

ORDER NO. 12 355

ENTERED SEP 18 2012

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UA 160

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

ORDER

Application For Approval of Contract
Modification and Transfer of Customers and
Facilities to the CANBY UTILITY BOARD.

DISPOSITION: APPLICATION GRANTED.

I. INTRODUCTION

On June 15, 2012, Portland General Electric Company (PGE) filed an application requesting approval of a service territory transfer (facilities and customers) to Canby Utility Board. The service territory subject to transfer consists of two parcels of property recently annexed by the City of Canby, Oregon.

We provided legal notice of the application in the *Canby Herald* newspaper on July 4 and 11, 2012. The notice identified the property to be transferred and provided the opportunity for any interested person to request a hearing by August 11, 2012. No requests for hearing were filed. On August 30, 2012, Staff filed a memorandum in support of the proposed transfer.

II. BACKGROUND

In 1962, PGE and the City of Canby entered into a contract concerning the allocation of electric service territory between them. In that Commission-approved contract, the parties agreed that the City of Canby would exclusively provide electric service within its city limits.¹ In 1969, the City of Canby transferred to the Canby Utility Board all of the powers and duties to construct, acquire, expand and operate the electric system within the city. Since that time, PGE and the Canby Utility Board have amended the agreement to reallocate territory upon annexation by the city of real property which was within PGE's previously allocated service territory boundaries.²

¹ See Order No. 62-38537.

² See e.g., Order No. 98-356.

PGE now seeks a further amendment of the contract to transfer customers and facilities located on two parcels of property recently annexed to the City of Canby. The first parcel was annexed in 2011 and consists of a 4.77 acre tax lot located at 1732 N. Pine Street. This parcel serves one customer and contains PGE facilities having no salvage value. The second parcel was annexed in 2012 and consists of two tax lots on 4 acres located adjacent to and east of the 1600 block of S. Fir Street. This particular parcel serves no PGE customers and does not have any PGE facilities. A legal description of the two parcels is attached as Appendix A.

Because the Canby Utility Board is the sole provider of electric service within the city limits of Canby, PGE asserts that the Canby Utility Board is best able to provide economical service to these parcels. Staff agrees, adding that approving the transfer will prevent duplication of facilities.

III. DISCUSSION

ORS 758.430 requires Commission approval of an amendment to a territorial allocation agreement. OAR 860-025-0015 requires that an application for an amendment to a Commission-approved territorial agreement include the amendatory contract, a reference to the basic approval contract, and other information the Commission may require. The application at issue here meets those requirements.


ORS 758.405 establishes Oregon's territorial allocation philosophy to eliminate and prevent duplication of utility facilities and to promote efficient and safe operation of utility facilities. Approval of this application will further the philosophy by coordinating and efficiently allocating territories with nearby electric service facilities.

The basic agreement between PGE and the Canby Utility Board was approved by the Commission years ago. The current application addresses a relatively modest amendment to the basic agreement. Unnecessary duplication of facilities will be avoided. Approval of this application will help clarify the areas that each party will serve in the future, allowing them to better meet expected load. Safe, adequate, and reasonable service will be provided to the area and customers involved. For these reasons, we find that the amendatory application meets applicable requirements imposed by statute and by rule.

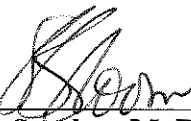
IV. ORDER

IT IS ORDERED that the application for approval of the allocation of utility service territory and the transferring of customers and ownership of facilities from Portland General Electric Company to the Canby Utility Board is approved.

Made, entered, and effective SEP 18 2012.


Susan K. Ackerman
Chair


John Savage
Commissioner


Stephen M. Bloom
Commissioner



A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

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UA - PGE Application for Transfer
Attachment 3

EXHIBIT "A"

SISUL ENGINEERING

A Division of Sisul Enterprises, Inc.

375 PORTLAND AVENUE, GLADSTONE, OREGON 97027
(503) 657-0188
FAX (503) 657-5779

LEGAL DESCRIPTION FOR ANNEXATION AUGUST 25, 2009

A PORTION OF LOT 77, CANBY GARDENS, PLAT NO. 230, IN THE SOUTHWEST ONE QUARTER OF SECTION 27, T3S, R1E, W.M., CLACKAMAS COUNTY, STATE OF OREGON. MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTH LINE OF LOT 77, CANBY GARDENS AND THE WEST RIGHT-OF-WAY LINE OF THE MOLALLA FOREST ROAD, A DISTANCE OF 50 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 77; THENCE ALONG THE SOUTH LINE OF THE SAID LOT, NORTH 89°55'49" WEST, A DISTANCE OF 589.90 FEET TO A POINT IN THE EAST RIGHT-OF-WAY LINE OF NORTH PINE STREET, COUNTY ROAD NO. 2580; THENCE ALONG THE SAID EAST RIGHT-OF-WAY LINE, NORTH 00°01'58" WEST, A DISTANCE OF 329.97 FEET TO A POINT IN THE NORTH LINE OF LOT 77; THENCE ALONG THE SAID NORTH LINE, SOUTH 89°55'41" EAST, DISTANCE OF 589.99 FEET TO A POINT IN THE SAID WEST RIGHT-OF-WAY LINE OF THE MOLALLA FOREST ROAD; THENCE ALONG THE SAID WEST RIGHT-OF-WAY LINE, SOUTH 00°01'00" EAST, A DISTANCE OF 329.95 FEET TO THE POINT OF BEGINNING.
CONTAINING 4.47 ACRES MORE OR LESS.

TOGETHER WITH A TRACT OF LAND BEING A PORTION OF NORTH PINE STREET, COUNTY ROAD NO. 2580, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTH LINE OF LOT 77, CANBY GARDENS AND THE WEST RIGHT-OF-WAY LINE OF THE MOLALLA FOREST ROAD, A DISTANCE OF 50 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 77; THENCE ALONG THE SOUTH LINE OF THE SAID LOT, NORTH 89°55'49" WEST, A DISTANCE OF 589.90 FEET TO A POINT IN THE EAST RIGHT-OF-WAY LINE OF NORTH PINE STREET, COUNTY ROAD NO. 2580 AND THE TRUE POINT OF BEGINNING; THENCE NORTH 89°58'02" WEST, AT A RIGHT ANGLE TO SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 40.00 FEET TO THE WEST RIGHT-OF-WAY LINE OF NORTH PINE STREET; THENCE ALONG THE WEST RIGHT-OF-WAY LINE OF NORTH PINE STREET NORTH 00°01'58" WEST, A DISTANCE OF 329.97 FEET TO A POINT; THENCE SOUTH 89°58'02" EAST, AT A RIGHT ANGLE TO SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 40.00 FEET TO A POINT IN THE NORTH LINE OF SAID LOT 77; THENCE LEAVING THE NORTH LINE OF SAID LOT 77 ALONG THE EAST RIGHT-OF-WAY LINE OF NORTH PINE STREET SOUTH 00°01'58" EAST, A DISTANCE OF 329.97 FEET TO THE TRUE POINT OF BEGINNING.
CONTAINING 0.30 ACRES MORE OR LESS.

THE COMBINED AREAS TALLING 4.77 ACRES MORE OR LESS.

APPENDIX A
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