

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1121

In the Matter of)
)
OREGON ELECTRIC UTILITY)
COMPANY, LLC, *et al.*,)
)
Application for Authorization to Acquire)
Portland General Electric Company.)

NOTICE OF
EX PARTE CONTACT

On October 22, 2004, the U.S. Securities and Exchange Commission (SEC) sent a letter by facsimile to Public Utility Commission Staff member Bryan Conway. While the letter was properly addressed to Mr. Conway, the SEC used the Administrative Hearings Division's facsimile number, not the Utility Program's number. Because the letter was received in the Administrative Hearings Division, copies of it were given to Administrative Law Judges Christina Smith and Kathryn Logan.

Although the SEC is not a party to this docket, the letter refers to testimony provided by Richard Schifter. We have decided to disclose the letter to parties and make it part of the record. Parties have the right to rebut this communication on the record within 10 days of the issuance of this notice.

Dated at Salem, Oregon, this 25th day of October, 2004.

Kathryn A. Logan
Administrative Law Judge

Christina M. Smith
Administrative Law Judge



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PUBLIC UTILITY REGULATION

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. ;2-D549

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OCT 21 2004**Public Utility Commission of Oregon
Administrative Hearings unit Division

Via U.S Mail and Facsimile

October 21, 2004

Mr. Bryan Conway
Case Manager, Docket UM-1121
Public Utility Commission of Oregon
550 Capital Street NE #215
Salem, Oregon 97301-255 a
Telefacsimile No. (503) 378-6163,

Re: Oregon Electric Utility Company, LLC, et al.,
Application for Authorization to Acquire Portland
General Electric Company
Docket UM-1121

Dear Mr. Conway:

This letter is with regard to the Sur-surrebuttal Testimony of Richard Shifter on behalf of Oregon Electric Utility Company, LLC, et al. ("Oregon Electric") in, the above-referenced matter. The U.S., Securities and Exchange Commission ("SEC" or "Commission") staff is engaged in ongoing discussions with representatives of Texas Pacific Group ("TPG") and **Oregon Electric** in connection with the acquisition of Portland General Electric Company, specifically with regard to the status of TPG under the Public Utility Holding Company Act of 1935, as amended ("Act's. It is our understanding that TPG will seek a determination from the Commission under section 2(a)(7) of the Act that it would not be a holding company in the event it acquires Portland General Electric Company by filing an application with the Commission.

In his testimony, Mr. Shifter stated "Based on discussions with SEC staff, we are optimistic that the SEC will issue a **declaratory order granting the application.**" See *Sur-surrebuttal* Testimony of Richard Shifter at pg. 3. No application has **been** filed with the Commission, nor has the SEC staff given TPG any assurances as to whether it would recommend to the

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Commission that it grant any such application. Further, the SEC staff has given no assurances that the Commission would grant any such application. The -SEC staff continues to analyze tile issues in connection with TPG's status under *the Act*.

Sincerely

Paul F. Roye
Director
Division of Investment
Management