

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1121

In the Matter of)	
)	
OREGON ELECTRIC UTILITY COMPANY,)	STATUS CONFERENCE
LLC, <i>et al.</i> ,)	REPORT
)	
Application for Authorization to Acquire)	
Portland General Electric Company.)	

On October 15, 2004, a status conference was held in Salem, Oregon. Appearances were made by Oregon Electric Utility Company, LLC, *et al.* (Applicants); Portland General Electric (PGE); Enron Corp.; Bonneville Power Administration; Citizens' Utility Board; Industrial Customers of Northwest Utilities (ICNU); West Linn Paper Company; Staff of the Public Utility Commission of Oregon (Staff); City of Portland; Strategic Energy, LLC; PacifiCorp; Associated Oregon Industries; Eugene Water & Electric Board; Multnomah County; Utility Reform Project; Hydropower Reform Coalition; Renewable Northwest Project; League of Oregon Cities; Community Action Directors of Oregon; Oregon Energy Coordinators Association; Oregon Housing and Community Services; and Portland Metropolitan Association of Buildings and Managers.

Parties stipulated that all prefiled testimony and exhibits should be entered into the record. That stipulation will be placed on the record at the beginning of the hearing on Tuesday.

Parties were asked to premark cross-examination exhibits, and to the extent possible, circulate those exhibits prior to the hearing date, so that the exhibits may be entered into the record at the beginning of the hearing.

The parties agreed on an order of witness presentation. We have attached a document outlining the order of witnesses to this report. In addition, the Applicants are to make all video conferencing arrangements for the testimony of Gerald Grinstein. The Applicants must demonstrate the workability of the video conferencing to the satisfaction of the Administrative Law Judges (ALJs) by end of day Monday, October 18, 2004. If the video conferencing arrangements cannot be made, or do not meet the requirements of the ALJs, Mr. Grinstein must appear in person for cross-examination.

In her testimony, City of Portland Witness Susan Anderson directed the Commission to review material on various websites. Initially, we note that website content can change. However, unless official notice is taken, the Commission must possess as an exhibit the actual content of a book, website, or other document which a party wants in the record. The parties were informed that if they wanted website content in the record, they needed to print the referenced material and submit it as an exhibit. The City of Portland submitted those exhibits after the status conference.

Parties have presented numerous conditions in this docket. It is not clear which conditions have agreement. By testimony at hearing or by separate document, the parties should indicate any conditions to which all or some parties have agreed and submit language agreeable to all of the parties that agree to the condition in principle.

ICNU intends to offer the depositions of Kelvin Davis and Peggy Fowler into the record. Applicants and PGE object to those documents. ICNU is to file a motion by 8:00 a.m. on October 18, 2004, with its request. Applicants and PGE are to respond to the motion by 8:00 a.m. on October 19, 2004. If necessary, oral argument will be held on the motion at 1:00 p.m. on October 19, 2004.

Staff and Enron are working to gather documents regarding the Enron bankruptcy plan, amendments to the plan, confirmation order, and the disclosure statement to the creditors. They intend to ask the Commission to take official notice of the information in this docket. We will not take official notice until the documents are submitted and parties have had an opportunity to respond.

Dated this 18th day of October, 2004, at Salem, Oregon.

Kathryn A. Logan
Administrative Law Judge

Christina M. Smith
Administrative Law Judge

UM 1121
ORDER OF WITNESS
October 19 - 22, 2004, Hearing

TUESDAY, OCTOBER 19

Witness (for)	Examined by	Issues	Time
Davis (Applicants)	ICNU, URP, Staff	Benefits of transaction; proposed conditions; OEUC ownership (risk and harm); capital structure; taxes; TPG fund ownership/control; consent rights; financing agreements	105 minutes
Wheeler (Applicants)	Staff	Ring-fencing conditions; acquisition financing model; reporting conditions; credit ratings	90 minutes

WEDNESDAY, OCTOBER 20

Witness (for)	Examined by	Issues	Time
McDermott ¹ (Applicants)	URP	Capital structure; taxes	10 minutes
Piro (PGE)	ICNU, URP, Staff	PGE financial issues; taxes; proposed conditions	70 minutes
Jenks (CUB)	Applicants	Standard for approval; benefits and risks of transaction; proposed conditions	40 minutes
Conway (Staff)	EWEB/BPA	Proposed conditions regarding Trojan	5 minutes
Morgan (Staff)	URP, EWEB/BPA	Capital structure; taxes; proposed conditions	15 minutes
Johnson (Staff)	URP	Taxes	5 minutes
Hager/Tinker ² (PGE)	URP	Capital structure; taxes; conditions	10 minutes

THURSDAY, OCTOBER 21

Witness (for)	Examined by	Issues	Time
Kohler, Walsh, Grinstein (Applicants) ³	ICNU, CUB	Role/Function of Board; local ownership benefits; TPG consent rights; structure; potential conflicts	140 minutes
Schifter (Applicants)	ICNU, Staff	SEC and FERC approvals	45 minutes

¹ Will testify by phone

² Will testify by phone at 1:00 pm

³ Each witness will testify separately. It is anticipated that Mr. Grinstein will appear by video conference.