

Investor Presentation March 2006



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Agenda

1. Stock Issuance Plan

William J. Valach, Director of Investor Relations

2. Company Overview

Peggy Y. Fowler, CEO and President

3. Regulatory and Financial Overview

James J. Piro, Executive Vice President of Finance, CFO and Treasurer

Portland General Electric

Stock Issuance Plan



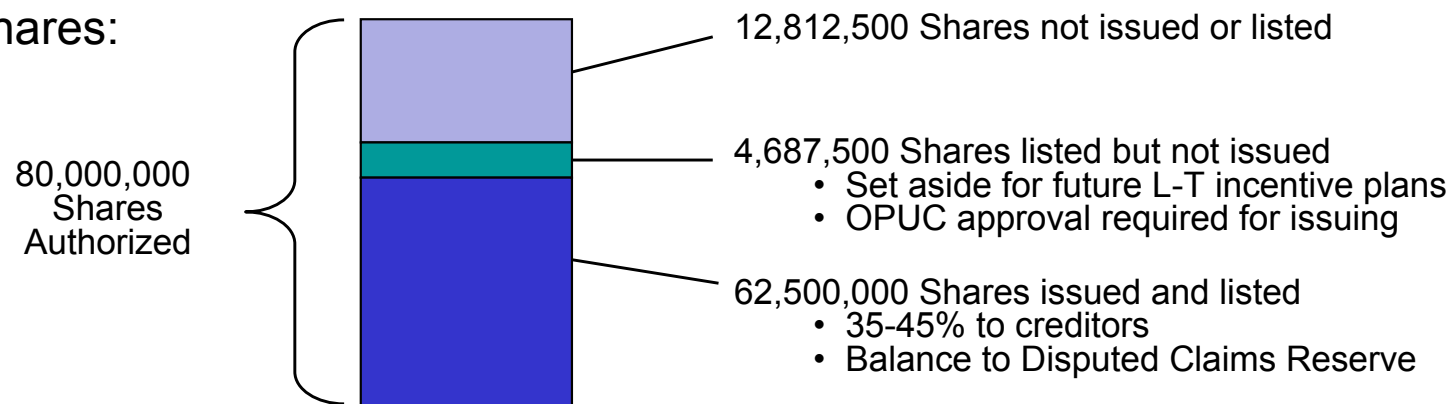
William J. Valach
Director of Investor Relations



Stock Issuance Plan

- Current PGE common stock will be cancelled and 62,500,000 shares of new stock will be issued
- Expected common stock issuance date: April 3, 2006
- Currently anticipated that 35 - 45% of the new shares will be distributed to creditors holding allowed claims at the initial issuance
- Balance of outstanding shares will be issued to a Disputed Claims Reserve (“DCR”)
- PGE common stock to be listed on New York Stock Exchange under the ticker symbol “POR;” trading to begin on a “when issued” basis on April 3, 2006
- Following the issuance of new common stock, PGE will no longer be a subsidiary or affiliate of Enron

- Common shares:



Stock Issuance Plan (Cont'd)

Disputed Claims Reserve (DCR)

- Shares issued to the DCR will be released over time to Enron creditors holding allowed claims in accordance with the Chapter 11 Plan
 - Share releases from the DCR expected every six months in April and October ⁽¹⁾
 - Shares may also be released every other month to “catch-up” creditors who have settled their claims during the two-month period
- The registered owner of the new PGE common stock held in the DCR will be the DCR Disbursing Agent
- The Disbursing Agent votes the shares at the direction of the DCR Overseers, who are currently those individuals who serve on Enron’s Board of Directors

⁽¹⁾ Number of shares distributed in April and October decrease over time, as fewer shares are held in the DCR.



Portland General Electric

Company Overview



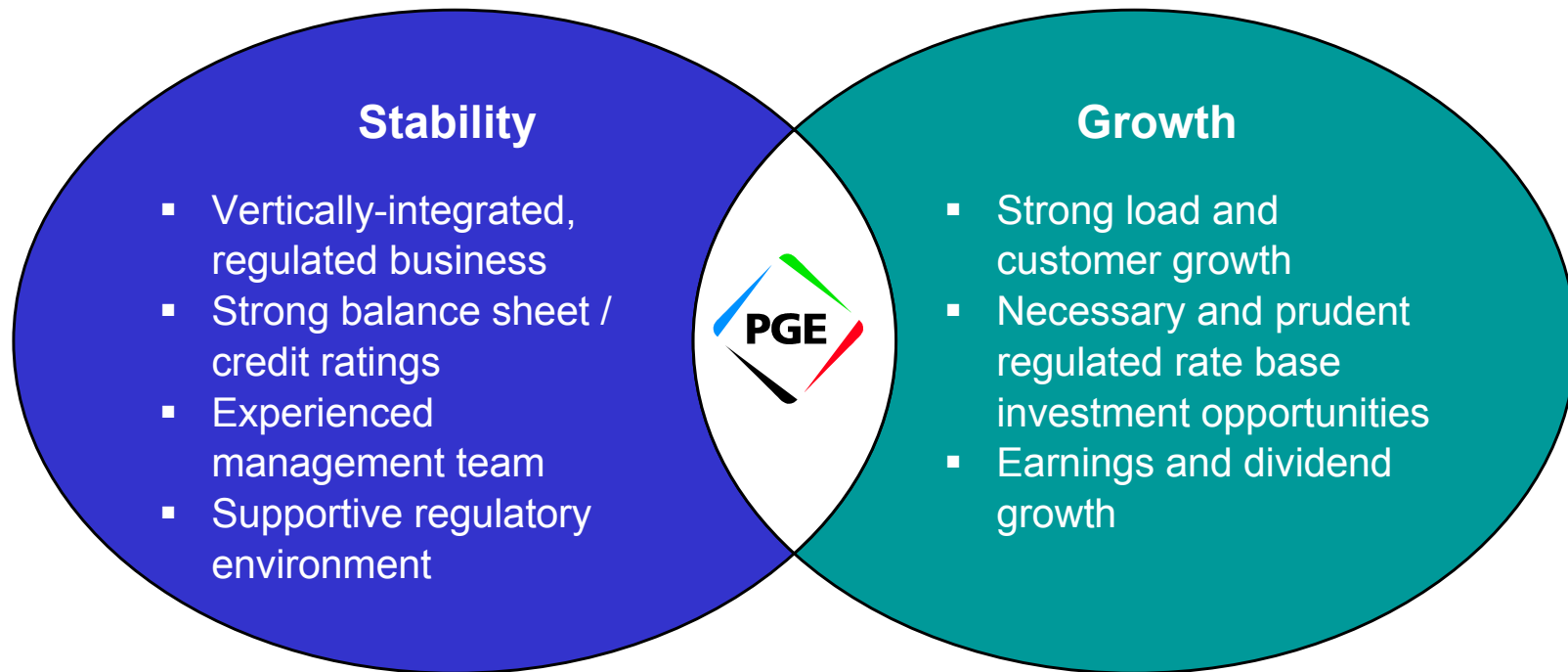
Peggy Y. Fowler
CEO and President

Mission

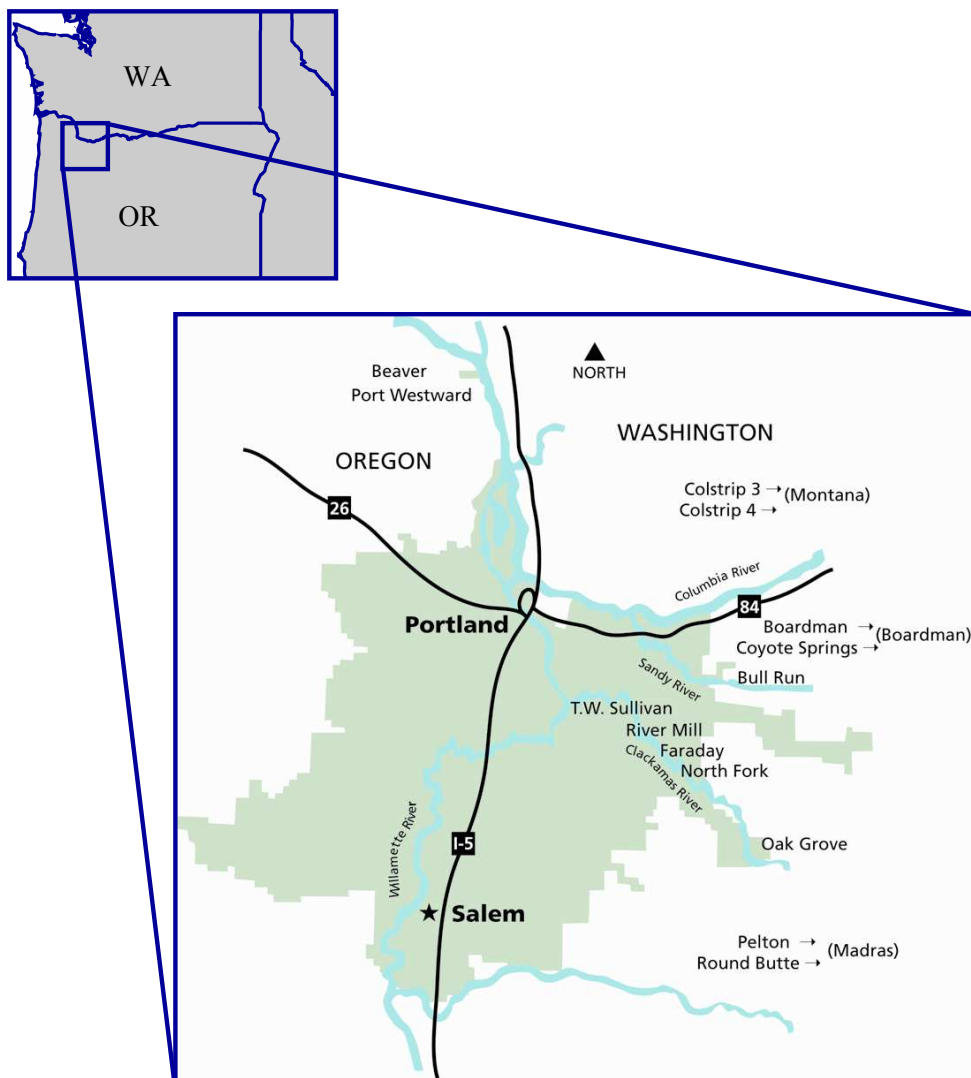
PGE is a company customers depend on to provide electric service in a safe and reliable manner, with excellent customer service at a reasonable price.

Strategy for Investment Success

- Portland General is a well-capitalized, stable company with on-going growth opportunities



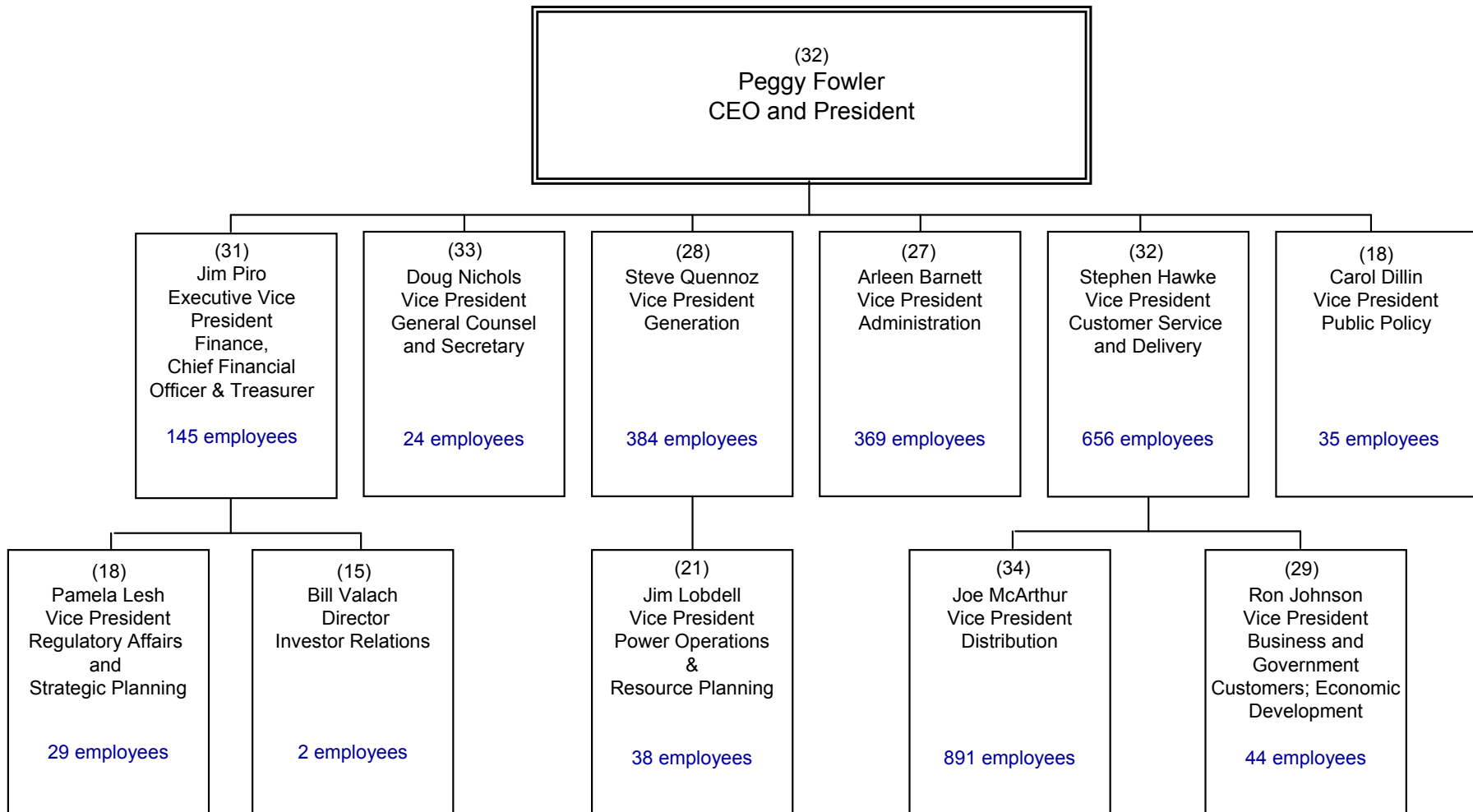
Company Overview



- 780,000 retail accounts
- Service territory population 1.5 million, 43% of state's population
- 52 cities served – Portland and Salem are the largest
- Net Plant-in-Service – \$2.09 billion
 - Generation \$549 million
 - Distribution \$973 million
 - Transmission \$149 million
 - General \$138 million
 - Intangible \$100 million
 - CWIP \$177 million
- 4,000 square-mile service area
- 26,000 miles of T&D lines
- 1,973 MW of generation
- Annual demand of 2,295 MWa
- Actual peak load of 3,608 MW (2005-06 winter)
- 2,620 employees

All numbers updated for year-ending 12/31/05.

Portland General Electric Company



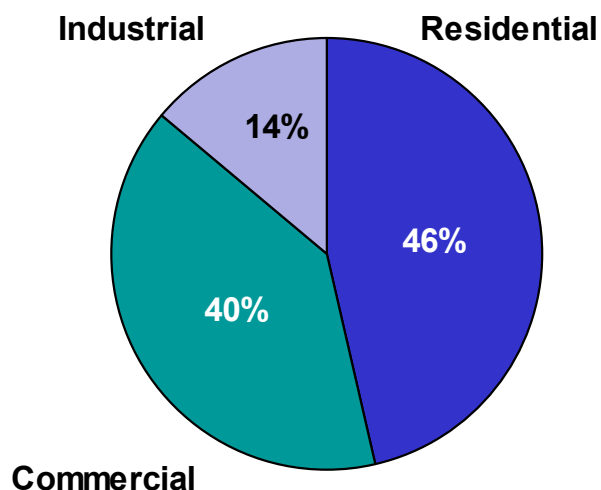
Employee counts are as of December 2005 excluding temporary employees.

() = Number of utility years experience



Customer and Revenue Summary

Revenue by Segment



Retail Revenue and Load Growth

- 1.9% annualized customer growth from 1995-2005, with 1.7% customer growth in 2005
- 0.9% normalized annual load growth over the past 10 years, with 0.9% growth in 2005

	Residential	Commercial	Industrial	Total
Customers ⁽¹⁾	680,093	94,941	253	775,287
Revenue (\$ mm) ⁽²⁾	\$593	\$505	\$178	\$1,276
Energy (000s of MWh) ⁽²⁾	7,323	7,069	3,148	17,540

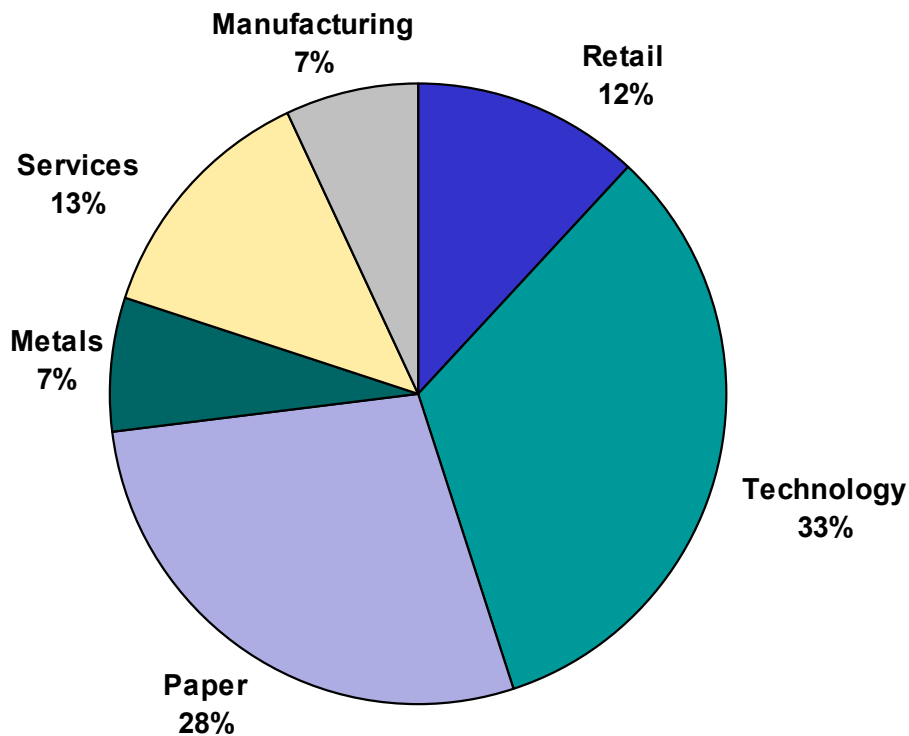
⁽¹⁾ Average customers for fiscal year 2005, based on FERC Form 1.

⁽²⁾ 2005 10-K.

Industrial Customer Base

Industrial Load by Sector (1)

(12 months ending December 31, 2005)



XEROX



MICROCHIP



BLUE HERON PAPER COMPANY



Boise Cascade Corporation



adidas-Salomon



FREIGHTLINER LLC

A DaimlerChrysler Company



No single customer accounts for more than 4% of retail revenues

(1) Data based on NAICS classifications.



Operational Excellence

- Portland General has consistently achieved strong operating metrics, as shown in the table below

	2002	2003	2004	2005	2006 Goals
Net Income (\$ in millions)	\$66	\$59	\$92	\$64	
At Fault Complaints	26	30	24	16	≤ 55
SAIDI (outage minutes)	73	86	85	86	< 90
SAIFI (outage frequency)	0.65	0.84	0.8	0.83	< 1.2
MAIFI (momentaries)	2.2	2.2	1.8	1.6	< 5
Hydro Plant Availability	99.5%	91.3%	98.1%	99.0%	99.0%
Thermal Plant Availability	84.6%	82.7%	83.4%	83.4%	90.0%
OSHA Recordable Accidents	141	154	185	152	< 150

- PGE also ranks well in overall customer satisfaction

Power Supply Strategy

- Manage power supply operations to:
 - Capitalize on PGE's assets and position in the marketplace
 - Meet load in most economic fashion to lower costs to customers
- Capture the benefits of the unique optionality of PGE's assets and their positioning in real-time markets



400 MW Port Westward plant (above) is expected to come online in Q1 2007.

- Manage all components of power supply operations to optimize results and provide clear organizational accountability and feedback
- Manage and monitor risks with appropriate systems and processes to assure this strategy is prudently implemented

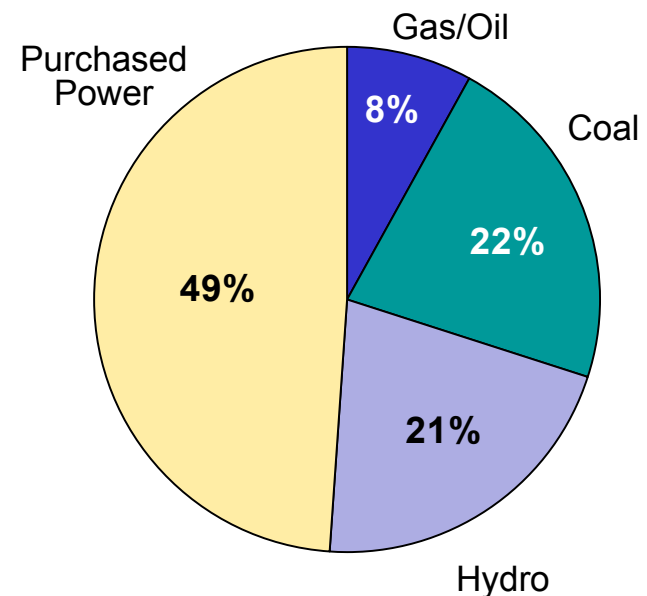
Power Supply Portfolio

2007E Generation Capacity

Power Sources as a Percent of Retail MWh Load

	Physical Capacity	% of Total Capacity
<u>Hydro</u>		
Deschutes River Projects	298 MW	10%
Clackamas/Willamette River Projects	211	8
Hydro Contracts	<u>492</u>	<u>17</u>
	1,001	35
<u>Natural Gas/Oil</u>		
Beaver Units 1-8	545 MW	19%
Coyote Springs	243	8
Port Westward	<u>400</u>	<u>14</u>
	1,188	41
<u>Coal</u>		
Boardman	380 MW	13%
Colstrip	<u>296</u>	<u>10</u>
	676	23
<u>Wind</u>		
Klondike II	<u>27</u> MW	<u>1</u> %
Total PGE System Capability	2,892 MW	100%
2007E Peak Load	3,834 MW	

2005 Actual



- PGE meets its remaining system peak winter load with a mix of short and long-term purchases

Regulatory Strategy

Oregon Public Utility Commission

- Three member governor-appointed Commission with four-year terms
- Rates set based on a forward test year
- Regulatory Research Associates describes the Oregon regulatory environment as constructive

PGE's Approach to Regulation

- Communicate constantly
 - No surprises
 - Understand our issues; participate in crafting solutions
- Seek agreement on goals or end state
- Propose paths
 - Internally consistent alternatives
 - Alignment of interests always preferable
- Keep an eye on total result: must be reasonable, in context

Focus Goals

- **High Customer Value** – We will increase customers' experience of value received from PGE
- **Reliable, Reasonably-Priced Supply** – We will design and maintain an energy resource portfolio with cost-effective resources that provide a reliable supply of electricity to customers at prices that are no higher than necessary and as stable and predictable as possible
- **Strong Financial Performance** – We will achieve a return on equity that is at or above that achieved by a group of vertically integrated utilities with similar operating characteristics, service territory environment and business risks
- **Sustained Operational Excellence** – We will maintain high performance levels in safety, power quality, reliability, plant availability, customer service, regulatory and environmental stewardship, and improve performance where it is cost effective to do so
- **Engaged, Valued Workforce** – We will be an employer that fosters its employees' best efforts and talents. We will focus on improving employee unity, work-life satisfaction, performance and accountability
- **Active Corporate Responsibility** – We will act in a manner true to our company's values, which reflects the values of our customers and the communities we serve
- **Economic Strength** – We will exert a positive influence on the long-term economic strength of our service territory

Portland General Electric

Regulatory and Financial Overview



James J. Piro

Executive Vice President of
Finance, CFO and Treasurer



2007 Rate Case

- General rate case filed in March 2006 based on a 2007 test year
 - Filed rate base of \$2,027 million (including Port Westward)
 - 10.75% requested ROE based on a capital structure of 56% equity
- Proposed revenue increase of 8.9% driven primarily by:

Driver / Cost	Revenue Increase (%)
Power Cost Recovery (NVPC)	4.1%
Port Westward	2.9%
General Business Costs	1.7%

- Request that the OPUC consider whether PGE should proceed with investment in Advanced Metering Infrastructure
- Process expected to take 9-10 months, with new rates proposed effective January 1, 2007
- General rate case filing available on www.PortlandGeneral.com

2007 Rate Case (Cont'd)

Proposed Power Cost Recovery Mechanisms:

Net Variable Power Costs (“NVPC”) Initially Set by General Rate Case

Annual Variance Tariff

- 90% customer / 10% Company sharing between forecast and actual NVPC
- Load variations normalized out of the calculation
- PGE shares with customers 50% of earnings greater than 1% above authorized ROE for a given calendar year
- Annual variance will be determined in the following year, with rate effects flowing to customers the year after (e.g. 2007 variance calculated in 2008; rate adjustment in 2009)

Annual Update Tariff

- PGE updates rates on January 1st of each year to reflect changes in the NVPC, which includes:
 - Power, fuel and transmission contracts; load forecast; forward power curves; and forced and planned outages

Other Regulatory and Legal Considerations

Oregon Senate Bill 408: Beginning January 1, 2006

- Designed to solve the issue of taxes in rates not being paid to the proper taxing authorities
- Calls for annual rate adjustment if difference between taxes authorized to be collected by the utility and taxes paid by the utility exceed \$100,000
- Permanent rules are being developed by the OPUC
- Could have material adverse effect on 2006 earnings, up to approximately \$35 million
- Senate Bill 408 and regulations implementing the law have the potential to be challenged on the basis of constitutionality

Boardman Outage

- Taken out of service in October 2005, expected return to service in April 2006
- Filed with OPUC to recover replacement power costs under deferred accounting ⁽¹⁾
- Alternatively, impact of forced outage could be included in the 4-year rolling average component of rates requested under the RVM process beginning in 2007

Recovering Investment Costs from Trojan Nuclear Facility

- OPUC proceedings
- Class action proceedings

⁽¹⁾ Deferral period 11/18/05 through 2/5/06.

Financial Highlights

- Strong balance sheet
- Projected growth in earnings and cash flow
- Commitment to maintaining investment grade ratings

Current Ratings	Sr. Secured	Sr. Unsecured	Outlook
S&P ⁽¹⁾	BBB+	BBB	Negative
Moody's	Baa1	Baa2	Stable
Fitch	A -	BBB+	Stable

- Strong commercial banking relationships providing \$400 million 5-year revolving line of credit
- PGE remains ring-fenced by OPUC stipulation until the DCR holds less than 20% of PGE's stock

⁽¹⁾ S&P rates the business risk of PGE at "5" on a scale of 1 to 10 with 1 being the least risky. Most integrated utility companies are rated from 4 to 6 on this scale.

Infrastructure and Resource Investment Opportunities

- Attractive growth opportunities through capital investment in core utility assets

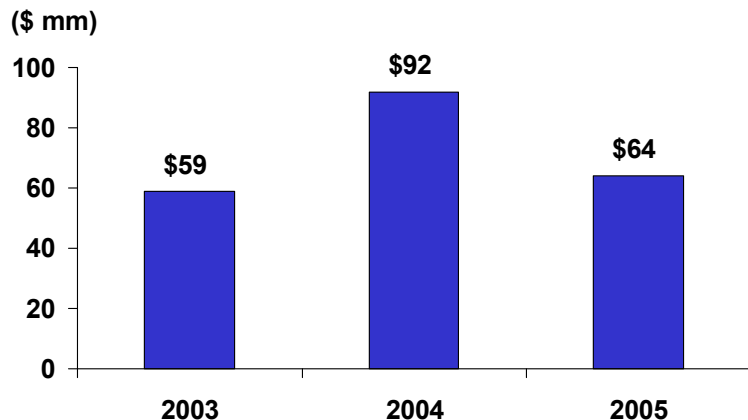
(\$ in Millions)

Project	Investment	Timing
<u>Approved and Under Construction</u>		
Port Westward (CCCT)	\$275 - \$295	2005 – 2007 (Online: Q1 2007)
Hydro Relicensing	\$180 - \$220	2006 – 2010
<u>Under Review</u>		
Advanced Metering Infrastructure	\$120 - \$150	2006 – 2009
Wind Development	\$200 - \$240	2006 – 2008

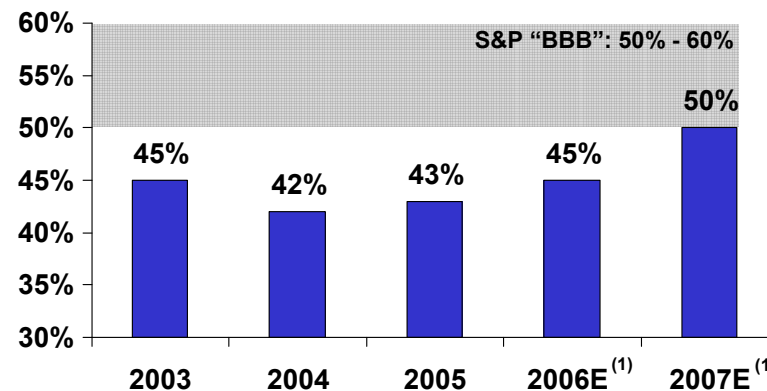
- Annual on-going production, transmission, and distribution capital expenditures of approximately \$175 - \$200 million

Rate Base and Earnings Growth Supported by Strong Balance Sheet

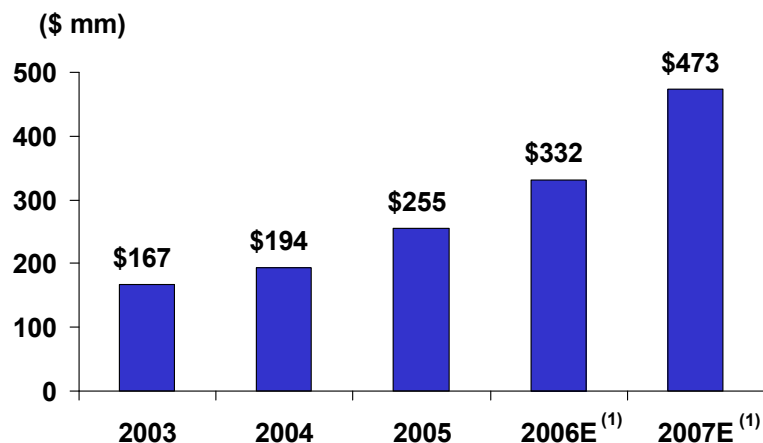
Historical Net Income



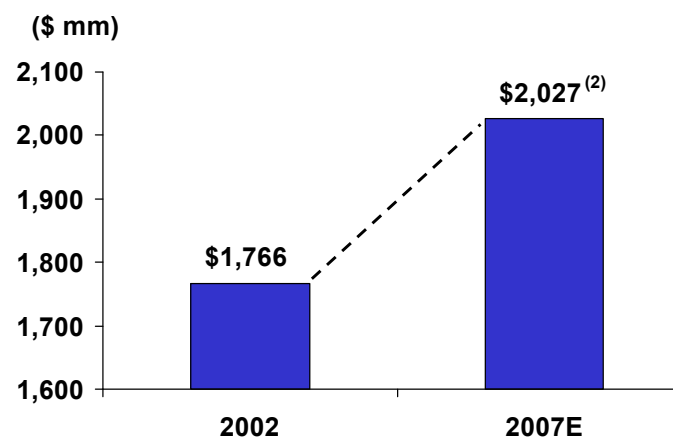
Debt/Capitalization



Capex



Rate Base



Note: S&P target credit statistic range based on Business Position 5.

⁽¹⁾ Includes Advanced Metering Infrastructure and wind development projects, which are under review.

⁽²⁾ Includes full cost of Port Westward.



Earnings Guidance

- 2006 earnings per share guidance of \$0.80 – \$0.90
 - Includes impact of Boardman outage and no regulatory action on the deferral request
 - Does not include potential impact of Senate Bill 408
- 2007 earnings per share guidance of \$1.70 - \$1.80
- Earnings expected to grow 4 - 5% per year over the long-term

PGE is committed to both earnings and dividend growth



Expected Dividend Policy

- Initial annualized dividend of \$0.90 per share, payable quarterly, pending approval by Board of Directors in May
- First dividend expected to be paid for the second quarter of 2006
 - Declared in May
 - Record date in June
 - Payment date in July
- Over the long term, we expect a target dividend payout ratio in the range of 60%

PGE is committed to both earnings and dividend growth



Compelling Investment Opportunity

Strong Cash Flows

- Vertically-integrated, regulated utility
- Investment grade credit ratings
- Competitive dividend

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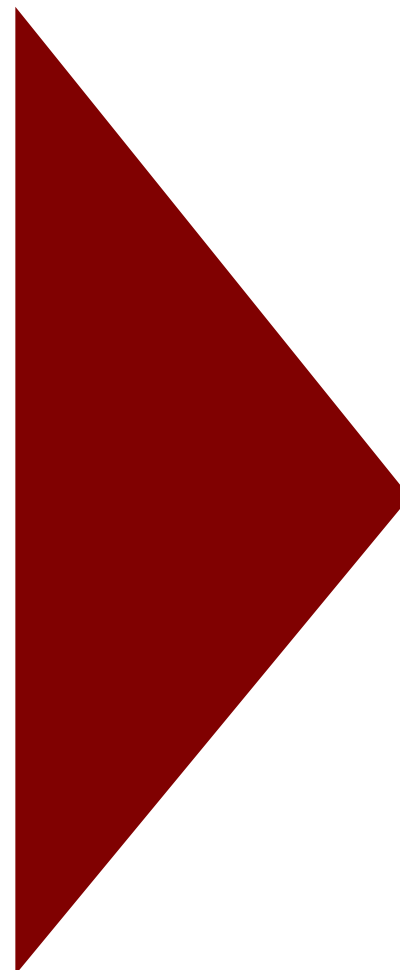
Regulated Growth Opportunities

- Earnings growth driven by significant infrastructure investment, especially new generation resources
- Attractive load and customer growth

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Experienced Management Team & Workforce

- Customer and shareholder-focused
- Results driven



Investor Relations Contact Information

William J. Valach
Director of Investor Relations
(503) 464-7395
William.Valach@pgn.com

Portland General Electric Company
121 SW Salmon Street
Suite 1-WTC-0403
Portland, Oregon 97204

www.PortlandGeneral.com

