



Oregon's Largest Dam Removal Starts

Marmot Dam Demolition is Major Step in Sandy Basin Restoration

SANDY, Ore., Jul 24, 2007 (BUSINESS WIRE) --

Portland General Electric Company (NYSE: POR) today reported that it has begun demolition of Marmot Dam, ushering in a new era for Oregon's Sandy River Basin. The removal will improve salmon and wildlife habitat and public recreation.

The Marmot Dam demolition on the Sandy River will be the largest dam removal in the Pacific Northwest in 40 years and the largest ever in Oregon. It is the first phase in Portland General Electric Company's (PGE) \$17 million Bull Run Hydroelectric Project "decommissioning" plan, developed in consensus with 23 diverse organizations. The plan also provides for the removal of PGE's Little Sandy Dam, on its namesake river next summer, followed by the removal of most other project components. The plan has been approved by the Federal Energy Regulatory Commission.

"Today, this partnership took a great step toward restoring a breathtaking river for fish, wildlife and people," said PGE CEO and President Peggy Fowler. "We celebrate the future of a watershed that will provide unimpeded salmon and steelhead passage from the slopes of Mt. Hood to the Pacific Ocean."

The Sandy is home to winter steelhead, spring Chinook and coho salmon, all listed as threatened under the federal Endangered Species Act. The State of Oregon lists coho as an endangered species.

Following the detonation, heavy equipment began taking apart the concrete structure. Demolition of the Marmot Dam should take about two months. The concrete chunks will be recycled for road surfacing.

During that work, the river bypasses Marmot Dam, diverted by earthen coffer dams. The coffer dams will be washed away in late autumn by natural stream flows.

Located about 40 miles east of Portland, the structure was built in 1913 to power a trolley that carried city dwellers out to the countryside and was rebuilt in 1989 after a flood. At 22 megawatts, Bull Run is one of PGE's smallest generating facilities, and its power has already been replaced with environmentally friendly wind power and other sources.

For more information, photos, video and updates, visit www.marmotdam.com.

PGE, headquartered in Portland, also will donate 1,500 acres of its Sandy River Basin land to the Western Rivers Conservancy, which will convey most of the property to the U.S. Bureau of Land Management for permanent protection. The land will form the foundation of a planned 9,000-acre conservation and recreation area. The Sandy will remain one of the top Chinook salmon and steelhead fishing destinations in Oregon, while Marmot Dam removal will enhance whitewater rafting and kayaking on the river.

PGE is surrendering its rights to the water "in stream," meaning no one can remove that amount of water in the future.

PGE announced that it would remove the Bull Run Hydroelectric Project in 1999 after the company determined that demolition would be more economical for its customers than maintaining the facility and upgrading it to modern fish protection standards. PGE remains committed to hydropower and is in the process of upgrading fish protection at its remaining hydro projects.

Next summer's demolition of the 16-foot-high Little Sandy Dam will allow fish passage at that location for the first time in almost a century. The structure currently diverts almost all of the water out of the lower Little Sandy River for power production. More than 10 miles of habitat will be restored when the natural flows are restored to the Little Sandy River.

PGE and the 22 other organizations that co-authored the decommissioning plan with the utility include environmental groups, state and federal natural resource agencies, local governments and businesses. They committed to a collaborative agreement, rejecting the expensive and exhaustive adversarial proceedings that characterize many major environmental decisions.

About Portland General Electric Company

Portland General Electric, headquartered in Portland, Ore., is a fully integrated electric utility that serves more than 796,000

residential, commercial and industrial customers in Oregon. Visit our Web site at www.PortlandGeneral.com.

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