



Portland General Electric to Receive Payment for California Energy Sales

PORTLAND, Ore., Mar 13, 2007 (BUSINESS WIRE) -- Portland General Electric Company (NYSE:POR) announced today that it has reached a settlement with certain parties in California relating to wholesale energy transactions in the western energy markets, under which it will receive a payment of approximately \$27 million for power sales the company made to California during the west coast energy crisis of 2000 and 2001. The settlement involves proceedings and investigations by the Federal Energy Regulatory Commission (FERC) and the U.S. Ninth Circuit Court of Appeals. The settlement was filed today with FERC and is subject to FERC approval.

"We're pleased to have reached agreement with the parties," PGE Executive Vice President and CFO Jim Piro said. "We appreciate the hard work of everyone involved in settling these issues."

As a participant in the western energy grid, PGE sold wholesale power to California at market rates - set by the California ISO, which coordinates California's wholesale power grid, and the California Power Exchange (PX) - between January 1, 2000 and June 20, 2001. In response to claims that these rates had become excessive, FERC initiated its refund proceeding. Certain payments to sellers of power, including PGE, were withheld or delayed by the ISO and PX pending resolution of the refund proceeding. Today's settlement - when approved by FERC - will permit refunds to settling parties out of the amount that is currently held by the PX and owed to PGE. A small reserve will be retained by the PX to fulfill miscellaneous obligations under the FERC proceeding. The remaining balance of about \$27 million owed to PGE (including interest) will be released to the company.

PGE had established a reserve to account for the California claims, based on its estimation of how much the value of the power sales in question would likely be reduced on recalculation. With FERC approval of the settlement PGE will record a pre-tax increase to income of approximately \$4 million to \$5 million.

About Portland General Electric Company

Portland General Electric, headquartered in Portland, Ore., is a fully integrated electric utility that serves 793,000 residential, commercial and industrial customers in Oregon. Visit our Web site at www.PortlandGeneral.com.

Safe Harbor Statement

Statements in this news release that relate to future plans, objectives, expectations, performance, events and the like may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Portland General Electric Company based these forward-looking statements on its current expectations and projections about future events in light of its knowledge of facts as of the date of this current report and its assumptions about future circumstances. Investors are cautioned that any such forward-looking statements are subject to risks and uncertainties, including matters and events related to the approval by the FERC, possible appeal of any order approving the settlement, and the failure of other market participants to join the settlement. As a result, actual results may differ materially from those projected in the forward-looking statements. The Company assumes no obligation to update any such forward-looking statement. Prospective investors should also review the risks and uncertainties listed in the Company's most recent Annual Report on Form 10-K and the Company's reports on Forms 8-K and Form 10-Q filed with the United States Securities and Exchange Commission, including Management's Discussion and Analysis of Financial Condition and Results of Operations and the risks described therein from time to time.

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Source: Portland General Electric Company

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