

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UP 237

In the Matter of PORTLAND GENERAL ELECTRIC COMPANY Application for Approval to Transfer Property Associated with the Bull Run Project to Western Rivers Conservancy	STIPULATION
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This Stipulation (“Stipulation”) is among Portland General Electric Company (“PGE”), Staff of the Public Utility Commission of Oregon (“Staff”), the Citizens’ Utility Board of Oregon, and the Industrial Customers of Northwest Utilities, and (collectively, the “Stipulating Parties”).

I. INTRODUCTION

On December 15, 2006, PGE filed with the Public Utility Commission of Oregon an application for approval to transfer property associated with the Bull Run Hydroelectric Project to Western Rivers Conservancy (“Western Rivers”). PGE’s application to transfer the property stems from a settlement PGE reached with twenty-two other parties regarding PGE’s application to the Federal Energy Regulatory Commission (“FERC”) to surrender its license for the Bull Run Project (“the Settlement Agreement”). FERC granted PGE’s application to surrender its license for the Bull Run Project on May 24, 2004. In granting PGE’s application to surrender its license, FERC did not exercise jurisdiction over PGE’s agreement to transfer property to Western Rivers, but noted that PGE remained bound to perform this obligation under the terms of the Settlement Agreement. Of the land to be transferred under the Settlement Agreement, a number of parcels containing about 729 acres are utility property subject to this application.

Western Rivers intends to perform the work necessary to have these parcels, and other parcels in the Sandy River basin, acquired by the Bureau of Land Management, Department of the Interior for habitat restoration, perpetual management of the lands, and recreational access to the lands and river. When each parcel is sold and transferred by Western Rivers to the Department of the Interior, Western Rivers will receive as payment the then appraised value of the land.

Some parties in this docket have raised questions regarding the ability of PGE to transfer land from PGE to Western Rivers. There have been several workshops and settlement conferences. Western Rivers participated in some of those discussions. As a result of those discussions, in compromise and to settle this matter, the Stipulating Parties submit this Stipulation to the Commission and request that the Commission adopt an order in this Docket implementing the following.

II. TERMS OF STIPULATION

1. This Stipulation settles all issues in this docket.
2. PGE has entered into an amended Land Transfer Agreement with Western Rivers Conservancy. A copy of this agreement is attached hereto as Exhibit A. Under this agreement Western Rivers will pay to PGE 38% of the appraised value of each parcel at the time of transfer.
3. Upon receipt of funds from Western Rivers, PGE will accrue the cash benefits into PGE's property sales balancing account for later refund to customers. As with other funds in the property sales balancing account, these balances will accrue interest at the rate established by the Commission.
4. In any public statements regarding the land transfer, PGE will note that the land is being transferred by PGE and its customers. PGE will make good faith efforts to have other parties also acknowledge the role of PGE's customers.

5. Beginning in August 2009, PGE will provide with its semi-annual property sale reports (usually filed in February and August of each year) a listing of the PGE parcels sold by Western Rivers, and the sales price and appraisal of each respective parcel (the “WR Parcels Report”). The WR Parcels Reports will also identify all parcels transferred by PGE and not yet sold by Western Rivers. Each WR Parcels Report will be provided to the Stipulating Parties. The WR Parcels Report requirement shall sunset when PGE has received funds from Western Rivers for all transferred parcels.

6. The Stipulating Parties recommend and request that the Commission approve this agreement as an appropriate and reasonable resolution of the issues.

7. The Stipulating Parties agree that this Stipulation is in the public interest.

8. The Stipulating Parties agree that this Stipulation represents a compromise in the positions of the parties. As such, conduct, statements, and documents disclosed in the negotiation of this Stipulation shall not be admissible as evidence in this or any other proceeding.

9. If this Stipulation is challenged by any other party to this proceeding, or any other party seeks a revenue requirement for PGE that is inconsistent with the terms of this Stipulation, the Stipulating Parties reserve the right to cross-examine witnesses and put in such evidence as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this Stipulation. Notwithstanding this reservation of rights, the Stipulating Parties agree that they will continue to support the Commission’s adoption of the terms of this Stipulation.

10. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order which is not contemplated by this Stipulation, each Party reserves the right to withdraw from this Stipulation upon written notice to the Commission and the other Parties within five (5) business days of service of the final order that rejects this

Stipulation or adds such material condition. Nothing in this paragraph provides any Stipulating Party the right to withdraw from this Stipulation as a result of the Commission's resolution of issues that this Stipulation does not resolve.

11. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR § 860-14-0085. The Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal, provide witnesses to sponsor this Stipulation at the hearing (if necessary), and recommend that the Commission issue an order adopting the settlements contained herein. The Stipulating Parties also agree to cooperate in drafting and submitting the explanatory brief or written testimony required by OAR § 860-14-0085(4).

12. By entering into this Stipulation, no Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Party in arriving at the terms of this Stipulation. Except as provided in this Stipulation, no Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in any other proceeding.

13. The Parties agree that this situation represents a unique set of circumstances and it should in no way be relied upon in the future application of ORS § 757.480 and OAR § 860-027-0025.

14. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 2nd day of December, 2008.

/s/ Douglas C. Tingey

PORTLAND GENERAL ELECTRIC
COMPANY

/s/ Stephanie Andrus

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

/s/ G. Catriona McCracken

CITIZENS' UTILITY BOARD
OF OREGON

/s/ Melinda Davison

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

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DATED this ^{2nd} ^{December} day of November, 2008.



PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

CITIZENS' UTILITY BOARD
OF OREGON

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

PORTLAND GENERAL ELECTRIC
COMPANY

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STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

CITIZENS' UTILITY BOARD
OF OREGON

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON



G. C. McCreary
G. C. McCreary
CITIZENS' UTILITY BOARD
OF OREGON

INDUSTRIAL CUSTOMERS OF
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PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

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INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

Attorney for

LAND TRANSFER AGREEMENT
BETWEEN
WESTERN RIVERS CONSERVANCY AND
PORTLAND GENERAL ELECTRIC COMPANY

THIS AGREEMENT is entered into by and between *PORTLAND GENERAL ELECTRIC COMPANY*, an Oregon Corporation ("PGE") and *WESTERN RIVERS CONSERVANCY*, an Oregon Non-Profit Corporation ("Western Rivers").

RECITALS

WHEREAS, on February 4, 2000, PGE and Western Rivers, a successor organization to *River Network*, executed a Term Sheet which outlined a plan for the transfer of lands associated with PGE's Bull Run Project from PGE to Western Rivers; and

WHEREAS, on October 21, 2002, PGE and Western Rivers and several other parties entered into a settlement agreement ("Settlement Agreement") governing the surrender of PGE's federal license for its Bull Run Hydroelectric Project (FERC Project No. 477) located in the Sandy River Basin in Clackamas County, Oregon (the "Project"), and also governing the decommissioning and removal of that Project. That Settlement Agreement provided in part that:

PGE shall transfer its private Project and non-Project lands, except for the lands associated with Roslyn Lake, to the Western Rivers Conservancy to help establish conservation corridors on both the Sandy and Little Sandy Rivers as described in the Decommissioning Plan and the Joint Explanatory Statement. PGE shall transfer its private non-Project lands to the Western Rivers Conservancy within one hundred eighty days (180) days after receipt of the FERC Order. PGE shall apply to the Oregon Public Utilities Commission ("OPUC") for approval of the transfer of PGE's private project lands to the Western Rivers Conservancy no later than six months after completion of removal of structures on the parcel to be conveyed. Each Party shall use its reasonable best efforts to support PGE's application for such approval, and shall, if requested by PGE, use its reasonable best efforts to submit appropriate general letters of support of PGE's application. The legal documents used for transfer of lands riparian to the Sandy River shall include a notice or acknowledgment of the State of Oregon's claim of ownership of beds and banks of the river; and,

WHEREAS, The Settlement Agreement was approved by the Federal Energy Regulatory Commission on the 12th day of May, 2004, in an Order approving the surrender of PGE's license, the terms of the Settlement Agreement and the Decommissioning Plan.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PGE and Western Rivers agree as follows:

AGREEMENT

PGE agrees to convey to Western Rivers, and Western Rivers agrees to accept from PGE, certain lands associated with PGE's Bull Run Project, on the following terms and conditions.

1. **Land Disposition.** PGE shall transfer to Western Rivers, by means of a Statutory Special Warranty Deed, those lands and appurtenances associated with PGE's Bull Run Project described in *Exhibit "A"* hereto. Said land shall be designated in *Exhibit "A"* as "Project Lands" (those lands that are necessary to continued operation of the Bull Run Project and involved in the decommissioning of the Bull Run Project) or as "Non-Project Lands" (those lands that are not

necessary to continued operation of the Bull Run Project and that are not involved in the decommissioning of the Bull Run Project), and shall not include the lands associated with Roslyn Lake. The Project Lands and the Non-Project Lands subject to this Agreement are jointly referred to as the "Property". The schedule for transfer of the Property shall be determined in accordance with Section 3 hereof. The schedule shall be completed by the 31st day of December, 2008. Each Special Warranty Deed shall be in a form and content acceptable to PGE and Western Rivers and substantially similar to that which is attached as *Exhibit "B"* hereto, which shall include a notice or acknowledgment of the State of Oregon's claim of ownership of beds and banks of the river. The consideration for the conveyances of the Property shall be the Settlement Agreement.

2. **Price.** With regard to Project Lands, Western Rivers shall pay PGE, at the time of transfer, that sum which is equal to Thirty Eight Percent (38%) of the appraised value of each individual parcel at the time of transfer.

3. **Regulatory Approval.**

3.1 **OPUC Approval.** PGE's obligations pursuant to this Agreement with respect to the Project Lands are subject to and conditioned upon the written approval of this Agreement and the transactions contemplated hereby by the Oregon Public Utility Commission ("OPUC") on or before the 31st day of December, 2008.

3.2 **FERC Approval.** PGE's obligations pursuant to this Agreement with respect to the Project Lands are subject to and conditioned upon either completion of PGE's obligations pursuant to FERC's Order of May 2004, or FERC's authorization to transfer individual parcels. Upon request of Western Rivers, PGE shall apply to FERC for such FERC authorization to transfer individual parcels if necessary and diligently pursue acquisition of such approval.

Western Rivers shall not oppose and shall reasonably cooperate with PGE in applying for and obtaining the foregoing regulatory approvals.

4. **Schedule of Disposition.** On or before the 31st day of December, 2009, PGE and Western Rivers shall develop a schedule according to which the individual parcels constituting the Property will be conveyed to Western Rivers. The factors to be considered in developing the schedule include need for the land for continued operations of the Bull Run Project, involvement of the Project Land in the Decommissioning Plan, difficulty of and time necessary for divisions of parcels, and status of regulatory approvals necessary for PGE to convey the Property. The schedule may be modified by mutual consent of the parties.

4.1 **PGE Duties.** Notwithstanding anything to the contrary contained herein, or the fact that PGE will remain in fee title to the Property, or some portion thereof, until all of the Property set forth on *Exhibit "A"* hereto is conveyed to Western Rivers, PGE shall not be deemed to be a trustee of such Property or to assume any elevated duty (including without limitation, any fiduciary duties) with respect to Western Rivers or the Property. PGE shall not have any duty to insure, inspect, patrol, maintain or repair the Property or any portion or aspect thereof, except in the normal course of its business *and* as a part of any decommissioning.

5. **Western Rivers' Obligations.** Subsequent to the conveyance from PGE to Western Rivers, Western Rivers shall convey the Project Lands to the Bureau of Land Management, the United States Forest Service or the Portland Bureau of Water Works. Western Rivers shall dedicate Forty Two (42%) of the proceeds (the "Forty Two Percent Proceeds") of any such sale of the Property to the acquisition of additional lands within the Sandy River Basin unless otherwise agreed to by PGE and Western Rivers. PGE shall be reasonable in all such agreements. Western Rivers shall report to PGE annually regarding the Property and the Forty Two Percent Proceeds. This report shall include information regarding the status of lands donated to Western Rivers, acquisition of additional parcels in the Sandy River Basin with the Forty Two Percent Proceeds, and use of the Forty Two Percent Proceeds from any sales of parcels conveyed from

PGE to Western Rivers. All such reporting shall be confidential and shall be treated by PGE as such.

5.1 Reporting. Western Rivers shall report to PGE in writing promptly following the end of each calendar year commencing the 31st day of December, 2007, and following the end of each calendar year thereafter, on the status of the Property, the acquisition of additional parcels in the Sandy River Basin with the Forty Two Percent Proceeds, and use of the Forty Two Percent Proceeds from any sales of parcels conveyed from PGE to Western Rivers. Western Rivers shall deliver a final report and accounting with respect to the foregoing following the transfer of the last parcel.

5.2 Public Recognition. Western Rivers shall make reasonable efforts to publicly highlight the participation of PGE and its customers in conveyance of the Property in a positive light as reasonably determined by PGE and Western Rivers. Western Rivers shall cooperate with PGE and its public relation consultants in publicizing the support of and involvement in the Sandy River area restoration projects of PGE and its customers. Notwithstanding the foregoing, Western Rivers shall not, by this Agreement, obtain any right, title or interest in the trade names, trademarks, service marks, copyrights or logos of PGE, nor shall PGE obtain any right, title or interest in the trade names, trademarks, service marks, copyrights or logos of Western Rivers.

6. Closing. PGE shall properly execute and deliver to Western Rivers the Special Warranty Deeds to the parcels constituting the Property in accordance with the schedule agreed to pursuant to Section 3 hereof. Western Rivers shall, at its sole expense, promptly record the Deeds with Clackamas County. Taxes for the tax year in which the transaction is closed shall be prorated as of the Effective Date hereof based on the then-current tax bill. PGE represents that no roll-back or other deferred or accrued real property taxes shall be due as a result of these transactions.

6.1 Escrow. In the event Western Rivers desires to obtain title insurance on the Property, or any portion thereof, the disposition and acquisition of the Property shall be closed in escrow at Chicago Title Company, or such other title company as Western Rivers shall elect, and the cost of all escrow and closing costs, including without limitation, any title insurance premiums, recording fees, and the like, shall be solely by Western Rivers. Closing shall occur at such date and time as shall be mutually agreed upon by PGE and Western Rivers provided that the actual conveyance(s) of the Property shall be in accordance with *Exhibit "C"* hereto.

6.2 Possession and Risk of Loss. Western Rivers shall be entitled to exclusive possession of each parcel constituting the Property immediately following the recording of the Deed with respect to each such parcel. Risk of loss with respect to such portion of the Property shall pass to Western Rivers upon the recording of such Deed.

7. Compliance with Law. Western Rivers represents, covenants, and warrants that Western Rivers' actions and activities with respect to the ownership, management and administration of the Property and all funding will be in compliance with all material applicable local, state, and federal statutes, laws, regulations, permits, and ordinances as well as obtaining any necessary approvals from appropriate jurisdictions, governmental agencies, and third parties in any way relating to the Property. Western Rivers shall be solely responsible for any legal liability arising out of or in any way relating to the Property from and after the date of the Deeds.

8. Indemnification. To the extent allowable by law, Western Rivers shall indemnify, defend and hold PGE harmless in connection with any damage to the Property and/or costs and expenses arising from or in any way related to Western Rivers' activities on or about the Property, and/or the activities of Western Rivers' employees, agents, representatives and invitees from and after closing, and to the extent allowable by law, PGE shall indemnify, defend and hold Western Rivers harmless in connection with any damage to the Property and/or costs and expenses arising from or in any way related to PGE's activities on or about the Property, and/or the activities of PGE's employees, agents, representatives and invitees from and after closing.

9. AS IS. EXCEPT AS OTHERWISE PROVIDED HEREIN, INCLUDING THE EXHIBITS HERETO AND THE DEEDS, PGE MAKES NO REPRESENTATION AS TO THE CONDITION

OF THE PROPERTY. THE PROPERTY IS BEING SOLD "AS IS," WHERE IS, AND WITH ALL FAULTS AS OF CLOSING, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. EXCEPT AS CONTAINED IN THE DEEDS, PGE SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY, OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE PROPERTY. WESTERN RIVERS IS EXPERIENCED IN THE ACQUISITION AND EVALUATION OF REAL PROPERTY FOR ITS USES AND WILL PURCHASE THE PROPERTY BASED SOLELY ON WESTERN RIVER' OWN INDEPENDENT INVESTIGATIONS AND FINDINGS AND NOT IN RELIANCE UPON ANY INFORMATION PROVIDED BY PGE OR PGE'S AGENTS OR CONTRACTORS. WESTERN RIVERS RELEASES PGE FROM ANY AND ALL CLAIMS, WHETHER KNOWN OR UNKNOWN AND WHETHER CONTINGENT OR LIQUIDATED, ARISING FROM OR RELATING TO ANY DEFECTS, ERRORS, OR OMISSIONS IN THE DESIGN OR CONSTRUCTION OF THE PROPERTY, WHETHER THE SAME ARE A RESULT OF NEGLIGENCE OR OTHERWISE, OR ARISING FROM OTHER CONDITIONS, INCLUDING ENVIRONMENTAL CONDITIONS AFFECTING THE PROPERTY, WHETHER THE SAME ARE A RESULT OF NEGLIGENCE OR OTHERWISE. THE RELEASE SET FORTH IN THIS SECTION SPECIFICALLY INCLUDES, BUT IS NOT LIMITED TO, ANY CLAIMS UNDER ANY ENVIRONMENTAL LAWS OR UNDER *THE AMERICANS WITH DISABILITIES ACT OF 1990 (42 USC SECTIONS 12101, ET SEQ.)*. "ENVIRONMENTAL LAWS" INCLUDES, BUT IS NOT LIMITED TO, *THE SOLID WASTE DISPOSAL ACT, AS AMENDED BY THE RESOURCE CONSERVATION AND RECOVERY ACT (42 USC SECTIONS 6901, ET. SEQ.)*, *THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980 (42 USC SECTIONS 9601, ET. SEQ.)*, *THE CLEAN AIR ACT (42 USC SECTIONS 7401, ET. SEQ.)*, *THE CLEAN WATER ACT (33 USC SECTIONS 1251, ET. SEQ.)*, *THE TOXIC SUBSTANCES CONTROL ACT (15 USC SECTIONS 2601, ET. SEQ.)*, *THE HAZARDOUS MATERIALS TRANSPORTATION ACT (49 USC SECTIONS 1801, ET. SEQ.)*, *THE OCCUPATIONAL SAFETY AND HEALTH ACT (29 USC SECTIONS 651, ET. SEQ.)*, *THE FEDERAL INSECTICIDE, FUNGICIDE AND RODENTICIDE ACT (7 USC SECTIONS 136, ET. SEQ.)*, AND *THE SAFE DRINKING WATER ACT (42 USC SECTIONS 300(F), ET. SEQ.)*, AS ANY OF THE SAME MAY BE AMENDED FROM TIME TO TIME, AND ANY STATE OR LOCAL LAW DEALING WITH ENVIRONMENTAL MATTERS, AND ANY REGULATIONS, ORDERS, RULES, PROCEDURES, GUIDELINES, AND THE LIKE PROMULGATED IN CONNECTION THEREWITH, REGARDLESS OF WHETHER THE SAME ARE IN EXISTENCE ON THE DATE OF THIS AGREEMENT. WESTERN RIVERS, AT WESTERN RIVERS' EXPENSE, SHALL BE RESPONSIBLE FOR OBTAINING ANY ZONING CHANGES OR OTHER GOVERNMENTAL OR THIRD PARTY APPROVALS DEEMED NECESSARY BY WESTERN RIVERS. WESTERN RIVERS SPECIFICALLY ACKNOWLEDGES THAT PGE MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING WESTERN RIVERS' INTENDED USE OF THE PROPERTY.

10. General Provisions.

10.1 **Binding Effect.** The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

10.2 **Counting of Days.** Whenever a time period set forth in this Agreement would otherwise expire on a Saturday, Sunday, or banking or federally recognized holiday, such time period shall be deemed extended to the next following day which is not one of the foregoing. Whenever a time period set forth in this Agreement extends beyond the scheduled Closing Date, the Closing Date shall be extended to allow Western Rivers the full benefit of such time period.

10.3 **Notices.** Notices under this Agreement shall be in writing and shall be effective when (a) actually delivered, if hand delivered, (b) two days after being deposited in the United States Mails, if mailed, (c) when sent by facsimile or email, in each case directed to the other party at the address indicated below (or as changed by written notice):

If to Western Rivers: Western Rivers Conservancy
71 SW Oak Street, Suite 100

Portland, Oregon 97204
Attn: Phillip Wallin
Fax: (503) 241-0374
Email: pwallin@westernrivers.org

If to PGE: Portland General Electric Company
Property Services, 1WTC0401
Attn: Mike Livingston/Julie Keil
121 SW Salmon Street
Portland, Oregon 97204
Fax: (503) 464-8127
Email: mike.livingston@pgn.com and julie.keil@pgn.com

With a copy to: Portland General Electric Company
Legal Department, 1WTC1301
121 SW Salmon Street
Portland, Oregon 97204
Attn: Mark R. Lindley
Fax: (503) 464-2570
Email: mark.lindley@pgn.com

10.4 **Waiver.** Failure of either party at any time to require performance of any provision of this Agreement shall not limit such party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.

10.5 **Amendment.** This Agreement may not be modified or amended except by the written agreement of the parties signed by the parties.

10.6 **Attorneys' Fees.** In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of an attorney are retained, to interpret or enforce any provision of this Agreement or with respect to any dispute relating to this Agreement, the prevailing party shall be entitled to recover from the losing party its reasonable attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith. In the event of suit, action, arbitration, or other proceeding, the amount thereof shall be determined by the judge or arbitrator, shall include fees and expenses incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

10.7 **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10.8 **Integration.** This Agreement contains the entire agreement and understanding of the parties with respect to the purchase and sale of the Property and supersedes all prior and contemporaneous agreements between them with respect to such purchase and sale, including without limitation, that certain Land Transfer Agreement executed by Western Rivers in December, 2006, which is hereby replaced and superseded in its entirety by this Agreement and is of no further force or effect.

10.9 **Assignment.** This Agreement shall apply to and be binding on the Parties and their successors and approved assigns. Upon completion of a succession or assignment, the initial Party shall no longer be a Party to this Agreement, but shall remain secondarily liable for the performance of the assignee. A transferring or assigning Party shall provide notice to the other Parties at least sixty (60) days prior to completing such transfer or assignment.

10.10 **Survival.** The release and indemnity covenants of Western Rivers, the limitations of liability, the right of PGE to enforce its remedies hereunder, the attorneys' fees provisions

hereof, the provisions of Section 3, Section 4, Section 5, Section 7, Section 8, and Section 9 hereof, and each of the provisions contained in this Section 10, as well as all provisions of this Agreement which contemplate performance after the expiration or termination hereof or the termination of Western Rivers' right to possession hereunder, shall survive any such expiration or termination for a period of two (2) years.

10.11 Brokerage Commissions. Neither party has engaged or employed any broker or finder in connection with the transactions contemplated by this Agreement and has taken no action that would give rise to a valid claim against any party for a brokerage commission, finder's fee, or other like payment.

10.12 No Third-Party Beneficiaries. Without limiting the applicability of rights granted to the public pursuant to applicable law, this Agreement shall not create any right or interest in the public, or any member of the public, as a third-party beneficiary of this Agreement and shall not authorize any non-Party to maintain a suit at law or equity pursuant to this Agreement. The duties, obligations, and responsibilities of the parties hereto with respect to third parties shall remain as imposed under applicable law.

10.13 Failure To Perform Due to Force Majeure. No Party shall be liable to any other Party for breach of this Agreement as a result of a failure to perform or for delay in performance of any provision of this Agreement if such performance is delayed or prevented by force majeure. The term "force majeure" means any cause reasonably beyond the affected Party's control and that could not be avoided with the exercise of due care, whether unforeseen, foreseen, foreseeable, or unforeseeable, and without the fault or negligence of the affected Party. Force majeure may include, but is not limited to, natural events, labor or civil disruption, breakdown or failure of Project works, orders of any court or agency having jurisdiction over the Party's actions, delay in regulatory approvals, or delay in issuance of any required permit. The Party whose performance is affected by force majeure shall notify the other Parties in writing within twenty four (24) hours after becoming aware of any event that such affected Party contends constitutes force majeure. Such notice will identify the event causing the delay or anticipated delay, estimate the anticipated length of delay, state the measures taken or to be taken to minimize the delay, and estimate the timetable for implementation of the measures. The affected Party shall make all reasonable efforts to promptly resume performance of this Agreement and, when able, to resume performance of its obligations and give the other Parties written notice to that effect.

10.14 No Partnership. Except as otherwise expressly set forth herein, this Agreement does not, and shall not be deemed to, make any Party the agent for or partner of any other Party.

10.15 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. The exclusive venue for any action to interpret or enforce any term of this Agreement shall be Clackamas County, Oregon.

10.16 Construction and Interpretation. Time is of the essence of this Agreement, it being understood that the time for performance of each obligation, including, without limitation, payment of any sums due to PGE, have been the subject of specific negotiation by the parties. The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Agreement. The use in this Agreement of the words "including," "such as," and words of similar import following any general statement, term, or matter shall not be construed to limit such statement, term, or matter in any manner, whether or not the language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term, or matter. All provisions of this Agreement have been negotiated at arm's length and this Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision hereof.

10.17 Counterparts. This Agreement may be executed in any number of counterparts, all of which together shall constitute one and the same agreement.

10.18 Exhibits. Exhibits attached to this Agreement are an integral part of this Agreement and are incorporated where referenced.

10.19 Limitation of Damages. NOTWITHSTANDING THE FOREGOING, IN NO EVENT SHALL PGE BE LIABLE TO WESTERN RIVERS OR ANY OTHER PERSON OR ENTITY FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER SPECIAL, PUNITIVE,

EXEMPLARY, CONSEQUENTIAL, INCIDENTAL OR INDIRECT LOSSES OR DAMAGES (IN TORT, CONTRACT OR OTHERWISE) UNDER OR IN RESPECT OF THIS AGREEMENT OR FOR ANY FAILURE OF PERFORMANCE RELATED HERETO HOWSOEVER CAUSED, WHETHER OR NOT ARISING FROM PGE'S SOLE, JOINT OR CONCURRENT NEGLIGENCE. This Section shall survive the expiration or termination of this Agreement as well as closing and the recording of deeds.

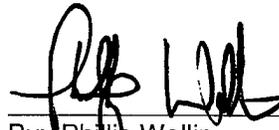
10.20 ORS 93.040 Statutory Disclosures. THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

10.21 Effective Date. The effective date of this Agreement shall be the 25th day of November, 2008.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date this Agreement is fully signed by PGE and Western Rivers.

Western Rivers:

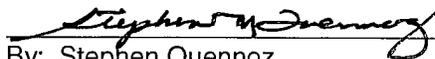
WESTERN RIVERS CONSERVANCY



By: Philip Wallin
Its: President

PGE:

PORTLAND GENERAL ELECTRIC COMPANY



By: Stephen Quennoz
Its: Vice President



Exhibit A

Description of the Property

Project Lands ~

Non-Project Lands ~

Exhibit B
Special Warranty Deed

See Attached

After recording, return to:

Please send tax statements to:

SPECIAL WARRANTY DEED

PORTLAND GENERAL ELECTRIC COMPANY, an Oregon corporation ("**Grantor**"), conveys and specially warrants to **WESTERN RIVERS CONSERVANCY**, an Oregon nonprofit corporation ("**Grantee**"), the real property described in Exhibit A hereto, together with all right, title, and interest appurtenant thereto (such land and interest are hereinafter collectively referred to as the "**Property**"), free of encumbrances created or suffered by Grantor except as specifically set forth in Exhibit B hereto.

Grantor also advises Grantee that the State of Oregon claims ownership of beds and banks of rivers on or adjacent to the Property.

The Property and all aspects thereof is conveyed by Grantor and accepted by Grantee in its present condition "AS IS," "WHERE IS" and "WITH ALL FAULTS" based solely on Grantee's own inspection, with all limitations and faults, latent and patent, known or unknown, without any representation or warranty, express or implied, of any type or nature, and expressly subject to covenants, exceptions, conditions, restrictions and/or easements, if any, affecting title, which may appear in the public record, including those shown on any recorded plat or survey.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON

LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007.

The true consideration for this conveyance is \$_____.

Dated this _____ day of _____, 200__.

PORTLAND GENERAL ELECTRIC COMPANY,
an Oregon corporation

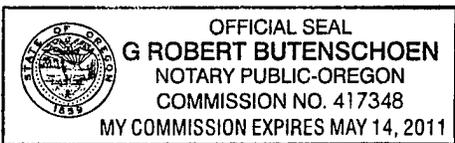
By: *Stephen H. Quennoz* 

Name: STEPHEN H. QUENNOZ

Title: VICE PRESIDENT

STATE OF OREGON)
) ss.
County of Multnomah)

This instrument was acknowledged before me on NOV 12, 2008, by Stephen M Quennoz, VP of Portland General Electric Company, an Oregon corporation, on behalf of said corporation.



G. Robert Butenschoen
Notary Public for Oregon

EXHIBIT A

Real Property Description

EXHIBIT B

Encumbrances



Portland General Electric Company
Legal Department
121 SW Salmon Street • Portland, Oregon 97204
(503) 464-8926 • Facsimile (503) 464-2200

Douglas C. Tingey
Assistant General Counsel

December 2, 2008

Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention: Filing Center
550 Capitol Street NE, #215
PO Box 2148
Salem OR 97308-2148

Re: UP 237 – Application for Approval to Transfer Property Associated with the Bull Run Project to Western Rivers Conservancy

Attention Filing Center:

Enclosed for filing in the captioned docket are an original and one copy of:

- **STIPULATION.**

This stipulation is past the filing deadline previously set by the Administrative Law Judge. We notified the ALJ that the filing would be delayed, and apologize for the delay.

This document is being served upon the UP 237 service list.

This document is being filed by electronic mail with the Filing Center. An extra copy of the cover letter is enclosed. Please date stamp the extra copy and return to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "DCT", is written over a printed name.

Douglas C. Tingey

DCT:jbf
Enclosures
cc: Service List-UP 237

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **STIPULATION** to be served by electronic mail to those parties whose email addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service from OPUC Docket No. UP 237.

Dated at Portland, Oregon, this 2nd day of December, 2008.



DOUGLAS C. TINGEY, OSB # 044366
Assistant General Counsel
Portland General Electric Company
121 SW Salmon St., 1WTC1301
Portland, OR 97204
(503) 464-8926 (telephone)
(503) 464-2200 (fax)
doug.tingey@pgn.com

**SERVICE LIST
OPUC DOCKET # UE 201**

<p>OPUC Dockets CITIZEN'S UTILITY BOARD OF OREGON dockets@oregoncub.org (*waived paper service)</p>	<p>Robert Jenks CITIZEN'S UTILITY BOARD OF OREGON bob@oregoncub.org (*waived paper service)</p>
<p>Allen C. Chan DAVISON VAN CLEVE 333 SW Taylor, Suite 400 Portland, OR 97204</p>	<p>Jason W. Jones, Assistant Attorney General DEPARTMENT OF JUSTICE Regulated Utility & Business Section 1162 Court St NE Salem, OR 97301-4096 Jason.w.jones@state.or.us</p>
<p>Stephanie S. Andrus, Assistant Attorney General OREGON PUBLIC UTILITY COMMISSION Regulated Utility & Business Section 1162 Court St NE Salem, OR 97301-4096 stephanie.andrus@state.or.us</p>	<p>Marc Hellman, Administrator OREGON PUBLIC UTILITY COMMISSION PO Box 2148 Salem, OR 97308-2148 Marc.hellman@state.or.us</p>
<p>Katie Iverson BRUBAKER & ASSOCIATES, INC. 17244 W. Cordova Ct Surprise, AZ 85387 Kiverson@consultbai.com</p>	