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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UP 202

In the Matter of)	
)	ORDER
PORTLAND GENERAL ELECTRIC)	
COMPANY)	
)	
Application for Approval to Sell Property)	
in the City of Gresham to M & G)	
PROPERTIES, LLC.)	

**DISPOSITION: APPLICATION GRANTED;
WITH CONDITIONS AND REPORTING REQUIREMENTS**

On July 8, 2003, the Public Utility Commission of Oregon (Commission) received an application from Portland General Electric Company (PGE or the Company), pursuant to ORS 757.480 and OAR 860-027-0025, requesting approval to sell property located in the City of Gresham and referred to as the Rockwood District and Ruby Junction areas (Station Center Ruby Junction), to M & G Properties, LLC.

Based on a review of the application and the Commission’s records, the Commission finds that the application satisfies applicable statutes and administrative rules. At its Public Meeting on August 20, 2003, the Commission adopted Staff’s recommendation to approve the sale of assets as proposed. Staff’s recommendation is attached as Appendix A and is incorporated by reference.

OPINION

Under ORS 757.480, an electric utility doing business in Oregon shall first obtain Commission approval for any transaction to sell, lease, assign or otherwise dispose of property.

OAR 860-027-0025 specifies the information regarding applications for authority to sell, lease, assign, mortgage, merge, consolidate or otherwise dispose of property. This application contains the necessary information.

Commission approval of the accounting treatment for this transaction does not constitute approval for ratemaking purposes. There is no indication that the proposed sale will impair Portland General Electric Company's abilities to provide public utility service in Oregon.

ORDER

IT IS ORDERED that the application of Portland General Electric Company to sell property located in the City of Gresham to M & G Properties, LLC, is granted, subject to conditions and reporting requirements, as further described in Appendix A.

Made, entered and effective _____.

BY THE COMMISSION:

Becky L. Beier
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A party may appeal this order to a court pursuant to ORS 756.580.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: AUGUST 20, 2003**

REGULAR _____ CONSENT X EFFECTIVE DATE _____

DATE: August 5, 2003

TO: John Savage through Marc Hellman and Rebecca Hathorn

FROM: Marion Anderson

SUBJECT: PORTLAND GENERAL ELECTRIC: (Docket No. UP 202)
Application for approval to sell land located in the City of Gresham.

STAFF RECOMMENDATION:

The Commission should approve the sale of land by Portland General Electric Company to M & G Properties LLC, with the following conditions:

1. In accord with the docket UE 115 stipulation, the gain on the sale will be directed to a balancing account for subsequent refund to ratepayers.
2. Written confirmation that the proposed journal entry recording the transaction has been made will be submitted to the Commission as soon as it is available.

DISCUSSION:

This application was filed on July 8, 2003, pursuant to ORS 757.480 and OAR 860-027-0025. The land parcel is not required for utility functions except for transmission purposes. Portland General Electric will retain a perpetual electric power line easement and right-of-way to ensure that existing transmission facilities will not be disrupted by the proposed sale.

The land's book value is \$3,749.62. A copy of the summary evaluation, by PGP Valuation Inc., was submitted showing total value of \$140,000. The gross sale amount is \$138,688, which reflects the cost of the easement retention. Deduction of the \$3,000 estimated selling expenses of this transaction results in a gain of \$131,938.38. The proposed entry was submitted with the application and met with staff's approval.

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DISCUSSION: (continued)

After review of the filing, staff concludes that the application is fair and reasonable and not contrary to the public interest. PGE has agreed to the treatment of gain listed in this memorandum.

PROPOSED COMMISSION MOTION:

The requested sale of land by Portland General Electric Company to M & G Properties LLC be approved with the conditions stated in this memorandum.

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