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July 29, 2005

Via Electronic and US Mail

Public Utility Commission
Attn: Filing Center
550 Capitol St. NE #215
P.O. Box 2148
Salem OR 97308-2148

Re: In the Matter of STEPHEN FORBES COOPER, LLC, as Disbursing Agent, on
behalf of the RESERVE FOR DISPUTED CLAIMS
Docket No. UF 4218

In the Matter of Application for an Order Allowing the Reserve for Disputed
Claims to Acquire the Power to Exercise Substantial Influence over the Affairs
and Policies of Portland, General Electric Company Pursuant to ORS 757.511
Docket No. UM 1206

Dear Filing Center:

Enclosed please find original and two copies of the Proposed Budget of the
Industrial Customers of Northwest Utilities in the above-referenced docket.

Please return one file-stamped copy of this document in the enclosed stamped
envelope. Thank you for your assistance in this matter.

Sincerely,

/s/ Sheila R. Ho
Sheila R. Ho

Enclosures
cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Proposed Budget of the Industrial Customers of Northwest Utilities upon the parties, on the service list shown below, by causing the same to be mailed, postage-prepaid, through the U.S. Mail, as well as via electronic mail.

Dated at Portland, Oregon, this 29th day of July, 2005.

Sheila R. Ho
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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UF 4218/UM 1206

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC)	PROPOSED BUDGET OF THE
COMPANY,)	INDUSTRIAL CUSTOMERS OF
)	NORTHWEST UTILITIES
Application for an Order Authorizing the)	
Issuance of 62,500,000 Shares of New Common)	
Stock Pursuant to ORS 757.410 et seq.)	
(UF 4218).)	
_____)	
)	
In the Matter of)	
)	
STEPHEN FORBES COOPER, LLC, as)	
Disbursing Agent, on behalf of the RESERVE)	
FOR DISPUTED CLAIMS,)	
)	
Application for an Order Allowing the Reserve)	
for Disputed Claims to Acquire the Power to)	
Exercise Substantial Influence over the Affairs)	
and Policies of Portland General Electric)	
Company Pursuant to ORS 757.511)	
(UM 1206).)	
_____)	

Pursuant to Section 6.3 of the Intervenor Funding Agreement (“IFA”) approved by the Oregon Public Utility Commission (“Commission”) in Order No. 03-388 (July 2, 2003), the Industrial Customers of Northwest Utilities (“ICNU”) files this Proposed Budget in UM 1206/UF 4218 for an Issue Fund Grant in the amount of \$25,000.00. ICNU prepared its Proposed Budget on the basis of the procedural schedule adopted in the prehearing conference report issued in this Docket on July 19, 2005. ICNU proposes that this grant be funded from the Portland General Electric Co. (“PGE” or the “Company”) Issue Fund Account. ICNU

respectfully requests that the Commission act on this Proposed Budget within fourteen days of receipt, as provided by Section 6.4 of the IFA. The following information is provided in accordance with Section 6.3 of the IFA:

(1) Statement of the work to be performed by ICNU for which ICNU is seeking the Issue Fund Grant:

ICNU has retained Davison Van Cleve, P.C. to represent ICNU in UF 4218/UM 1206. PGE and Stephen Forbes Cooper, LLC (“SFC”) have filed a joint application requesting certain approvals related to the proposed transfer of 100% of PGE’s common equity from Enron Corporation to creditors of Enron and other debtors. In UF 4218, PGE requests a Commission order pursuant to ORS § 757.410 et seq. authorizing PGE to issue 62,500,000 shares of “New PGE Common Stock.” In UM 1206, SFC requests an order pursuant to ORS § 757.511 authorizing the “Reserve for Disputed Claims” to hold more than five percent of the New PGE Common Stock.

The IFA defines an Eligible Proceeding as “any Commission proceeding that directly affects one or more of the Participating Public Utilities” IFA, Section 1(c). UF 4218/UM 1206 directly affects PGE, which falls under the definition of “Participating Public Utility” in Section 1(k) of the IFA. Therefore, UM 1206/UF 4218 is an Eligible Proceeding and an Issue Fund Grant may be made for this proceeding under Section 6.1 of the IFA.

ICNU intends to attend all clarifying sessions, workshops, settlement conferences, public meetings, oral presentations and hearings in UF 4218/UM 1206. In addition, ICNU intends to sponsor expert witness testimony and prepare a brief as called for by the procedural schedule in this Docket. The purpose of ICNU’s participation is to ensure that the proposed

transfer of ownership complies with Oregon law and will provide a net benefit to PGE's customers.

(2) Description of the areas to be investigated by ICNU:

ICNU intends to investigate the Applicants' proposals to issue New PGE Common Stock and distribute that stock to creditors of Enron as part of Enron's bankruptcy plan. According to the Applicants, the transfer of ownership of PGE serves the public interest, as required by ORS § 757.511(3). ICNU intends to review issues regarding any impact of the proposed transfer of ownership on rates and quality of service and its consistency with the public interest requirement. ICNU also intends to examine the fulfillment of the existing Enron merger conditions, the continuation of existing conditions, and whether any new conditions are necessary. ICNU also intends to advocate for the interests of PGE's customers and promote customer benefits consistent with the public interest requirement.

(3) Description of the particular customer class or classes that will benefit from the intervenor's participation:

ICNU's participation will directly benefit industrial and all other large non-residential customers who purchase service from PGE. ICNU has participated in previous proposed acquisitions of PGE, including the proposed acquisitions by Texas Pacific Group, Northwest Natural Gas Company, and Sierra Pacific Resources. Thus, ICNU possesses significant interest and expertise with respect to issues regarding the transfer of ownership of PGE.

(4) Identification of the specific Fund account from which ICNU is seeking the Issue Fund Grant:

ICNU is seeking an Issue Fund Grant in the amount of \$25,000.00. ICNU will bear the cost of its participation to the extent that its costs exceed the amount requested. ICNU proposes that the grant amount be allocated from the PGE Issue Fund Account established under IFA Section 4.2.3.

(5) Budget showing estimated attorney and consultant fees and expert witness fees:

Attached as Exhibit A is ICNU's proposed budget in UF 4218/UM 1206.

Basis for Request

ICNU respectfully requests that the Commission grant its request for this Issue Fund Grant in the amount of \$25,000.00 based on the following considerations:

1. UF 4218/UM 1206 involves consideration of the appropriate benefits to PGE customers as a result of the distribution of New PGE Common Stock to Creditors of Enron as part of the Enron bankruptcy. The effect of this action will result in a transfer of ownership of PGE. As a result, UF 4218/UM 1206 will have a direct impact on PGE's customers.
2. UF 4218/UM 1206 involves very significant policy issues, and the Commission should solicit as much input as possible from PGE customers.
3. UF 4218/UM 1206 involves issues that could have significant impacts on customer rates and service. PGE customers could bear substantial risk associated with the proposed transfer of stock to Enron's creditors if this transfer is approved without ensuring appropriate customer protections and benefits.

4. ICNU represents the interests of industrial customers and has significant experience participating in Commission proceedings involving the acquisition of PGE. ICNU's participation will benefit all PGE industrial customers.

5. ICNU has been pre-certified under Section 5.1 of the IFA and OAR § 860-012-0100(3) as eligible to receive an Issue Fund Grant by Order No. 03-502, which was entered on August 1, 2003.

Therefore, ICNU respectfully requests that the Commission issue an order granting an Issue Fund Grant in the amount specified above. ICNU prepared the attached budget on the basis of the schedule adopted in the prehearing conference report issued in this Docket on July 19, 2005. In the event that the Docket involves a substantially different process, ICNU will prepare an amended budget.

Dated this 29th day of July, 2005.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Melinda J. Davison

Melinda J. Davison

Matthew Perkins

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Of Attorneys for Industrial Customers
of Northwest Utilities

UF 4218/UM 1206

Exhibit A

ICNU Proposed Budget for Issue Fund Grant

<u>Task</u>	<u>Assigned Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>
Attend Prehearing Conference, Work on Scheduling, Attend Filing Meetings, Review Filing	Sr. Attorney	8	195.00	1,560.00
Analyze Case and Prepare Issue Statement, Work on Issues with Other Parties	Sr. Attorney	5	195.00	975.00
Prepare for and Participate in Workshops and Public Meetings	Sr. Attorney	8	195.00	1,560.00
	Assoc. Attorney	3	145.00	435.00
Conduct Discovery	Sr. Attorney	4	195.00	780.00
	Assoc. Attorney	8	145.00	1,160.00
Participate in Settlement Conferences	Sr. Attorney	8	195.00	1,560.00
	Assoc. Attorney	3	145.00	435.00
Review Testimony	Sr. Attorney	3	195.00	585.00
	Assoc. Attorney	8	145.00	1,160.00
Legal Research	Assoc. Attorney	3	145.00	435.00
Prepare for and Attend Hearing	Sr. Attorney	10	195.00	1,950.00
	Assoc. Attorney	6	145.00	870.00
Draft Brief	Sr. Attorney	6	195.00	1,170.00
	Assoc. Attorney	8	145.00	1,160.00
Prepare for and Attend Oral Argument	Sr. Attorney	8	195.00	1,560.00
Expert Witness Fees		25	255.00	6,375.00
	Total Hours	124	Sub-Total	23,730.00
Travel Expenses (Mileage)				200.00
Consultant Travel Expenses				800.00
Printing and Reproduction				150.00
Telephone and Postage				120.00
			Grand Total	25,000.00