

Construction stops at Boardman electric plant

Contractor on verge of bankruptcy

By **GEORGE PLAVERN**
Staff writer

Construction has come to a halt at Portland General Electric's Carty Generating Station near Boardman as the project contractor teeters on the brink of bankruptcy.

Workers were turned away this week at the Carty site next to the Boardman Coal Plant on Tower Road,

leaving the 440-megawatt natural gas-fired power plant in a temporary state of limbo.

PGE hired Abeinsa to build the facility in 2013. Abeinsa, based in suburban St. Louis, is an affiliate of Abengoa, a Spanish multinational corporation with investments in solar energy, biofuels, power plants and infrastructure.

Abengoa entered into early insolvency proceedings in November. The company now has up to four months to work out a deal with creditors, or risk becoming Spain's largest

bankruptcy on record. Abengoa employs around 20,000 people worldwide.

About 500 workers on the Carty station are left wondering if and when they'll be back on the job. Steve Corson, spokesman for PGE, said they are in constant communication with Abeinsa to resolve the situation.

"We are certainly still committed to the Carty project and will be working to get people back on the job site as soon as possible," Corson said.

A representative for Abeinsa could not be reached

Monday for comment.

The Carty Generating Station was identified in PGE's 2009 long-range energy plan to meet growing customer demand. PGE serves roughly 840,000 customers in the Portland metro area south to Salem.

Carty is supposed to come online by mid-2016. Corson said that schedule hasn't changed yet, but reiterated the situation with Abeinsa is fluid.

Construction is well along at Carty, and major components of the plant have already been built, including the combined-cycle

gas and steam generation turbines. Corson said PGE does have the capacity to assume control of the remaining work should it be necessary.

"We've been monitoring the situation very closely, given the circumstances," Corson said.

PGE selected Abeinsa as the general contractor for Carty after a vigorous bidding process in 2013. At the time, Corson said there was no inkling the company's finances were in trouble.

"Abengoa is one of the largest energy firms in the world," he said. "They

were deemed to be able to deliver, in terms of their contract."

Corson said there are safeguards built into the contract, including a performance bond which acts as a kind of insurance policy for the project. The plant could cost up to \$514 million when all is said and done.

Corson said he is not sure when workers will be allowed back on site, but reiterated PGE's commitment to the project.

"We don't want people to be left in a state of uncertainty for any longer than

Ground work begins on hotel site



STAFF PHOTO BY GARY L. WEST

Heavy equipment operators start site preparation work Tuesday, Dec. 15, at the location where a four-story Holiday Inn Express will be build at the corner of West Hermiston Avenue and Highway 395.

Site preparation work has started at the location where a four-story Holiday Inn Express will be built at the corner of West Hermiston Avenue and Highway 395.

Heavy equipment operators were working on the site Tuesday, Dec. 15.

According to Mark Morgan, assistant city manager for Hermiston, building permits were purchased for the location last week.

A four-story Holiday Inn Express with 93 rooms, including 18 suites, an indoor pool, spa and fitness center is planned for the site. Earlier this year it was estimated that the facility could open as early as July 1, 2016.

The Holiday Inn will employ 25 full-time workers once it opens, according

to its management company, and will be designed in the company's newest style, which premiered in Salt Lake City earlier this year. The new style was created to appeal to millennial travelers and features a more open lobby with high-top

tables and barstool chairs. InnSight Hotel Management Group, based in Springfield, Oregon, will manage it.

A dispute over the property was resolved in January after the city divvied up ownership of the gravel

portion of West Ridgeway Avenue between the hotel property and Sallee Properties, the neighbor to the north.

Hermiston Herald

VOLUME 109 • NUMBER 65

 Gary L. West Editor gwest@hermistonherald.com 541-564-4532	 Jade McDowell Reporter jmcowell@eastoregonian.com 541-564-4536
 Tammy Malgesini Community Editor tmalgesini@eastoregonian.com 541-564-4539	 Jeanne Jewett Multi-Media Consultant jjewett@hermistonherald.com 541-564-4531
 Sam Barbee Sports Reporter sbarbee@hermistonherald.com 541-564-4542	 Kim La Plant Multi-media Consultant klaplant@hermistonherald.com 541-564-4538



To contact the Hermiston Herald for news, advertising or subscription information:
• call 541-567-6457
• e-mail info@hermistonherald.com
• stop by our offices at 333 E. Main St.
• visit us online at hermistonherald.com

ANNUAL SUBSCRIPTION RATES
Delivered by carrier and mail Wednesdays
Inside Umatilla/Morrow counties..... \$42.65
Outside Umatilla/Morrow counties..... \$53.90

Periodical postage paid at Hermiston, OR.
Postmaster, send address changes to Hermiston Herald, 333 E. Main St., Hermiston, OR 97838.

Member of EO Media Group Copyright ©2015

Shop Boardman and win

Shoppers in Boardman are encouraged to save their receipts for purchases made at local businesses for a chance to win prizes.

Sponsored by the Boardman Chamber of Commerce, Shop at Home for the Holidays and Always helps support local businesses. People can turn in receipts dated from Nov. 25 through Dec. 28 to be entered into the drawing.

Receipts must show a Boardman business name and address, and include the person's name and contact information. They must be turned in by Monday, Dec. 28 by 5 p.m. at the chamber office, located in the SAGE Center, 101 Olson Road. The drawing will be held Tuesday, Dec. 29.

For more information, call the chamber at 541-481-3014.

The Hermiston Herald accepts news announcements about job changes and promotions, business ownership changes, renovations, remodels, changes in business hours, new business openings, business owner retirements and related items. Submit your business news and photos to newsroom@hermistonherald.com.

GREAT GIFTS FOR everyone
Special limited-edition sets that are fun to give or get.

Aud's & Ends
1915 Washington St. • Baker City
541-523-3288
www.merlenormanstudio.com/mn-9053

MERLE NORMAN cosmetics
Merle Norman Cosmetic Studios have been independently owned and operated since 1931.

Former Herald reporter promoted to Blue Mountain Eagle editor

Blue Mountain Eagle

An Eastern Oregon native and former reporter for the Hermiston Herald has been named the new editor of the Blue Mountain Eagle in John Day.

Sean Hart, originally from Vale, joined the staff Dec. 1. He replaced Scotta Callister, who left the newspaper in July.

"I'm excited to continue my career reporting the news that matters in Eastern Oregon," he said. "The staff here at the Eagle has been great, and I look forward to getting out into the community."

Hart has worked for three Eastern Oregon newspapers since 2007. He has earned first-place awards from the Oregon Newspaper Publishers Association for best lifestyle coverage and best graphics and second-place awards for best local column and best personality feature.

Hart, 31, graduated from Vale High School in 2002. He attended Treasure Valley Community College and Portland State University before earning his degree from the University of Oregon with a minor in business administration.

After working as a wildland firefighter during the summers while attending college, Hart began his journalism career at the Argus Observer in Ontario, where he was quickly promoted to lifestyle editor. Prior to starting at the Eagle, he worked for the Hermiston Herald and the East Oregonian.

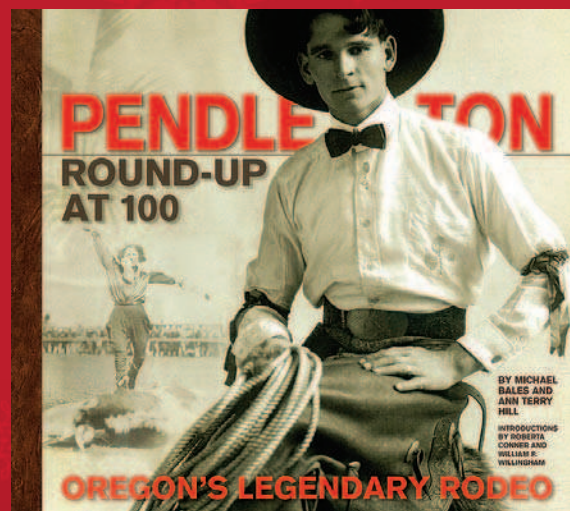
The Eagle has been Grant County's newspaper since 1868. In 1979, the paper merged into what is now EO Media Group, which publishes the Hermiston Herald, Wallowa County Chieftain, the East Oregonian and seven other regional newspapers.



Sean Hart

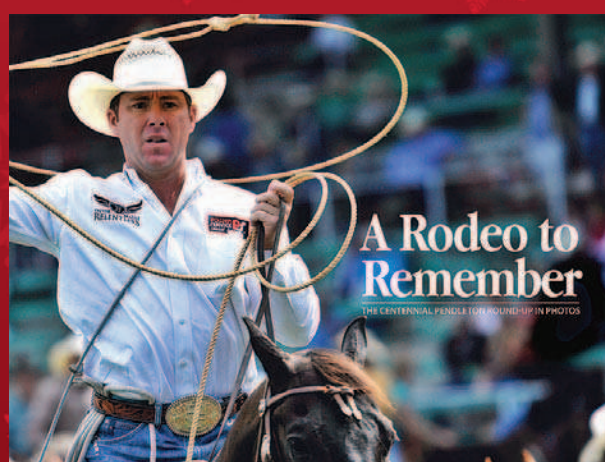
LET 'ER BUCK!

With this Special Holiday Offer for Pendleton Round-Up Fans



Get both
Pendleton Round-Up at 100: Oregon's Legendary Rodeo

AND



A Rodeo to Remember: The Centennial Pendleton Round-Up in Photos

only **\$35**
includes shipping and handling

You'll get more than 1,000 photographs, including rare images from family collections, a complete list of a century of rodeo winners and Round-Up royalty and a recap of the history of Eastern Oregon's premier event.

Order Today! Call 800-882-6789 or email roundupbook@eomediagroup.com