



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

September 21, 2005

The Honorable Lee Beyer  
The Honorable Ray Baum  
The Honorable John Savage  
Public Utility Commission of Oregon  
550 Capitol Street, NE, Suite 215  
Salem, Oregon 97301-2551

Re: UM-1066, Order No. 05-133, New Resource Opt-Out Plan

On March 17, 2005, the Public Utility Commission of Oregon issued Order No. 05-133 that set out the following requirement:

We also expect parties to continue their efforts to craft an option for large customers to opt-out of PGE's and PacifiCorp's new generating resources. By September 30, 2005, each company should file either an opt-out tariff for our review or a consensus report explaining that an opt-out is not workable.

Over the past 3 years, PGE has offered a 5-year (minimum) opt-out for our larger customers (those with at least 1 aMW of load aggregating accounts of at least 250 kW) under our Schedule 483. This option allows these customers to permanently opt-out of PGE resources as there is no transition adjustment after the initial 5-year period.

Following discussions with your staff and the Industrial Customers of Northwest Utilities (ICNU), PGE modified our Schedule 483 filing for the September 2005 choice window (for service beginning January 2006) to exclude from the transition adjustment costs associated with long-term resources identified in our 2004 IRP Action Plan. The Commission approved this filing on August 30, 2005. Thus, customers choosing the 5-year opt-out effectively opt-out of our 2004 Action Plan long-term resources unless and until they choose to return to cost of service rates (with 2-year notice).

Furthermore, PGE has agreed in a stipulation with many of the parties in UF-4218/UM-1206 that PGE will propose to the Commission to offer the Schedule 483 opt-outs to eligible customers through at least 2010. In addition, we have agreed to propose transition charges under Schedule 483 for the 2006 choice window (service beginning in 2007) that also exclude our 2004 IRP Action Plan long-term resources. If our proposals are approved by the Commission, eligible customers will therefore have an additional opportunity to opt-out of these resources.

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Thus, we contend, and ICNU concurs, that we have met the Commission's new resource opt-out requirement for our 2004 Action Plan, and we request that the Commission so acknowledge and waive any requirement that PGE submit another new resource opt-out tariff by September 30, 2005. We recognize that in doing so, the Commission will not have made any determination regarding opt-outs for future action plans.

Should you have any questions, please contact me at (503) 464-7021.

Please direct all formal correspondence and requests to the following email address [pge.opuc.filings@pqn.com](mailto:pge.opuc.filings@pqn.com)

Sincerely,

/s/ Randall J. Dahlgren  
Director, Regulatory Policy & Affairs

cc: Service List