



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Barofsky, Schlossberg, Brown, Carlson, and Morris

FROM: Karen Kelley, Chief Operations Officer; Lisa Krentz, Generation Manager; Patty Boyle, Generation Contracts Supervisor

DATE: April 1, 2025

SUBJECT: Amendment to the Joint Ownership Agreement for the Harvest Wind Project

OBJECTIVE: Approval of Resolution No. 2505 Amending the Joint Ownership Agreement for the Harvest Wind Project

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## **Issue**

Lakeview Green Energy, Cowlitz PUD, Peninsula Light Company, and EWEB jointly own the Harvest Wind Project (HW). Lakeview Green Energy (LGE) has entered into an agreement to sell their 30% share of the project to Cowlitz PUD. The HW Amended and Restated Joint Ownership Agreement (JOA) needs to be modified to reflect the change in ownership shares. Modifying the JOA requires a unanimous vote of the owners evidenced by an approved resolution of EWEB's Board of Commissioners and the Boards of the other respective owners.

## **Background**

The four HW owners entered into the JOA in September 2009 to develop and operate the HW project, located in Klickitat County, Washington with a nameplate capacity of 98.9 megawatts. The JOA describes the ownership terms and conditions, establishes the Management and Finance Committees, describes project accounting procedures, and prescribes how changes in ownership are conducted, as well as other project management items. The representatives to the Management and Finance Committees meet routinely to discuss the budget, project operations, financial results, and any other topic that impacts HW. Power and renewable energy credits produced at the project are sold to each owner based on ownership share via a separate Energy Purchase Agreement. EWEB's share of the power and Renewable Energy Credits (RECs) are managed by EWEB's Power Resources Division.

The project has been in operation since late 2009 and is made up of 43 turbines. HW is jointly operated with an adjoining site known as White Creek Wind. The day-to-day operations of HW is managed under an operations and maintenance contract with NAES Corporation with capital work efforts completed via a long-term service agreement with the original equipment manufacturer, Siemens Energy.

**Discussion**

In preparation for completing the purchase and sale transaction, Cowlitz has proposed an amendment to the JOA to remove LGE as a party to the agreement. The amendment also revises Cowlitz's Ownership Shares from 30% to 60% and modifies the definition of Majority Vote to be greater than 60% of the Ownership Shares so long as PenLight and EWEB remain owners. Examples of items decided by majority vote include approval of the annual budget and annual audit, sale of assets under \$100,000, and distribution of excess project cash. Examples of decisions made by unanimous owner vote include changes in generating capacity, sale of assets above \$100,000, entering into forms of dispute resolution or litigation, and termination of the project before the Original Facility Life Date.

**TBL Assessment**

This amendment does not change HW project operations and therefore no TBL assessment was conducted.

**Recommendation**

EWEB, PenLight and Cowlitz have jointly operated the HW Project for 15 years and have a longstanding record of being able to discuss and come to agreement on small and large decisions. Management recommends that the Board approve Resolution No. 2505 authorizing the General Manager to sign the First Amendment to the Amended and Restated Joint Ownership Agreement for HW.

**Requested Board Action**

Board approval of Resolution No. 2505 authorizing the General Manager to sign the First Amendment to the Amended and Restated Joint Ownership Agreement for HW.

**RESOLUTION NO. 2505  
APRIL 2025**

**EUGENE WATER & ELECTRIC BOARD  
RESOLUTION AUTHORIZING GENERAL MANAGER  
TO SIGN THE FIRST AMENDMENT TO THE AMENDED AND RESTATED JOINT  
OWNERSHIP AGREEMENT FOR THE HARVEST WIND PROJECT**

**WHEREAS**, the Eugene Water & Electric Board (EWEB), Lakeview Green Energy, Inc. (LGE), Public Utility district No.1 of Cowlitz County, Washington (Cowlitz) and Peninsula Light Company (PenLight) are parties to an Amended and Restated Joint Ownership Agreement (JOA) for the Harvest Wind Project; and

**WHEREAS** the JOA requires any amendment to the JOA be evidenced by written resolution of the respective Owner’s governing Board; and

**WHEREAS**, LGE now desires to sell its Ownership Interest of Harvest Wind to Cowlitz; and

**WHEREAS**, upon execution of the sales agreement, HW Ownership Interests would be as follows; Cowlitz 60%, EWEB 20%, and PenLight 20%; and

**WHEREAS**, Cowlitz and PenLight have proposed revisions to the JOA and to reflect the new Ownership Interest; and

**WHEREAS**, the EWEB Commissioners have reviewed a summary of additional revised terms in the JOA and find them to be appropriate and consistent with the change in Ownership Interest and in the interests of the utility and its customers.

**NOW, THEREFORE, BE IT RESOLVED** by the Eugene Water & Electric Board that the EWEB General Manager or designee is hereby authorized to amend the HW Amended and Restated Joint Ownership Agreement in accordance with the summary of proposed terms and conditions presented to the Board.

DATED this 1<sup>st</sup> day of April 2025.

THE CITY OF EUGENE, OREGON  
Acting by and through the  
Eugene Water & Electric Board

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President

I, ANNE M. KAH, the duly appointed, qualified, and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its April 1<sup>st</sup>, 2025, Regular Board Meeting.

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Assistant Secretary