

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1121

In the Matter of the Application of Oregon)	
Electric Utility Company, LLC, TPG)	CUB's Request for PGE Issue
Partners III, L.P., TPG Partners IV, L.P.,)	Fund Grant and Proposed
Managing Member LLC, Neil Goldschmidt,)	Budget
Gerald Grinstein, and Tom Walsh, for an)	
Order Authorizing Oregon Electric Utility)	
Company, LLC to Acquire Portland)	
Electric Company)	

The Citizens' Utility Board of Oregon (CUB) requests a grant of \$81,654 from the PGE Issue Fund.

CUB is precertified as per OAR 860-012-0100(3)(a). UM 1121 is an eligible proceeding under the Intervenor Funding Agreement, adopted by the Commission in Order No. 03-388 (July 2, 2003), because the proceeding directly affects PGE, a participating public utility. Agreement, p. 4. CUB filed its Notice of Intent to Request a PGE Issue Fund Grant concurrent with its Notice of Intervention on March 15, 2004, as required by the Intervenor Funding Agreement. Agreement 6.2.

Pursuant to paragraph 6.3 of the Intervenor Funding Agreement, the proposed budget must identify certain points of information. We provide the information below.

1) Statement of work to be performed. CUB intends to participate in every procedural aspect of this case. We have provided staff and information at each Open House Meeting and Town Hall Forum.

We have participated in both scheduling conferences. We will attend and participate in all or most workshops, hearings and settlements meetings. We will review and analyze opening testimony, supplemental testimony, rebuttal testimony and briefs filed by the applicants as well as testimony, surrebuttal testimony and briefs filed by other parties. We will pursue extensive discovery of the applicants through data requests and we will respond to data requests asked of us. We will file our own testimony, surrebuttal testimony and briefs. We will develop a position about whether the application meets the statutory requirements and offer a recommendation to the Commission. We will investigate the ability of acquisition conditions to reduce the risks associated with this application and to provide benefits to customers.

2) Describe areas to be investigated. CUB intends to investigate many issues related to this application, including, but not limited to the following:

A. Issues relating to the financing of the proposed application, including the debt levels at both PGE and OEUC, the tax implications of that financing, the effects of the financing on PGE's and OEUC's access to capital at reasonable terms, the risks that such financing places on customers, the effects of the financing on the cash liquidity that provides flexibility to PGE, and the effects of the financing on PGE's and OEUC's sensitivities to adversity.

B. Issues relating to the general operation of PGE, including the expected cash flows and financial projections, operating plans, retention of adequate financial, human and technological resources, resource planning and development of a least cost, least risk power supply, and maintenance and improvement of service quality.

C. Issues relating to important public policy concerns for Oregonians, including the affects

that this application will have on the Energy Trust of Oregon, the portfolio of energy options offered to customers, direct access to industrial customers, the Governor's Global Warming initiative, and environmental issues relating to the operation of hydroelectric facilities.

D. Issues relating to a private investment group owning a public utility, including preservation of regulatory access to personnel and records, and implications of public employee retirement investments in a utility regulated by the State.

E. Issues relating to the Public Utility Holding Company Act, including how the deal is structured to avoid PUCHA, the proposed reorganization of PGE's power trading operation to overcome PUCHA, and the effects that PUCHA repeal would have on PGE and its customers.

F. Issues relating to TPG and its operations including a review of TPG's business model, its history with other companies and the risks associated with TPG control of PGE.

G. Issues related to the ultimate disposition of PGE, including options that will be considered when TPG disposes of PGE, the effect that each option would have on PGE and its customers, and the risks associated with temporary ownership and its related uncertainty.

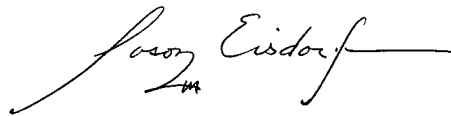
H. The overall issue of the net of benefits versus risks.

3) Describe the class that will benefit from our participation. CUB represents the interests of PGE's residential customers, though other customer classes may benefit from many aspects of our participation.

4) Identify the specific fund from which an issue fund grant is sought. CUB is seeking an issue fund grant from the PGE Issue Fund.

5) Provide a budget showing estimated fees and costs. CUB's budget is attached. CUB notes that the amount available in the PGE Issue Fund includes a rollover from 2003.

Dated this 29th day of April, 2004.
Respectfully submitted,

A handwritten signature in black ink, reading "Jason Eisdorfer". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Jason Eisdorfer #92292
Attorney for Citizens' Utility Board of Oregon

UM 1121 CUB Intervenor Funding Budget

CUB internal expenses	rate	hours	cost
<i>staff:</i>			
Bob Jenks, Executive Dir.	\$34.10	330	\$11,253
Jason Eisdorfer, Attorney	\$32.50	330	\$10,725
Lowery Brown, Utility Analyst	\$29.50	350	\$10,325
Jeff Bissonnette, Org. Dir.	\$29.50	30	\$885
<i>other expenses:</i>			
Printing, mailing			\$750
Travel			\$1,200
CUB consultant expenses			
<i>Labor:</i>			
Project Director	\$125	150	\$18,750
Assistant Project Director	\$110	150	\$16,500
Consultant	\$110	40	\$4,400
Utility Analyst/Administration	\$45	82	\$3,690
<i>other expenses:</i>			
Airfare			\$1,530
Airport Mileage			\$81
Lodging			\$900
Local Transportation			\$150
Per diem			\$420
Airport Parking			\$60
Long distance and shipping			\$35
Total			\$81,654