



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204

August 18, 2004

MESSENGER

Ms. Cheryl Walker
Oregon Public Utility Commission
P. O. Box 2148
Salem, OR 97308-2148

Re: UM-1121

Dear Ms. Walker:

Enclosed please find PGE Exhibit 206, Portland General Electric and Related Companies Organization Chart, which was inadvertently omitted from rebuttal testimony of Tinker/Murray/Hager, PGE Exhibit 200. Page 12, line 3 mistakenly referenced this exhibit as PGE Exhibit 204.

Please substitute pages 12 and the List of Exhibits page and add Exhibit 206 as the last exhibit.

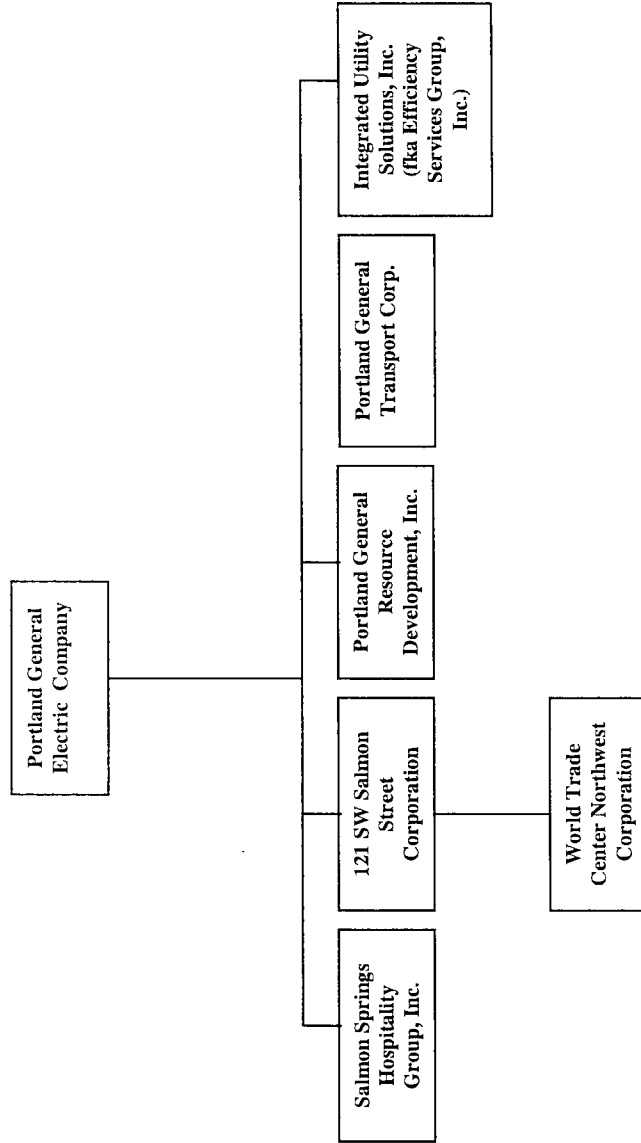
Sincerely,

A handwritten signature in black ink that reads "Patrick G. Hager". The signature is written in a cursive, flowing style.

Patrick G. Hager
Manager, Regulatory Affairs

cc: UM-1121 Service List

**Portland General Electric and Related Companies
Organization Chart
December 31, 2003**



1 A. No. First, while it is true that the Oregon Electric’s structure will contain only one
2 subsidiary (PGE), that subsidiary has several subsidiaries. Thus, the organizational structure
3 is actually composed of several subsidiaries, as shown in PGE Exhibit 206. This is not
4 markedly different from the corporate structure that existed when Portland General
5 Corporation held PGE, or from the corporate structure of several other Oregon utilities, such
6 as PacifiCorp or Idaho Power Company.

7 Second, from a utility income tax reporting and rate making perspective, Oregon
8 Electric’s structure is similar to the structure used by the other Oregon energy utilities. For
9 income tax and rate making purposes, it should make no difference whether a parent
10 company has only one subsidiary, or many. The income tax reporting and ratemaking
11 treatment should be the same regardless of the number of consolidated subsidiaries.

12 2. IRS Issues

13 **Q. Staff testified that IRS rules require “normalization.” Do you agree?**

14 A. Yes, the IRS requires normalization. If the Commission adopts ratemaking and true-up
15 mechanisms to ensure that Oregon utility customers pay only what the utilities from whom
16 they take service pay to the taxing authorities, such mechanisms would violate the IRS
17 normalization requirements. This is because the mechanisms would serve to pass through
18 immediately to customers the benefits of accelerated depreciation.

19 That being said, to clarify a technical point, regulatory mechanisms that serve *only* to
20 reflect in a utility’s revenue requirement the tax effects of the interest deduction at a parent
21 company would not necessarily violate normalization requirements. There are other legal
22 and regulatory policy issues with such regulatory mechanisms, some of which we discussed
23 in Section II above, but the normalization rules are not among them.

List of Exhibits

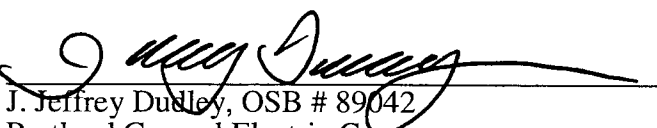
<u>PGE Exhibit</u>	<u>Description</u>
201	Revenue Requirement Forecast for UE-115 (2002 Test Year)
202	2003 Regulated Results of Operation Report
203	PGE UE-115 Testimony on Corporate Allocations
204	Summary of Adjustments for Earnings Sharing Mechanism
205	OPUC Order No. 03-214
206	Portland General Electric and Related Companies Organization Chart

CERTIFICATE OF SERVICE

I certify that I have caused to be served the foregoing REBUTTAL TESTIMONY OF PORTLAND GENERAL ELECTRIC COMPANY in OPUC Docket No. UM 1121 by First Class U.S. Mail, postage prepaid and properly addressed, to the persons below, and by electronic mail to those persons on the electronic service list maintained by the OPUC.

Dated this 16th day of August, 2004.

PORTLAND GENERAL ELECTRIC COMPANY

By 
J. Jeffrey Dudley, OSB # 89042
Portland General Electric Company
121 SW Salmon Street, 1WTC1300
Portland, OR 97204
Telephone: 503-464-8860
Fax: 503-464-2200
E-Mail: jay_dudley@pgn.com

UM-1121 OFFICIAL SERVICE LIST

American Rivers

Brett Swift
American Rivers
320 SW Stark Street
Suite 418
Portland OR 97204
Phone: 503-827-8648
Fax:
Email: bswift@amrivers.org

AOI Associated Oregon Industries

Julie Brandis
Legislative Representative
Associated Oregon Industries
1149 Court Street, NE
Salem OR 97301
Phone: (503) 588-0050
Fax: (503) 588-0052
Email: jbrandis@aoi.org

Ater Wynne Et Al

Lisa Rackner
Ater Wynne LLP
222 SW Columbia
Suite 1800
Portland OR 97201
Phone: (503) 226-1191
Fax: (503) 226-0079
Email: lfr@aterwynne.com

BOMA Association of Building Owners

Ann Fisher
1425 SW 20th
Suite 202
Portland OR 97201
Phone: (503) 721-0181
Fax: (503) 223-2305
Email: energlaw@aol.com

Robin O. White
Association of Building Owners And Managers
(BOMA)
1211 SW Fifth Avenue
L-17
Portland OR 97204
Phone: (503) 228-9214
Fax: (503) 223-1659
Email: info@bomaportland.org

BPA Bonneville Power Administration

Lora Garland
Bonneville Power Administration
P.O. 3621
L-7
Portland OR 97208-3621
Phone: (503) 230-4201
Fax: (503) 230-7405
Email: lmgarland@bpa.gov

Geoffrey M. Kronick
BPA
P.O. Box 3621
LC-7
Portland OR 97208-3621
Phone: (503) 230-4201
Fax: (503) 230-7405
Email: gmchronick@bpa.gov

Canon and Hutton

Mary Ann Hutton
Executive Director
Northwest Industrial Gas Users
9999 NE Worden Hill Road
Dundee OR 97115-9147
Phone: (503) 538-0600
Fax: (503) 538-0603
Email:

Center for Environmental Equity

Laurence Tuttle
Center for Environmental Equity
610 SW Alder
Ste. 1021
Portland OR 97205
Phone: (503) 227-1683
Fax: (503) 221-0599
Email: neverminded@earthlink.net

Community Action Directors of Oregon

Jim Abrahamson
Community Action Directors of Oregon
4035 12th St Cutoff SE
Suite 110
Salem OR 97302
Phone:
Fax:
Email: jim@cado-oregon.org

UM-1121 OFFICIAL SERVICE LIST

Confederated Tribes of the Warm Springs

James Noteboom
Karnopp Petersen Et Al
1201 NW Wall Street
Ste. 300
Bend OR 97701
Phone: (541) 382-3011
Fax: (541) 388-5410
Email:

Constellation Newenergy, Inc.

William H. Chen
Constellation Newenergy, Inc.
2175 North California Blvd
Ste. 300
Walnut Creek CA 94596-4587
Phone: (925) 287-4500
Fax: (925) 287-4501
Email: bill.chen@constellation.com

CRPUD Columbia River People's Utility Distri

Valerie Koss
Columbia River Pud
P.O. Box 1193
St. Helens OR 97051
Phone:
Fax:
Email:

CUB Citizens' Utility Board of Oregon

Jason Eisdorfer
Citizens' Utility Board of Oregon
610 SW Broadway
Suite 308
Portland OR 97205
Phone: (503) 227-1984
Fax: (503) 274-2956
Email: jason@oregoncub.org

DOJ Department of Justice

Jason Jones
Department of Justice
1162 Court St. NE
4th FL
Salem OR 97310
Phone:
Fax:
Email: jason.w.jones@state.or.us

Michael T. Weirich
Department of Justice
1162 Court St., NE
Room 100
Salem OR 97310-0560
Phone: (503) 378-4620
Fax: (503) 378-5300
Email:

Don't Waste Oregon

Lloyd Marbet
Don't Waste Oregon
19142 SE Bakers Ferry Road
Boring OR 97009
Phone: (503) 637-3549
Fax: (503) 637-6130
Email: marbet@mail.com

Enron

Michael M Morgan
Attorney
Tonkon Torp Galen et al
888 SW Fifth Avenue
Ste. 1600 Pioneer Tower
Portland OR 97204
Phone: (503) 802-2007
Fax: (503) 972-3707
Email: Mike@tonkon.com

Mitchell Taylor
Enron Corp.
1221 Lamar
Suite 1600
Houston TX 77251-1128
Phone: 713-646-7026
Fax: 713-646-7107
Email: mitchell.taylor@enron.com

EPCOR Merchant and Capital (US) Inc.

Lorne Whittles
EMC - EPCOR Merchant and Capital Inc.
1161 W. River Street
Suite 250
Boise ID 83702
Phone: (208) 336-9733
Fax: (208) 247-0425
Email: lwhittles@epcor.ca

UM-1121 OFFICIAL SERVICE LIST

EWEB Eugene Water & Electric Board

Ken Beeson
Eugene Water & Electric Board
500 East Fourth Avenue
P.O. Box 10148
Eugene OR 97440-2148
Phone: (541) 484-2411
Fax: (541) 341-1889
Email: ken.beeson@eweb.eugene.or.us

J. Laurence Cable
Cable Huston Benedict Haagensen & Lloyd LLP
1001 SW Fifth Avenue
Suite 2000
Portland OR 97204-1136
Phone: (503) 224-3092
Fax: (503) 224-3176
Email: lcable@chbh.com

Fred Meyer Stores

Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 2110
Cincinnati OH 45202
Phone: (513) 421-2255
Fax: (513) 421-2764
Email: mkurtzlaw@aol.com

Friends of Clackamas River

Scott Forrester
Friends of the Clackamas River
2030 NE 7th Place
Gresham OR 97030
Phone:
Fax:
Email:

Glendale (City of)

Steve G. Lins
City of Glendale
613 E. Broadway
Ste. 220
Glendale CA 91206-4394
Phone: (818) 548-2080
Fax: (818) 547-3402
Email: slins@ci.glendale.ca.us

Hydropower Reform Coalition

Rebecca Sherman
Hydropower Reform Coalition
320 SW Stark St.
Suite 429
Portland OR 97204
Phone: (971) 244-0836
Fax:
Email: northwest@hydroreform.com

IBEW Local 125

Bill Miller
IBEW Local 125
17200 NE Sacramento St.
Portland OR 97230
Phone:
Fax:
Email:

ICNU Industrial Customers of NW Utilities

Melinda Davison
Attorney
Davison Van Cleve L.P.
1000 SW Broadway
Suite 2460
Portland OR 97205
Phone: (503) 241-7242
Fax: (503) 241-8160
Email: mail@dvclaw.com

Donald W. Schoenbeck
Regulatory & Cogeneration Svcs
900 Washington Street
Suite 780
Vancouver WA 98660
Phone: (503) 232-6155
Fax: (360) 737-7628
Email: dws@r-c-s-inc.com

Interested Persons

Grieg Anderson
5919 W Miles St
Portland OR 97219
Phone:
Fax:
Email:

UM-1121 OFFICIAL SERVICE LIST

Michael Caruso
176 SW Hemlock
Dundee OR 97115
Phone:
Fax:
Email: carusodad@hotmail.com

Gary Duell
11301 SE Charview Court
Clackamas OR 97015
Phone:
Fax:
Email: gduell@bigplanet.com

Katherine Futornick
14800 NE Bluebird Hill Lane
Dayton OR 97114
Phone:
Fax:
Email: futork@onlinemac.com

Leonard Girard
2169 SW Kings Court
Portland OR 97205
Phone:
Fax:
Email: lgirad@teleport.com

Ken Lewis
2880 NW Ariel Terrace
Portland OR 97210
Phone: (503) 222-2454
Fax: (503) 222-7447
Email: KL04@mailstation.com

Frank Nelson
543 Willamette Ct.
McMinnville OR 97128
Phone:
Fax:
Email: fnelson@viclink.com

Nancy Newell
3917 NE Skidmore
Portland OR 97211
Phone:
Fax:
Email: ogec2@hotmail.com

Kafoury & McDougal

Linda K. Williams
Kafoury & McDougal
320 SW Stark St.
Suite 202
Portland OR 97204
Phone: (503) 293-0399
Fax: (503) 245-2772
Email: linda@lindawilliams.net

League of Oregon Cities

Andrea Fogue
League of Oregon Cities
1201 Court St. NE, room 200
P.O. Box 928
Salem OR 97308
Phone: (503) 588-6550
Fax: (503) 399-4863
Email: afogue@orlocalgov.org

Christy Monson
League of Oregon Cities
1201 Court St. NE
Suite 200
Salem OR 97301
Phone:
Fax:
Email: cmonson@orcities.org

Multnomah County

Christopher D. Crean
Attorney
Office of Multnomah County
501 SE Hawthorne
Suite 500
Portland OR 97214
Phone:
Fax:
Email:

NIPPC Northwest Independent Power Produce

Sue Ackerman
Attorney
P.O. Box 10207
Portland OR 97296-0207
Phone: (503) 297-2392
Fax:
Email: susan.k.ackerman@comcast.net

UM-1121 OFFICIAL SERVICE LIST

Robert D. Kahn
NIPPC
7900 SE 28th Street
Suite 200
Mercer Island WA 98040
Phone: (206) 236-7200
Fax:
Email: rkahn@nippc.org

Northwest Energy Coalition

Steven Weiss
Northwest Energy Coalition
4422 Oregon Trail Court, N.E.
Salem OR 97305
Phone: (503) 393-8859
Fax: (503) 390-6287
Email: Steve@nwenergy.org

OECA Oregon Energy Coordinators

Joan Cote
Mid-Willamette VCAA
2475 Center St. NE
Salem OR 97301-4520
Phone: (503) 585-8491
Fax: (503) 585-8462
Email:

OEUC Oregon Electric Utility Company

Thad Miller
Oregon Electric Utility Company
222 SW Columbia
Suite 1850
Portland OR 97201
Phone: (503) 226-8622
Fax: (877) 892-1953
Email: tmiller6@optonline.net

PacifiCorp

James F. Fell
Stoel Rives LLP
900 SW 5th Ave.
Ste. 2600
Portland OR 97204-1268
Phone: (503) 294-9343
Fax: (503) 220-2480
Email:

Gordon MacDonald
Manager, Regulation
PacifiCorp
825 NE Multnomah
Suite 300
Portland OR 97232
Phone: (503) 813-6071
Fax: (503) 813-5205
Email: gordon.mcdonald@pacificorp.co

PGE Portland General Electric Company

J. Jeffrey Dudley
Associate Counsel
Portland General Electric
121 SW Salmon St.
1WTC-1301
Portland OR 97204
Phone: (503) 464-8860
Fax: (503) 464-2200
Email: jay.dudley@pgn.com

Patrick G. Hager
Manager, Regulatory Affairs
Portland General Electric
121 SW Salmon Street
1WTC-0702
Portland OR 97204
Phone: (503) 464-7580
Fax: (503) 464-7651
Email: patrick.hager@pgn.com

PGE Pension Enhancement Committee

Roy Henderson
PGE Pension Enhancement Committee
895 NW Dale Ave.
Portland OR 97229
Phone: (503) 644-7067
Fax:
Email:

Joe Janssens
PGE Pension Enhancement Committee
24495 Butteville Rd.
Aurora OR 97002
Phone: (503) 678-1511
Fax: (503) 678-1509
Email: osprey64@juno.com

UM-1121 OFFICIAL SERVICE LIST

Portland (City of)

Susan Anderson
City of Portland
1120 SW Fifth Avenue
Ste. 1170
Portland OR 97204-3711
Phone: (503) 823-6800
Fax: (503) 823-5370
Email: susananderson@ci.portland.or.us

Benjamin Walters
Deputy City Attorney
City of Portland-City Attorneys
1220 SW 5th Ave.
Room 315
Portland OR 97204
Phone: (503) 823-4047
Fax: (503) 823-3089
Email: bwalters@ci.portland.or.us

RNP Renewable Northwest Project

Ann English Gravatt
Renewable Northwest Project
917 SW Oak St
Ste 303
Portland OR 97205
Phone:
Fax:
Email: ann@rnp.org

John W. Stephens
Esler Stephens & Buckley
888 SW Fifth Avenue
700 Pioneer Tower
Portland OR 97204-2021
Phone: (503) 223-1510
Fax: (503) 294-3995
Email: Stephens@teleport.com

Strategic Energy LLC

Jennifer Chamberlin
Market Manager-Regulatory
Affairs
Strategic Energy, Western Region
2633 Wellington Court
Clyde CA 94520
Phone: (925) 969-1031
Fax: (925) 887-3732
Email: lchamberlin@sel.com

Rochelle Lessner
Lane, Powell, Spears & Lubersky
601 2nd Avenue, Suite 2100
Portland OR 97204-3158
Phone: (503) 778-2100
Fax:
Email: lessnerr@lanepowell.com

Tualatin Valley Water District

Jim Deason
Attorney
Cable Huston Benedict Haagensen & Lloyd LLP
1001 SW Fifth Avenue
Suite 2000
Portland OR 97204-1136
Phone: (503) 224-3092
Fax: (503) 224-3176
Email: jdeason@chbh.com

URP Utility Reform Project

Daniel W. Meek
Attorney at Law
Utility Reform Project
10949 SW Fourth Avenue
Portland OR 97219
Phone: (503) 293-9021
Fax: (503) 293-9099
Email: meek@meek.net dan@meek.net

Utilitech, Inc

James Dittmer
Utilitech, Inc.
740 Northwest Blur Parkway
Suite 204
Lee's Summit MO 64086
Phone: (816) 525-5211
Fax: (816) 525-5258
Email: jdittmer@utilitech.net

Warm Springs Power Enterprises

James Manion
Attorney At Law
P. O. Box 960
Warm Springs OR 97761
Phone: (541) 553-1046
Fax: (541) 388-5410
Email:

UM-1121 OFFICIAL SERVICE LIST

West Linn Paper Company

Kim Burt
West Linn Paper Company
4800 Mill St
West Linn OR 97068
Phone:
Fax:
Email: kbert@wlinco.com

Brad Van Cleve
Attorney
Davison Van Cleve LP
1000 SW Broadway
Suite 2460
Portland OR 97205
Phone: (503) 241-7242
Fax: (503) 241-8160
Email: mail@dvclaw.com
