



December 2, 2020

Fred Schatz, Superintendent
Crystal Springs Water District
3006 Chevron Drive
Odell, OR 97044

Subject: Jordan Road Hydroelectric Project Updated Design Information Updates

Dear Mr. Schatz:

We would like to provide a status update regarding the Jordan Road Hydroelectric Project, with similar projects including the City of Hood River Dee Bridge Project and the San Gabriel Valley Water Company M2 Project.

The Jordan Road Hydroelectric Preliminary Analysis report from March 2019 highlighted a 115-kW potential project with project cost around \$1M, selling power to Pacific Power through Hood River Electric Cooperative, and requiring an incentive of \$775k from the Energy Trust of Oregon (ETO) to meet certain financial metrics. Since this analysis was completed, other similar projects have demonstrated a 20% cost reduction and attainment of ETO incentives.

As an example, San Gabriel Valley Water Company's M2 project includes similar hydraulic characteristics to that of the Jordan Road project. An existing PRV resides in a vault upstream of a water tank. The design includes implementing a prefabricated shipping container powerhouse with turbine, generator, valving, piping, insulation, lighting, weather control, and doors adjacent to the existing vault. This solution eliminates the need for a conventional general contractor. The container is reinforced for seismic ratings. An electrical contractor is required to perform connections, terminations, and pour a small concrete pad for the container. This solution reduced overall project costs by \$200,000.

Separately, the Dee Bridge project in the City of Hood River has similar hydraulic attributes. ETO agreed in writing to commit \$450k to \$650k to the overall project costs.

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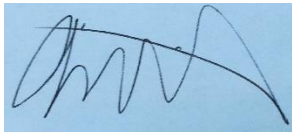
The project is currently in diligence stages to verify interconnection attributes and land ownership/easements.

With a possible cost reduction of \$200k creating an overall project cost of approximately \$800k, and a possible ETO incentive of \$450k to \$650k, the Jordan Road project would be financially viable to move forward. We would recommend engaging ETO with more refined project cost and financials including the powerhouse shipping container solution and if approved, consider initial development of the project.

Please feel free to contact me if you or the Board has any questions.

Sincerely,

Andrew Benjamin, PE
Project Manager

A handwritten signature in blue ink on a light blue background. The signature is stylized and appears to read 'Andrew Benjamin'.