

September 9, 2005

Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention: Filing Center
PO Box 2148
Salem OR 97308-2148

Re: In the Matter of PORTLAND GENERAL ELECTRIC
Application for Authority to Issue Common Stock
OPUC Docket No. UF-4218/UM-1206

Attention Filing Center:

On Wednesday, September 7, PGE filed Joint Testimony in the above-captioned docket. It has come to our attention that there were typographical errors in the filed Testimony that we would like to correct.

Attached please find a corrected version of Page 1 (“Citizen’s Utility Board” was changed to “Citizens’ Utility Board” in two places) and of Page 17 (“may be use by PGE” was changed to “may be used by PGE”). Please replace these pages in the original Testimony with these corrected pages.

An extra copy of this cover letter is enclosed. Please date stamp the extra copy and return it to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

/s/ BARBARA W. HALLE

BWH:am
Enclosures

cc: UF-4218/UM-1206 Service List

CERTIFICATE OF SERVICE

I certify that I have caused to be served the foregoing CORRECTED PAGES TO JOINT TESTIMONY IN SUPPORT OF STIPULATION OF OPUC STAFF, INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES, CITIZENS' UTILITY BOARD, PORTLAND GENERAL ELECTRIC, AND STEPHEN FORBES COOPER, LLC, ON BEHALF OF THE RESERVE FOR DISPUTED CLAIMS, in OPUC Docket Nos. UF 4218 and UM 1206, by U.S. Mail and electronic mail, to the parties on the attached official service list from these dockets.

Dated this 9th day of September, 2005.

/s/ BARBARA W. HALLE

Barbara W. Halle

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I. Introduction

1 **Q. What are your names and positions?**

2 A. My name is Pamela Lesh. I am Vice President, Regulatory Affairs and Strategic Planning,
3 for Portland General Electric Company (PGE).

4 My name is Bryan Conway. I am Program Manager for the Economic & Policy Analysis
5 Section for the Staff of the Public Utility Commission of Oregon.

6 My name is Bob Jenks. I am the Executive Director of the Citizens' Utility Board of
7 Oregon (CUB).

8 Our qualifications appear at the end of our testimony.

9 **Q. What is the purpose of your testimony?**

10 A. The purpose of our testimony is to describe and support the stipulation entered into by the
11 following parties in Dockets UM 1206 and UF 4218. The signing parties are:

12 Portland General Electric Company
13 Stephen Forbes Cooper, LLC, as Disbursing Agent, on behalf of the Reserve for Disputed
14 Claims
15 Enron Corp.
16 Citizens' Utility Board
17 Staff of the Public Utility Commission of Oregon
18 Industrial Customers of Northwest Utilities
19 Community Action Directors of Oregon and Oregon Energy Coordinators Association

20
21 ICNU also supports and sponsors this testimony.

22 **Q. What is the nature of these dockets?**

23 A. Docket UF 4218 is an Application by PGE under ORS 757.410 et seq. to issue 62,500,000
24 shares of New PGE Common Stock.¹ Docket UM 1206 is an application under ORS
25 757.511 by the Disbursing Agent on behalf of the Reserve, created under Enron Corp.'s
26 bankruptcy Plan, for an order allowing the Reserve to hold more than 5% of the New PGE

1 increases in the cost of capital to cover any found by the Commission to be caused by the
2 Reserve's ownership of PGE of more than 25%. To assure that enforcement of the hold
3 harmless protections against PGE does not, itself, financially weaken PGE, condition 6(c)
4 increases the minimum equity required by Condition 5 by \$40 million for the period we
5 discussed above. The \$40 million, as represented by the additional equity at PGE, may be
6 used by PGE if the Commission should order certain disallowances in PGE's next general
7 rate case due to Enron's ownership of PGE.

8 **Q. How do the Conditions prevent service degradation?**

9 A. Conditions 9 and 14 both relate to service quality and fall into that category we mentioned
10 above of conditions that both prevent harm and provide benefit. Condition 9 extends the
11 service quality program PGE has operated under since 1997 until and through calendar-year
12 2016. This program helps ensure that PGE maintains consistent, high levels of service
13 quality, safety and reliability. In Condition 9, PGE also has agreed to work with ICNU to
14 explore and develop if necessary any additional service quality standards that address the
15 needs of industrial customers, particularly high-tech customers that require very high
16 reliability. In Condition 14, PGE agrees to work with Staff and interested parties to develop
17 a billing accuracy service quality measure (SQM). The condition contains some parameters
18 to guide the development of the SQM.

19 **Q. How do the Conditions provide benefits?**

20 A. The Conditions provide benefits in a number of ways:

- 21 • Approval of the Application under the terms of the Settlement will end the
22 uncertainty of the bankruptcy process with conditions that protect customers and
23 PGE during issuance and distribution.