



OREGON  
DEPARTMENT OF  
ENERGY



**FOR IMMEDIATE RELEASE**  
October 12, 2009

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## **Central Oregon Wins with Juniper Ridge Project**

BEND - A thunderous roar from a small explosive charge marked the official start of construction today on the \$26 million Juniper Ridge Project, an unprecedented project that will return water supplies to the Deschutes River and generate carbon-free energy.

U.S. Congressman Greg Walden, along with state officials, representatives from the Central Oregon Irrigation District, Deschutes County, the Deschutes River Conservancy and Portland General Electric Company attended today's groundbreaking ceremony five miles north of Bend along Highway 97. Immediately following the ceremony, construction crews began replacing 2.5 miles of open irrigation canal, owned and operated by Central Oregon Irrigation District (COID), with underground steel pipe and an innovative, small hydropower system.

By conserving water supplies previously lost through the porous canal, the Juniper Ridge Project will benefit Deschutes River salmon and reintroduced steelhead. Approximately 20 cubic-feet per second of water presently diverted from the Deschutes River for irrigation purposes by COID will be permanently returned to the river, increasing instream river flows for fish and wildlife species.

Once the new pipe is in place, a small hydropower unit will be installed in the summer of 2010. This state of the art unit will generate up to 3.37 megawatts of clean, renewable electricity annually, or enough power for roughly 2,000 homes. District patrons will also benefit because the project will modernize district conveyance facilities and improve overall system efficiencies.

"We appreciate the support we've received from the State of Oregon, the federal government and many others," said Carroll Penhollow, COID Chairman of the Board of Directors. Penhollow added, "Our farmers, ranchers and everyone else who relies on our District should be proud that we're improving district efficiencies while protecting the environment."

The State of Oregon, along with several business and conservation groups played an instrumental role in financing the project.

"We are very pleased to help fund this important project through a state tax credit and small energy loan," said Mark Long, Director of the Oregon Department of Energy. "This project not only benefits fish and wildlife species, it will provide economic benefits to the local community."

"This project will improve water quality and fish habitat in a very important part of Oregon," said Dick Pedersen, Director of the Oregon Department of Environmental Quality. "DEQ is pleased to work with a group of people who share our goals of improved water quality. The collaboration between the irrigation district, Oregon Department of Energy and DEQ worked very smoothly."

"This project is a great example of how we can generate clean renewable local power in Oregon," said Betsy Kauffman, senior program manager with Energy Trust of Oregon. "We're happy to be involved with a project that has benefits for the district, the community, and the watershed."

"The City felt it was important to step forward as a partner in this project," said Bend City Manager Eric King. "The benefits to the community and the environment are truly significant."

"Projects like this don't come along every day. It is gratifying to see so many people come together to make the project happen," said Julie Keil, Director of Hydro Licensing for PGE. "PGE and the Confederated Tribes are happy to be a part of the effort."

Total project costs are estimated at \$26 million. Oregon's Department of Energy has provided a \$4.2 million Business Energy Tax Credit (BETC) to COID, and a \$12 million low-interest loan. Oregon's Department of Environmental Quality awarded the District a \$2 million grant along with a \$2 million zero interest loan from federal stimulus funds. The Oregon Watershed Enhancement Board awarded COID a \$1 million grant and the Deschutes River Conservancy is providing a \$1 million grant for the project from federal Bureau of Reclamation stimulus funds. Energy Trust of Oregon is providing a \$1 million grant. The City of Bend is contributing \$278,000 and the Portland General Electric Company is contributing \$250,000. The District is financing \$5 million in upfront capital costs and will repay approximately \$19 million in loans and debt service.

During the project's construction in 2009/2010, COID will provide eight landowners with a supplemental water supply to compensate for the shutdown of the irrigation canal. These eight landowners have large livestock herds and no alternative water supply. The District will finance a six-day per week water hauling service to each landowner; the hauler will provide a 2-day supply. District costs for this service are roughly \$100,000.

The project's construction will be managed locally by the Slayden Construction Group along with Jack Robinson & Sons. Materials for the project are being produced by the Northwest Pipe Company of Portland, OR, and the James Leffel & Company of Central OH. All of the project's materials are made in the U.S.

The Juniper Ridge Project is scheduled to be complete and producing energy by next summer.

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