

RESOLUTION NO. 2208

A RESOLUTION ALLOWING A CUSTOMER ALLOCATION AGREEMENT BETWEEN THE CITY AND UMATILLA ELECTRIC COOPERATIVE AND AUTHORIZING THE HERMISTON ENERGY SERVICES GENERAL MANAGER TO SIGN ON BEHALF OF THE CITY

WHEREAS, the City of Hermiston doing business as Hermiston Energy Services, (HES) and Umatilla Electric Cooperative, (UEC) are each engaged in the retail sale of electricity to customers within defined service territories approved by the Public Utility Commission of Oregon (the “Commission”). HES’ and UEC’s respective service territories include areas located adjacent to each other in Umatilla County, Oregon; and

WHEREAS, Amazon Data Services, Inc. (“Customer”) owns certain property described as Tax Lot No. 600, Map No. 4N2824-00-00600 in Umatilla County, Oregon (“Property”). Customer intends to construct, own and operate one or more industrial facilities and related ancillary facilities (collectively, the “Facility”) on the Property; and

WHEREAS, the Property and proposed Facility cross the boundary between the HES and UEC service territories; and

WHEREAS, the majority of the Facility will be located within UEC’s service territory, and a portion of the Facility will be located in HES’ service territory; and

WHEREAS, ORS 758.410 allows utilities to enter into agreements to allocate territory and customers and to designate which territories and customers are to be served by each utility; and

WHEREAS, the Parties believe that allocating the Customer to UEC for purposes of providing electric service to the Facility on the Property will eliminate or avoid unnecessary duplication of utility facilities and will promote the efficient and economic use and development and the safety of operation of the utility systems of the Parties, while providing adequate and reasonable service to the Customer; and

WHEREAS, the Customer Allocation Agreement (“Agreement”) described herein will not impact the allocated service territories of the Parties, other customers of the Parties, or other properties besides the Property. For purposes of the Agreement, the term “Customer” shall include Customer and any of its subsidiaries, assignees, agents, contractors, or successors in interest; and

WHEREAS, HES and UEC hereby desire to enter into the Agreement pursuant to ORS 758.410, and to seek approval of the Agreement by the Commission so that UEC can serve the Customer and its Facility on the Property.

NOW, THEREFORE, THE CITY OF HERMISTON RESOLVES AS FOLLOWS:

1. The recitals stated above are incorporated as if fully set forth herein.
2. The Agreement allocating to UEC the Customer and its Facility on the Property is appropriate under the above stated circumstances and is approved.
3. That Hermiston Electric Services General Manager, Nate Rivera, is authorized to sign the Agreement and all documents to facilitate the allocation of the Customer to UEC for purposes of providing electric service to the Facility on the Property.

PASSED by the Common Council this ____ day of February, 2022.

SIGNED by the Mayor this ____ day of February, 2022.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER