



Portland General Electric Company
121 SW Salmon Street • 1WTC0306 • Portland, OR 97204
portlandgeneral.com

October 5, 2023

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

RE: UP 419 – In the Matter of Portland General Electric Company and Idaho Power Company in regard to the Sale and Purchase of Certain Boardman Assets

Dear Filing Center:

Please find attached for filing in the above-captioned docket, Portland General Electric Company and Idaho Power Company's Joint Supplemental Application for the sale and purchase of certain Boardman assets. Additionally, provided with this filing are CONFIDENTIAL supporting documents, that contain Protective Information Subject to OAR 860-001-0070. These are being provided via a password protected, encrypted zip folder. The information shall remain CONFIDENTIAL and should not be posted to the public eDockets.

If you have any questions or require further information, please call me at (503) 464-7488 or contact Greg Batzler at greg.batzler@pgn.com. All formal correspondence and requests should be directed to the following email address: pge.opuc.filings@pgn.com

Sincerely,

Jaki Ferchland

Jaki Ferchland
Manger, Revenue Requirement

JF/dm
Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UP 419

In the Matter of the Application of Portland General Electric Company and Idaho Power Company in Regard to the Sale and Purchase of Certain Boardman Assets.))))))	SUPPLEMENT TO JOINT APPLICATION OF PORTLAND GENERAL ELECTRIC COMPANY AND IDAHO POWER COMPANY
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Pursuant to ORS 757.480, ORS 757.485, and OAR 860-027-0025, Portland General Electric Company (“PGE”) and Idaho Power Company (“Idaho Power” or “IPC”) respectfully supplement our request seeking approval from the Public Utility Commission of Oregon (“Commission”) for an order authorizing the purchase by PGE of certain property from Idaho Power, and the purchase by Idaho Power of certain property from PGE, at the Boardman Project (“Boardman Project”) in Morrow County, Oregon. Such property is currently jointly owned by PGE and Idaho Power.

I. Application Status

On June 30, 2022, PGE and Idaho Power filed an application seeking approval from the Commission for an order authorizing the purchase of certain property at the Boardman Project. PGE and Idaho Power are filing this supplemental to our initial application to provide further detail regarding the original 1976 Boardman Operations & Ownership agreement, which defines the end-of-life requirements between PGE and IPC for Boardman, including the valuation of property, as approved by Commission Order No. 77-172.

Supplemental Information:

Commission Order No. 77-152 (Docket No. UF-3297) authorized PGE's sale of an undivided interest in the Number One Boardman Station to IPC, which was pursuant to the October 15, 1976 Agreement for the Construction, Ownership, and Operation of the Number One Boardman Station on Carty Reservoir between PGE, IPC, and Pacific Northwest Generating Company (i.e., 1976 Ownership Agreement). Included in the 1976 Ownership Agreement are provisions for end-of-life requirements,¹ which remained in full force upon negotiating and entering into the Asset Purchase Agreement ("APA")² that is before the Commission for approval in this proceeding. PGE is providing the 1976 Ownership Agreement as Exhibit K-1 to this filing to provide a more complete record regarding the basis for the current APA. Section 25 of the 1976 Ownership Agreement, which was subsequently amended within Section 2.5 of the Seventh Amendment to the Agreement for Construction, Ownership and Operation of the Number One Boardman Station on Carty Reservoir (Seventh Amendment)³ indicates that the property underlying Boardman shall be distributed to IPC and PGE⁴ at a value determined by the agreement of all parties, or in the absence of agreement, by the "Project Consultant," which is defined as "an individual or firm having a national reputation for expertise in the field of the matter or item referred to it."⁵ In other words, the 1976 Ownership Agreement and Seventh Amendment required a fair value appraisal of the property, which PGE is attempting to purchase from IPC and which includes water rights.

¹ Section 25 ("End of the Project"), pages 40-41 of the Ownership Agreement.

² Provided as Exhibit I to the original application.

³ Provided here as Exhibit K-2.

⁴ While Power Resources Cooperative were also a part of this agreement, they no longer had an interest in Boardman at the time of decommissioning.

⁵ "Project Consultant" is defined in Section 1, page 6 of the Ownership Agreement.

Pursuant to the 1976 Ownership Agreement and Seventh Amendment, as detailed in our initial application dated June 30, 2022, and response to OPUC Information Request No. 001 dated August 22, 2022, PGE and Idaho Power engaged multiple consultants (i.e., Project Consultants) to determine and reach agreement on the value of the land and water rights.

A copy of the Notice of Supplement to Application in Regard to the Sale and Purchase of Certain Boardman Assets and a list of the persons served with the notice are attached to the application as Attachment A.

VI. Conclusion

For the reasons stated in the June 30, 2022 application and with the above-noted details, PGE and Idaho Power request that the Commission issue an order approving the purchase by PGE of certain property from Idaho Power, and the purchase by Idaho Power of certain property from PGE, at the Boardman Project in Morrow County, Oregon.

Dated this 5th day of October 2023.

Respectfully Submitted,

Jaki Ferchland

Jaki Ferchland, Manager, Revenue Requirement
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