivery System described in the Water Delivery Agreement between Grantor and Grantee of even date herewith, free of liens and encumbrances created or suffered by Grantor.

The Property is conveyed by Grantor and accepted by Grantee subject to those matters described on Exhibit B attached hereto.

The true consideration for this conveyance is \$65,000,000.00.

**RESERVING UNTO GRANTOR** and its successors, assigns, permittees, invitees, and contractors all right, title and interest in and to and the exclusive right to cut, remove and appropriate all trees and timber of all sizes, species and grades, standing and down, live and dead, merchantable and unmerchantable, located upon the portion of the Property described in attached Exhibit C (the "Timber Reservation Property") on the terms and conditions set forth in attached Exhibit D.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

DATED November <u>12</u>, 2015.

#### **GRANTOR:**

**BOARDMAN TREE FARM, LLC**, a Delaware limited liability company

By: GreenWood Tree Farm Fund, LP, a Delaware limited partnership, its Sole Member

By: GTFF GP, LLC, a Delaware limited liability company, its General Partner

By: GreenWood Resources, Inc.

a Delaware corporation, its Sole

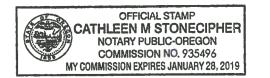
Name: Jeff Nuss Title: President and CEO

[notary acknowledgment appears on the following page]

STATE OF OREGON	)
	)
COUNTY OF MULTNOMAH	)

This instrument was acknowledged before me this 30th day of October, 2015, by Jeff Nuss, the President and CEO of GreenWood Resources, Inc., a Delaware corporation, on behalf of such company, in its capacity as Sole Member of GTFF GP, LLC, a Delaware limited liability company, in its capacity as General Partner of GreenWood Tree Farm Fund, LP, a Delaware limited partnership, in its capacity as Sole Member of Boardman Tree Farm, LLC, a Delaware limited liability company, as its voluntary act and deed.

WITNESS my hand and official seal hereto affixed the day and year first above written.



C Storen	chan
Print Name:	C. Stayeupher
NOTARY PUBLIC	for the State of Oregon
My Commission Ex	

#### EXHIBIT A

#### Legal Description of the Property

Real property in the County of Morrow, State of Oregon, described as follows:

PARCEL 1:

A PARCEL OF LAND LOCATED IN TOWNSHIP 3 NORTH, RANGE 26, EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF MORROW AND STATE OF OREGON, DESCRIBED AS FOLLOWS:

SECTION 15: ALL.

SECTION 16: ALL.

SECTION 17: ALL.

SECTION 20: ALL.

SECTION 21: ALL.

SECTION 22: ALL.

SECTION 28:

A PORTION OF THE WEST HALF OF SAID SECTION 28 DESCRIBED AS FOLLOWS: THE NORTHWEST CORNER OF SAID SECTION BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 89°28'04' EAST ALONG THE NORTH LINE OF SAID SECTION 28 A DISTANCE OF 1,150.29 FEET; THENCE SOUTH 00°31'56" EAST A DISTANCE OF 1,442.20 FEET TO A POINT OF CURVE; THENCE WESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 1,350.00 FEET A DISTANCE OF 1,920.36 FEET TO A POINT ON THE WEST LINE OF SECTION 28; THENCE NORTH 00°31'40" WEST ALONG THE WEST LINE OF SAID SECTION 28 A DISTANCE OF 2,777.38 FEET TO THE TRUE POINT OF BEGINNING.

SECTION 29:

A PORTION OF THE NORTH HALF OF SAID SECTION 29 DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 29 BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 89°55'40" EAST ALONG THE NORTH LINE OF SAID SECTION A DISTANCE OF 5,314.21 FEET TO THE NORTHEAST CORNER OF SAID SECTION 29: THENCE SOUTH 00°31'40" EAST ALONG THE EAST LINE OF SAID SECTION 29 A DISTANCE OF 2,777.38 FEET TO A POINT OF CURVE; THENCE WESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 1,350.00 FEET A DISTANCE OF 922.51 FEET; THENCE NORTH 59°52'37" WEST A DISTANCE OF 1,706.19 FEET; THENCE NORTH 89°55'40" WEST PARALLEL WITH THE NORTH SECTION LINE A DISTANCE OF 2,928.43 FEET TO A POINT ON THE WEST LINE OF SECTION 29; THENCE NORTH 01°30'21" WEST ALONG THE SAID WEST LINE A DISTANCE OF 1,759.00 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM: THAT PORTION OF SECTIONS 17, 20 AND 29 LYING NORTHERLY AND WESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 29: THENCE SOUTH 01°30'21" EAST ALONG THE WEST LINE OF SAID SECTION 29 A DISTANCE OF 1,759.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 89°55'40" EAST A DISTANCE OF 2,928.43 FEET;

1 – EXHIBIT A PDX\122945\179715\MAS\16932616.2 THENCE SOUTH 59°52'37" EAST A DISTANCE OF 378.03 FEET;

THENCE NORTH 30°06'34" EAST A DISTANCE OF 2,112.15 FEET;

THENCE NORTH 29°29'36" WEST A DISTANCE OF 1,521.36 FEET;

THENCE NORTH 30°07'54" EAST A DISTANCE OF 1,521.36 FEET;

THENCE NORTH 29°29'42" WEST A DISTANCE OF 1,538.94 FEET;

THENCE NORTH 29°34'17" EAST A DISTANCE OF 1,476.46 FEET;

THENCE NORTH 29°31'32" WEST A DISTANCE OF 1,573.16 FEET;

THENCE NORTH 29°35'01" EAST A DISTANCE OF 1,457.59 FEET;

THENCE NORTH 29°10'25" WEST A DISTANCE OF 1,550.63 FEET;

THENCE NORTH 30°14'40" EAST A DISTANCE OF 1,625.98 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION 17 WHICH IS NORTH 89°16'33" WEST A DISTANCE OF 857.68 FROM THE NORTHEAST CORNER THEREOF AND THE TERMINUS OF SAID LINE.

ALSO EXCEPTING THEREFROM ALL ROADS AND ROAD RIGHTS OF WAY.

PARCEL II

TRACT "A":

A PARCEL OF LAND LYING IN SECTIONS 14, 23, 26, 27, 34 AND 35 IN TOWNSHIP 3 NORTH, RANGE 26 EAST OF THE WILLAMETTE MERIDIAN AND IN SECTIONS 2, 3, 10 AND 11, TOWNSHIP 2 NORTH, RANGE 26 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF MORROW AND STATE OF OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TOWNSHIP 3 NORTH, RANGE 26 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF MORROW AND STATE OF OREGON.

SECTION 14: THE WEST HALF.

SECTION 23: ALL.

SECTIONS 27 AND 34: ALL THAT PORTION OF SECTIONS 27 AND 34 LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTH QUARTER CORNER OF SECTION 34;

THENCE NORTH 89°23'00" EAST ALONG THE SOUTHERLY LINE OF SAID SECTION 34, A DISTANCE OF 60.58 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 38°03'36" EAST, A DISTANCE OF 10.24 FEET;

THENCE NORTH 52°25'12" EAST, A DISTANCE OF 333.45 FEET;

THENCE NORTH 70°24'04" EAST, A DISTANCE OF 464.38 FEET; THENCE NORTH 53°54'08" WEST, A DISTANCE OF 421.01 FEET; THENCE NORTH 42°42'52" WEST, A DISTANCE OF 523.40 FEET; THENCE NORTH 19°27'27" WEST, A DISTANCE OF 325.52 FEET; THENCE NORTH 00°29'16" WEST, A DISTANCE OF 2,664.23 FEET; THENCE NORTH 00°29'16" WEST, A DISTANCE OF 2,664.23 FEET; THENCE SOUTH 80°08'12" WEST, A DISTANCE OF 580.46 FEET; THENCE NORTH 73°56'03" WEST, A DISTANCE OF 956.50 FEET; THENCE NORTH 22°36'58" WEST, A DISTANCE OF 1,352.27 FEET; THENCE NORTH 35°35'17" EAST, A DISTANCE OF 1,488.75 FEET; THENCE NORTH 64°01'20" EAST, A DISTANCE OF 1,488.75 FEET; THENCE SOUTH 67°42'30" EAST, A DISTANCE OF 1,406.33 FEET; THENCE NORTH 22°17'30" EAST, A DISTANCE OF 1,697.41 FEET;

THENCE NORTH 04°14'58" EAST, A DISTANCE OF 1,171.44 FEET;

THENCE NORTH 12°00'12" EAST, A DISTANCE OF 1,157.95 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 27, AND TERMINUS OF THIS LINE.

SECTIONS 26 AND 35: ALL THAT PORTION OF SECTIONS 26 AND 35 LYING NORTHERLY AND WESTERLY OF THE FOLLOWING DESCRIBED LINE:

THE NORTHEAST CORNER OF SAID SECTION 26 BEING THE TRUE POINT OF BEGINNING;

THENCE SOUTH 00°31'56" EAST ALONG THE EAST LINE OF SAID SECTION, A DISTANCE OF 3,559.99 FEET;

THENCE SOUTH 89°28'05" WEST, A DISTANCE OF 805.28 FEET;

THENCE SOUTH 00°32'22" EAST, A DISTANCE OF 1,651.97 FEET;

THENCE SOUTH 89°27'28" WEST, A DISTANCE OF 3,372.06 FEET;

THENCE SOUTH 15°38'27" WEST, A DISTANCE OF 2,280.70 FEET;

THENCE SOUTH 35°50'54" EAST, A DISTANCE OF 1,920.69 FEET;

THENCE SOUTH 21°46'36" EAST, A DISTANCE OF 1,704.41 FEET TO A POINT LYING ON THE SOUTHERLY LINE OF SAID SECTION 35.

THENCE SOUTH 89°39'06" WEST ALONG SAID SOUTHERLY LINE, A DISTANCE OF 2,205.64 FEET TO

THE SOUTHWEST CORNER OF SAID SECTION 35 AND TERMINUS OF THIS LINE.

TOWNSHIP 2 NORTH, RANGE 26 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF MORROW AND STATE OF OREGON.

SECTIONS 2, 3, 10 AND 11: ALL THAT PORTION OF SECTIONS 2, 3, 10 AND 11 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 2, SAID NORTHWEST CORNER BEING THE TRUE POINT OF BEGINNING;

THENCE NORTH 89°39'06" EAST, ALONG THE NORTHERLY LINE OF SAID SECTION 2, A DISTANCE OF 2,205.64 FEET;

THENCE SOUTH 21°46'36" EAST, A DISTANCE OF 3,006.50 FEET;

THENCE SOUTH 06°25'54" EAST, A DISTANCE OF 681.77 FEET;

THENCE SOUTH 19°49'25" WEST, A DISTANCE OF 2,971.56 FEET;

THENCE SOUTH 49°28'13" WEST, A DISTANCE OF 738.67 FEET;

THENCE SOUTH 68°56'55" WEST, A DISTANCE OF 381.07 FEET;

THENCE NORTH 84°35'36" WEST, A DISTANCE OF 673.57 FEET;

THENCE NORTH 64°22'22" WEST, A DISTANCE OF 498.86 FEET;

THENCE NORTH 30°57'52" WEST, A DISTANCE OF 610.67 FEET; THENCE SOUTH 83°51'38" WEST, A DISTANCE OF 179.95 FEET; THENCE SOUTH 35°46'58" WEST, A DISTANCE OF 645.54 FEET; THENCE SOUTH 57°29'32" WEST, A DISTANCE OF 414.96 FEET; THENCE SOUTH 76°21'15" WEST, A DISTANCE OF 411.79 FEET; THENCE NORTH 84°40'00" WEST, A DISTANCE OF 574.35 FEET; THENCE NORTH 61°30'19" WEST, A DISTANCE OF 298.77 FEET; THENCE NORTH 61°30'19" WEST, A DISTANCE OF 482.75 FEET; THENCE NORTH 44°43'36" WEST, A DISTANCE OF 289.52 FEET; THENCE NORTH 29°36'05" WEST, A DISTANCE OF 289.52 FEET; THENCE NORTH 21°02'27" WEST, A DISTANCE OF 297.13 FEET; THENCE NORTH 02°54'58" WEST, A DISTANCE OF 474.28 FEET; THENCE NORTH 11°46'03" EAST, A DISTANCE OF 454.46 FEET; THENCE NORTH 11°46'03" EAST, A DISTANCE OF 1,234.57 FEET; THENCE NORTH 52°00'57" WEST, A DISTANCE OF 266.20 FEET;

THENCE NORTH 19°45'29" WEST, A DISTANCE OF 556.46 FEET;

THENCE NORTH 05°52'18" WEST, A DISTANCE OF 210.58 FEET;

THENCE NORTH 00°00'26" WEST, A DISTANCE FOR 242.39 FEET;

THENCE NORTH 02°57'32" EAST, A DISTANCE OF 205.68 FEET;

THENCE NORTH 14°13'57" EAST, A DISTANCE OF 194.34 FEET;

THENCE NORTH 29°38'55" EAST, A DISTANCE OF 411.54 FEET;

THENCE NORTH 25°38'35" EAST, A DISTANCE OF 2,277.72 FEET;

THENCE NORTH 38°03'36" EAST, A DISTANCE OF 503.16 FEET TO A POINT LYING ON THE NORTHERLY LINE OF SAID SECTION 3, AND BEING NORTH 89°23'00" EAST, A DISTANCE OF 60.58 FEET FROM THE NORTH QUARTER CORNER OF SAID SECTION 3;

THENCE NORTH 89°23'00" EAST ALONG SAID NORTHERLY LINE, A DISTANCE OF 2,578.64 FEET TO THE NORTHWEST CORNER OF AFORESAID SECTION 2, AND THE TRUE POINT OF BEGINNING.

TRACT "B":

A PARCEL OF LAND SITUATED IN SECTIONS 27, 28, 33 AND 34 IN TOWNSHIP 3 NORTH, RANGE 26, EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF MORROW AND STATE OF OREGON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 28;

THENCE NORTH 89°28'04" EAST, ALONG THE NORTH LINE OF SAID SECTION 28 A DISTANCE OF 1,150.29 FEET;

THENCE SOUTH 00°31'56" EAST, A DISTANCE OF 1,442.20 FEET TO A POINT OF CURVE;

THENCE SOUTHWESTERLY ALONG THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 11°48'03" AND A RADIUS A 1,350.00 FEET, A DISTANCE OF 278.05 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 70°26'25" EAST, A DISTANCE OF 4,306.92 FEET;

THENCE SOUTH 13°06'01" EAST, A DISTANCE OF 4,312.46 FEET;

THENCE SOUTH 49°02'47" WEST, A DISTANCE OF 1,626.40 FEET;

THENCE NORTH 68°48'59" WEST, A DISTANCE OF 4,283.16 FEET;

THENCE NORTH 12°00'00" WEST, A DISTANCE OF 4,192.31 FEET TO A POINT ON A CURVE;

THENCE NORTHEASTERLY ALONG THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 67°21'48" AND A RADIUS OF 1,350.00 FEET, A DISTANCE OF 1,587.21 FEET TO THE TRUE POINT OF BEGINNING.

TRACT "C":

A PARCEL OF LAND SITUATED IN SECTIONS 28, 29, 32 AND 33 IN TOWNSHIP 3 NORTH, RANGE 26, EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF MORROW AND STATE OF OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 28;

THENCE NORTH 89°28'04" EAST ALONG THE NORTH LINE OF SECTION 28, A DISTANCE OF 1,150.29 FEET;

THENCE SOUTH 00°31'56" EAST A DISTANCE OF 1,442.20 FEET TO A POINT OF CURVE;

THENCE SOUTHWESTERLY ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 1,350.00 FEET AND A CENTRAL ANGLE OF 120°39'19", AN ARC DISTANCE OF 1,865.26 FEET TO A POINT ON CURVE AND TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID CURVE AN ARC DISTANCE OF 977.61 FEET;

THENCE NORTH 59°52'37" WEST A DISTANCE OF 258.83 FEET;

THENCE SOUTH 00°37'43" EAST PARALLEL WITH THE EAST LINE OF SECTION 29 A DISTANCE OF 2,645.05 FEET TO A POINT OF CURVE, SAID CURVE HAVING A RADIUS OF 1,600.00 FEET, A CENTRAL ANGLE OF 229°11'20", AND A BEARING OF SOUTH 05°45'39" EAST TO THE RADIUS POINT;

THENCE ALONG SAID CURVE ON A CHORD BEARING OF SOUTH 82°26'45" WEST A CHORD DISTANCE OF 100.14 FEET;

THENCE CONTINUING ALONG SAID CURVE ON CHORDS CORRESPONDING TO 300.00 FEET OF ARC LENGTHS, AN ARC DISTANCE OF 6,300.00 FEET TO A POINT OF TANGENCY, SAID POINT LYING SOUTH 54°56'59" EAST OF SAID RADIUS POINT, AND SAID CHORDS BEING THE TRUE BOUNDARY LINE;

THENCE NORTH 35°03'01" EAST A DISTANCE OF 939.67 FEET;

THENCE NORTH 12°00'00" WEST A DISTANCE OF 4,192.31 FEET TO THE TRUE POINT OF BEGINNING.

#### END OF EXHIBIT A

#### EXHIBIT B

#### **Title Exceptions**

- 1. Unpatented mining claims whether or not shown by the Public Records.
- 2. Water rights, claims to water or title to water, whether or not such rights are a matter of public record.
- 3. The rights of the public in roads and highways.
- 4. The assessment roll and the tax roll disclose that the within described premises were specially assessed as Farm Use Land. If the land has become disqualified for the special assessment under the statute, an additional tax, interest and penalties thereon may be levied for the years in which the land was subject to the special land use assessment.
- 5. The premises are within the boundaries of the Columbia Improvement District, and are subject to the levies, assessments and easements thereof, if any.
- 6. Reservations as disclosed in Patent, including the terms and provisions thereof, recorded August 6, 1924 in Book K, Page 207, Morrow County Deed Records.
- 7. Reservations as disclosed in Patent, including the terms and provisions thereof, recorded March 17, 1926, in Book K, Page 247, Morrow County Deed Records.
- 8. Reservations, including the terms and provisions thereof, as disclosed in Deed by and between Northern Pacific Railroad and A.C. Lindsay, et ux recorded October 29, 1953 in Book 57, Page 397, Morrow County Deed Records.
- 9. Right of Way for Electric Transmission and Distributing Lines, including the terms and provisions thereof, in favor of Umatilla Electric Cooperative Association, recorded December 20, 1961, as in Book 67, Page 122, Morrow County Deed Records. (Disclosed in Deed 38208 which affects Parcel II).
- Easement for Right of Way, including the terms and provisions thereof, in favor of Morrow County, recorded December 20, 1963, in Book 70, Page 121, Morrow County Deed Records. (3N 26, Section 14, Affects Parcel II)
- Right of Way for Electric Transmission and Distributing Lines, including the terms and provisions thereof, in favor of Umatilla Electric Cooperative Association, recorded March 4, 1974, as Microfilm No. M-6571, Morrow County Microfilm Records. (3N 26, Section 14, Affects Parcel II)
- 12. Right of Way for Electric Transmission and Distributing Lines, including the terms and provisions thereof, in favor of Umatilla Electric Cooperative Association, recorded April

16, 1974, as Microfilm No. M-6712, Morrow County Microfilm Records. (3N 26, Sections 15, 16, and 17, Affects Parcel I)

 Easement for right of way, including the terms and provisions thereof, in favor of Sabre Farms, recorded August 27, 1974, as Microfilm No. M-7191, Morrow County Microfilm Records. (3N 26, Section 14, Affects Parcel II)

Assignment of Permits and Easements, including the terms and provisions thereof, in favor of Columbia Improvement District, recorded June 28, 1978, as Microfilm No. M-13583, Morrow County Microfilm Records.

- 14. Easement for Aviation, including the terms and provisions thereof, in favor of United States of America, recorded September 10, 1974, as Microfilm No. M-7237, Morrow County Microfilm Records. (3N 26, Section 14, Affects Parcel II)
- 15. Easement for Aviation, including the terms and provisions thereof, in favor of United States of America, recorded September 10, 1974, as Microfilm No. M-7240, Morrow County Microfilm Records. (3N 26, Sections 15, 16, 17, 20, 21, and 22, Affects Parcel I)
- 16. Right of Way for Electric Transmission and Distributing Lines, including the terms and provisions thereof, in favor of Umatilla Electric Cooperative Association, recorded March 5, 1975, as Microfilm No. M-7791, Morrow County Microfilm Records. (3N 26, Sections 22, 23, 26, 27, 34 and 35, Affects Parcel II)
- Easements, including the terms and provisions thereof, as reserved and disclosed in Deed recorded February 17, 1977 as Microfilm No. M-10760, Morrow County Microfilm Records. (Affects Parcel II)

Release of an Easement as disclosed by instrument recorded August 15, 1978 as Microfilm No. M-13842, Morrow County Microfilm Records.

 Easements, including the terms and provisions thereof, as disclosed in Deed recorded February 17, 1977 as Microfilm No. M-10761, Morrow County Microfilm Records. (3N 26, Sections 27, 28, 33 and 34, Affects Parcel II)

Release of an Easement as disclosed by instrument recorded September 21, 1978 as Microfilm No. M-14073, Morrow County Microfilm Records.

19. Articles of Incorporation of Columbia Improvement District, including the terms and provisions thereof, recorded June 1, 1978 as Microfilm No. M-13427, Morrow County Microfilm Records. (Affects Parcels I & II)

- 20. Columbia Improvement District Landowners' Notice of Agreement and Covenants, including the terms and provisions thereof, recorded June 23, 1978 as Microfilm No. M-13554, Morrow County Microfilm Records. Affects Parcels I & II)
- 21. Conveyance and Easement, including the terms and provisions thereof, in favor of Columbia Improvement District, recorded June 28, 1978, as Microfilm No. M-13581, Morrow County Microfilm Records. (Affects Parcels I & II)
- 22. Water Delivery Contract, including the terms and provisions thereof, recorded June 28, 1978 as Microfilm No. M-13590, Morrow County Microfilm Records. By and between Columbia Improvement District and R. Land Company. (Non-Specific)
- 23. Water Delivery Contract, including the terms and provisions thereof, recorded June 28, 1978 as Microfilm No. M-13592, Morrow County Microfilm Records. By and between Columbia Improvement District and R. Land Company. (Non-Specific)
- 24. Water Delivery Contract, including the terms and provisions thereof, recorded June 28, 1978 as Microfilm No. M-13593, Morrow County Microfilm Records. By and between Columbia Improvement District and Dennis A Repp and Charlotte C. Repp. (Non-Specific)
- 25. Water Delivery Contract, including the terms and provisions thereof, recorded October 9, 1978 as Microfilm No. M-14198, Morrow County Microfilm Records. By and between Columbia Improvement District and R. Land Company. (3N 26, Sections 27, 28, 33 and 34, Affects Parcel II)
- 26. Easement for Pipeline, including the terms and provisions thereof, in favor of R. Land Company and Dennis A Repp and Charlotte C. Repp, recorded October 9, 1978, as Microfilm No. M-14200, Morrow County Microfilm Records. (3N 26, Sections 27, 28, 29, 32, 33 and 34, Affects Parcel II)
- 27. Easement for Roadway, including the terms and provisions thereof, in favor of R. Land Company and Dennis A Repp and Charlotte C. Repp, recorded October 9, 1978, as Microfilm No. M-14201, Morrow County Microfilm Records. (3N 26, Sections 27, 28, 29, 32, 33, and 34, Affects Parcel II)
- 28. Easement for Roadway, including the terms and provisions thereof, in favor of Lawrence D. Lindsay, Rosella Lindsay and Corrine Ann Lindsay, recorded March 16, 1979, as Microfilm No. M-15107, Morrow County Microfilm Records. (Affects Parcel II)
- 29. Easement for Telephone line right of way, including the terms and provisions thereof, in favor of Telephone Utilities of Eastern Oregon, recorded September 4, 1980, as

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Microfilm No. M-17693, Morrow County Microfilm Records. (3N 26, Section 15, Affects Parcel I)

- 30. Easement for Telephone line right of way, including the terms and provisions thereof, in favor of Telephone Utilities of Eastern Oregon, recorded July 14, 1980, as Microfilm No. M-17850, Morrow County Microfilm Records.(3N 26, Sections 22, 23, 26, 27 and 34, Affects Parcels I & II)
- Columbia Improvement District Second Addendum to Landowners' Notice of Agreements and Covenants, including the terms and provisions thereof, recorded March 23, 1981 as Microfilm No. M-18635, Morrow County Microfilm Records. (Non-Specific)
- 32. Agreement, including the terms and provisions thereof, recorded March 6, 1987, M-28536, Morrow County Microfilm Records. By and between Lawrence D. Lindsay and Corrine A Lindsay, husband and wife, and Rosella Lindsay, a single person, and Lawrence D. Lindsay and Rosella Lindsay, a Partnership dba Lindsay Ranch and Connecticut General Life Insurance Company. (Affects Parcel II)
- 33. Easement for Joint Use of Water Delivery System, including the terms and provisions thereof, in favor of Lawrence Lindsay, Rosella Lindsay both individually and as partners dba Lindsay Ranch, recorded March 17, 1987, as Microfilm No. M-28601, Morrow County Microfilm Records. (Affects Parcel II and other property also)
- 34. Columbia Improvement District Third Addendum to Landowners' Notice of Agreements and Covenants, including the terms and provisions thereof, recorded April 21, 1988 as Microfilm No. M-30859, Morrow County Microfilm Records. (Non-Specific)
- 35. Assignment and Assumption Agreement, including the terms and provisions thereof, recorded February 25, 1992 as Microfilm No. M-38070, Morrow County Microfilm Records. By and between Boise Cascade Corporation and Lynn Potter and Alan Cleaver individually and as an Oregon general partnership. (Non-Specific, Affects Parcel I)
- 36. Assignment of Water Delivery Contract, including the terms and provisions thereof, recorded February 25, 1992 as Microfilm No. M-38071, Morrow County Microfilm Records. Whereas, Lynn Potter and Alan Cleaver, individually and the Lynn Potter and Alan Cleaver Partnership convey all their right, title and interest to Boise Cascade Corporation. (Affects Parcels I & III)
- 37. Agreement, including the terms and provisions thereof, recorded March 20, 1992 as Microfilm No. M-38207, Morrow County Microfilm Records. By and between Lawrence D. Lindsay and Corrine A Lindsay, husband and wife, and Rosella Lindsay, a single person and Lawrence D. Lindsay and Rosella Lindsay, a partnership dba Lindsay Ranch and Glenn S. Chowning and Michael W. Ayers. (Non-Specific, Affects Parcel II)

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- Easements, including the terms and provisions thereof, as disclosed in Deed recorded March 20, 1992 as Microfilm No. M-38208, Morrow County Deed Records. (Non-Specific, Affects Parcel II)
- 39. Assignment of Water Delivery Contract, including the terms and provisions thereof, recorded March 20, 1992 as Microfilm No. M-38209, Morrow County Microfilm Records. Whereas Glenn S. Chowning and Michael W. Ayers convey all of their right, title and interest to Boise Cascade Corporation. (Non-Specific, Affects Parcel II)
- 40. Easement for Underground utilities, including the terms and provisions thereof, in favor of Umatilla Electric Cooperative Association, recorded September 10, 1996, as Microfilm No. M-48951, Morrow County Microfilm Records. (3N 26, Sections 21 and 22, Affects Parcel I)
- 41. Oil and Gas Lease, including the terms and provisions thereof, recorded February 5, 2007 as Microfilm No. 2007-18669, Morrow County Microfilm Records. By and between Neil F. Ormond, as Lessor and Savant Resources, LLC, as Lessee.

By instrument recorded March 28, 2007 as Microfilm No. 2007-18994, Morrow County Microfilm Records, the overriding royalty interest of Savant Resources, LLC has been assigned to Kurt Constenius, Paul D. Hess and Theodore L. Bezzerides and Betty L. Bezzerides, as joint tenants, as their respective interests may appear.

By instrument recorded February 23, 2009 as Microfilm No. 2009-23496, Morrow County Microfilm Records, Savant Resources, LLC, Assignor has been assigned to Delta Petroleum Corporation, as Assignee, as their respective interests may appear.

By instrument recorded March 20, 2009, 2009 as Microfilm No. 2009-23625, Morrow County Microfilm Records, Savant Resources, LLC, Assignor has been assigned to Delta Petroleum Corporation, as Assignee, as their respective interests may appear.

42. Unrecorded leases, if any.

#### END OF EXHIBIT B

#### **EXHIBIT C**

**Description of Timber Reservation Property** 

(see attached)

5 3

#### **LEGAL DESCRIPTION**

#### PARCEL 1:

Beginning at the Northwest corner of Section 16, Township 3 North, Range 26 East of the Willamette Meridian, in the County of Morrow and State of Oregon; Thence South 0° 44' 6" West, 2,514.1 feet to the true point of beginning; thence North 88° 7' 59" West a distance of 2225 feet; thence South 77° 12' 31" West a distance of 177.8 feet; thence South 1° 59' 32" West a distance of 1146.7 feet; thence South 88° 1' 4" East a distance of 1140.1 feet; thence South 1° 51' 44" West a distance of 4726.8 feet; thence North 88° 1' 18" West a distance of 119.8 feet; thence South 1° 59' 10" West a distance of 2080.2 feet: thence South 88° 1'7" East a distance of 1290.4 feet; thence South 79° 38' 35" East a distance of 133.9 feet; thence South 0° 57' 17" West a distance of 2754.7 feet; thence North 87° 30' 5" West a distance of 835 feet: thence South 48° 3' 0" West a distance of 268 feet; thence North 85° 51' 55" West a distance of 383.4 feet; thence South 25° 50' 26" West a distance of 1328.2 feet; thence North 68° 27' 28" West a distance of 1373 feet; thence South 65° 53' 19" West a distance of 638.5 feet; thence South 38° 10' 57" West a distance of 1479.5 feet; thence South 21° 11' 54" East a distance of 1356.2 feet: thence South 71° 37' 58" East a distance of 1006.7 feet; thence North 84° 2' 42" East a distance of 550.7 feet; thence South 2° 12' 4" West a distance of 977.7 feet; thence South 2° 12' 1" West a distance of 1771.2 feet; thence South 15° 38' 12" East a distance of 173.3 feet; thence South 38° 37' 48" East a distance of 593.7 feet; thence South 53° 58' 21" East a distance of 385.2 feet: thence South 70° 55' 51" West a distance of 424.8 feet; thence South 61° 18' 32" West a distance of 425.9 feet; thence South 34° 50' 23" West a distance of 560.7 feet; thence South 28° 12' 35" West a distance of 1548 feet; thence South 87° 22' 2" East a distance of 3285.5 feet; thence North 2° 27' 24" East a distance of 2422.1 feet; thence South 87° 51' 2" East a distance of 2367.9 feet: thence North 18° 53' 10" West a distance of 1073 feet; thence North 32° 50' 6" West a distance of 1944.5 feet; thence North 19° 24' 51" East a distance of 2248 feet; thence South 88° 8' 47" East a distance of 3342.4 feet; thence North 1° 48' 40" East a distance of 1670.5 feet; thence South 88° 3' 31" East a distance of 730.9 feet: thence North 1° 45' 47" East a distance of 6297.4 feet; thence North 1° 30' 34" East a distance of 2618.6 feet;

thence North 88° 51' 11" West a distance of 2654.7 feet; thence North 88° 50' 53" West a distance of 3.9 feet; thence North 1° 37' 60" East a distance of 2573.3 feet; thence North 89° 2' 20" West a distance of 2659.3 feet; thence North 1° 34' 60" East a distance of 232.5 feet to the true point of beginning.

#### PARCEL 2:

Beginning at the Northwest corner of Section 16, Township 3 North, Range 26 East of the Willamette Meridian, in the County of Morrow and State of Oregon; Thence South 22° 42' 49" West, 2,820.29 feet to the true point of beginning; thence South 28° 54' 52" West a distance of 1457.7 feet; thence South 24° 43' 16" East a distance of 1562 feet; thence South 30° 59' 0" West a distance of 1445.9 feet; thence South 26° 27' 52" East a distance of 1540.8 feet; thence South 32° 57' 11" West a distance of 4.5 feet; thence South 32° 57' 19" West a distance of 1509 feet; thence South 27° 31' 38" East a distance of 1538.3 feet; thence South 32° 41' 24" West a distance of 2126.3 feet; thence South 57° 18' 17" East a distance of 1068.6 feet; thence South 1° 47' 57" West a distance of 2342.5 feet; thence South 87° 48' 52" East a distance of 1446.3 feet; thence South 2° 30' 56" West a distance of 537.8 feet; thence South 87° 42' 3" East a distance of 737.3 feet; thence South 37° 26' 19" East a distance of 52.1 feet: thence South 2° 31' 37" West a distance of 843.7 feet; thence South 87° 30' 3" East a distance of 820.1 feet; thence South 2° 29' 56" West a distance of 861.1 feet; thence South 87° 39' 17" East a distance of 811.3 feet; thence South 3° 7' 39" West a distance of 482.5 feet; thence South 65° 5' 50" East a distance of 2412.8 feet: thence North 51° 15' 15" East a distance of 1671.8 feet; thence North 11° 1' 34" West a distance of 2060.5 feet; thence North 87° 17' 54" West a distance of 3395.3 feet; thence North 2° 30' 37" East a distance of 2450.3 feet; thence South 87° 31' 39" East a distance of 1146.5 feet; thence North 2° 18' 21" East a distance of 347.8 feet: thence North 67° 23' 55" West a distance of 2528.8 feet; thence North 19° 5' 28" East a distance of 247.9 feet: thence North 0° 44' 22" East a distance of 3196.8 feet; thence North 22° 36' 1" West a distance of 606 feet; thence North 1° 24' 59" East a distance of 2918.4 feet; thence North 2° 20' 16" East a distance of 1277.5 feet; thence North 52° 18' 7" West a distance of 85.5 feet; thence North 2° 22' 59" East a distance of 1316.2 feet: thence North 87° 7' 31" West a distance of 1816.5 feet to the true point of beginning.

#### EXHIBIT D

#### **Timber Reservation**

1. Grantor shall harvest the trees currently growing on the Timber Reservation Property (the "**Existing Trees**") on or before they are twelve (12) years old; <u>provided</u>, Grantor shall have the option of harvesting the Existing Trees on or before they are fourteen (14) years old by written notice given to Grantee on or before the Existing Trees are twelve (12) years old. Upon harvesting of all of the Existing Trees, the reservation contained in this Deed shall automatically terminate and expire, and in any event, this reservation shall terminate and expire, if not terminated earlier, on November 1, 2026. In addition, this reservation shall partially terminate and expire upon harvest as to any portions of the Timber Reservation Property that have been harvested. Grantor shall sign any documents necessary to remove the reservation in this Deed against all, or appropriate portions of, the Timber Reservation Property, upon termination of all, or portions of, such reservation, as set forth herein.

2. Upon the harvest of a block of Existing Trees, Grantor shall be solely responsible and pay for the harvesting of the trees and Grantee shall be solely responsible and pay for removing the stumps and any harvest residuals.

4. This reservation is subject to the terms and provisions of that certain Lease Agreement between the parties of even date herewith. If such Lease Agreement is terminated, then this timber reservation shall also terminate, and be of no further force or effect.

5. All notices under this Timber Reservation shall be in writing and signed by a party or its counsel. Notices may be (i) delivered personally, (ii) electronically transmitted by email, (iii) delivered by a recognized national overnight delivery service, or (iv) mailed by certified United States mail, postage prepaid and return receipt requested. Notices to any party shall be directed to the address set forth below, or to such other or additional addresses as any party may specify by notice to the other party. Any notice delivered in accordance with this paragraph shall be deemed given (a) on the date personally delivered, (b) in the case of any notice electronically, on the date such notice is sent by email so long as the transmitting party within one (1) business day thereafter sends a confirming copy of such notice by a recognized national overnight delivery service, or the receiving party pursuant to this paragraph, (c) in the case of any notice delivered by a recognized national overnight delivery service, or the day of delivery to the service, or (d) in the case of any notice mailed by certified U.S. mail, two (2) business days after deposit therein:

Grantor:

Boardman Tree Farm, LLC c/o GreenWood Resources, Inc. 1500 SW First Ave, Suite 1150 Portland OR 97201 Attn: President and CEO Email: jeff.nuss@gwrglobal.com

and	Boardman Tree Farm, LLC 77200 Poleline Road Boardman, OR 97818 Attn: Director, North America Operations Email: don.rice@gwrglobal.com
with a copy to:	Schwabe, Williamson & Wyatt, P.C. 1211 SW Fifth Avenue, Suite 1500 Portland, Oregon 97204 Attn: Mark Stayer Email: mstayer@schwabe.com
Grantee:	Gregory te Velde 5850 Avenue 160 Tipton, CA 93172 Attn: Greg te Velde Email: gjtevelde@aol.com
with a copy to:	Collins & Collins, LLP PO Box 1457 Pendleton, OR 97801 Attn: Michael B. Collins Email: mike@pendletonlaw.net
with a copy to:	Marc Schuil Schuil & Associates 5020 W. Mineral King Ave. Visalia, CA 93291 Email: marc@schuil.com

#### END OF EXHIBIT D

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### UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

CONFIDENTIAL Exhibit 105 to Testimony of Thomas Wolff

# THIS EXHIBIT IS CONFIDENTIAL PER PROTECTIVE ORDER 17-093 IN DOCKET UM-1818 AND IS PROVIDED SEPARATELY

# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 106 to Testimony of Thomas Wolff

# **UMATILLA ELECTRIC COOPERATIVE**

PO Box 1148 \* Hermiston, Oregon 97838 \* Phone (541) 567-6414 \* Fax# (541) 564-4345 PO Box 1149 \* Boardman, Oregon 97818 \* Phone (541) 481-2220 \* Fax# (541) 481-2221 Oregon Toll Free 1 -800-452-2273 LOCATION#

#### APPLICATION FOR A BUSINESS MEMBERSHIP

The undersigned hereby applies for membership in the UMATILLA ELECTRIC COOPERATIVE (hereinafter called the "Corporation") and in consideration of the acceptance of this application agrees with the Corporation as follows:

- 1. The undersigned will pay forthwith to the Corporation a membership fee of Five Dollars (\$5.00).
- As soon as electric energy shall be available after the issuance to the undersigned of membership certificate, the undersigned will purchase monthly from the Corporation not less than the minimum amount of electric energy which shall from time to time be determined by the Board of Directors of the Corporation and will pay therefore, and for all additional electric energy used by the undersigned, the price which shall from time to time be fixed therefore by the Board of Directors. 2.
- The undersigned will grant to the Corporation at its request the necessary rights, privileges and easements to construct, operate, replace and repair and perpetually maintain on the property owned or occupied by' the undersigned, and in or upon all roads, streets or highways abutting said property, its lines or lines for the transmission or distribution of electric energy, and w111 execute and deliver to the Corporation any conveyance, grant or instrument which the Corporation shall deem necessary or convenient for said purposes or any of them. All service lines supplying the undersigned with electric energy and all switches, meters and other appliances and equipment constructed or installed by the corporation on said property, except so nuch thereof, if any, as shall be paid for by the undersigned, shall at all times be the sole property of the Corporation, and the Corporation shall have the right of access to said property to repair and service, and upon the discontinuance of service for any reason to remove the same.
- The undersigned shall have all the rights and privileges granted to members under the Articles of Association and By-Laws of the Corporation or any amendments thereof, and will comply with and be bound by such Articles of Association and By-Laws and all the rules and regulations as may from time to time be adopted by the Board of Directors of the Corporation. 4,
- It is agreed, furthermore, that an amount not less than \$2.08 nor more than \$3.60 of payments or the amount accruing to me each year is for a year's subscription to the "Ruralite" magazine or such other publication as the Board of Directors may authorize. 5.
- The acceptance of this application by the Corporation shall constitute an agreement between the Corporation and the undersigned б upon the terms herein above set forth.

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#### PLEASE PRINT

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Ownership & Percentage of					
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Contact Name & Title:		Phone No.: <u>559</u> - <i>Bome Amp</i> (City)	799-911/ Email:	gitevelde	eaol. Com
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# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 107 to Testimony of Thomas Wolff

Acct/Serv/Pro	ov/Agmt	Cycle Service Addr	Service Status
9103773001	ELEC - UEC - 404/405	1 404/405, BOARDMAN, OR 97818	1 - Active
9103773002	ELEC - UEC - 406/410 BOOSTER	1 406/410 BOOSTER, BOARDMAN, OR 97818	1 - Active
9103773003	ELEC - UEC - CANAL STATION 6B EAST	1 CANAL STATION 6B EAST, IRRIGON, OR 97844	1 - Active
9103773005	ELEC - UEC - 6B BOOSTER-715 HP	1 6B BOOSTER-715 HP, IRRIGON, OR 97844	1 - Active
9103773006	ELEC - UEC - 504 BOOSTER	1 504 BOOSTER, BOARDMAN, OR 97818	1 - Active
9103773009	ELEC - UEC - HOMESTEAD LN	1 HOMESTEAD LN, BOARDMAN, OR 97818	1 - Active
9103773010	ELEC - UEC - 609/612	1 609/612, BOARDMAN, OR 97818	1 - Active
9103773011	ELEC - UEC - 603	1 603, BOARDMAN, OR 97818	1 - Active
9103773014	ELEC - UEC - 602	1 602, BOARDMAN, OR 97818	1 - Active
9103773015	ELEC - UEC - CANAL STATION 4A	1 CANAL STATION 4A, BOARDMAN, OR 97818	1 - Active
9103773016	ELEC - UEC - CANAL STATION 5	1 CANAL STATION 5, BOARDMAN, OR 97818	1 - Active
9103773017	ELEC - UEC - 614 BOOSTER	1 614 BOOSTER, IRRIGON, OR 97844	1 - Active
9103773018	ELEC - UEC - 606	1 606, IRRIGON, OR 97844	1 - Active
9103773019	ELEC - UEC - 607	1 607, BOARDMAN, OR 97818	1 - Active
9103773020	ELEC - UEC - CANAL STATION 6A WEST	1 CANAL STATION 6A WEST, IRRIGON, OR 97844	1 - Active
9103773021	ELEC - UEC - BOOSTER 6A	1 BOOSTER 6A, IRRIGON, OR 97844	1 - Active
9103773022	ELEC - UEC - POLELINE RD-SHOP	1 POLELINE RD-SHOP, BOARDMAN, OR 97818	1 - Active
9103773024	ELEC - UEC - NW LAGOON SERVICE	1 NW LAGOON SERVICE, BOARDMAN, OR 97818	1 - Active
9103773026	ELEC - UEC - PARLOR SERVICE	1 PARLOR SERVICE, BOARDMAN, OR 97818	1 - Active
9103773029	ELEC - UEC - NORTH FREESTALL SERVICE	1 NORTH FREESTALL SERVICE, BOARDMAN, OR 97818	1 - Active
9103773030	ELEC - UEC - 250 HP CLUSTER	1 250 HP CLUSTER, BOARDMAN, OR 97818	1 - Active
9103773031	ELEC - UEC - WILLOW CREEK DAIRY CLUSTER 608	1 WILLOW CREEK DAIRY CLUSTER 608, BOARDMAN, OR 97818	1 - Active
9103773032	ELEC - UEC - TEMP SERVICE TO PARLOR BUILDING	1 TEMP SERVICE TO PARLOR BUILDING, BOARDMAN, OR 97818	1 - Active
9103773034	ELEC - UEC - WCD CLUSTER 601	1 WCD CLUSTER 601, BOARDMAN, OR 97818	1 - Active
9103773035	ELEC - UEC - CLUSTER 603 POLELINE ROAD	1 CLUSTER 603 POLELINE ROAD, BOARDMAN, OR 97818	1 - Active
9103773036	ELEC - UEC - HOMESTEAD ROAD	1 HOMESTEAD ROAD, BOARDMAN, OR 97818	1 - Active
9103773023	ELEC - UEC - HOMESTEAD LN	1 HOMESTEAD LN, BOARDMAN, OR 97818	6 - Line Retention Minimum
9103773007	ELEC - UEC - HOMESTEAD LN N LAGOON SERVICE	1 HOMESTEAD LN N LAGOON SERVICE, BOARDMAN, OR 97818	7 - Pending Connect
9103773025	ELEC - UEC - COMMODITY SERVICE	1 COMMODITY SERVICE, BOARDMAN, OR 97818	7 - Pending Connect
9103773027	ELEC - UEC - SOUTH FREESTALL SERVICE	1 SOUTH FREESTALL SERVICE, BOARDMAN, OR 97818	7 - Pending Connect
9103773028	ELEC - UEC - SE LAGOON SERVICE	1 SE LAGOON SERVICE, BOARDMAN, OR 97818	7 - Pending Connect
9103773037	ELEC - UEC - SEPARATOR/SCREEN FACILITY SE LAG	1 SEPARATOR/SCREEN FACILITY SE LAGOON SERV, BOARDMAN, OR 97818	7 - Pending Connect

Rate Schedule	Meter #	Connect Dt Serv Pt	Transf #	Transf Size	% Тс	otal	Grid	PEAK DEMAND (kW)	% total	PEAK DEMAND Billin
60A	8465593	1/1/2016 Y	16837		500	3.38	% 3N26E211900	91.160	1.666%	, )
47A	8452019	1/1/2016 Y	5187		225	1.52	% 3N26E210400	113.160	2.068%	)
49A	8465205	1/1/2016 Y	11146	1	.500	10.15	% 3N26E140904	1298.640	23.732%	)
48A	8465406	1/1/2016 Y	9316		750	5.08	% 3N26E230200	531.240	9.708%	)
44A	19069518	1/1/2016 Y	9183		500	3.38	% 3N26E223700	121.600	2.222%	, )
50B	98930249	1/1/2016 Y	10371		25	0.17	% 3N26E167900	10.598	0.194%	, )
41B	98922274	1/1/2016 Y	5760		25	0.17	% 3N26E335900	0.406	0.007%	, )
41B	98924083	1/1/2016 Y	13086		10	0.07	% 3N26E229700	0.858	0.016%	, )
50B	98925493	1/1/2016 Y	5021		10	0.07	% 3N26E159100	0.264	0.005%	, )
48A	8465279	1/1/2016 Y	4866	1	.500	10.15	% 3N26E161902	612.300	11.190%	, )
48A	8465733	1/1/2016 Y	5055	1	.000	6.77	% 3N26E150902	655.320	11.976%	, )
44A	17977529	1/1/2016 Y	7608		75	0.51	% 3N26E231000	15.665	0.286%	)
44A	8596583	1/1/2016 Y	5071		45	0.30	% 3N26E279500	14.560	0.266%	, )
41B	98922273	1/1/2016 Y	11117		15	0.10	% 3N26E276000	0.458	0.008%	)
49A	11804360	1/1/2016 Y	14400	2	000	13.54	% 3N26E140902	1595.520	29.158%	, )
48A	8465704	1/1/2016 Y	5143	1	.500	10.15	% 3N26E346000	79.740	1.457%	, )
50B	98931328	1/1/2016 Y	13147		25	0.17	% 3N26E340900	13.116	0.240%	)
60A	17977439	4/1/2016 Y	17082		300	2.03	% 3N26E162600	5.896	0.108%	, )
61A	19069530	4/27/2016 Y	17221		750	5.08	% 3N26E168500	0.060	0.001%	, )
61A	8465395	4/28/2016 Y	16833		500	3.38	% 3N26E168701	11.600	0.212%	, )
47A	8465614	5/1/2016 Y	17080		300	2.03	% 3N26E285100	4.680	0.086%	, )
48A	8465525	6/14/2016 Y	13343		500	3.38	% 3N26E346001	222.960	4.075%	, )
50B	134956908	6/16/2016 Y	17106		25	0.17	% 3N26E168501	11.800	0.216%	, )
44A	11804472	7/14/2016 Y	16672		75	0.51	% 3N26E159601	7.790	0.142%	, )
44A	8475793	8/25/2016 Y	12967		45	0.30	% 3N26E231001	4.039	0.074%	, )
47A	8476263	4/24/2017 Y	16515		225	1.52	% 3N26E220900	48.627	0.889%	, )
10B	No Meter	5/15/2017 Y	16837		500	3.38	% 3N26E211900	N/A		N/A
10B	No Meter	Y	None			0.00	% 3N26E166900	N/A		N/A
50B	No Meter	Y	9191		300	2.03	% 3N26E150301	N/A		N/A
61A	No Meter	Y	17220		750	5.08	% 3N26E169300	N/A		N/A
61A	No Meter	Y	17088		300	2.03	% 3N26E169301	N/A		N/A
61A	8465300	Y	17410		500	3.38	% 3N26E165301	N/A		N/A
		Total installed capa	city (kVA):	14,	775					
						Total Pe	ak Demand (kW)	5,472	100%	)

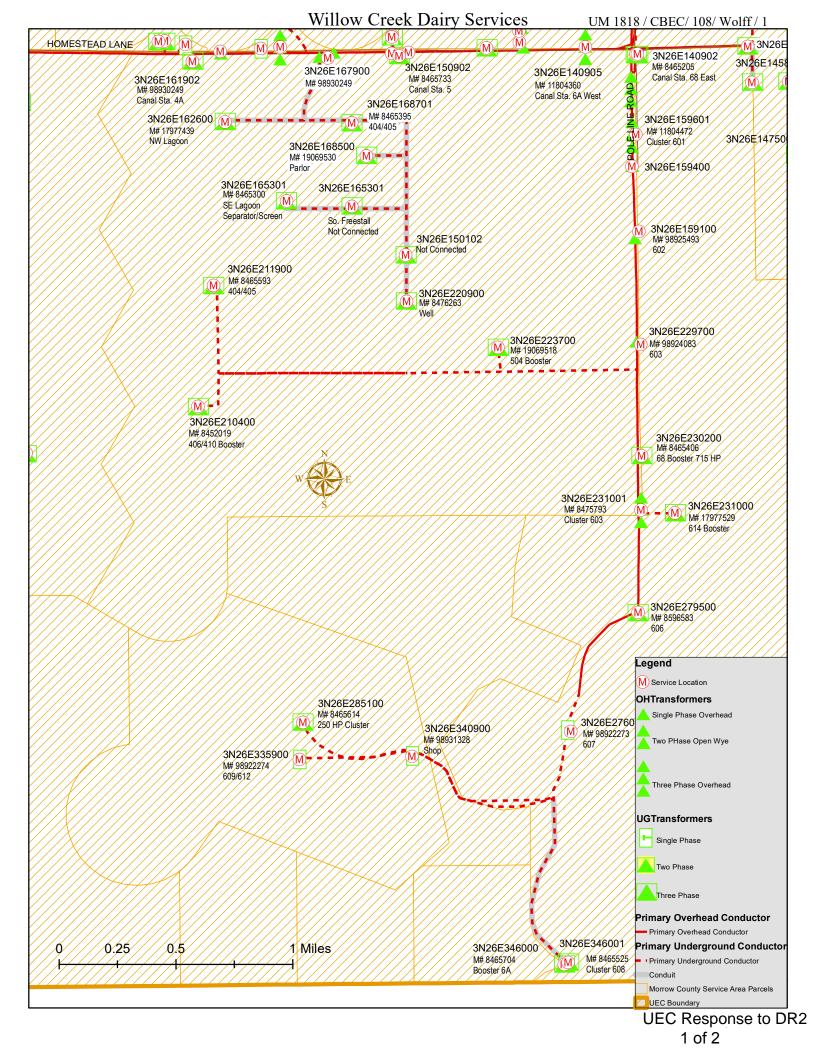
#### Billing Period

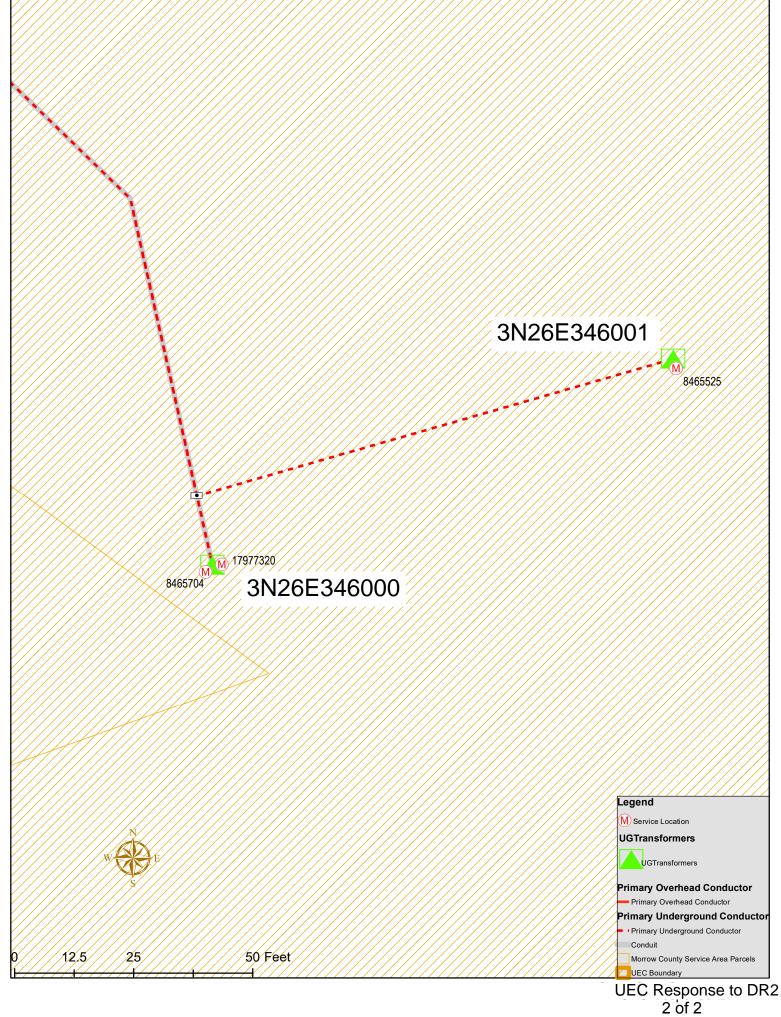
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May-16 Mar-17 Sep-16 Apr-17 May-17 Sep-16 Jul-16 Mar-17 May-16
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# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 108 to Testimony of Thomas Wolff





# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 109 to Testimony of Thomas Wolff

#### UMATILLA ELECTRIC COOPERATIVE RESPONSE TO COLUMBIA BASIN DATA REQUESTS

<u>CBEC DR TO UMATILLA UM 1818 NO. 6</u>: Please identify the Umatilla meter(s) that provide service to Willow Creek Dairy's (hereinafter, "Dairy") six irrigation circles located in Columbia Basin's service territory by meter number, transformer, and specific location.

#### **<u>REVISED RESPONSE</u>**:

UEC objects to this request because it is unreasonably cumulative and duplicative. Subject to the foregoing request, and as described in an email to CBEC's counsel on July 7, 2017, meter #8465525, served from the transformer located at 3N26E346001, serves the irrigation circles located in CBEC's service territory. Please refer to the file "UEC Response to DR3.xlsx" for additional information regarding that meter.

#### REVISED RESPONSE DATE: August 14, 2017

# REVISED PERSON MOST KNOWLEDGABLE ABOUT RESPONSE: Josh Lankford

#### UMATILLA ELECTRIC COOPERATIVE RESPONSE TO COLUMBIA BASIN DATA REQUESTS

<u>CBEC DR TO UMATILLA UM 1818 NO. 7</u>: Please identify the Umatilla meter(s) that provide service to the Dairy's booster pumps that provide water to the Dairy's six irrigation circles in Columbia Basin's service territory by meter number, transformer, and specific location.

#### **<u>RESPONSE</u>**:

UEC objects to this request because it is unreasonably cumulative and duplicative. Subject to the foregoing request, and as described in an email to CBEC's counsel on July 7, 2017, meter #8465704 served from the transformer located at 3N26E346000, serves the Willow Creek booster pumps in UEC's service territory. Please refer to the file "UEC Response to DR3.xlsx" for additional information regarding that meter.

#### **REVISED RESPONSE DATE:** August 14, 2017

## REVISED PERSON MOST KNOWLEDGABLE ABOUT RESPONSE: Josh Lankford

# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 110 to Testimony of Thomas Wolff

#### TE VELDE RESPONSE TO COLUMBIA BASIN DATA REQUESTS

<u>CBEC DR TO WILLOW CREEK DAIRY NO. 15:</u> Please identify the Umatilla meter(s) that provide service to the Dairy's six irrigation circles located in Columbia Basin's service territory by meter number, transformer, and specific location.

#### **TE VELDE RESPONSE:**

te Velde objects to this request because it is unreasonably cumulative and duplicative. Subject to the foregoing, the meter associated with service provided to the referenced six irrigation circles is #8465525.

#### TE VELDE RESPONSE TO COLUMBIA BASIN DATA REQUESTS

<u>CBEC DR TO WILLOW CREEK DAIRY NO. 16:</u> Please identify the Umatilla meter(s) that provide service to the Dairy's booster pumps that provide water to the Dairy's six irrigation circles in Columbia Basin's service territory by meter number. transformer, and specific location.

#### TE VELDE RESPONSE:

te Velde objects to this request because it is unreasonably cumulative and duplicative. Subject to the foregoing, the meter associated with service provided to the referenced booster pump is 8465704.

# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 111 to Testimony of Thomas Wolff

From: Sent: To: Subject: Attachments: Katrina Ward Wednesday, July 20, 2016 3:21 PM Joshua Lankford FW: A follow-up to yesterday's phone message regarding UEC's irrigation service. Willow Creek Dairy Circle Service Letter - 06-20-16.pdf

Josh,

Please see email below (and attachment). Robert needs to know if there has been any construction activity at the site identified in the last six months so he can respond appropriately to Columbia Basin.

Your prompt attention is much appreciated! Thank you.

#### Katrina Ward

**Executive Assistant to the CEO** 

ERATIVE

750 W. Elm PO Box 1148 Hermiston, OR 97838 (541) 564-4388 office (541) 567-8142 fax katrina.ward@umatillaelectric.com

From: Tommy Wolff [mailto:tommyw@columbiabasin.cc] Sent: Wednesday, July 20, 2016 14:26 To: Robert Echenrode <Robert.Echenrode@umatillaelectric.com> Cc: Kirk Gibson <kirk@mrg-law.com>; Raymond Kindley (raykindley@gmail.com) <raykindley@gmail.com>; Brian Kollman <BrianK@columbiabasin.cc> Subject: A follow-up to yesterday's phone message regarding UEC's irrigation service.

Good Afternoon Robert:

This is a follow-up to the phone message I left yesterday morning - hopefully you received it.

As I explained via the phone message, UEC is now serving retail load in CBEC's service territory. About the six most southern circles in the new Dairy – Tree Farm replacement project are located south of our joint territory line.

These circles are now operating and irrigating, with UEC provided power.

Prior to the Tree Farm, there were circles in this same area served by CBEC, and our power supply is still on-site and available for service.

As you may recall from the recent CBEC vs. PacifiCorp cause, the Oregon PUC declared that "Service" is defined as where the load is situated, not where a metering device may be installed.

Please visit with your Operations staff and the consumer, explain to them the situation, and arrange to have these circles disconnected from any UEC power source.

We have previously contacted the consumer and the irrigation contractor, and explained our position. A copy of the correspondence is attached.

CBEC realizes that although we cannot force any consumer to purchase power from us, it is improper for any other utility to provide Utility Services within CBEC's exclusive service territory.

We appreciate UEC's prompt action and response on this issue.

Regards,

Tommy



Thomas Wolff, CPA CEO / General Manager P.O. Box 398 Heppner, Oregon 97836-0398 Office = 541-676-9146 Cell = 541-377-4945 tommyw@columbiabasin.cc

This email has been scanned by the Symantec Email Security.cloud service. For more information please visit <u>http://www.symanteccloud.com</u>



# Columbia Basin Electric Cooperative, Inc.

171 N. LINDEN WAY • P.O. BOX 398 • HEPPNER, OREGON 97836-0398 Telephone (541) 676-9146 • Fax (541) 676-5159 Condon Telephone (541) 364-2023

tommyw@columblabasin.cc andyt@columblabasin.cc briank@columblabasin.cc josho@columblabasin.cc debbiel@columblabasin.cc

June 20, 2016

Willow Creek Dairy Greg Te Velde 67500 Taggares Lane Boardman, Oregon 97818 541-481-0900 Jeddie Aylett 75816 Frontage Lane Hermiston, Oregon 97838 541-571-2477

In Re: Electric power to your southern most circles.

Dear Mr. Te Velde and Mr. Aylett:

Congratulations and Best Wishes on your large dairy and irrigation project in North Morrow County. Your infrastructure development appears to be well underway with a completion in sight!

We have noted that your southern most circles are in the Columbia Basin Service Territory, and we are ready and prepared to serve the power to those units when you need it. We have a three-phase service just to the south of the circles from which service will be made. Please contact our Operations Manager Brian Kollman to determine the trench locations and logistics for your electricians. Brian can be reached at our office number of 541-676-9146 or on his company cell phone of 541-377-2842.

We look forward to serving your electrical needs and having you join our consumer-owned cooperative.

Sincerely,

Thomas Wolf

Thomas Wolff, CPA CEO/General Manager

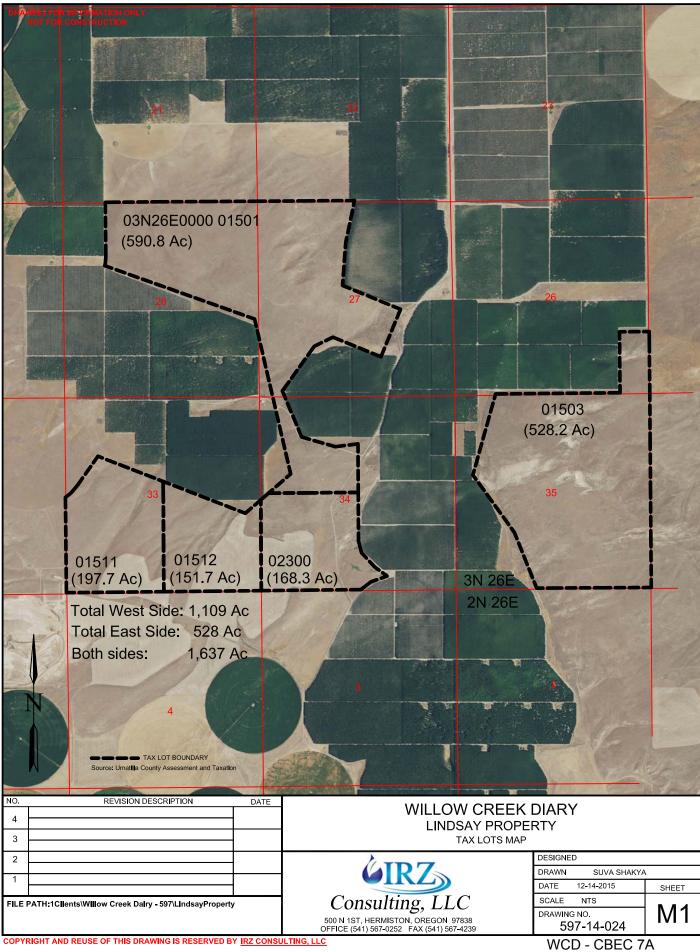
Cc: Brian Kollman

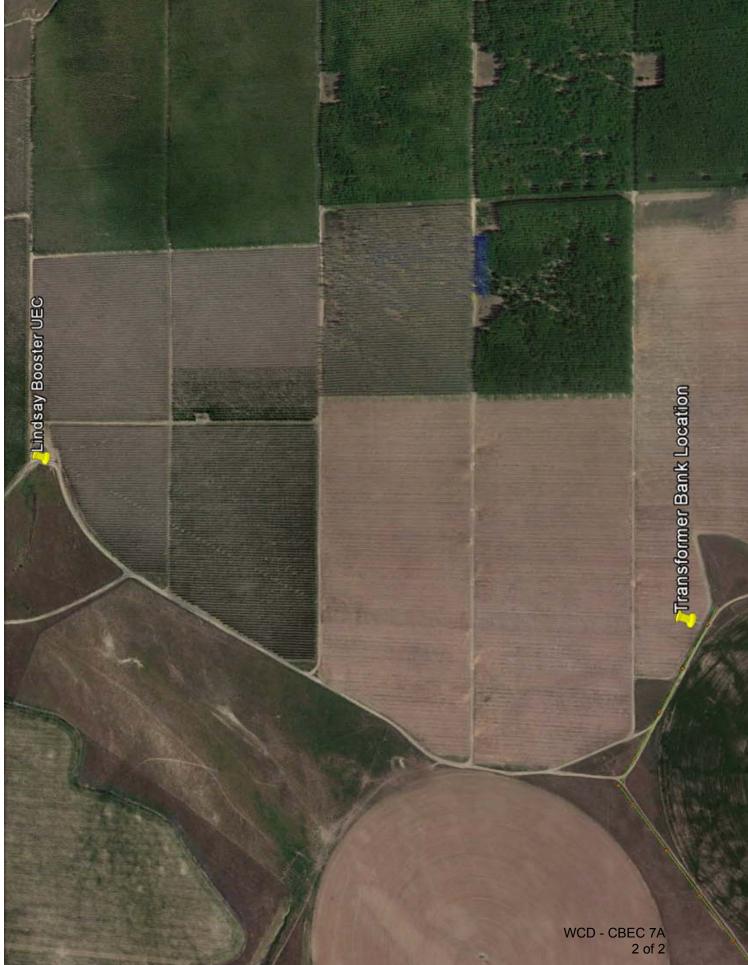
# UM 1818

# **Columbia Basin Electric Cooperative, Inc.**

Exhibit 112 to Testimony of Thomas Wolff

#### UM 1818 / CBEC/ 112 Wolff / 1





#### **CERTIFICATE OF SERVICE – UM 1818**

I hereby certify that I served a true and correct copy of Columbia Basin Electric Cooperative Inc.'s **Opening Testimony of Thomas Wolff** on the parties listed below via electronic mail and/or overnight delivery in compliance with OAR 860-001-0180.

#### C=Confidential

COLUMBIA BASIN UM 1818	
RAYMOND S KINDLEY (C) KINDLEY LAW PC PO BOX 569 WEST LINN OR 97068 kindleylaw@comcast.net	THOMAS F WOLFF (C) COLUMBIA BASIN ELECTRIC PO BOX 398 HEPPNER OR 97836 tommy@columbiabasin.cc
STAFF UM 1818	
SCOTT GIBBENS (C) PUBLIC UTILITY COMMISSION 201 HIGH ST SE SALEM OR 97301 scott.gibbens@state.or.us	JOHANNA RIEMENSCHNEIDER (C) PUC STAFF - DEPARTMENT OF JUSTICE BUSINESS ACTIVITIES SECTION 1162 COURT ST NE SALEM OR 97301-4796 johanna.riemenschneider@doj.state.or.us
PAUL ROSSOW (C) PUBLIC UTILITY COMMISSION OF OREGON PO BOX 1088 SALEM OR 97308-1088 paul.rossow@state.or.us	
UMATILLA ELECTRIC COOP. UM 1818	
TOMMY A BROOKS (C) CABLE HUSTON BENEDICT HAAGENSEN & LLOYD 1001 SW FIFTH AVE, STE 2000 PORTLAND OR 97204-1136 tbrooks@cablehuston.com	THOMAS M GRIM CABLE HUSTON BENEDICT ET AL 1001 SW FIFTH AVE STE 2000 PORTLAND OR 97204-1136 tgrim@cablehuston.com
CHAD M STOKES (C) CABLE HUSTON BENEDICT HAAGENSEN & LLOYD LLP 1001 SW 5TH - STE 2000 PORTLAND OR 97204-1136 cstokes@cablehuston.com	Δ
WHEATRIDGE UM 1818	
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BRIAN J MURPHY NEXTERA ENERGY RESOURCES LLC 700 UNIVERSE BLVD JUNO BEACH FL 33408 brian.j.murphy@nee.com	
WILLOW CREEK DAIRY UM 1818	
JEDDIE AYLETT 75816 FRONTAGE LANE HERMISTON OR 97838 aylettjeddie@yahoo.com	MICHAEL COLLINS COLLINS & COLLINS, LLP PO BOX 1457 PENDLETON OR 97801 mike@pendletonlaw.net
GREG TE VELDE WILLOW CREEK DAIRY 5850 AVENUE 160 TIPTON CA 93272 gjtevelde@aol.com	

Dated this 28th day of August, 2017.

Alisha Till Administrative Assistant McDowell Rackner & Gibson