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Douglas C. Tingey
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July 21, 2006

Via Electronic Filing and U.S. Mail

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

Re: **UM 1234 – In the Matter of the Application of Portland General Electric Company
for an Accounting Order Authorizing Deferral of Excess Power Costs**

Attention Filing Center:

Enclosed for filing in the above-captioned docket is Portland General Electric's MOTION FOR MAJOR PROCEEDING CLASSIFICATION AND REQUEST FOR ORAL ARGUMENT. This document is being filed by electronic mail with the Filing Center.

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/ DOUGLAS C. TINGEY

DCT:jbf

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1234

In the Matter of the Application of Portland
General Electric Company for an Accounting
Order Authorizing Deferral Of Excess Power
Costs

**MOTION FOR MAJOR PROCEEDING
CLASSIFICATION AND REQUEST FOR
ORAL ARGUMENT**

Pursuant to ORS 756.518(2), ORS 756.040, and OAR 860-014-0023, Portland General Electric Company (“PGE”) hereby requests a ruling from the Administrative Law Judge (the “ALJ”) designating this docket as a “major proceeding.” PGE also hereby requests that the ALJ schedule oral argument pursuant to ORS 756.518(2). In the alternative, PGE requests that the Commission schedule oral argument as a matter of its discretion. As grounds for these motions, PGE states as follows:

Upon a party’s request in a “major proceeding,” ORS 756.518(2) requires the Commission to hold oral argument before issuing a final order. OAR 860-014-0023 defines a “major proceeding” as a proceeding that (a) “has, or is expected to have, a full procedural schedule with written testimony or written comments” and either (b) has a substantial impact on utility rates for energy utilities serving over 50,000 customers or (c) has a significant impact on utility customers or the operations of a regulated utility for energy utilities serving more than 50,000 customers. OAR 860-014-0023(1).

As to the first prong (OAR 860-014-0023(1) (a)), the procedural schedule for the first phase of this docket is for a full contested case proceeding including the opportunity for discovery, three rounds of testimony, a hearing at which witnesses will be subject to cross-examination, and two rounds of briefs. The first prong of the definition is satisfied.

As to the second prong, the outcome of this proceeding could have a significant impact on PGE's financial performance and condition. As set forth in the application and testimony filed in this docket, the excess power costs at issue exceed \$42 million. The outcome of this docket could have a significant effect on investors' perceptions of the potential volatility of PGE's operations and financial performance, which would affect PGE's cost of capital. The last element of this requirement – that the proceeding involve an energy utility serving more than 50,000 – is also met.

In the alternative, PGE requests that the Commission schedule oral argument as a matter of discretion. Although ORS 756.518(2) describes when the parties have a right to oral argument, the Commission retains its authority to hold oral argument whenever appropriate. The large potential consequences of this docket, and the policy issues involved, suggest that oral argument is needed. The docket requires the Commission to examine its deferred accounting policy and apply it to this extended forced outage of a base load generation plant. The stakes in this docket are high for PGE and its customers. An adverse ruling will result in a disallowance of over \$42 million in replacement power costs, and result in an outcome that would materially affect PGE's earnings and may increase PGE's capital and borrowing costs.

Conclusion

For the foregoing reasons, the ALJ should designate this docket as a “major proceeding” and schedule oral argument as soon as possible after the final round of briefs, scheduled for September 5, 2006.

DATED this 21st day of July, 2006.

/S/ DOUGLAS C. TINGEY

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CERTIFICATE OF SERVICE

I certify that I have caused to be served the foregoing **MOTION FOR MAJOR PROCEEDING CLASSIFICATION AND REQUEST FOR ORAL ARGUMENT** in OPUC Docket No UM 1234, by U.S. Mail and electronic mail, to the following parties from the official service list:

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Dated this 21st day of July, 2006.

/s/ DOUGLAS C. TINGEY

Douglas C. Tingey