

**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

UA 108

In the Matter of	)	
	)	
PORTLAND GENERAL ELECTRIC	)	ORDER
	)	
Application for Approval of Transfer of	)	
Customers and Facilities to the City of	)	
Canby and Canby Utility Board.	)	

**DISPOSITION: APPLICATION APPROVED**

On April 14, 2005, Portland General Electric Company (PGE) filed an application with the Public Utility Commission of Oregon (Commission) requesting allocation of service territory in Clackamas County to the City of Canby (City) and the Canby Utility Board (CUB) in order to provide electric service, pursuant to ORS 758.415 and OAR 860-025-0010.

On April 4, 1962, PGE and the City entered into a Territory Allocation Agreement (Agreement) pursuant to ORS 758.410, which was approved by the Commission in Order No. 38537. The City subsequently transferred all of the powers and duties possessed by the City to construct, acquire, expand and operate the electric system within the City to CUB by charter amendment, effective January 2, 1969. PGE and CUB entered into Amendment No. 1 to Territory Allocation Agreement (Amendment) pursuant to ORS 758.430, which was approved by the Commission in Order No. 98-356 on August 24, 1998. Under the terms of the Agreement, as amended, CUB may provide electric service within any territory annexed to the City upon purchase of facilities used by PGE, and transfer of customers within the territory to CUB upon mutually agreeable terms.

This application concerns two annexations of property that are subject to Commission approval. The first annexation is 4.98 acres of property, which consists of two separate tax lots, serves one customer, and contains PGE facilities. The second annexation is 0.97 acres of property, which consists of one tax lot, serves one PGE customer, and contains PGE facilities. A description of the service territories for which this application seeks transfer is attached as Appendix A to this order.

On April 22, 2005, the Commission published notice of the application pursuant to ORS 758.420. The notice stated that any affected customer could request a hearing within 30 days. No requests for hearing were received.

ORS 758.415 provides that a contract for the allocation of service territory approved by the Commission is valid and enforceable if the Commission finds that the contract will “eliminate or avoid unnecessary duplicating facilities, and will promote the

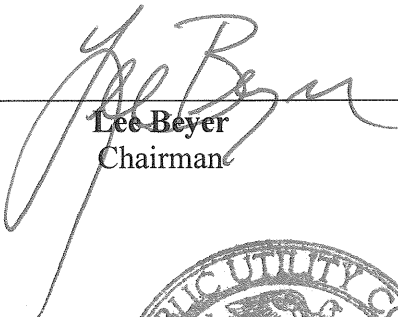
efficient and economic use and development and the safety of operation of the utility systems of the parties to the contract, while providing adequate and reasonable service to all territories and customers affected thereby.”

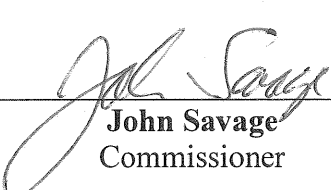
Based upon Staff's analysis, the transfer avoids any duplication of facilities between PGE and CUB. CUB is the sole provider of electric services within the City. The parcels annexed by the City are within city limits and are bordered by properties currently served by CUB. The transfer is a cooperative transfer based on the terms of the amended Agreement. Staff concludes that the proposed Territory Allocation changes are acceptable and not contrary to the public interest. The basis for the current request is detailed in Staff's recommendation memo, attached as Appendix B.

**ORDER**

IT IS ORDERED that the application filed by Portland General Electric Company is approved. The transfer of service territories, as described in Appendix A, is effective immediately.

Made, entered, and effective JUN 17 2005

  
\_\_\_\_\_  
**Lee Beyer**  
Chairman

  
\_\_\_\_\_  
**John Savage**  
Commissioner

  
\_\_\_\_\_  
**Ray Baum**  
Commissioner



A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

## Description of Allocated Service Territory

PARCEL I:

Part of the Philander Lee Donation Land Claim No. 56 in Section 34, Township 3 South, Range 1 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as follows:

Beginning at the East Donation land Claim line, North 631.62 feet from the Southeast corner thereof; thence South  $82^{\circ}45'$  West 1067.88 feet; thence North 209.88 feet; thence North  $82^{\circ}45'$  East 1062.88 feet to the East Donation Land Claim line; thence South along said claim line 209.88 feet to the point of beginning.

EXCEPT the following:

A tract of land in the Philander Lee Donation Land Claim Number 56 in the Southeast one-quarter of Section 34, Township 3 South, Range 1 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, being more particularly described as follows:

Beginning at a point on the East line of said Lee Donation Land Claim line that is North a distance of 841.50 feet from the Southeast corner of said Lee Donation Land Claim; thence South  $82^{\circ}45'00''$  West a distance of 30.24 feet to a point on the Westerly line of Market Road Number 25 (Mulino Road) and being the true point of beginning of the tract to be described herein, with said point of beginning also being the Northeast corner of that tract of land conveyed to Robert E. Ford and Rebecca Ford, husband and wife, by deed recorded as Fee No. 81-28095, Clackamas County Deed Records; thence South  $82^{\circ}45'$  West, along the North line of said Ford Tract, a distance of 1022.91 feet to a point on the Easterly line of County Road Number 540 with said point being the Northwest corner of said Ford Tract; thence South  $0^{\circ}02'04''$  East, along the Easterly line of said county road, a distance of 65.51 feet to a point in an existing wire fence line; thence North  $83^{\circ}01'31''$  East along said wire fence line, a distance of 506.35 feet to a stone in said fence line; thence North  $82^{\circ}26'28''$  East, along said wire fence line, a distance of 516.58 feet to a point on the Westerly line of said Market Road Number 25; thence North, along the Westerly line of said Market Road Number 25, a distance of 65.16 feet returning to the true point of beginning.

PARCEL II:

A tract of land in the Philander Lee Donation Land Claim, in Section 34, Township 3 South, Range 1 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, and more particularly described as follows:

Beginning at a point on the East line of the Philander Donation Land Claim, Township 3 South, Range 1 East, of the Willamette Meridian, that is North 631.62 feet from the Southeast corner of said claim (marked with an "X" in the pavement in the center line of Market Road 25); said beginning point is the Northeasterly corner of the grantor's land as described in Book 81, page 402, Deed Records of Clackamas County. Said corner is also the Southeast corner of

the 5 acre tract of land conveyed by Heman Lee to Hannah Halverson by deed recorded in Book 76, page 265 said deed records; thence from said beginning point South 82°45' West 1067.88 feet, along the South line of said 5 acre tract to the Southwest comer thereof; thence South 0°32' West along the grantor's West line 77.32 feet; thence North 82°03½' East 1069.5 feet to the East line claim and the center of Market Road 25; thence North 64.42 feet to the place of beginning.

And:

Part of Tract 60, CANBY GARDENS, in the County of Clackamas and State of Oregon, described as follows:

Beginning at the Northeast corner of said Tract 60 in CANBY GARDENS, which point is the intersection of the centerline of Neff Road, a 40 foot dedicated county road, and the Southerly boundary of Territorial Road; thence South 69°03' West along the Southerly boundary of Territorial Road, a distance of 225.30 feet; thence South 00°01' East 188.59 feet; thence North 89°59' East 210.88 feet to the East line of said Tract 60 on the center line of said Neff Road; thence North 00°07' West along the East line of said Tract 60 and the center of said Neff Road a distance of 267.10 feet to the point of beginning.

PUBLIC UTILITY COMMISSION OF OREGON  
INTEROFFICE CORRESPONDENCE

**DATE:** June 6, 2005

**TO:** Kim Ojnisty  
Law Clerk

**FROM:** Paul Rossow *PR*  
Electric Rates & Planning

**SUBJECT:** UA 108-Portland General Electric and Canby Utility Board Application for Transfer of Customers and Facilities.

This memo provides information regarding changes to a contract between Portland General Electric (PGE), the City of Canby (City), and Canby Utility Board (CUB).

**Background**

On April 4, 1962, PGE and the City entered into an agreement concerning the allocation of electric service territory between them (Agreement), which was approved by the Commission pursuant to Order No. 38537. Following the Agreement, the City transferred all of the powers and duties possessed by the City to construct, acquire, expand and operate the electric system within the City to the CUB by Charter amendment, effective January 2, 1969.

PGE and CUB entered into an Amendment No. 1 to the Agreement, which makes certain modifications in the Agreement. Amendment No. 1 was approved by the Commission pursuant to Order No. 98-356, dated August 24, 1998.

Under the terms of the Agreement, as amended, the CUB may provide electric service within any territory annexed to the City upon purchase of facilities used by PGE for the purpose of providing electric service to such territory and transfer of customers within the territory to the CUB upon mutually agreeable terms.

**Description**

This application relates to two annexations of property that are subject to Commission approval and are listed below:

1. Effective as of December 1, 2004, the City accepted the results of the November 2, 2004 general election by voters of the City approving annexation of 4.98 acres of property, consisting of two separate tax lots (2300 and 3300 of Tax Map 3-1E-34), into its city boundary. The address of this annexed parcel is 294 Walnut S. Street which serves one customer and contains existing PGE facilities. The CUB has paid \$1,799.56 for the facilities. The net plant/undepreciated book cost of the facilities is \$2,301.87.
2. Effective as of December 1, 2004, the city of Canby accepted the results of the November 2, 2004 election by voters of the City approving annexation of approximately .97 acres of

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property. The parcel consists of tax lot (1500 of Tax Map 3-1E-28DD), located at 1063 NE Territorial Road. This particular parcel serves one PGE customer and contains PGE facilities. The CUB has paid \$95.96 for PGE's removal of its existing overhead facilities.

**Conclusion**

The CUB and PGE each provide utility service to customers by the distribution of electricity. Recognizing both companies desire to prevent duplication of electric utility facilities as mentioned in the Agreement, I believe CUB can provide economical service to these territories for the reason that CUB will be providing exclusive electric utility service within those areas preventing the duplication of facilities. Therefore, based on my review of this Application, I find the Territory Allocation changes acceptable and not contrary to the public interest.