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Preliminary Investigation Report

**PROPOSED
UMATILLA COUNTY
PEOPLES UTILITY DISTRICT
UMATILLA COUNTY OREGON**



September 1974

**Prepared By
CHRIS L. WHEELER
STATE ENGINEER**

R E P O R T
OF THE
PRELIMINARY INVESTIGATION
ON THE ADVISABILITY OF CREATING THE
UMATILLA COUNTY PEOPLES' UTILITY DISTRICT
IN UMATILLA COUNTY, OREGON

September 12, 1974

Salem, Oregon

PRELIMINARY INVESTIGATION ON THE ADVISABILITY OF CREATING THE
UMATILLA COUNTY PEOPLES' UTILITY DISTRICT
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INTRODUCTION

The Authority and procedures in the matter of formation of Peoples' Utility Districts is provided in the Constitution of Oregon Article XI, Section 12, and Oregon Revised Statutes Chapter 261. Pursuant thereto voter's preliminary petitions and supporting documents requesting the State Engineer of Oregon to make a preliminary investigation as to the advisability of creating a People's Utility District covering approximately 62 square miles of unincorporated territory in the vicinity of Milton-Freewater, Umatilla County, were filed by the State Engineer on August 2, 1974. The petitions were found to comply with the requirements of the law and under its provisions, the State Engineer set the time and place for a hearing as follows: September 17, 1974 beginning at 2:00 p.m. P.D.T. in the Stateline Grange Hall located at the intersection of Ferndale Road and the Old Walla Walla Highway.

Official notices of said hearing were posted as provided by ORS 261:120 by Carl L. Rempel on August 31, 1974. Both a boundary description and a map of the proposed district were attached to each notice.

Notices were posted in the following listed locations:

- | | |
|-----------------------------------|--|
| 1. Fulkersons's Veterinary Clinic | Walla Walla Highway |
| 2. Mike's Saddle Shop | Walla Walla Highway |
| 3. Grigg's Shopping Center | Walla Walla Highway |
| 4. Stateline Pharmacy | Walla Walla Highway |
| 5. Texico Service Station | Walla Walla Highway |
| 6. Hudson Service Station | Walla Walla Highway |
| 7. Lee's Grocery | Intersection of Old
Walla Walla Highway
& Stateline Road |
| 8. Stateline Grocery | Stateline Road |
| 9. Stateline Grange Hall | Old Walla Walla Highway
& Ferndale Road |
| 10. Ferndale School | Old Walla Walla Highway
& Ferndale Road |
| 11. Blumhagens Store | Umapine |
| 12. Waterhole Tavern | Umapine |
| 13. Hudson Bay Grange Hall | Umapine |

Additionally arrangements were made with the sponsors to put up a notice at Larsons Gardens and another at the intersection of the Old Milton Highway and Pine Creek Road.

SPONSORSHIP OF THE PROPOSED DISTRICT

The names and addresses of the sponsoring organizations which are sponsoring the formation of the district are: Hudson Bay Grange, Kenneth Tellefson, Master, Umapine, Oregon and Stateline Grange, Mrs. John Newman, Master, Route 1, Box 10, Milton-Freewater, Oregon. Mrs. Lyle Brown, Route 3, Box 161, Milton-Freewater, Oregon has been designated at the person to receive correspondence to the sponsors.

The petition states that "the purpose of the proposed District is to provide a more economical and reliable source and distribution system for electrical power within the area, to enhance agricultural and industrial opportunities and to increase employment.

DESCRIPTION OF TERRITORY

The proposed district covers approximately 62 square miles of contiguous unincorporated territory lying generally to the north, to the west and the south of Milton-Freewater City Power and Light service area, with the northern limit being the state line between Oregon and Washington and bounded on the west by the Columbia Electric Cooperative. Based on evidence presented at the hearing, and results of his studies, the State Engineer may order changes in the boundaries in his final report. The statute requires, however, that no territory served by a municipal system shall be included in any election for formation unless the inclusion is agreed to at an election by the legal voters of such municipality.

The boundaries of the proposed district are more particularly described as follows:

Beginning at a point at the intersection of the Oregon-Washington Boundary with the North-South midsection line of Section 16, T.6N., R. 36E., W.M.; thence South along the North-South midsection lines of said Section 16 and Section 21, T.6N., R. 36E., W.M.; to the N.W. corner of the S.W. $\frac{1}{4}$ of the S.E. $\frac{1}{4}$ of Section 21, T.6N., R. 36E., W.M.; thence west along the North line of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Sections 21 and 20, to the S.W. corner of the N.W. $\frac{1}{4}$ of the S.W. $\frac{1}{4}$ of Section 20, T.6N., R. 36E., W.M.; thence South, along the section line to the S.E. corner of Section 19, T.6N., R. 36E., W.M.; thence West 2 miles along the South lines of said Section 19 and Section 24, T.6N., R. 35E., W.M. to the S.W. corner of said Section 24; thence North along the Section line to the N.E. corner of the S.E. $\frac{1}{4}$ of the S.E. $\frac{1}{4}$ of Section 23, T.6N., R. 35E., W.M.; thence West, along the North line of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of said Section 23, to the N.W. corner of the S.W. $\frac{1}{4}$ of the S.E. $\frac{1}{4}$ of said Section 23, thence South, along the North-South midsection line of said Section 23, to the South $\frac{1}{4}$ corner of said Section 23, thence West, along the Section lines, to the South $\frac{1}{4}$ corner of Section 22, T.6N., R. 35E., W.M., thence South $1\frac{1}{2}$ miles along the North-South midsection lines of Section 27 and 34, T.6N., R. 35E., W.M.; to the S.W. corner of the S.W. $\frac{1}{4}$ of the N.E. $\frac{1}{4}$ of Section 34, T. 6N., R. 35E., W.M.; thence East, along the East-West midsection line of said Section 34, to the S.E. corner of the S.W. $\frac{1}{4}$ of the N.E. $\frac{1}{4}$ of said

Section 34; thence South $1\frac{1}{2}$ miles, along the West line of the East $\frac{1}{2}$ of the East $\frac{1}{2}$ of said Section 34 and Section 3, T.5N., R. 35E., W.M.; to the S.W. corner of the N.E. $\frac{1}{2}$ of the S.E. $\frac{1}{2}$ of said Section 3; thence East, $\frac{1}{2}$ mile along the North line of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of said Section 3, to the N.E. corner of the S.E. $\frac{1}{2}$ of the S.E. $\frac{1}{2}$ of said Section 3; thence South, $1\frac{1}{2}$ miles, along the Section lines to the S.E. corner of Section 10, T.5N., R. 35E., W.M.; thence Southeasterly in a straight line, to the S.E. corner of Section 14, T.5N., R. 35E., W.M.; thence South 3 miles, along the Section lines, to the S.W. corner of Section 36, T.5N., R. 35E., W.M.; thence East, along the Township line to the North $\frac{1}{2}$ corner of Section 6, T.4N., R. 36E., W.M.; thence South, 1 mile, along the North-South midsection line of said Section 6, to the South $\frac{1}{2}$ corner of said Section 6; thence East, along the Section line, to the N.W. corner of Section 8, T.4N., R. 36E., W.M.; thence South along the Section line, to the West $\frac{1}{2}$ corner of said Section 8; thence East 2 miles, along the midsection lines of Sections 8 and 9, T.4N., R. 36E., W.M.; to the East $\frac{1}{2}$ corner of said Section 9; thence South $1\frac{1}{2}$ miles, along the Section lines to the S.E. corner of Section 16 T.4N., R. 36E., W.M.; thence West 3 miles along the Section lines, to the S.E. corner of Section 13, T.4N., R. 35E., W.M.; thence North, 1 mile, along the Section line to the N.E. corner of said Section 13; thence West $2\frac{1}{2}$ miles, along the Section lines to the South $\frac{1}{2}$ corner of Section 10, T.4N., R. 35E., W.M.; thence North 2 miles, along the North-South midsection lines to the North $\frac{1}{2}$ corner of Section 3, T.4N., R. 35E., W.M.; thence West, along the Township line, $1\frac{1}{2}$ miles, to the S.E. corner of Section 32, T.5N., R. 35E., W.M.; thence North, 5 miles, along the section lines to the S.W. corner of Section 4, T.5N., R. 35E., W.M.; thence West $4\frac{3}{4}$ miles, along the Section lines to the S.W. corner of the S.E. $\frac{1}{2}$ of the S.W. $\frac{1}{2}$ of Section 3, T.5N., R. 34E., W.M.; thence North $3\frac{1}{2}$ miles along the East line of the West $\frac{1}{2}$ of the West $\frac{1}{2}$ of Sections 3, 34, 27, and 22, to the N.W. corner of the N.E. $\frac{1}{2}$ of the S.W. $\frac{1}{2}$ of Section 22, T. 6N., R. 34E., W.M.; thence, East, along the East-West midsection line of said Section 22 to the West $\frac{1}{2}$ corner of Section 23, T.6N., R. 34E., W.M.; thence North, along the Section lines to the S.W. corner of the N.W. $\frac{1}{2}$ of the S.W. $\frac{1}{2}$ of Section 14, T.6N., R. 34E., W.M.; thence West, along the North line of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Section 15, T.6N., R. 34E., W.M.; to the N.E. corner of the S.W. $\frac{1}{2}$ of the S.W. $\frac{1}{2}$ of said Section 15; thence North along the East line of the West $\frac{1}{2}$ of the West $\frac{1}{2}$ of said Section 15 to the Oregon-Washington State Boundary; thence East $3\frac{3}{4}$ miles, along said State Boundary to the North-South Section line between Section 17 and Section 18, T.6N., R. 35E., W.M.; thence South along the Section line, to the S.W. corner of said Section 17; thence East, 2 miles along the Section lines to the S.W. corner of Section 15, T.6N., R. 35E., W.M.; thence North along the Section line to the Oregon-Washington State Boundary, thence East, 3 miles, along said Boundary to the Range line between Ranges 35E., W.M. and 36E., W.M.; thence South along the Range line to the N.W. corner of the S.W. $\frac{1}{2}$ of the S.W. $\frac{1}{2}$ of Section 18, T.6N., R. 36E., W.M.; thence East $1\frac{1}{2}$ miles, along the North line of the South $\frac{1}{2}$ of the South $\frac{1}{2}$ of Sections 18 and 17, T.6N.,

R. 36E., W.M. to the S.E. corner of the N.E.¼ of the S.W.¼ of Section 17, T.6N., R. 36E., W.M.; thence North, along the North-South center line of said Section 17, to the Oregon-Washington State Boundary; thence East 1 mile, along said State Boundary to the point of beginning, being the North-South centerline of Section 16, T. 6N., R. 36E., W.M.

NOTE: In the foregoing description, all boundaries follow Section lines, or standard subdivision lines thereof, except as indicated. Section lines are presumed to run North and South or East and West, and the word "mile" is interpreted to be the length of one side of a Section.

PRESENT SUPPLY ARRANGEMENTS

In August 1973, the firm power purchase contracts between Pacific Power & Light Company and the Bonneville Power Administration terminated, and were not extended due to an insufficient supply to meet existing preference customer demands. The federal government has, however, made capacity available in association with the "Hydro-Thermal Power Program." The Company also has purchased blocks of power from the Washington public utility districts, which constructed the Wanapum, Priest Rapids, Rocky Reach and Wells projects on the Columbia River and Swift No. 2 on the Lewis River. In addition to these and other short-term and minor purchases, the Company is engaged in pooling certain resources through the Pacific Northwest Coordination Agreement, through other inter-company arrangements with Portland General Electric Company, Puget Sound Power & Light Company, The Montana Power Company, Utah Power & Light Company, and Pacific Gas and Electric Company and arrangements with the Bureau of Reclamation.

The Company is a member of the Joint Power Planning Council and

is a participant in the Hydro-Thermal Program through major ownership of the Centralia and Jim Bridger coal-fired thermal plants and participation in the Trojan Nuclear Plant.

POPULATION AND CUSTOMERS

The sponsors estimated the population at approximately 1500 persons as shown on the petitions. Pacific Power & Light Company's preliminary estimate of the number of customers arranged in classes is as follows:

Residential	738
Seasonal	397
Area Lighting	143
General Service	117

POWER SUPPLY FOR PROPOSED DISTRICT

The peoples' utility districts, as well as most other public power groups in Oregon, have historically relied on the Bonneville Power Administration for electric energy. The presumption has always been made that a new peoples' utility district would purchase all of its power from BPA. With the energy dilemma before us, this may no longer be true. It will be up to Bonneville Power Administration to determine if it can allocate any firm power to the proposed new distributor.

PHYSICAL SYSTEM

The proposed district is located within Pacific Power & Light Company's Oregon-Washington-California power system. The Company

has contiguous service areas with the proposed district and in addition in other parts of Oregon, Washington, California, Idaho, Montana, and Wyoming. Throughout its service area, the Company owns hydroelectric, steam and combustion turbine generating plants, which together with purchased power, supply the requirements of the consumers served. Recorded peak demands for the involved substations serving the area was reported as follows: Freewater FDR 1300 KW; Umapine FDR 3400 KW; Ferndale FDR 3320 KW. The greater part of the district is served with 7.2/12.5 KV, 4 wire, multiground wye system, the other parts have 7.2 KV Delta circuits.

INTERIM FUNDS FOR THE PROPOSED DISTRICT


As provided in statute ORS 261:385 (1) the board of a peoples' utility district may levy taxes for a period of ten years to cover the obligations of the district prior to acquisition or construction of its system. Using the assessed valuation of the proposed district, as shown on the voters' preliminary petition in the amount of \$18,126,152, an accumulated total of \$45,315 could be collected over the ten-year period, but not more than \$9,063 in any one year. It is probable that up-dated assessment information would show figures approximately 20% higher.

CONCLUSIONS

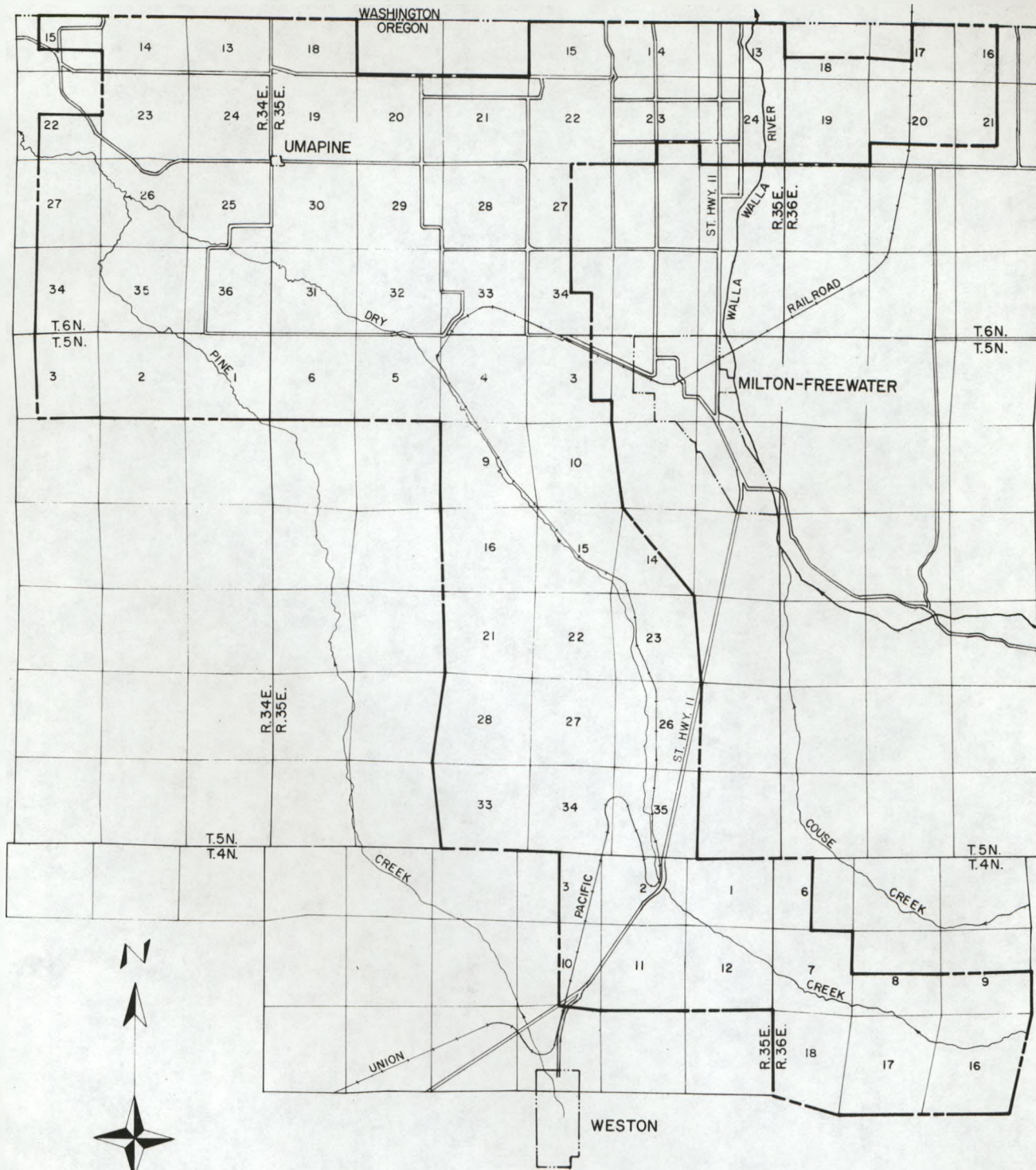
The final report of the State Engineer on the advisability of forming the Umatilla County Peoples' Utility District in Umatilla County, Oregon will be made within 120 days following this hearing. That

report will contain the finding of the State Engineer based on his studies and evidence introduced at this hearing.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Chris L. Wheeler".

CHRIS L. WHEELER
State Engineer of Oregon



MAP OF PROPOSED
UMATILLA COUNTY PEOPLE'S UTILITY DISTRICT

prepared by

CHRIS L. WHEELER
 STATE ENGINEER
 SALEM, OREGON

