UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended JUNE 30, 1997

COMMISSION FILE NUMBER	Registrant; State of Incorporation; ADDRESS; AND TELEPHONE NUMBER	IRS Employer IDENTIFICATION NO.
1-5532-99	PORTLAND GENERAL ELECTRIC COMPANY (an Oregon Corporation) 121 SW Salmon Street Portland, Oregon 97204 (503) 464-8000	93-0256820

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X . No .

The number of shares outstanding of the registrant's common stock as of August 14, 1997 are:

Portland General Electric Company 42,758,877

TABLE OF CONTENTS

DEFINITIONS

AFDC...................Allowance For Funds Used During Construction

Bonneville Pacific..................Bonneville Pacific Corporation
BPA................................Bonneville Power Administration
Coyote Springs......................Coyote Springs Generation Plant
Enron..Enron Corp.
FERC...........................Federal Energy Regulatory Commission
Holdings............................Portland General Holdings, Inc.
kWh...Kilowatt-Hour
Mill..One tenth of one cent
MWa..Average megawatts
MWh...Megawatt-hour
NYMEX..................................New York Mercantile Exchange
OPUC or the Commission.............Oregon Public Utility Commission
Portland General or PGC................Portland General Corporation
PGE or the Company................Portland General Electric Company
PUHCA....................Public Utility Holding Company Act of 1935
Trojan...Trojan Nuclear Plant
USDOE............................United States Department of Energy
WAPA...................................Western Area Power Authority
WNP-3..................Washington Public Power Supply System Unit 3

Portland General Electric Company and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME FOR THE
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 1997 AND 1996
(UNAUDITED)

	Three Months Ended June 30 1997	1996	Six Months Ended June 30 1997	1996
	(Thousands of Dollars)			
OPERATING REVENUES	$307,595	$232,921	$675,277	$533,116
OPERATING EXPENSES				
Purchased power and fuel	127,835	44,875	284,514	125,091
Production and distribution	20,982	20,018	41,093	41,970
Maintenance and repairs	13,663	11,845	21,609	25,094
Administrative and other	25,391	27,066	49,835	54,136
Depreciation and amortization	38,939	38,529	78,230	76,041
Taxes other than income taxes	13,626	12,746	28,799	27,593
Income taxes	21,291	25,420	60,198	62,693
	261,727	180,499	564,278	412,618
NET OPERATING INCOME	45,868	52,422	110,999	120,498
OTHER INCOME (DEDUCTIONS)				
Other	540	256	1,001	(77)
Income taxes	781	920	1,786	2,064
	1,321	1,176	2,787	1,987
INTEREST CHARGES				
Interest on long-term debt and other	17,846	16,413	35,904	32,950
Interest on short-term borrowings	1,251	2,771	2,322	5,259
Allowance for borrowed funds used during construction	(334)	(500)	(630)	(742)
	18,763	18,684	37,596	37,467
NET INCOME	28,426	34,914	76,190	85,018
PREFERRED DIVIDEND REQUIREMENT	582	645	1,163	1,631
INCOME AVAILABLE FOR COMMON STOCK	$ 27,844	$ 34,269	$ 75,027	$ 83,387

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS FOR THE
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 1997 AND 1996
(Unaudited)

	Three Months Ended June 30 1997	1996	Six Months Ended June 30 1997	1996
	(Thousands of Dollars)			
BALANCE AT BEGINNING OF PERIOD	$325,095	$279,904	$292,124	$246,282
NET INCOME	28,426	34,914	76,190	85,018
ESOP TAX BENEFIT AND OTHER	(529)	(605)	(1,059)	(1,135)
	352,992	314,213	367,255	330,165
DIVIDENDS DECLARED				
Common stock	16,463	17,958	30,145	32,924
Preferred stock	582	645	1,163	1,631
	17,045	18,603	31,308	34,555

BALANCE AT END OF PERIOD	$335,947	$295,610	$335,947	$295,610

The accompanying notes are an integral part of these consolidated statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 1997 AND DECEMBER 31, 1996

	(Unaudited) June 30 1997	December 31 1996
	(Thousands of Dollars)	
ASSETS		
ELECTRIC UTILITY PLANT - ORIGINAL COST		
Utility plant (includes Construction Work in Progress of $34,554 and $36,919)	$ 2,966,497	$ 2,899,746
Accumulated depreciation	(1,179,782)	(1,124,337)
	1,786,715	1,775,409
Capital leases - less amortization of $31,880 and $30,569	5,438	6,750
	1,792,153	1,782,159
OTHER PROPERTY AND INVESTMENTS		
Contract termination receivable	107,565	111,447
Trojan decommissioning trust, at market value	82,030	78,448
Corporate owned life insurance, less loans of $26,411 and $26,411	58,091	51,410
Other investments	21,975	20,700
	269,661	262,005
CURRENT ASSETS		
Cash and cash equivalents	19,091	19,477
Accounts and notes receivable	127,548	145,372
Unbilled and accrued revenues	39,066	53,317
Inventories, at average cost	35,300	32,903
Prepayments and other	14,605	16,476
	235,610	267,545
DEFERRED CHARGES		
Unamortized regulatory assets		
Trojan investment	263,770	275,460
Trojan decommissioning	269,887	282,131
Income taxes recoverable	183,477	195,592
Debt reacquisition costs	26,823	28,063
Conservation investments - secured	76,904	80,102
Energy efficiency programs	14,318	11,974
Other	20,583	22,575
WNP-3 settlement exchange agreement	158,884	163,217
Miscellaneous	31,873	27,389
	1,046,519	1,086,503
	$ 3,343,943	$ 3,398,212
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION		
Common stock equity		
Common stock, $3.75 par value per share, 100,000,000 shares authorized, 42,758,877 shares outstanding	$ 160,346	$ 160,346
Other paid-in capital - net	477,981	475,055
Retained earnings	335,947	292,124
Cumulative preferred stock		
Subject to mandatory redemption	30,000	30,000
Long-term debt	876,741	933,042
	1,881,015	1,890,567
CURRENT LIABILITIES		
Long-term debt and preferred stock due	95,826	92,559

within one year		
Short-term borrowings	111,087	92,027
Accounts payable and other accruals	134,446	144,712
Accrued interest	13,451	14,372
Dividends payable	868	17,117
Accrued taxes	22,280	31,485
	-----------	-----------
	377,958	392,272
	-----------	-----------
OTHER		
Deferred income taxes	485,598	497,734
Deferred investment tax credits	45,248	47,314
Deferred gain on contract termination	107,840	112,697
Trojan decommissioning and transition costs	349,058	357,844
Miscellaneous	97,226	99,784
	-----------	-----------
	1,084,970	1,115,373
	-----------	-----------
	$ 3,343,943	$ 3,398,212
	===========	===========

The accompanying notes are an integral part of
these consolidated balance sheets.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE SIX MONTHS ENDED JUNE 30, 1997 AND 1996 (Unaudited)

	Six Months Ended June 30 1997	1996
CASH PROVIDED (USED IN) OPERATIONS:		
Net Income	$ 76,190	$ 85,018
Non-cash items included in net income:		
Depreciation and amortization	63,200	59,577
Amortization of WNP-3 exchange agreement	4,333	2,160
Amortization of Trojan investment	12,491	11,760
Amortization of Trojan decommissioning	7,020	7,021
Amortization of deferred charges (gains)	(2,899)	(118)
Deferred income taxes - net	(2,532)	(6,720)
Changes in working capital:		
(Increase) Decrease in receivables	32,997	20,066
(Increase) Decrease in inventories	(2,397)	69
Increase (Decrease) in payables	(19,805)	(25,441)
Other working capital items - net	1,871	(114)
Trojan decommissioning expenditures	(6,199)	(2,139)
Deferred items - other	2,038	11,626
Miscellaneous - net	(1,522)	2,765
	164,786	165,530
INVESTING ACTIVITIES:		
Utility construction	(73,461)	(90,211)
Energy efficiency programs	(3,546)	(7,405)
Nuclear decommissioning trust deposits	(7,020)	(7,950)
Nuclear decommissioning trust withdrawals	6,074	1,447
Other investments	(6,936)	(9,170)
	(84,889)	(113,289)
FINANCING ACTIVITIES:		
Short-term debt - net	19,060	54,084
Borrowings from Corporate Owned Life Insurance	-	1,312
Long-term debt issued	-	35,000
Long-term debt retired	(51,786)	(87,661)
Preferred stock retired	-	(20,000)
Dividends paid	(47,557)	(30,684)
	(80,283)	(47,949)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(386)	4,292
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	19,477	2,241
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	$ 19,091	$ 6,533

Supplemental disclosures of cash flow information		
Cash paid during the period:		
Interest, net of amounts capitalized	$ 35,996	$ 34,884
Income taxes	73,185	56,635

The accompanying notes are an integral part of these consolidated statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - PRINCIPLES OF INTERIM STATEMENTS

The interim financial statements have been prepared by Portland General Electric Company (PGE) and, in the opinion of management, reflect all material adjustments which are necessary to a fair statement of results for the interim period presented. Certain information and footnote disclosures made in the last annual report on Form 10-K have been condensed or omitted for the interim statements. Certain costs are estimated for the full year and allocated to interim periods based on the estimates of operating time expired, benefit received or activity associated with the interim period. Accordingly, such costs are subject to year-end adjustment. It is PGE's opinion that, when the interim statements are read in conjunction with the 1996 Annual Report on Form 10-K, the disclosures are adequate to make the information presented not misleading.

RECLASSIFICATIONS - Certain amounts in prior years have been reclassified for comparative purposes.

NOTE 2 - LEGAL MATTERS

TROJAN INVESTMENT RECOVERY - In April 1996 a circuit court judge in Marion County, Oregon found that the OPUC could not authorize PGE to collect a return on its undepreciated investment in Trojan, contradicting a November 1994 ruling from the same court. The ruling was the result of an appeal of PGE's 1995 general rate order which granted PGE recovery of, and a return on, 87 percent of its remaining investment in Trojan.
The November 1994 ruling, by a different judge of the same court, upheld the Commission's 1993 Declaratory Ruling (DR-10). In DR-10 the OPUC ruled that PGE could recover and earn a return on its undepreciated Trojan investment, provided certain conditions were met. The Commission relied on a 1992 Oregon Department of Justice opinion issued by the Attorney General's office stating that the Commission had the authority to set prices including recovery of and on investment in plant that is no longer in service.

The 1994 ruling was appealed to the Oregon Court of Appeals and stayed pending the appeal of the Commission's March 1995 order. Both PGE and the OPUC have separately appealed the April 1996 ruling which was combined with the appeal of the November 1994 ruling at the Oregon Court of Appeals.

Management believes that the authorized recovery of and on the Trojan investment and decommissioning costs will be upheld and that these legal challenges will not have a material adverse impact on the results of operations or financial condition of the Company for any future reporting period.

OTHER LEGAL MATTERS - PGE is party to various other claims, legal actions and complaints arising in the ordinary course of business. These claims are not considered material.

NOTE 3 - SUBSEQUENT EVENT

BUSINESS COMBINATION - On July 1, 1997 Portland General Corporation (PGC), the former parent of PGE, consummated a merger transaction pursuant to the Amended and Restated Agreement and Plan of Merger by and among Enron Corp., PGC and Enron Oregon Corp. dated as of July 20, 1996 and amended and restated as of September 24, 1996 and as further amended by the First Amendment dated April 14, 1997 (Amended Merger Agreement). Pursuant to the Amended Merger Agreement, Enron Corp., a Delaware corporation merged with and into Enron Oregon Corp., an Oregon corporation (Reincorporation Merger) and the name of Enron Oregon Corp. was changed to Enron Corp. (Enron). Promptly following the Reincorporation Merger, PGC merged with and into Enron (PGC Merger), with Enron continuing in existence as the surviving corporation. Pursuant to the Amended Merger Agreement PGE is now a wholly owned subsidiary of Enron and subject to control by the Board of Directors of Enron.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following review of Portland General Electric Company's (PGE) results of operations should be read in conjunction with the Consolidated Financial Statements.

Due to seasonal fluctuations in electricity sales, as well as the price of wholesale energy and fuel costs, quarterly operating earnings are not necessarily indicative of results to be expected for calendar year 1997.

1997 COMPARED TO 1996 FOR THE THREE MONTHS ENDED JUNE 30

PGE earned $28 million during the second quarter of 1997 compared to earnings of $34 million in 1996. Reduced earnings were the result of a decline in retail sales margins caused by lower prices and increased power costs.

Retail revenues of $205 million were 3% higher than 1996. Increased sales volume to commercial and industrial customers offset a December 1996 price decrease.

Wholesale revenues increased $69 million from 1996 due to increased trading activities.

Increased wholesale sales activity contributed to an $83 million or 185% increase in purchased power and fuel expense. Energy purchases, which were up 88%, averaged 12.6 mills compared to 10.0 mills for 1996. This increase in price was driven by tight market conditions in the southwestern United States. Company generation, primarily hydro, provided 10% of total power needs.

RESOURCE MIX/VARIABLE POWER COSTS

	Resource Mix 1997	Resource Mix 1996		Average Variable Power Cost (Mills/kWh) 1997	Average Variable Power Cost (Mills/kWh) 1996
Generation	10%	13%		4.4	3.6
Firm Purchases	82	72		12.8	10.3
Spot Purchases	8	15		10.7	8.8
Total Resources	100%	100%	Average	12.5	10.4

PGE does not have a fuel adjustment clause as part of its retail rate structure; therefore, changes in fuel and purchased power expenses are reflected currently in earnings.

Operating expenses (excluding variable power, depreciation and income taxes) were comparable to 1996. Increased maintenance expenses at PGE's generating facilities were offset by reduced Administration and General expenses.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

1997 COMPARED TO 1996 FOR THE SIX MONTHS ENDED JUNE 30

PGE earned $75 million during the six months ended June 30, 1997 compared to earnings of $83 million in 1996. Reduced earnings were the result of a decline in retail revenues caused by lower prices and warmer temperatures. Decreased operating expenses (excluding variable power, depreciation and income taxes) partially offset lower retail revenues.

Retail revenues were down for the period due to a December 1996 rate decrease. This decrease was partially offset by additional revenues resulting from strong sales growth in the industrial and commercial customer classes.

Wholesale revenues increased $147 million from 1996 due to increased trading activities.

Increased wholesale sales activity contributed to a $159 million or 127% increase in purchased power and fuel expense. Energy purchases, which were up 76%, averaged 14.3 mills compared to 11.9 mills for 1996. Increased gas prices during the winter followed by tight market conditions in the southwestern United States were the major contributors to this increase in price. Company generation, primarily hydro, provided 12% of total power needs.

RESOURCE MIX/VARIABLE POWER COSTS

	Resource Mix 1997	Resource Mix 1996		Average Variable Power Cost (Mills/kWh) 1997	Average Variable Power Cost (Mills/kWh) 1996
Generation	12%	15%		4.3	4.1
Firm Purchases	81	70		14.5	12.5
Spot Purchases	7	15		11.3	9.1
Total Resources	100%	100%	Average	13.8	11.7

PGE does not have a fuel adjustment clause as part of its retail rate structure; therefore, changes in fuel and purchased power expenses are reflected currently in earnings.

Operating expenses (excluding variable power, depreciation and income taxes) decreased $7 million due to non-recurring storm and flood related expenditures incurred during the first quarter of 1996.

Depreciation and amortization expense increases resulting from normal asset additions (primarily distribution assets) were substantially offset by the amortization of a gain associated with the termination of a power sales agreement.

CASH FLOW

CASH PROVIDED BY OPERATIONS is used to meet the day-to-day cash requirements of PGE. Supplemental cash is obtained from external borrowings as needed.

A significant portion of cash from operations comes from depreciation and amortization of utility plant, charges which are recovered in customer revenues but require no current cash outlay. Changes in accounts receivable and accounts payable can also be significant contributors or users of cash. Cash provided by operations were comparable to 1996.

INVESTING ACTIVITIES include improvements to generation, transmission and distribution facilities and continued investment in energy efficiency programs. Through June 30, 1997 nearly $73 million has been expended for capital projects, primarily improvements to the Company's distribution system to support the addition of new customers to PGE's service territory.

PGE funds an external trust for Trojan decommissioning costs through customer collections at a rate of $14 million annually. The trust invests in investment-grade tax-exempt and U.S. Treasury bonds. The Company makes withdrawals from the trust, as necessary for reimbursement of decommissioning expenditures. During the first two quarters of 1997 PGE has withdrawn $6 million from the trust.

FINANCING ACTIVITIES - Cash used for financing activities totaled $80 million in 1997 compared to $48 million in 1996. Through June 30, 1997 PGE made three dividend payments totaling $46 million to PGC compared to two dividend payments of $29 million during the same period in 1996. PGE redeemed $49 million of First Mortgage bonds during 1997.

The issuance of additional First Mortgage Bonds and preferred stock requires PGE to meet earnings coverage and security provisions set forth in the Articles of Incorporation and the Indenture securing its First Mortgage Bonds. As of June 30, 1997 PGE has the capability to issue preferred stock and additional First Mortgage Bonds in amounts sufficient to meet its capital requirements.

FINANCIAL AND OPERATING OUTLOOK

BUSINESS COMBINATION

On July 1, 1997 Portland General Corporation (PGC), the former parent of PGE, consummated a merger transaction pursuant to the Amended and Restated Agreement and Plan of Merger by and among Enron Corp., PGC and Enron Oregon Corp. dated as of July 20, 1996 and amended and restated as of September 24, 1996 and as further amended by the First Amendment dated April 14, 1997 (Amended Merger Agreement). Pursuant to the Amended Merger Agreement, Enron Corp., a Delaware corporation merged with and into Enron Oregon Corp., an Oregon corporation (Reincorporation Merger) and the name of Enron Oregon Corp. was changed to Enron Corp. (Enron). Promptly following the Reincorporation Merger, PGC merged with and into Enron (PGC Merger), with Enron continuing in existence as the surviving corporation. Pursuant to the Amended Merger Agreement PGE is now a wholly owned subsidiary of Enron and subject to control by the Board of Directors of Enron.

Essentially all of Enron's operations are conducted through its subsidiaries and affiliates which are principally engaged in the gathering, transportation and wholesale marketing of natural gas; the exploration and production of natural gas and crude oil; the production, purchase, transportation and marketing of natural gas liquids and refined petroleum products; the independent development, promotion, construction and operation of power plants, natural gas liquids facilities and pipelines; and the non-price regulated purchasing and marketing of energy related commitments.

The Merger will be accounted for by Enron as a purchase for financial reporting purposes.

COMPETITION

Since the passage of the Energy Policy Act of 1992 and the advent of open access for the wholesale transmission of electricity, various state utility commissions have addressed proposals which would allow retail customers direct access to generation suppliers, marketers, brokers and other service providers in a competitive marketplace for energy services. Several states have implemented pilot programs to evaluate the effects that competition will have on retail customers. Other states, such as California, have passed legislation that mandates the phase in of customer access to energy suppliers. Although several bills proposing retail competition were introduced during the 1997 Oregon legislative session, none were approved. Industry restructuring bills have also been introduced at the federal level.

In a move to prepare for future retail competition, PGE recently submitted to the OPUC a proposal for an introductory Customer Choice Plan to allow 50,000 PGE customers in four cities to buy their power from competing energy service providers by the end of this year. This program will allow certain customers in Oregon to experience a competitive electricity market on an introductory basis. The program will be available to residential, small business and commercial customers in the four cities, and industrial customers throughout the service territory. If approved by the OPUC, these customers could begin receiving electricity from a company of their choice by December, 1997. PGE is working closely with the OPUC and other interested parties to address their goals of customer benefits through customer choice with the desire to have as many qualified energy service providers participating in this program as possible. Although customers may choose to purchase electricity from companies other than PGE, the power will be delivered over PGE's existing distribution system. PGE will continue to maintain all wires, power poles and equipment and will make all repairs in the event of an outage. Safety and reliability remain a high priority for PGE. This program is being launched to provide information to PGE and the OPUC on the effects of future retail competition on PGE and its customers.

As a condition to the OPUC's approval of the Enron/PGC merger, on or before September 1, 1997 PGE will submit to the OPUC a plan to open it's entire service territory to competition. This plan will allow residential, commercial and industrial customers to choose their energy provider and will include a proposal to separate PGE generating facilities from its transmission and distribution system. This action will allow the generating assets to be used more effectively to compete in an open marketplace, and will allow distribution assets to be focused on providing quality service, safety and reliability. In addition the plan will include a proposal for the treatment of transition costs or the costs a utility would not recover in a fully competitive environment. The amount of these transition costs has yet to be determined.

PGE is dependent upon the regulatory process to ensure that future revenues will be provided for the recovery of regulatory assets and the transition costs mentioned above. In the event that all or a portion of PGE's operations are no longer subject to cost-based regulation (due to a change in regulation or the effects of competition), PGE could have write-offs associated with these costs if they are not recovered through another regulatory mechanism.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RETAIL CUSTOMER GROWTH AND ENERGY SALES

Weather adjusted retail energy sales were up 5.6% for the six months ended June 30, 1997 compared to the same period last year. Industrial and commercial sales increased by 12.6% and 4.8%, respectively due to strong growth in most industry segments. Sales to high-tech and lumber industrial customers increased by 15% to 20%. Most commercial sectors grew between 3% and 8%. The addition of over 10,017 customers resulted in residential sales growth of 2.3%. The Company expects 1997 retail energy sales growth to be approximately 6%.

Quarterly Increase in Retail Customers

Quarter/Year	Residential	Commercial/Industrial
1Q 95	3010	270
2Q 95	2194	509
3Q 95	2145	435
4Q 95	5566	554
1Q 96	3633	539
2Q 96	3664	76
3Q 96	3021	594
4Q 96	5151	877
1Q 97	3953	509
2Q 97	4693	537

WHOLESALE MARKETING

The surplus of electric generating capability in the Western U.S., the entrance of numerous wholesale marketers and brokers into the market, and open access transmission is contributing to increasing pressure on the price of power. In addition, the development of financial markets and NYMEX electricity contract trading has led to increased price discovery available to market participants, further adding to the competitive pressure on wholesale margins. During the first six months of 1997 PGE's wholesale revenues increased $147 million compared to the same period last year, accounting for 32% of total revenues and 60% of total sales volume. In future years PGE will continue its participation in the wholesale marketplace to balance its supply of power to meet the needs of its retail customers, manage risk and to administer PGE's current long-term wholesale contracts. Due to increasing volatility and reduced margins resulting from increased competition, long-term wholesale marketing activities will eventually be performed by PGE's non-regulated affiliates.

POWER SUPPLY

Current projections forecast the annual runoff of the Columbia River at The Dalles to be 149 percent of normal, assuming normal precipitation for the rest of the run-off season. If this forecast holds true, this year's runoff will be the largest since record keeping began. The last record was set in 1974. 1997 hydro conditions should provide more than ample water supplies to refill reservoirs for the remainder of the year. Hydro generation will continue to be a major factor in the availability of low-cost secondary power and the economic displacement of higher cost thermal generation.

NEW ACCOUNTING STANDARDS

In June 1997, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 130, "Reporting Comprehensive Income". Comprehensive income includes all changes in equity during a period except those resulting from investments by and distributions to shareholders. The primary components include net income as well as adjustments for foreign currency translation, minimum pension liability and unrealized gains and losses on securities. The new standard requires that comprehensive income be shown on the financial statements effective in 1998 and requires reclassification of earlier financial statements for comparative purposes. PGE does not expect the adoption of this statement to have a significant effect on its financial position and results of operation.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In June 1997, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 131, Disclosures About Segments of Enterprise and Related Information". This statement will change the way public companies report information about segments of their business in their annual financial statements and requires them to report selected segment information in their quarterly reports. This standard will be effective for fiscal years beginning after December 15, 1997. Since PGE has only one major operating segment that is material to its operations, PGE does not expect the adoption of this statement to have a significant effect on its financial position and results of operation.

The SEC has amended rules and forms to clarify and expand existing disclosure requirements for derivative financial instruments, other financial instruments, and derivative commodity instruments. The amendments require enhanced disclosure of accounting policies for derivative financial instruments and derivative commodity instruments in the footnotes to the financial statements. In addition, the amendments expand existing disclosure requirements outside the financial statements and related notes to include quantitative and qualitative information about market risk inherent in market risk sensitive instruments. These amended rules are effective for filings that include financial statements for fiscal periods ending after June 15, 1997. PGE does not expect the adoption of this statement to have a significant effect on its financial position and results of operation.

INFORMATION REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although PGE believes that its expectations are based on reasonable assumptions, it can give no assurance that its goals will be achieved. Important factors that could cause actual results to differ materially from those in the forward looking statements herein include, but are not limited to, political developments affecting federal and state regulatory agencies, the pace of deregulation of retail electricity, environmental regulations, changes in the cost of power and adverse weather conditions during the periods covered by the forward looking statements.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For further information, see PGE's report on Form 10-K for the year ended December 31, 1996.

COLUMBIA STEEL CASTING CO., INC. V. PGE, PACIFICORP, AND MYRON KATZ, NANCY RYLES AND RONALD EACHUS, NINTH CIRCUIT COURT OF APPEALS

On June 19, 1990 Columbia Steel filed a complaint for declaratory judgment, injunctive relief and damages in U.S. District Court for the District of Oregon contending that a 1972 territory allocation agreement between PGE and PacifiCorp, dba Pacific Power & Light Company (PP&L), which was subsequently approved by the OPUC and the City of Portland, does not give PGE the exclusive right to serve them nor does it allow PP&L to deny service to them. Columbia Steel is seeking an unspecified amount in damages amounting to three times the excess power costs paid over a 10 year period.

On July 3, 1991 the Court ruled that the Agreement did not allocate customers for the provision of exclusive services and that the 1972 order of the OPUC approving the Agreement did not order the allocation of territories and customers. Subsequently, on August 19, 1993 the Court ruled that Columbia Steel was entitled to receive from PGE approximately $1.4 million in damages which represented the additional costs incurred by Columbia Steel for electric service from July 1990 to July 1991, trebled, plus costs and attorney's fees.

PGE appealed to the U.S. Court of Appeals for the Ninth Circuit which, on July 20, 1995, issued an opinion in favor of PGE, reversing the judgment and ordering judgment to be entered in favor of PGE. Columbia Steel filed a petition for reconsideration and on December 27, 1996 , the Ninth Circuit Court of Appeals reversed its earlier decision, ruling in favor of Columbia Steel. In early 1997 PGE's request for reconsideration by the Ninth Circuit was denied. The case was remanded to the US District Court for a new determination of damages for service rendered from early 1987 to July 1991. On July 2, 1997 PGE filed a request for certiorari with the US Supreme Court. A response is expected during the latter part of 1997.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

NUMBER	EXHIBIT
27	Financial Data Schedule - UT (Electronic Filing Only)

b. Reports on Form 8-K

June 4, 1997 - Item 5. Other Events: OPUC approves merger.

June 24, 1997 - Item 5. Other Events: Shareholders approve merger.

July 1, 1997 - Item 1. Changes in Control of Registrant: Merger consummated.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PORTLAND GENERAL ELECTRIC COMPANY
(Registrants)

August 14, 1997	By	/S/ STEVEN N. ELLIOTT Steven N. Elliott Vice President, Finance, and Treasurer
August 14, 1997	By	/S/ JOSEPH E. FELTZ Joseph E. Feltz Controller Assistant Treasurer

UT

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS FILED ON FORM 10-Q FOR THE SIX MONTHS ENDED JUNE 30, 1997 FOR PORTLAND GENERAL ELECTRIC (PGE) AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
0000784977
PORTLAND GENERAL ELECTRIC

6-MOS
DEC-31-1997
JUN-30-1997
PER-BOOK
1,792,153
269,661
235,610
1,046,519
0
3,343,943
160,346
477,981
335,947
974,274
30,000
0
871,303
0
0
111,087
93,142
0
5,438
2,684
1,256,015
3,343,943
675,277
60,198
504,080
564,278
110,999
2,787
113,786
37,596
76,190
1,163
75,027
30,145
65,398
164,786
0
0

Represents the 12 month-to-date figure ending June 30, 1997 as applies to total interest on bonds.