

(b) Be created solely or primarily for the purpose of constructing, acquiring, operating or maintaining hydroelectric facilities.

(2) A district shall sell the excess electric energy generated at such hydroelectric facilities to the Bonneville Power Administration, a public utility as defined in ORS 757.005, an electric cooperative as defined in ORS 261.010, a people's utility district, a cooperative as defined in ORS 62.015, a municipal corporation or a municipally owned utility. Any sale of excess electric energy shall be made in accordance with terms and conditions of the Federal Power Act, as amended by the Public Utility Regulatory Policies Act of 1978. As used in this subsection, "excess electric energy" means electric energy not used by the district to meet its own electric pumping requirements.

(3) The board of directors of the district shall establish regulations governing electric energy generation and sale under this section.

(4) Electricity shall be sold under this section only at wholesale. [1981 c.420 §3; 1985 c.561 §5; 1995 c.195 §44; 2003 c.802 §80; 2005 c.22 §381]

543.662 Authority of district to develop joint project with private person; restrictions. A district may contract with a private person to enlarge or modify the district's water system for the purpose of generating hydroelectric power. The district shall retain sufficient benefit and interest in, and control of a joint project as necessary for the project to be considered a district project. A district and a private person developing a joint project under ORS 543.650 to 543.685 must comply with the rules adopted by the Water Resources Commission under ORS 543.664. [1985 c.561 §2]

543.664 Rules relating to joint projects of districts and private persons. The Water Resources Commission shall establish rules necessary to carry out the provisions of ORS 543.662. The rules shall include the amount of control over and interest in a joint project a district must retain in order to receive the benefit of the municipal preference and proceed under the municipal application process set forth in ORS chapter 537. [1985 c.561 §3]

543.665 Authority to issue revenue bonds to acquire hydroelectric facilities.

(1) In addition to any other authority under its principal Act to issue bonds, a district, when authorized at any properly called election, shall have the power to sell and dispose of revenue bonds to construct or acquire hydroelectric facilities in conformance with ORS 543.650 to 543.685 to develop the hydroelectric generation capabilities of the water system, and to pledge as security

therefor all or any part of the unobligated net revenue of the district or system.

(2) Revenue bonds may be issued by a district to construct or acquire hydroelectric facilities in connection with its water system in conformance with ORS 543.650 to 543.685, including, but not limited to, dams, canals, generating plants, transmission lines, other power equipment and acquire the necessary property and rights therefor, for the purpose of generating hydroelectric energy.

(3) The revenue bonds authorized by this section shall be issued in the same manner and form as are general obligation bonds of the district, but they shall be payable, both as to principal and interest, from revenues only, as specified by this section. The revenue bonds shall not be subject to the percentage limitation applicable to general obligation bonds and shall not be a lien upon any of the taxable property within the corporate limits of such district, but shall be payable solely from such part of the revenues of the district as remain after payment of obligations having a priority and of all expenses of operation and maintenance of the district, including any taxes levied against it. All revenue bonds shall contain a clause reciting that both the principal and interest are payable solely from operating revenues of the district remaining after paying such obligations and expenses. [1981 c.420 §4; 1985 c.561 §6]

543.670 Manner of issuance of revenue bonds. All revenue bonds issued under ORS 543.665 shall be issued as prescribed in ORS chapter 287A, but the requirements of ORS 287A.150 do not apply. [1981 c.420 §5; 1983 c.557 §12; 2007 c.783 §216]

543.675 Power of eminent domain not to be exercised to acquire hydroelectric facilities. Notwithstanding any powers of eminent domain and condemnation given to a district under its principal Act, a district shall not exercise any power of condemnation or eminent domain to condemn, appropriate or acquire real property for the purpose of constructing, acquiring, operating or maintaining hydroelectric facilities. [1981 c.420 §6]

543.680 Compliance with water appropriation laws required. A district shall comply with all applicable provisions of ORS chapter 537 before enlarging or modifying the district's water system for the purpose of generating hydroelectric energy. [1981 c.420 §7; 1985 c.561 §7]

543.685 District board to require weatherization; Weatherization Fund; purpose. (1) If the board of directors of a district has not adopted an ordinance, resolution or administrative rule requiring the weatherization of the buildings of the dis-