



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

October 23, 2006

Via E-Filing and US Mail

Commission Filing Center
Public Utility Commission of Oregon
550 Capital Street, N.E.
Salem, OR 97310-1380

Re: PGE Finance Application

Enclosed please find one original and two copies of Portland General Electric Company's application seeking authority to issue and sell not more than \$300 million of First Mortgage Bonds and/or Unsecured Notes.

If you have any questions regarding this matter, please call me at (503)464-7085 or Steve McCarrel at 503-464-2626.

Sincerely,

/s/ /James Warberg

James Warberg
Director of Capital Markets

C: Bryan Conway
Thomas Morgan
Kristin Stathis
Steve McCarrel
Cheryl Chevis

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of the Application of PORTLAND)
GENERAL ELECTRIC COMPANY for) APPLICATION
authority to issue and sell not more than \$300)
million of First Mortgage Bonds and/or) UF-
Unsecured Notes)

Portland General Electric Company (the “Company” or the “Applicant”) is submitting this financing application requesting authority to issue up to \$300 million of its First Mortgage Bonds described herein (“Bonds”) and/or unsecured notes described herein (“Notes”). The Company believes the transaction set forth in this application will produce the lowest cost of funds for a similar maturity currently available to the Company for borrowing. The Company will issue Bonds to the extent there is sufficient capacity under the Company’s existing Indenture of Mortgage and Deed of Trust (“First Mortgage Indenture”), otherwise the Company may issue Notes. “Securities” shall mean herein Bonds or Notes or, if both Bonds and Notes are issued, Bonds and Notes.

(1) In accordance with ORS 757.410(1), ORS 757.415(1) and OAR 860-27-030 of the Oregon Administrative Rules of the Public Utility Commission (“Commission”), the Company respectfully represents:

(a) The name and address of the Applicant is Portland General Electric Company, 121 SW Salmon Street, Portland, Oregon 97204.

(b) The Applicant is a corporation organized and existing under and by virtue of the laws of the State of Oregon, and the date of its incorporation is July 25, 1930. The Applicant is authorized to transact business in the states of Oregon, California, Idaho, Montana, Utah, and Washington and in Alberta, Canada, but conducts utility business only in the State of Oregon.

(c) The name and address of the persons authorized on behalf of the Applicant to receive notices and communications in respect of this Application are Kristin A. Stathis, Assistant Treasurer of Portland General Electric Company, and Patrick Hager, Manager Regulatory Affairs, 121 SW Salmon Street, Portland, Oregon 97204.

(d) The names and titles of the principal officers of the Applicant are as follows:

Peggy Y. Fowler	President and Chief Executive Officer
James J. Piro	Executive Vice President Finance, CFO & Treasurer
Stephen R. Hawke	Senior Vice President
Arleen N. Barnett	Vice President
Carol Dillin	Vice President
Cam Henderson	Vice President
Ronald W. Johnson	Vice President
Pamela G. Lesh	Vice President
James Lobdell	Vice President
Joe A. McArthur	Vice President
Douglas R. Nichols	Vice President, General Counsel & Secretary

Stephen M. Quennoz	Vice President
Kirk M. Stevens	Controller and Assistant Treasurer
Kristin A. Stathis	Assistant Treasurer
Cheryl A. Chevis	Assistant Secretary
Karen J. Lewis	Assistant Secretary
Steven F. McCarrel	Assistant Secretary

(e) The Applicant is engaged in the generation, purchase, transmission, distribution, and sale of electric energy for public use in Oregon in Clackamas, Columbia, Hood River, Jefferson, Marion, Morrow, Multnomah, Polk, Washington, and Yamhill counties.

(f) The capital stock as of September 30, 2006 is as follows:

	Shares	Outstanding Amount (\$000s)
Cumulative Preferred Stock:		
No Par Value (30,000,000 shares authorized):		
7.75% Series	144,727	\$14,727
Common Stock *:		
No Par Value (80,000,000 shares authorized):		
	62,502,400	\$641,952

* 34,489,658 shares are held by the Disputed Claims Reserve. Company Directors hold 2,400 shares. Harbinger Capital Partners Master Fund I, Ltd. reported to the Securities and Exchange Commission in its Schedule 13 G filed May 4, 2006, that it holds 4,625,000 shares.

(g) The long-term debt as of June 30, 2006 is as follows:

Description	Authorized (\$000s)	Outstanding (\$000s)
First Mortgage Bonds:		
MTN Series due June 15, 2007 7.15%	50,000	50,000
5.6675% Series due October 25, 2012	100,000	100,000
5.279% Series due April 1, 2013	50,000	50,000
6.26% Series due April 1, 2031	100,000	100,000
6.31% Series due April 1, 2036	175,000	175,000
MTN Series due August 1, 2013 5.625%	50,000	50,000
MTN Series due August 11, 2021 9.31%	20,000	20,000
MTN Series due August 1, 2023 6.75%	50,000	50,000
MTN Series due August 1, 2033 6.875%	<u>50,000</u>	<u>50,000</u>
Total First Mortgage Bonds	<u>645,000</u>	<u>645,000</u>

Pollution Control Bonds:		
City of Forsythe, Montana		
5.45% Series due May 1, 2033	21,000	21,000
5.20% Series due May 1, 2033	97,800	97,800
Port of Morrow		
5.20 % Series May 1, 2033	23,600	23,600
Variable % due December 1, 2031	5,800	-
Port of St. Helens, Oregon		
4.80% Series due April 1, 2010	20,200	20,200
4.80% Series due June 1, 2010	16,700	16,700
5.25% Series due August 1, 2014	9,600	9,600
7.125% Series due December 15, 2014	5,100	5,100
Total Pollution Control Bonds	<u>199,800</u>	<u>194,000</u>
Other Long-Term Debt:		
6.91% Conservation Bonds	75,000	3,681
7-7/8% Notes due March 15, 2010	150,000	149,250
Capital Leases	0	0
Long-term Contracts	81	81
Unamortized Debt Discount and Other	<u>(1,108)</u>	<u>(1,108)</u>
Total Other Long-Term Debt	<u>223,973</u>	<u>151,904</u>
Less Maturities and Sinking Funds		
Included in Current Liabilities	<u>53,681</u>	<u>53,681</u>
Total Long-Term Debt	<u>1,015,092</u>	<u>937,223</u>

None of the long-term debt is pledged or held as reacquired securities, by affiliated corporations, or in any fund, except as may be noted above.

(h) The Applicant proposes to enter into the following transactions:

1) Type and nature of securities

The Securities would be issued in one or more transactions as conditions permit. The Securities would have a maturity of up to 35 years and would either be issued, in the case of Bonds, under the Company's First Mortgage Indenture or, in the case of Notes, as unsecured notes issued under an indenture to be negotiated with the purchasers. The Securities may have a sinking fund provision and may have a feature that allows for early redemption.

(2) Amount of securities

The Company expects to issue Securities in amounts of not more than \$300,000,000 aggregate principal amount or, if the Securities are issued at an original issue discount of up to one percent, such greater amount as will result in an aggregate offering price of not more than \$300,000,000.

(3) Interest rate

The interest rate on the Securities would be fixed and would be payable semi-annually in arrears. The proposed maximum spread over the respective Treasury security is set forth later in this application.

(4) Date of issuance and maturity

The Company expects to issue the Securities in one or more series from time to time in amounts not to exceed \$300,000,000 in the aggregate. The Securities may be issued as public offerings or on a private placement basis. The maturities of the various series are expected to be up to 35 years. The Securities may be priced with a delayed settlement feature which allows the Company to execute a binding purchase and sale agreement establishing the interest rate and other terms of the sale, but postpone the actual sale of the Securities and receipt of funds to a date of the Company's choice up to one year later. The delayed settlement feature would allow the Company to lock-in interest rates but defer the sale of the Securities to correspond with the Applicant's cash needs.

(5) Institutional rating or, if not rated, an explanation

PGE's outstanding First Mortgage Bonds are currently rated:

Moody's	Baa1
Standard & Poor's	BBB+

PGE's outstanding Unsecured Notes are currently rated:

Moody's	Baa2
Standard & Poor's	BBB

The Company may apply for a rating on the Securities issued if it is required by the market.

A brief description of the First Mortgage Bonds is as follows:

The Bonds would be issued under the Company's First Mortgage Indenture. The Bonds will be secured equally with all other First Mortgage Bonds of the Company as part of a lien against substantially all of the Company's utility property. The Bonds will be equal in right of payment to all other First Mortgage Bonds. The Trustee under the First Mortgage Indenture is HSBC Bank USA. The Bonds may be issued in one or more separate series pursuant to supplements to the First Mortgage Indenture or as a single series. The Bonds or any series thereof, if there is more than one series, will most likely be without coupons. The Bonds may or may not be registered and could be in any amount in excess of \$25 per bond. First Mortgage Bonds currently represent the least expensive long-term debt financing available to the Company.

A brief description of the Notes is as follows:

The Notes may be issued in one or more separate series or as a single series. The Notes or any series thereof, if there is more than one series, will most likely be without coupons. The Notes may or may not be registered and could be in any amount in excess of \$25 per note. The Notes will be subordinated to the Company's First Mortgage Bonds with respect to the First Mortgage lien but equal in right of payment. Apart from First Mortgage Bonds, unsecured notes represent the least expensive long-term debt financing available to the Company.

Fixed Rate Securities

The interest rate on the Securities will be determined at the time of issuance unless the Securities have the delayed settlement feature (discussed above), in which case the interest rate will be determined on the date the Company and Securities purchasers enter into a binding agreement for the purchase and sale of the Securities.

The proposed maximum spread over the applicable Treasury securities for various maturities is listed below for the Bonds. The Bonds may have a feature which allows them to be redeemed prior to maturity at specified prices.

Greater Than or Equal To	Equal to or Less Than	Maximum Spread Over Benchmark Treasury Yield¹
3 years	9 years	+ 120 basis points
10 years	14 years	+ 130 basis points
15 years	19 years	+ 140 basis points
20 years	24 years	+ 150 basis points
25 years	35 years	+ 160 basis points

The proposed maximum spread over the applicable Treasury securities for various maturities is listed below for the Notes. The Notes may have a feature which allows them to be redeemed prior to maturity at specified prices.

Greater Than or Equal To	Equal to or Less Than	Maximum Spread Over Benchmark Treasury Yield¹
3 years	9 years	+ 135 basis points
10 years	14 years	+ 145 basis points
15 years	19 years	+ 155 basis points
20 years	24 years	+ 165 basis points
25 years	35 years	+ 175 basis points

(i) (A) See paragraph (h) above

(B) The Securities will not be issued pro rata to existing holders of the Applicant's securities and will not be issued pursuant to any preemptive right or in connection with any liquidation or reorganization.

(C) The proposed method of issuance and sale and the reasons that the Applicant has proposed the types of debt are described above in Paragraph (h).

(D) In the opinion of Applicant's legal counsel, the Applicant is not subject to the competitive bidding requirements of federal or state regulatory bodies in connection with the issuance of the Securities.

(j) If Securities are issued, the Company may name as possible managing underwriters/agents Lehman Brothers, Deutsche Bank, JP Morgan, Wells Fargo or others. The Securities may be sold on a negotiated or competitive bid basis. The Securities may be sold directly to a limited number of purchasers or to a single purchaser. The underwriters/agents will receive as compensation (assuming a public offering) the difference between the price at which they purchase the Securities from the Applicant and the price at which the Securities are sold by the underwriters/agents to the public. If the Securities are sold on a private basis, the underwriters/agents will receive the usual and customary amount prevailing for such sales and will not exceed 1.00 percent of the aggregate principal amount of the Securities, the final amount to be negotiated by the Company.

(k) Total amount of the Securities to the ultimate purchaser(s) and expenses and net proceeds to the Applicant resulting from the sale are estimated to be as follows:

Item	Debt	
	Amount	Per \$100
1. Face value or principal amount	\$300,000,000	\$100.00
2. Plus premium or less discount		
3. Gross proceeds	\$300,000,000	\$100.00
4. Underwriters' spread or commission (1.00%)	3,000,000	
5. Securities and Exchange Commission registration fee	-	
6. Printing and engraving expenses	30,000	
7. Trustee's charges	30,000	
8. Fees and expenses of independent public accountants	25,000	
9. Rating agency fees	60,000	
10. Blue Sky fees	50,000	
11. Legal fees	80,000	
12. Total deductions	\$3,275,000	1.09
13. Estimated net amount to be realized	\$296,725,000	\$98.91

(l) The above-described issuance expenses will be paid out of the general funds of the Applicant. The Applicant will defer the issuance expenses and amortize them equitably over the life of the Securities.

The purposes for which securities are proposed to be issued in this matter are the acquisition of utility property, the construction, extension or improvement of utility facilities, the improvement or maintenance of service, the discharge or lawful refunding of obligations which were incurred for utility purposes permitted under ORS 757.415 (l)(a), (l)(b), (l)(c), (l)(d), or (l)(e) or the reimbursement of the Company treasury for funds used for the foregoing purposes, except the maintenance of service and replacements. To the extent proceeds are used to discharge or lawfully refund obligations, they or their precedents were originally incurred for purposes described in ORS 757.415 (l)(a), (l)(b) or (l)(e). To the extent proceeds are used to reimburse the treasury for funds used to discharge or lawfully refund obligations, such obligations were incurred for purposes described in ORS 757.415 (l)(a), (l)(b) or (l)(e), or for the purposes described in ORS 757.415 (l)(a), (l)(b) or (l)(e) directly. The Applicant requests that it not be required to file a supplemental application provided the terms of the Securities are within the parameters set forth in this Application.

(m) No other application is required to be filed with any federal or other state regulatory body.

(n) As a public utility, Applicant is obligated to secure sufficient generating, transmission, and distribution capacity to serve its customers reliably at the lowest reasonable cost. Applicant believes the loans made in the manner proposed, will minimize the overall capital costs associated with such public utility obligations for the reasons stated above. Therefore, the transaction proposed is for a lawful object within the corporate purposes of the Applicant; is compatible with the public interest; is necessary and appropriate for and consistent with the proper performance by the Applicant of service as a public utility; will not impair its ability to perform such service; is reasonably appropriate for such purposes; and in accordance with ORS 757.495, is fair and reasonable and not contrary to public interest.

This Application is not filed under ORS 757.495.

(o) The requirements of Rule 27-030 (o) are not applicable.

(p) The requirements of Rule 27-030 (p) are not applicable.

(2) Exhibits

The following exhibits are made a part of this application:

Exhibit A	Articles of Incorporation, as amended (Previously filed in Docket UP 234, and by reference made a part of this application.).
Exhibit B	Third and Amended and Restated Bylaws, adopted on March 14, 2006 and amended May 12, 2006.
Exhibit C	To be filed when available.
Exhibit D	To be filed when available.
Exhibit E	Balance sheets as of June 30, 2006 and pro forma.
Exhibit F	To be filed when available.
Exhibit G	Income statement for the 12-month period ended June 30, 2006 and pro forma.
Exhibit H	Analysis of retained earnings for the 12-month period ended June 30, 2006 and pro forma.
Exhibit I	Not Applicable.
Exhibit J	Not Applicable.
Exhibit K	To be filed when available.

WHEREFORE, the Applicant respectfully requests an Order authorizing PGE to issue and sell not more than \$300 million of First Mortgage Bonds and/or Senior Unsecured Notes.

PORTLAND GENERAL ELECTRIC COMPANY

/s/ K. Stathis

By _____
Assistant Treasurer

10-23-2006

Dated _____

STATE OF OREGON

)

) ss.

County of Multnomah

)

I, Kristin A. Stathis, being duly sworn, depose and say that I am an Assistant Treasurer of Portland General Electric Company, the Applicant in the foregoing Application; that I have read said Application, including all exhibits thereto, and know the contents thereof; and that the same are true to the best of my knowledge and belief.

/s/ K. Stathis

Kristin A. Stathis

SUBSCRIBED AND SWORN to before me this
23rd day of _October_, 2006

/s/ John G. Nelson, Jr.

Notary Public for Oregon

My Commission Expires: 01-18-2008

(Official Seal)

THIRD AMENDED AND RESTATED BYLAWS
OF
PORTLAND GENERAL ELECTRIC COMPANY

An Oregon Corporation

Date of Adoption
March 14, 2006

Amended
May 12, 2006

THIRD AMENDED AND RESTATED BYLAWS

OF

PORTLAND GENERAL ELECTRIC COMPANY

(An Oregon corporation)

ARTICLE I

OFFICES

1.1. Registered Office. The registered office of the corporation required by the Oregon Business Corporation Act (the "Act") to be maintained in the State of Oregon shall be the office of the General Counsel, Portland General Electric Company, 121 SW Salmon Street, Portland, Oregon 97204, or such other office as may be designated from time to time by the Board of Directors in the manner provided by law.

1.2. Other Offices. The corporation may also have offices at such other places both within and without the State of Oregon as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

SHAREHOLDERS

2.1 Annual Meeting. The annual meeting of the shareholders shall be held on the date and at the time as fixed by the Board of Directors and stated in the notice of the meeting.

2.2 Special Meetings. Special meetings of the shareholders may be called by the Chairman of the Board, the Chief Executive Officer, the President or by the Board of Directors, and shall be called by the President (or in the event of absence, incapacity or refusal of the President, by the Secretary or any other officer) at the request of the holders of not less than 10 percent (unless the Articles of Incorporation provide otherwise) of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting. The requesting shareholders shall sign, date and deliver to the Secretary a written demand describing the purpose or purposes for holding the special meeting.

2.3 Place of Meetings. Meetings of the shareholders shall be held at the principal business office of the corporation or at such other places within or without the State of Oregon as may be determined by the Board of Directors.

2.4 Notice of Meetings. Written notices stating the date, time and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed to each shareholder entitled to vote at the meeting at the shareholder's address shown in the corporation's current record of shareholders, with postage thereon pre-paid, not less than 10 nor more than 60 days before the date of the meeting and to nonvoting shareholders as required by law. Any previously scheduled meeting of the shareholders called by or at the direction of Board of Directors may be postponed, and (unless the Articles of

Incorporation or applicable law otherwise provide) any such meeting of the shareholders may be cancelled, by resolution of the Board of Directors upon public notice given prior to the date previously scheduled for such meeting of shareholders.

2.5 Waiver of Notice. A shareholder may at any time waive any notice required by law, the Articles of Incorporation or these Bylaws. The waiver must be in writing, be signed by the shareholder entitled to the notice and be delivered to the corporation for inclusion in the minutes for filing with the corporate records. A shareholder's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. The shareholder's attendance also waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

2.6 Record Date.

(a) For the purpose of determining shareholders entitled to notice of a shareholders' meeting, to demand a special meeting or to vote or to take any other action, the Board of Directors of the corporation may fix a future date as the record date for any such determination of shareholders, such date in any case to be not more than 70 days nor less than ten days before the meeting or action requiring a determination of shareholders. The record date shall be the same for all voting groups.

(b) A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

(c) If a court orders a meeting adjourned to a date more than 120 days after the date fixed for the original meeting, it may provide that the original record date continue in effect or it may fix a new record date.

2.7 Shareholders' List for Meeting. After a record date for a meeting is fixed, the corporation shall prepare an alphabetical list of the names of all its shareholders entitled to notice of a shareholders' meeting. The list must be arranged by voting group and within each voting group by class or series of shares and show the address of and number of shares held by each shareholder. The shareholders' list must be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. The corporation shall make the shareholders' list available at the meeting, and any shareholder or the shareholder's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment. Refusal or failure to prepare or make available the shareholders' list does not affect the validity of action taken at the meeting.

2.8 Quorum: Adjournment. Shares entitled to vote may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. A majority of the votes entitled to be cast on the matter constitutes a quorum for action on that matter. If, however, such quorum is not present or represented at any meeting of the shareholders, then either: (i) the Chairman of the meeting, or (ii) the shareholders by the vote of the holders of a majority of votes present in person or represented by proxy at the meeting, shall have power to adjourn the meeting to a different time and place without further notice to any shareholder of any

adjournment except that notice is required if a new record date is or must be set for the new meeting. At such adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting originally held. Once a share is represented for any purpose at a meeting, it shall be deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is set for the adjourned meeting.

2.9 Voting Requirements. If a quorum exists, action on a matter, other than the election of directors, is approved if the votes cast by the shares entitled to vote favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law or the Articles of Incorporation. Directors are elected by a plurality of votes cast by the shares entitled to vote in an election at a meeting at which a quorum is present. Except as provided in the Act, or unless the Articles of Incorporation provide otherwise, each outstanding share is entitled to one vote on each matter voted on at a shareholders' meeting. Unless otherwise provided in the Articles of Incorporation, cumulative voting for the election of directors shall be prohibited.

2.10 Proxies.

(a) A shareholder may vote shares in person or by proxy by signing an appointment, either personally or by the shareholder's designated officer, director, employee, agent, or attorney-in-fact. An appointment of a proxy shall be effective when received by the Secretary or other officer of the corporation authorized to tabulate votes. An appointment is valid for 11 months unless a longer period is expressly provided for in the appointment form. An appointment is revocable by the shareholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest that has not been extinguished.

(b) The death or incapacity of the shareholder appointing a proxy shall not affect the right of the corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer authorized to tabulate votes before the proxy exercises the proxy's authority under the appointment.

2.11 Organization. Meetings of shareholders shall be presided over by the Chairman of the Board of Directors, if any, or in his or her absence by the Vice Chairman of the Board of Directors, if any, or in his or her absence by Chief Executive Officer, or in his or her absence by the President. The Secretary, or in his or her absence, an Assistant Secretary, or, in the absence of the Secretary and all Assistant Secretaries, a person whom the chairman of the meeting shall appoint shall act as secretary of the meeting and keep a record of the proceedings thereof.

The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of shareholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to shareholders of record of the corporation and their duly authorized and constituted proxies, and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants, and regulation of the opening and closing of the polls for balloting

and matters which are to be voted on by ballot. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of shareholders shall not be required to be held in accordance with rules of parliamentary procedure.

2.12 Inspectors of Election. Before any meeting of shareholders, the Board of Directors shall appoint one or more inspectors of election to act at the meeting or its adjournment. If any person appointed as inspector fails to appear or fails or refuses to act, then the chairman of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

Such inspectors shall:

- (a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity and validity of proxies and ballots;
- (b) receive votes, ballots or consents;
- (c) hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) count and tabulate all votes or consents;
- (e) determine the result; and
- (f) do any other acts that may be proper to conduct the election or vote with fairness to all shareholders.

The inspector(s) of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there is more than one (1) inspector of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

2.13 Action Without a Meeting. Except as otherwise provided under the Articles of Incorporation and applicable law, and subject to restrictions on the taking of shareholder action without a meeting under applicable law or the rules of a national securities association or exchange, action required or permitted by law to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by all shareholders entitled to vote on the action. The action will be evidenced by one or more written consents describing the action taken, signed by all the shareholders entitled to vote on the action and delivered to the corporation for inclusion in the minutes or filing with the corporate records. Action taken under this Section 2.13 is effective when the last shareholder signs the consent or consents, unless the consent or consents specify an earlier or later effective date. If not otherwise determined by law, the record date for determining shareholders entitled to take action without a meeting under this Section 2.13 is the date the first shareholder signs the consent. A consent signed under this Section 2.13 has the effect of a meeting vote and may be described as such in any document.

ARTICLE III

BOARD OF DIRECTORS

3.1 Duties of Board of Directors. All corporate powers shall be exercised by or under the authority of and the business and affairs of the corporation shall be managed by its Board of Directors. In addition to the powers and authorities these Bylaws expressly confer upon them, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not required by the Act, the Articles of Incorporation, or these Bylaws to be exercised or done by the shareholders.

3.2 Number, Election and Qualification. The number of directors of the corporation shall be determined from time to time by the Board of Directors. The Board of Directors may periodically change the number of directors by resolution, provided that no decrease shall have the effect of shortening the term of any incumbent director. The directors shall hold office until the next annual meeting of shareholders, and until their successors shall have been elected and qualified, until earlier death, resignation or removal or until there is a decrease in the number of directors. Directors need not be residents of the State of Oregon or shareholders of the corporation.

3.3 Regular Meetings, Election of Chairman. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Oregon, for the holding of additional regular meetings without other notice than the resolution. At this regular meeting held after the annual meeting of shareholders, or at any other time, the Board of Directors may appoint one of its members as Chairman of the Board. The Chairman of the Board shall not be an officer of the corporation unless so designated by the Board of Directors. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and shall perform such other duties as may be prescribed from time to time by the Board of Directors. In the absence of a Chairman of the Board of Directors, the directors then present shall select one member to act as Chairman of each meeting.

3.4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, by a majority of the directors or, if the Chief Executive Officer is a director, by the Chief Executive Officer or, if the President is a director, by the President. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Oregon, as the place for holding any special meeting of the Board of Directors called by them.

3.5 Notice. Notice of the date, time and place of any special meetings of the Board of Directors shall be given in any manner reasonably likely to be received at least 24 hours prior to the meeting orally or in writing by mail, telephone, voice mail or any other means provided by law. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

3.6 Waiver of Notice. A director may at any time waive any notice required by law, the Articles of Incorporation or these Bylaws. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.7 Quorum. Majority Vote. Unless otherwise set forth in these Bylaws or the Articles of Incorporation, a majority of the number of directors established by the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.8 Meeting by Telephone Conference: Action Without Meeting.

(a) Members of the Board of Directors may hold a board meeting by conference telephone or other communications equipment by means of which all persons participating in the meeting can simultaneously hear each other. Participation in such a meeting shall constitute presence in person at the meeting.

(b) Any action that is required or permitted to be taken by the directors at a meeting may be taken without a meeting if one or more written consents setting forth the action so taken shall be signed by each director entitled to vote on the matter. The action shall be effective on the date when the last director signs the consent, unless the consent specifies an earlier or later time. Such consent, which shall have the same effect as a unanimous vote of the directors, shall be filed with the minutes of the corporation.

3.9 Vacancies. Any vacancy, including a vacancy resulting from an increase in a number of directors, occurring on the Board of Directors may be filled by the shareholders, the Board of Directors or the affirmative vote of a majority of the remaining directors if less than a quorum of the Board of Directors or by a sole remaining director. If the vacant office is filled by the shareholders and was held by a director elected by a voting group of shareholders, then only the holders of shares of that voting group are entitled to vote to fill the vacancy. Any directorship not so filled by the directors may be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose. A director elected to fill a vacancy shall be elected to serve until the next annual meeting of shareholders and until a successor shall be elected and qualified. A vacancy that will occur at a specific later date, by reason of a resignation or otherwise, may be filled before the vacancy occurs, and the new director shall take office when the vacancy occurs.

3.10 Compensation. By resolution of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a such compensation as the Board of Directors from time to time shall determine to be appropriate.

3.11 Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors or a committee of the Board of Directors shall be deemed to have assented to the action taken unless: (a) the director's dissent to, or abstention from, the action is entered in the minutes of the meeting, (b) a written dissent or abstention to the action is filed with the presiding officer of the meeting before the adjournment thereof or forwarded by certified or registered mail to the Secretary of the corporation immediately after the adjournment of the meeting, or (c) the director objects at the beginning of the meeting, or promptly upon arrival, to the holding of the meeting or transacting business at the meeting. The right to dissent or abstention shall not apply to a director who voted in favor of the action.

3.12 Director Conflict of Interest.

(a) A transaction in which a director of the corporation has a direct or indirect interest shall be valid notwithstanding the director's interest in the transaction if: (1) the material facts of the transaction and the director's interest are disclosed or known to the Board of Directors or a committee thereof and it authorizes, approves or ratifies the transaction, (2) the material facts of the transaction and the director's interest are disclosed or known to shareholders entitled to vote and they authorize, approve or ratify the transaction, or (3) the transaction is fair to the corporation.

(b) For purposes of Section 3.12(a)(1) above, a conflict of interest transaction may be authorized, approved or ratified if it receives the affirmative vote of a majority of directors or committee members thereof, who have no direct or indirect interest in the transaction. If such a majority of such members vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action.

(c) For purposes of Section 3.12(a)(2) above, a conflict of interest transaction may be authorized, approved or ratified by a majority vote of shareholders entitled to vote thereon. Shares owned by or voted under the control of a director, or an entity controlled by a director, who has a direct or indirect interest in the transaction may be counted in a vote of shareholders to determine whether to authorize, approve or ratify a conflict of interest transaction.

(d) A director has an indirect interest in a transaction if another entity in which the director has a material financial interest or in which the director is a general partner is a party to the transaction or another entity of which the director is a director, officer or trustee is a party to the transaction and the transaction is or should be considered by the Board of Directors of the corporation.

3.13 Removal. The shareholders may remove one or more directors with or without cause at a meeting called expressly for that purpose, unless the Articles of Incorporation provide for removal for cause only. A director may be removed only if the number of votes cast to remove a director exceeds the number cast not to remove the director. If a director is elected by a voting group of shareholders, only those shareholders may participate in the vote to remove the director.

3.14 Resignation. Any director may resign by delivering written notice to the Board of Directors, its chairperson or the corporation. Such resignation shall be effective: (a) on receipt, (b) five days after its deposit in the United States mails, if mailed postpaid and correctly addressed, or (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by addressee, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

ARTICLE IV

COMMITTEES OF THE BOARD

4.1 Appointment. Unless the Articles of Incorporation provide otherwise, the Board of Directors may create one or more committees and appoint members of the Board of Directors

to serve on them. Each committee shall have one or more members who serve at the pleasure of the Board of Directors. A majority of all directors in office must approve the creation of a committee and the appointment of its members. The Board of Directors shall have the power at any time to increase or decrease the number of members of any committee, to fill vacancies thereon, to change any member thereof and to change the functions or terminate the existence thereof.

4.2 Limitation on Powers of a Committee. A committee shall not have or exercise any power or authority of the Board of Directors prohibited by the Act.

4.3 Conduct of Meetings. Each committee shall conduct its meetings in accordance with the applicable provisions of these Bylaws relating to meetings and action without meetings of the Board of Directors. Each committee shall adopt any further rules regarding its conduct, keep minutes and other records and appoint subcommittees and assistants as it deems appropriate and in accordance with the Act.

4.4 Compensation. By resolution of the Board of Directors, committee members may be paid reasonable compensation for services on committees and their expenses of attending committee meetings.

ARTICLE V OFFICERS

5.1 Number. The Board of Directors shall appoint a President and a Secretary and other officers and assistant officers as may be deemed necessary or desirable, with such powers and duties as set forth in these Bylaws and as prescribed by the Board of Directors or the officer authorized by the Board of Directors to prescribe the duties of other officers. A duly appointed officer may appoint one or more officers or assistant officers and may prescribe the powers and duties of officers or assistant officers if such appointment and authority is authorized by the Board of Directors. Any two or more offices may be held by the same person.

5.2 Appointment and Term of Office. The officers of the corporation shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the shareholders and at such other times as determined by the Board of Directors. If the appointment of officers shall not be held at such meeting, they shall be held as soon thereafter as is convenient. Each officer shall hold office until a successor shall have been duly appointed and shall have qualified or until the officer's death, resignation or removal in the manner hereinafter provided.

5.3 Qualification. No officer need be a director, shareholder or Oregon resident.

5.4 Resignation and Removal. An officer may resign at any time by delivering notice to the corporation. A resignation is effective on receipt unless the notice specifies a later effective date. If the corporation accepts a specified later effective date, the Board of Directors may fill the pending vacancy before the effective date but the successor may not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors. Any officer appointed by the Board of Directors may be removed from the officer position at any time with or without cause. Appointment of an officer shall not of itself create contract rights. Removal or resignation of an officer shall not affect the contract rights, if any, of the corporation or the officer.

5.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

5.6 Chairman of the Board. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

5.7 President. Unless otherwise determined by the Board of Directors, the President shall be the Chief Executive Officer of the corporation and shall be in general charge of its business and affairs, subject to the control of the Board of Directors. The President shall from time to time report to the Board of Directors all matters within the President's knowledge affecting the corporation that should be brought to the attention of the Board of Directors. The President shall have authority to vote all shares of stock in other corporations owned by the corporation and to execute proxies, waivers of notice, consents and other instruments in the name of the corporation with respect to such stock and has authority to delegate this authority to any other officer. The President shall perform such other duties as may be prescribed by the Board of Directors. The President has authority to sign stock certificates representing the shares of the corporation.

5.8 Secretary. The Secretary shall keep the minutes of all meetings of the directors and shareholders and shall have custody of the minute books and other records pertaining to the corporate business. The Secretary shall countersign all stock certificates and other instruments requiring the seal of the corporation and shall perform such other duties assigned by the Board of Directors.

5.9 Vice President. Each Vice President shall perform the duties and responsibilities prescribed by the Board of Directors or the President. The Board of Directors or the President, as Chief Executive Officer, may confer a special title upon a Vice President.

5.10 Treasurer. The Treasurer shall keep correct and complete records of accounts showing the financial condition of the corporation. The Treasurer shall be legal custodian of all moneys, notes, securities and other valuables that may come into the possession of the corporation. The Treasurer shall deposit all funds of the corporation that come into the Treasurer's hands in depositories that the Board of Directors may designate. The Treasurer shall pay the funds out only on the check of the corporation signed in the manner authorized by the Board of Directors. The Treasurer shall perform such other duties as assigned by the Board of Directors.

ARTICLE VI INDEMNIFICATION

6.1 Directors and Officers. The corporation shall indemnify to the fullest extent not prohibited by applicable law each current or former officer or director who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or otherwise (including an action, suit or proceeding by or in the right of the corporation) by reason of the fact that the person is or was acting as a director, officer or agent of the corporation or as a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the corporation, or serves or served at the request of the corporation as a director or officer, or as a fiduciary of an

employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. The indemnification specifically provided hereby shall not be deemed exclusive of any other rights to which such person may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in the official capacity of the person indemnified and as to action in another capacity while holding such office.

6.2 Employees and Other Agents. The corporation shall have power to indemnify its employees and other agents as set forth in the Act.

6.3 No Presumption of Bad Faith. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal proceeding, that the person had reasonable cause to believe that the conduct was unlawful.

6.4 Advances of Expenses. The expenses incurred by a director or officer in any proceeding shall be paid by the corporation in advance at the written request of the director or officer, if the director or officer:

(a) furnishes the corporation a written affirmation of such person's good faith belief that such person has met the standard of conduct required by the Act and is entitled to be indemnified by the corporation; and

(b) furnishes the corporation a written undertaking to repay such advance to the extent that it is ultimately determined by a court that such person is not entitled to be indemnified by the corporation. Such advances shall be made without regard to the person's ability to repay such expenses, and without regard to the person's ultimate entitlement to indemnification under this Article VI or otherwise.

6.5 Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances under this Article VI shall be deemed to be contractual rights and to be effective to the same extent and as if provided for in a contract between the corporation and the director or officer who serves in such capacity at any time while this Article VI and relevant provisions of the Act and other applicable law, if any, are in effect. Any right to indemnification or advances granted by this Article VI to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if: (a) the claim for indemnification or advances is denied, in whole or in part, or (b) no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting a claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in connection with any proceeding in advance of its final disposition when the required affirmation and undertaking have been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the Act for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its shareholders) to have made a determination prior to a commencement of such action that indemnification of the claimant is proper in the circumstances because the claimant has met the applicable standard of conduct set forth in the Act, nor an actual determination by the corporation (including its Board

of Directors, independent legal counsel or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

6.6 Non-Exclusivity of Rights. The right conferred on any person by this Article VI shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, bylaws, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in the person's official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent permitted by applicable law.

6.7 Survival of Rights. The right conferred on any person by this Article VI shall continue as to a person who has ceased to be a director, officer, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

6.8 Insurance. To the fullest extent permitted by the Act, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Article VI.

6.9 Amendments. Any repeal of or modification or amendment to this Article VI shall only be prospective and no repeal or modification hereof shall adversely affect the rights under this Article VI in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

6.10 Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, the corporation shall indemnify each director and officer to the fullest extent permitted by any applicable portion of this Article VI that shall not have been invalidated, or by any other applicable law.

6.11 Certain Definitions. For the purposes of this Article VI, the following definitions shall apply:

(a) The term "proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement and appeal of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative;

(b) The term "expenses" shall be broadly construed and shall include, without limitation, expense of investigations, judicial or administrative proceedings or appeals, attorneys' fees and disbursements and any expenses of establishing a right to indemnification under Section 6.5 of this Article VI, but shall not include amounts paid in settlement by the indemnified party or the amount of judgments or fines against the indemnified party;

(c) The term "corporation" shall include, in addition to the resulting or surviving corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or

agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as the person would have with respect to such constituent corporation if its separate existence had continued;

(d) References to a "director," "officer," "employee," or "agent" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as a director, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise; and

(e) References to "other enterprises" shall include employee benefit plans; references to "fines" in the Act shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involved services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article VI.

ARTICLE VII ISSUANCE OF SHARES

7.1 Certificate for Shares.

(a) Certificates representing shares of the corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed, either manually or in facsimile, by two officers of the corporation, at least one of whom shall be the Chief Executive Officer, President or a Vice President and by the Secretary or an Assistant Secretary and may be sealed with the seal of the corporation or a facsimile thereof. All certificates for shares shall be consecutively numbered or otherwise identified.

(b) Every certificate for shares of stock that are subject to any restriction on transfer pursuant to the Articles of Incorporation, the Bylaws, applicable securities laws, agreements among or between shareholders or any agreement to which the corporation is a party shall have conspicuously noted on the face or back of the certificate either the full text of the restriction or a statement of the existence of such restriction and that the corporation retains a copy of the restriction. Every certificate issued when the corporation is authorized to issue more than one class or series of stock shall set forth on its face or back either the full text of the designations, relative rights, preferences and limitations of the shares of each class and series authorized to be issued and the authority of the Board of Directors to determine variations for future series or a statement of the existence of such designations, relative rights, preferences and limitations and a statement that the corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

(c) The name and mailing address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. Each shareholder shall have the duty to notify the corporation of his or her mailing address. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificates shall be issued until a former certificate for a

like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the corporation as the Board of Directors prescribes.

7.2 Transfer of Shares. Transfer of shares of the corporation shall be made only on the stock transfer books of the corporation by the holder of record thereof or by the holder's legal representative, who shall furnish proper evidence of authority to transfer, or by the holder's attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

7.3 Transfer Agent and Registrar. The Board of Directors may from time to time appoint one or more Transfer Agents and one or more Registrars for the shares of the corporation, with such powers and duties as the Board of Directors determines by resolution. The signature of officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a Transfer Agent or by a Registrar other than the corporation itself or an employee of the corporation.

7.4 Officer Ceasing to Act. If the person who signed a share certificate, either manually or in facsimile, no longer holds office when the certificate is issued, the certificate is nevertheless valid.

7.5 Fractional Shares. The corporation shall not issue certificates for fractional shares.

ARTICLE VIII CONTRACTS, LOANS, CHECKS AND OTHER INSTRUMENTS

8.1 Contracts. The Board of Directors may authorize any officer or officers and agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

8.2 Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

8.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money and notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers and agent or agents of the corporation and in such manner as shall from time to time be determined by the Board of Directors.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Seal. The seal of the corporation, if any, shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words "Corporate Seal."

9.2 Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

ARTICLE X
AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by the Board of Directors or the shareholders of the corporation.

Exhibit "E"

Portland General Electric Company and Subsidiaries
Condensed Consolidated Balance Sheet
(Unaudited)
June 30, 2006
(In Millions)

	June 30, 2006	Adjustments (1)	Adjusted Total
Assets			
Electric Utility Plant - Original Cost			
Utility plant (includes construction work in progress of \$338)	\$ 4,445		\$ 4,445
Accumulated depreciation	(1,834)		(1,834)
	2,611	-	2,611
Other Property and Investments			
Nuclear decommissioning trust, at market value	36		36
Non-qualified benefit plan trust	68		68
Miscellaneous	30		30
	134	-	134
Current Assets			
Cash and cash equivalents	69	\$ 297 (a)	366
Accounts and notes receivable (less allowance for uncollectible accounts of \$50)	143		143
Unbilled revenues	55		55
Assets from price risk management activities	103		103
Inventories, at average cost	63		63
Prepayments and other	27		27
Deferred income taxes	2		2
	462	297	759
Deferred Charges			
Regulatory assets	240		240
Miscellaneous	109	3 (a)	112
	349	3	352
	\$ 3,556	\$ 300	\$ 3,856
Capitalization and Liabilities			
Capitalization			
Common stock, no par value per share, 80,000,000 shares authorized; 62,500,000 shares outstanding	\$ 642		\$ 642
Retained earnings	565	\$ (10)	555
Accumulated other comprehensive income (loss):			
Unrealized gain on derivatives classified as cash flow hedges	(2)		(2)
Minimum pension liability adjustment	(3)		(3)
Long-term debt	952	300 (a)	1,252
	2,154	290	2,444
Commitments and Contingencies (see Notes)			
Current Liabilities			
Long-term debt due within one year	55		55
Accounts payable and other accruals	163		163
Liabilities from price risk management activities	109		109
Customer deposits	5		5
Accrued interest	14	18 (b)	32
Accrued taxes	46	(7) (c)	39
Dividends payable	14		14
Deferred income taxes	-		-
	406	11	417
Other			
Deferred income taxes	238		238
Deferred investment tax credits	9		9
Trojan asset retirement obligation	108		108
Accumulated asset retirement obligation	26		26
Regulatory liabilities:			
Accumulated asset retirement removal costs	382		382
Other	120		120
Non-qualified benefit plan liabilities	81		81
Miscellaneous	32		32
	996	-	996
	\$ 3,556	\$ 301	\$ 3,857

(1) No preliminary adjusting entries to the statement of retained earnings (subject to audit).

Exhibit E

Exhibit "G"

Portland General Electric Company and Subsidiaries
Condensed Consolidated Statement of Income
(Unaudited)
For the Twelve Months Ended June 30, 2006
(In Millions)

	<u>June 30, 2006</u>	<u>Adjustments (1)</u>	<u>Adjusted Total</u>
Operating Revenues	\$ 1,474		\$ 1,474
Operating Expenses			
Purchased power and fuel	773		773
Production and distribution	135		135
Administrative and other	162		162
Depreciation and amortization	225		225
Taxes other than income taxes	74		74
Income taxes	17	\$ (7) (c)	10
	<u>1,386</u>	<u>(7)</u>	<u>1,379</u>
Net Operating Income	<u>88</u>	<u>7</u>	<u>95</u>
Other Income			
Miscellaneous	5		5
Income taxes	3		3
	<u>8</u>		<u>8</u>
Interest Charges			
Interest on long-term debt and other	<u>65</u>	<u>18 (b)</u>	<u>83</u>
Net Income	<u>\$ 31</u>	<u>\$ (11)</u>	<u>\$ 20</u>

(1) No preliminary adjusting entries to the income statement (subject to audit).

Exhibit "H"

Portland General Electric Company and Subsidiaries
Consolidated Statement of Retained Earnings
(Unaudited)
For the Twelve Months Ended June 30, 2006
(In Millions)

	<u>June 30, 2006</u>	<u>Adjustments (1)</u>	<u>Adjusted Total</u>
Balance at Beginning of Period	\$ 698	\$ -	\$ 698
Net Income	<u>31</u>	<u>(10)</u>	<u>21</u>
	729	(10)	719
Dividends Declared - Common Stock	<u>164</u>		<u>164</u>
Balance at End of Period	<u>\$ 565</u>	<u>\$ (10)</u>	<u>\$ 555</u>

(1) No preliminary adjusting entries to the statement of retained earnings (subject to audit).

Exhibit H

PORTLAND GENERAL ELECTRIC COMPANY
PRO FORMA JOURNAL ENTRIES

The following journal entries record the issuance of long-term debt and related interest expense.

Account	Description	Debit
	(a)	
131	Cash	\$ 296,725,000
181	Unamortized debt expense	3,275,000
224	Other long-term debt	
	To record the issuance of long-term debt and related issuance expense (to be amortized over the life of the debt.	
	(b)	
427	Interest on long-term debt	\$18,000,000
237	Interest accrued	
	To record interest expense at 6%	
	(c)	
236	Taxes accrued	\$7,126,200
409.1	Income taxes, utility operating income	
	To record the tax effect of interest expense on long-term debt.	

Credit

\$ 300,000,000

\$18,000,000

\$7,126,200

Exhibit J

ASSUMPTIONS

LOAN

Maximum amount of LOAN	\$	300,000,000	Source: <u>Agreement</u>
Interest Rate		6.000%	Jim Warberg
Issuance costs		0.00%	Jim Warberg
Estimated years to be outstanding		5	Agreement
Income tax rates:			
Federal		32.390%	Renee Harris
State & Local		7.200%	
Effective statutory rate		<u>39.590%</u>	
Interest Expense	\$	18,000,000	
Tax effect on the interest expense	\$	7,126,200	
Issuance Expense			
Initial Commitment amount			
One-time syndication agent fee			
Annual agent fee			
Total Issuance Expense	\$	<u>3,275,000</u>	

No issuance expense for letters of credit, assumes only debt