UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) March 31, 2006

PORTLAND GENERAL ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

Oregon	**Commission File Number**	**93-0256820**
(State or other jurisdiction of incorporation or organization)	1-5532-99	(I.R.S. Employer Identification No.)

121 SW Salmon Street, Portland, Oregon 97204

(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code: **(503) 464-8000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 - Company's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

Commencing on December 2, 2001, Enron Corp. (Enron) and certain of its subsidiaries (collectively, the Debtors) filed voluntary petitions for relief (the Bankruptcy Cases) in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court) under Chapter 11 of the United States Bankruptcy Code. Portland General Electric Company (PGE, or the Company) was not included in the bankruptcy filings, but the PGE common stock held by Enron was part of the bankruptcy estate. On July 15, 2004, the Bankruptcy Court entered an order confirming the Fifth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code, dated January 9, 2004 and as thereafter amended and supplemented from time to time (the Plan). The Plan became effective on November 17, 2004.

On April 3, 2006, PGE entered into a Separation Agreement (the Agreement) with Enron in connection with the cancellation of all outstanding PGE common stock, $3.75 par value per share, all of which was held by Enron prior to April 3, 2006, and the issuance of new PGE common stock, without par value, pursuant to the Plan. The material terms of the Agreement are described below. This description of the Agreement is qualified in its entirety by reference to the full text of the Agreement, which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Stock Issuance Pursuant to the Plan

The Agreement requires the taking of all necessary actions to effect the issuance of new PGE common stock pursuant to the Plan, including the delivery of documents by each of PGE and Enron necessary to effect the stock issuance.

Distribution and Release of Intercompany Amounts

The Agreement provides for the settlement prior to execution of the Agreement of any intercompany amounts owed to PGE by Enron or its affiliates (excluding amounts for certain tax return services provided by PGE and obligations under documents effecting the stock issuance, including the Agreement) by the release, dividend or other distribution to Enron of such amounts and the full release by PGE of any claims for such amounts not so settled prior to execution of the Agreement. The Agreement constitutes a full release by Enron of claims for any amounts owed by PGE to Enron or its affiliates, other than obligations under the Agreement and other documents effecting the stock issuance.

Termination of Intercompany Agreements

All agreements between Enron or its affiliates and PGE are terminated, except for the Agreement and other documents effecting the stock issuance and except for certain provisions of the Tax Allocation Agreement, dated as of December 23, 2002, relating to the determination of amounts due by Enron and its affiliates or PGE and its affiliates to the other, as the case may be, for any tax year or portion thereof beginning January 1, 2005 and ending on or before the date of the Agreement (the Short Period Amount) and relating to mutual cooperation and exchange of tax information in filing tax returns and contesting proposed adjustments to consolidated tax liability. The Short Period Amount will remain an obligation of Enron or PGE, as the case may be, until satisfied.

Indemnification

Tax Indemnification

Until the closing of the Bankruptcy Cases (or, if later, the date any pending or unresolved claim is finally terminated or otherwise resolved), Enron agrees to indemnify PGE for any taxes imposed upon PGE by reason of PGE being severally liable for any taxes of Enron or its affiliates (other than PGE and its subsidiaries) pursuant to U.S. Treasury Department regulations for consolidated groups or any analogous state, local or foreign law, provided such taxes are (i) imposed upon or assessed against PGE, its assets or properties and (ii) assessed before assessment of such tax is barred under the applicable statute of limitations relating to such tax. The tax indemnity shall not affect the obligation of PGE to make payments pursuant to any order of the Bankruptcy Court, the Tax Allocation Agreement or any other agreement between Enron or its affiliates (other than PGE and its subsidiaries) and PGE to allocate liability for taxes. Enron also agrees to indemnify PGE for any liabilities (othe r than taxes assessed on any indemnification payment received by PGE pursuant to the Agreement) incurred in connection with the taxes for which Enron is responsible to indemnify PGE pursuant to the Agreement.

Employee Benefits Indemnification

Until the closing of the Bankruptcy Cases (or, if later, the date any pending or unresolved claim is finally terminated or otherwise resolved), Enron agrees to indemnify PGE for any liabilities arising out of any employee benefit plan sponsored by Enron or its ERISA Affiliates (as defined in the Agreement) that are imposed upon or assessed against PGE or its assets (i) under Title IV of the Employee Retirement Income Security Act of 1974, as amended, or (ii) due to participating employer status in the Enron Corp. Savings Plan; provided that such liabilities are not barred from recovery under the relevant statute of limitations. The employee benefits indemnification shall not affect the obligation of PGE to make payments pursuant to any order of the Bankruptcy Court or any agreement between Enron or its affiliates (other than PGE and its subsidiaries) and PGE relating to the allocation of costs of providing employee benefits to PGE employees.

Limitation on Indemnification

The aggregate amount of liabilities for which indemnification is provided by the Agreement shall be net of any amounts actually recovered by the indemnified party under any insurance policies and shall be reduced to take account of any net tax benefit actually realized by the indemnified party arising from the incurrence of such liability.

Indemnification Procedures

The Agreement provides procedures with respect to indemnification claims and the defense and settlement of such claims and the payment of expenses incurred in connection therewith.

Expenses

Except as otherwise provided for in the Agreement with regard to indemnification procedures and with regard to obligations relating to the preservation of records and cooperation (or except as expressly provided in any other documents necessary to effect the stock issuance), each of PGE and Enron shall bear all expenses incurred by it in connection with the Agreement, the documents effecting the stock issuance and any other agreement or instrument contemplated by the Agreement and the consummation of the transactions contemplated by the Agreement or such other agreement or instrument.

Other Customary Obligations

The Agreement also provides for customary obligations of the parties regarding (i) preservation of records and cooperation, (ii) prohibition of communication of confidential information, (iii) cross-termination of rights to the use of the other party's corporate name and related trademarks, trade names, logos and symbols and (iv) further assurances.

Section 3 - Securities and Trading Markets

Item 3.02 Unregistered Sales of Equity Securities.

Since July 2, 1997, when Portland General Corporation (PGC), the then former parent of Portland General Electric Company (PGE, or the Company), merged with Enron Corp. (Enron), PGE has operated as a wholly-owned subsidiary of Enron with Enron owning all of the outstanding common stock, $3.75 par value per share (Old PGE Common Stock) of the Company. Commencing on December 2, 2001, Enron and certain of its subsidiaries (collectively, the Debtors) filed voluntary petitions for relief in the United States Bankruptcy Court for the Southern District of New York (Bankruptcy Court) under Chapter 11 of the United States Bankruptcy Code. PGE was not included in the bankruptcy filings, but the Old PGE Common Stock held by Enron was part of the bankruptcy estate. On July 15, 2004, the Bankruptcy Court entered an order confirming the Fifth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code, dated January 9, 2004 and as thereafter amended and supplem ented from time to time (the Plan). The Plan became effective on November 17, 2004.

On April 3, 2006, pursuant to the Plan, all shares of the Old PGE Common Stock were cancelled and 62,500,000 shares of new PGE common stock, without par value (the Common Stock) were issued. A total of 27,036,445 shares of Common Stock (approximately 43 percent of the total number of shares issued) were issued to the Debtors' creditors holding allowed claims, and the remaining 35,463,555 shares (approximately 57 percent of the total) were issued to a Disputed Claims Reserve (DCR) created by the Plan, where shares of Common Stock will be held to be released over time to the Debtors' creditors holding allowed claims in accordance with the Plan. As a result of the issuance of Common Stock to the Debtors' creditors and the DCR, PGE ceased to be a subsidiary of Enron.

The sole purpose of the DCR is to hold assets of the Debtors' estates and to release those assets, including the new Common Stock, to holders of claims as their claims are allowed and settled. The new Common Stock held in the DCR will be registered in the name of Stephen Forbes Cooper, LLC or its successor, as disbursing agent (Disbursing Agent). The Disbursing Agent will oversee the release of new Common Stock from the DCR to the Debtors' creditors that hold allowed claims. The Disputed Claims Reserve Overseers (DCRO) will direct how the Disbursing Agent shall vote those shares of Common Stock held by the DCR, under guidelines that require the DCRO to seek maximization of the value of the Common Stock upon its release to holders of allowed claims. The DCRO is currently comprised of the same individuals who serve on Enron's Board of Directors.

The shares of Common Stock were issued pursuant to the Plan in reliance, based on the confirmation order received from the Bankruptcy Court, on the exemption from the registration requirements of the Securities Act of 1933 provided by Section 1145 of the U.S. Bankruptcy Code.

The Company has registered the Common Stock under Section 12(b) of the Securities Exchange Act of 1934 and the Common Stock has been authorized for listing and trading on the New York Stock Exchange under the ticker symbol POR.

Section 5 - Corporate Governance and Management

Item 5.01 Changes in Control of Registrant.

The information provided in Item 3.02 of this Current Report on Form 8-K is incorporated by reference into this Item 5.01.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

In connection with the issuance of the Common Stock, Robert S. Bingham resigned from the Company's Board of Directors, effective as of March 31, 2006.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Pursuant to the Plan and in connection with the issuance of the Common Stock, the Company filed with the Secretary of State of the State of Oregon the Amended and Restated Articles of Incorporation of the Company, effective April 3, 2006, providing for, among other things, (i) the amendment and restatement of the Articles of Incorporation in its entirety and (ii) in connection with the cancellation of all outstanding shares of Old PGE Common Stock and the issuance of the new Common Stock, the change in the Company's authorized capital stock to 80,000,000 shares of new Common Stock and 30,000,000 shares of preferred stock, without par value. The Amended and Restated Articles of Incorporation of the Company is attached hereto as Exhibit 3.1 and is incorporated herein by reference. For a description of certain terms of the Amended and Restated Articles of Incorporation, reference is made to the Form 8-A of the Company, filed with the Securitie s and Exchange Commission on March 31, 2006.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

d. Exhibits

Exhibit Description

(3)

3.1 Amended and Restated Articles of Incorporation of Portland General Electric Company

(10)

10.1 Separation Agreement, dated as of April 3, 2006, between Enron Corp. and Portland General Electric Company

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PORTLAND GENERAL ELECTRIC COMPANY

(Registrant)

April 3, 2006	By:	/s/ James J. Piro
		James J. Piro Executive Vice President, Finance Chief Financial Officer and Treasurer

April 3, 2006	By:	/s/ Kirk M. Stevens
		Kirk M. Stevens Controller and Assistant Treasurer

EXHIBIT 3.1

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF PORTLAND GENERAL ELECTRIC COMPANY

The Articles of Incorporation, as amended, of Portland General Electric Company (the "Corporation") are hereby amended and restated under 60.451 of the Oregon Business Corporation Act (the "Act"). The date of filing of the Corporation's Articles of Incorporation was July 25, 1930.

ARTICLE I.

Name

The name of the Corporation is:

Portland General Electric Company

ARTICLE II.

Duration

The Corporation shall exist perpetually.

ARTICLE III.

Purposes

The Corporation is organized for the following purposes:

1. To construct, purchase, lease, and otherwise acquire ownership of and improve, maintain, use and operate every type and kind of real and personal property for the generation, manufacture, production and furnishing of electric energy, and to use, furnish and sell to the public, including other corporations, towns, cities and municipalities, at wholesale and retail, electric energy.
2. To engage in any lawful activity for which corporations may be organized under the Act and any amendment thereto.
3. To engage in any lawful activity and to do anything in the operation of the Corporation or for the accomplishment of any of its purposes or for the exercise of any of its powers which shall appear necessary for or beneficial to the Corporation.

The authority conferred in this Article III shall be exercised consistently with the requirements of applicable state and federal laws and regulations governing the activities of a public utility.

ARTICLE IV.

Classes of Capital Stock

The amount of the capital stock of the Corporation is:

COMMON STOCK. Common Stock of the Corporation shall consist of a class without par value consisting of 80,000,000 shares.

PREFERRED STOCK. Preferred Stock of the Corporation shall consist of a class without par value consisting of 30,000,000 shares issuable in series as hereinafter provided.

A statement of the preferences, limitations, and relative rights of each class of the capital stock of the Corporation, namely, the Preferred Stock without par value and the Common Stock, of the variations and relative rights and preferences as between series of the Preferred Stock insofar as the same are fixed by these Amended and Restated Articles of Incorporation (these "Articles") and of the authority vested in the Board of Directors of the Corporation to establish series of Preferred Stock, and to fix and determine the variations in the relative rights and preferences as between series insofar as the same are not fixed by these Articles is as follows:

PREFERRED STOCK

(a) As used in these Articles, the term "Preferred Stock" shall mean the Preferred Stock without par value. The Preferred Stock may be divided into and issued in series. Each series shall be so designated as to distinguish the shares thereof from the shares of all other series of the Preferred Stock and all other classes of capital stock of the Corporation. To the extent that these Articles shall not

have established series of the Preferred Stock and fixed and determined the variations in the relative rights and preferences as between series, the Board of Directors shall have authority, and is hereby expressly vested with authority, to divide the Preferred Stock into series and, with the limitations set forth in these Articles and such limitations as may be provided by law, to fix and determine the relative rights and preferences of any series of the Preferred Stock so established. Such action by the Board of Directors shall be expressed in a resolution or resolutions adopted by it prior to the issuance o f shares of each series, which resolution or resolutions shall also set forth the distinguishing designation of the particular series of the Preferred Stock established thereby. Without limiting the generality of the foregoing, authority is hereby expressly vested in the Board of Directors to fix and determine with respect to any series of the Preferred Stock:

(1) The rate of dividend;

(2) The price at which and the terms and conditions on which shares may be sold or redeemed;

(3) The amount payable upon shares in the event of voluntary liquidation and the amount payable in the event of involuntary liquidation, but such involuntary liquidation amount shall not exceed the price at which the shares may be sold as fixed in the resolution or resolutions creating the series;

(4) Sinking fund provisions for the redemption or purchase of shares; and

(5) The terms and conditions on which shares may be converted.

All shares of the Preferred Stock of the same series shall be identical except that shares of the same series issued at different times may vary as to the dates from which dividends thereon shall be cumulative; and all shares of the Preferred Stock, irrespective of series, shall constitute one and the same class of stock, shall be of equal rank, and shall be identical except as to the designation thereof, the date or dates from which dividends on shares thereof shall be cumulative, and the relative rights and preferences set forth above in clauses (1) through (5) of this subdivision (a), as to which there may be variations between different series. Except as may be otherwise provided by law, by subdivision (g) of this Article IV, or by the resolutions establishing any series of Preferred Stock in accordance with the foregoing provisions of this subdivision (a), whenever the presence, written consent, affirmative vote, or other action on the part of the holders of the Preferred Stock may be required for an y purpose, such consent, vote or other action shall be taken by the holders of the Preferred Stock as a single body irrespective of series and shall be determined by weighing the vote cast for each share so as to reflect the involuntary liquidation amount fixed in the resolution or resolutions creating the series, such that each share shall have one vote per $100 of involuntary liquidation value.

(b) The holders of shares of the Preferred Stock of each series shall be entitled to receive dividends, when and as declared by the Board of Directors, out of any funds legally available for the payment of dividends, at the annual rate fixed and determined with respect to each series in accordance with subdivision (a) of this Article IV, and no more, payable quarterly on the first days of January, April, July and October in each year or on such other date or dates as the Board of Directors shall determine. Such dividends shall be cumulative in the case of shares of each series either from the date of issuance of shares of such series or from the first day of the current dividend period within which shares of such series shall be issued, as the Board of Directors shall determine, so that if dividends on all outstanding shares of each particular series of the Preferred Stock, at the annual dividend rates fixed and determined by the Board of Directors for the respective series, shall not have been paid or de clared and set apart for payment for all past dividend periods and for the then current dividend periods, the deficiency shall be fully paid or dividends equal thereto declared and set apart for payment at said rates before any dividends on the Common Stock shall be paid or declared and set apart for payment. In the event more than one series of the Preferred Stock shall be outstanding, the Corporation, in making any dividend payment on the Preferred Stock, shall make payments ratably upon all outstanding shares of the Preferred Stock in proportion to the amount of dividends accumulated thereon to the date of such dividend payment. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments which may be in arrears.

(c) In the event of any dissolution, liquidation or winding up of the Corporation, before any distribution or payment shall be made to the holders of the Common Stock, the holders of the Preferred Stock of each series then outstanding shall be entitled to be paid out of the net assets of the Corporation available for distribution to its shareholders the respective involuntary liquidation amount for each share as fixed and determined with respect to each series in accordance with subdivision (a) of this Article IV, plus in all cases unpaid accumulated dividends thereon, if any, to the date of payment, and no more, unless such dissolution, liquidation or winding up shall be voluntary, in which event the amount which such holders shall be entitled so to be paid shall be the respective voluntary liquidation amounts per share fixed and determined with respect to each series in accordance with subdivision (a) of this Article IV, and no more. If upon any dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, the net assets of the Corporation available for distribution to its shareholders shall be insufficient to pay the holders of all outstanding shares of Preferred Stock of all series the full amounts to which they shall be respectively entitled as aforesaid, the entire net assets of the Corporation available for distribution shall be distributed ratably to the holders of all outstanding shares of Preferred Stock of all series in proportion to the amounts to which they shall be respectively so entitled. For the purposes of this subdivision (c), any dissolution, liquidation or winding up which may arise out of or result from the condemnation or purchase of all or a major portion of the properties of the Corporation by (1) the United States Government or any authority, agency or instrumentality thereof, (2) a State of the United States or any political subdivision, authority, agency or instrumentality thereof, or (3) a district, cooperative or other association or entity not org anized for profit, shall be deemed to be an involuntary dissolution, liquidation or winding up; and a consolidation, merger or amalgamation of the Corporation with or into any other corporation or corporations shall not be deemed to be a dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary.

(d) Subject to the limitations set forth in subdivision (c) of Article V, the Preferred Stock of all series, or of any series thereof, or any part of any series thereof, at any time outstanding, may be redeemed by the Corporation, at its election expressed by resolution of the Board of Directors, at any time or from time to time, at the then applicable redemption price fixed and determined with respect to each series in accordance with subdivision (a) of this Article IV. If less than all of the shares of any series are to be redeemed, the redemption shall be made either pro rata or by lot in such manner as the Board of Directors shall determine.

In the event the Corporation shall so elect to redeem shares of the Preferred Stock, notice of the intention of the Corporation to do so and of the date and place fixed for redemption shall be mailed not less than thirty days before the date fixed for redemption to each holder of shares of the Preferred Stock to be redeemed at his address as it shall appear on the books of the Corporation, and on and after the date fixed for redemption and specified in such notice (unless the Corporation shall default in making payment of the redemption price), such holders shall cease to be shareholders of the Corporation with respect to such shares and shall have no interest in or claim against the Corporation with respect to such shares, excepting only the right to receive the redemption price therefor from the Corporation on the date fixed for redemption, without interest, upon endorsement, if required, and surrender of their certificates for such shares.

Contemporaneously with the mailing of notice of redemption of any shares of the Preferred Stock as aforesaid or at any time thereafter on or before the date fixed for redemption, the Corporation may, if it so elects, deposit the aggregate redemption price of the shares to be redeemed with any bank or trust company doing business in the City of New York, N. Y., the City of Chicago, Illinois, the City of San Francisco, California, or the City of Portland, Oregon, having a capital and surplus of at least $5,000,000, named in such notice, payable on the date fixed for redemption in the proper amounts to the respective holders of the shares to be redeemed, upon endorsement, if required, and surrender of their certificates for such shares, and on and after the making of such deposit such holders shall cease to be shareholders of the Corporation with respect to such shares and shall have no interest in or claim against the Corporation with respect to such shares, excepting only the right to exercise such redempt ion or exchange rights, if any, on or before the date fixed for redemption as may have been provided with respect to such shares or the right to receive the redemption price of their shares from such bank or trust company on the date fixed for redemption, without interest, upon endorsement, if required, and surrender of their certificates for such shares.

If the Corporation shall have elected to deposit the redemption moneys with a bank or trust company as permitted by this subdivision (d), any moneys so deposited which shall remain unclaimed at the end of six years after the redemption date shall be repaid to the Corporation, and upon such repayment holders of Preferred Stock who shall not have made claim against such moneys prior to such repayment shall be deemed to be unsecured creditors of the Corporation for an amount, without interest, equal to the amount they would theretofore have been entitled to receive from such bank or trust company. Any redemption moneys so deposited which shall not be required for such redemption because of the exercise, after the date of such deposit, of any right of conversion or exchange or otherwise, shall be returned to the Corporation forthwith. The Corporation shall be entitled to receive any interest allowed by any bank or trust company on any moneys deposited with such bank or trust company as herein provided, and th e holders of any shares called for redemption shall have no claim against any such interest.

Except as set forth in subdivision (c) of Article V, nothing herein contained shall limit any legal right of the Corporation to purchase or otherwise acquire any shares of the Preferred Stock.

(e) The holders of shares of the Preferred Stock shall have no right to vote in the election of directors or for any other purpose except as may be otherwise provided by law, by subdivisions (f), (g) and (h) of this Article IV, or by resolutions establishing any series of Preferred Stock in accordance with subdivision (a) of this Article IV. Holders of Preferred Stock shall be entitled to notice of each meeting of shareholders at which they shall have any right to vote, but shall not be entitled to notice of any other meeting of shareholders.

(f) If at any time dividends payable on any share or shares of Preferred Stock shall be in arrears in an amount equal to four full quarterly dividends or more per share, a default in preferred dividends for the purpose of this subdivision (f) shall be deemed to have occurred, and, having so occurred, such default shall be deemed to exist thereafter until, but only until, all unpaid accumulated dividends on all shares of Preferred Stock shall have been paid to the last preceding dividend period. If and whenever a default in preferred dividends shall occur, a special meeting of shareholders of the Corporation shall be held for the purpose of electing directors upon the written request of the holders of at least 10% of the Preferred Stock then outstanding. Such meeting shall be called by the secretary of the Corporation upon such written request and shall be held at the earliest practicable date upon like notice as that required for the annual meeting of shareholders of the Corporation and at the place for t he holding of such annual meeting. If notice of such special meeting shall not be mailed by the secretary within thirty days after personal service of such written request upon the secretary of the Corporation or within thirty days of mailing the same in the United States of America by registered mail addressed to the secretary at the principal office of the Corporation, then the holders of at least 10% of the Preferred Stock then outstanding may designate in writing one of their number to call such meeting and the person so designated may call such meeting upon like notice as that required for the annual meeting of shareholders and to be held at the place for the holding of such annual meeting. Any holder of Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing a meeting of shareholders to be called pursuant to the foregoing provisions of this paragraph.

At any such special meeting, or at the next annual meeting of shareholders of the Corporation for the election of directors and at each other meeting, annual or special, for the election of directors held thereafter (unless at the time of any such meeting such default in preferred dividends shall no longer exist), the holders of the outstanding Preferred Stock, voting separately as herein provided, shall have the right to elect the smallest number of directors which shall constitute at least one-fourth of the total number of directors of the Corporation, or two directors, whichever shall be the greater, and the holders of the outstanding shares of Common Stock, voting as a class, shall have the right to elect all other members of the Board of Directors, anything herein or in the

Bylaws of the Corporation to the contrary notwithstanding. The terms of office, as directors, of all persons who may be directors of the Corporation at any time when such special right to elect directors shall become vested in the holders of the Preferred Stock shall terminate upon the election of any new directors to succeed them as aforesaid.

At any meeting, annual or special, of the Corporation, at which the holders of Preferred Stock shall have the special right to elect directors as aforesaid, the presence in person or by proxy of the holders of a majority of the Preferred Stock then outstanding shall be required to constitute a quorum of such stock for the election of directors, and the presence in person or by proxy of the holders of a majority of the Common Stock then outstanding shall be required to constitute a quorum of such stock for the election of directors; provided, however, that the absence of a quorum of the holders of either stock shall not prevent the election at any such meeting or adjournment thereof of directors by the other stock if the necessary quorum of the holders of such other stock shall be present at such meeting or any adjournment thereof; and, provided further, that in the absence of a quorum of holders of either stock a majority of the holders of such stock who are present in person or by proxy shall have power to adjourn the election of the directors to be elected by such stock from time to time, without notice other than announcement at the meeting, until the requisite quorum of holders of such stock shall be present in person or by proxy, but no such adjournment shall be made to a date beyond the date for the mailing of the notice of the next annual meeting of shareholders of the Corporation or special meeting in lieu thereof.

So long as a default in preferred dividends shall exist, any vacancy in the office of a director elected by the holders of the Preferred Stock may be filled at any meeting of shareholders, annual or special, for the election of directors held thereafter, and a special meeting of shareholders, or of the holders of shares of the Preferred Stock, may be called for the purpose of filling any such vacancy. So long as a default in preferred dividends shall exist, any vacancy in the office of a director elected by the holders of the Common Stock may be filled by majority vote of the remaining directors elected by the holders of Common Stock.

If and when the default in preferred dividends which permitted the election of directors by the holders of the Preferred Stock shall cease to exist, the holders of the Preferred Stock shall be divested of any special right with respect to the election of directors, and the voting power of the holders of the Preferred Stock and of the holders of the Common Stock shall revert to the status existing before the first dividend payment date on which dividends on the Preferred Stock were not paid in full, subject to revesting in the event of each and every subsequent like default in preferred dividends. Upon the termination of any such special right, the terms of office of all persons who may have been elected directors by vote of the holders of the Preferred Stock pursuant to such special right shall forthwith terminate, and the resulting vacancies shall be filled by the majority vote of the remaining directors.

(g) So long as any shares of the Preferred Stock shall be outstanding, the Corporation shall not without the written consent or affirmative vote of the holders of at least two-thirds of the Preferred Stock then outstanding, (1) create or authorize any new stock ranking prior to the Preferred Stock as to dividends or upon dissolution, liquidation or winding up, or (2) amend, alter or repeal any of the express terms of the Preferred Stock then outstanding in a manner substantially prejudicial to the holders thereof. Notwithstanding the foregoing provisions of this subdivision (g), if any proposed amendment, alteration or repeal of any of the express terms of any outstanding shares of the Preferred Stock would be substantially prejudicial to the holders of shares of one or more, but not all, of the series of the Preferred Stock, only the written consent or affirmative vote of the holders of at least two-thirds of the total number of outstanding shares of all series so affected shall be required. Any affirmat ive vote of the holders of the Preferred Stock, or of any one or more series thereof, which may be required in accordance with the foregoing provisions of this subdivision (g), upon a proposal to create or authorize any stock ranking prior to the Preferred Stock or to amend, alter or repeal the express terms of outstanding shares of the Preferred Stock or of any one or more series thereof in a manner substantially prejudicial to the holders thereof may be taken at a special meeting of the holders of the Preferred Stock or of the holders of one or more series thereof called for the purpose, notice of the time, place and purposes of which shall have been given to the holders of the shares of the Preferred Stock entitled to vote upon any such proposal, or at any meeting, annual or special, of the shareholders of the Corporation, notice of the time, place and purposes of which shall have been given to holders of shares of the Preferred Stock entitled to vote on such a proposal.

(h) So long as any shares of the Preferred Stock shall be outstanding, the Corporation shall not, without the written consent or affirmative vote of the holders of at least a majority of the Preferred Stock then outstanding:

> (1) issue any shares of Preferred Stock, or of any other class of stock ranking prior to or on a parity with the Preferred Stock as to dividends or upon dissolution, liquidation or winding up, unless (a) the net income of the Corporation available for the payment of dividends for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the issuance of such shares (including, in any case in which such shares are to be issued in connection with the acquisition of new property, the net income of the property so to be acquired, computed on the same basis as the net income of the Corporation) is at least equal to two times the annual dividend requirements on all shares of the Preferred Stock, and on all shares of all other classes of stock ranking prior to or on a parity with the Preferred Stock as to dividends or upon dissolution, liquidation or winding up, which will be outstanding immediately after the issuance of such shares, including the shares proposed to be issued, and (b) the gross income (defined as the sum of net income and interest charges, to securities evidencing indebtedness deducted in arriving at such net income) of the Corporation available for the payment of interest for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the issuance of such shares (including, in any case in which such shares are to be issued in connection with the acquisition of new property, the gross income, as heretofore defined, of the property so to be acquired, computed on the same basis as the gross income, as heretofore defined, of the Corporation) is at least equal to one and one-half times the aggregate of the annual interest requirements on all securities evidencing indebtedness of the Corporation, and the annual dividend requirements on all shares of the Preferred Stock and on all shares of all other classes of stock ranking prior to or on a parity with the Preferred Stock as to dividends or upon

dissolution, liq uidation or winding up, which will be outstanding immediately after the issuance of such shares, including the shares proposed to be issued; or

(2) issue any shares of the Preferred Stock, or of any other class of stock ranking prior to or on a parity with the Preferred Stock as to dividends or upon dissolution, liquidation or winding up, unless the aggregate of the capital of the Corporation applicable to the Common Stock and the surplus of the Corporation (paid-in, earned or other, if any) shall be not less than the aggregate amount payable on the involuntary dissolution, liquidation, or winding up of the Corporation on all shares of the Preferred Stock, and on all shares of all other classes of stock ranking prior to or on a parity with the Preferred Stock as to dividends or upon dissolution, liquidation or winding up, which will be outstanding immediately after the issuance of such shares, including the shares proposed to be issued; provided, however, that if, for the purposes of meeting the requirements of this subparagraph (2), it shall become necessary to take into consideration any surplus of the Corporation, the Corporation shall not thereafter pay any dividends on shares of the Common Stock which would result in reducing the aggregate of the capital of the Corporation applicable to the Common Stock and the surplus of the Corporation to an amount less than the aggregate amount payable on involuntary dissolution, liquidation or winding up of the Corporation, on all shares of the Preferred Stock and of any stock ranking prior to or on a parity with the Preferred Stock, as to dividends or upon dissolution, liquidation or winding up, at the time outstanding.

In any case where it would be appropriate, under generally accepted accounting principles, to combine or consolidate the financial statements of any predecessor or subsidiary of the Corporation with those of the Corporation, the foregoing computations may be made on the basis of such combined or consolidated financial statements. Any affirmative vote of the holders of the Preferred Stock which may be required in accordance with the foregoing provisions of this subdivision (h) may be taken at a special meeting of the holders of the Preferred Stock called for the purpose, notice of the time, place and purposes of which shall have been given to the holders of the outstanding shares of the Preferred Stock, or at any meeting, regular or special, of the shareholders of the Corporation, notice of the time, place and purposes of which shall have been given to the holders of the outstanding shares of the Preferred Stock.

COMMON STOCK

(i) Subject to the limitations set forth in subdivision (b) of this Article IV (and subject to the rights of any class of stock hereafter authorized) dividends may be paid upon the Common Stock when and as declared by the Board of Directors of the Corporation out of any funds legally available for the payment of dividends.

(j) Subject to the limitations set forth in subdivision (c) of this Article IV (and subject to the rights of any other class of stock hereafter authorized), upon any dissolution, liquidation or winding up of the Corporation, whether voluntary or involuntary, the net assets of the Corporation shall be distributed ratably to the holders of the Common Stock.

(k) Subject to the limitations set forth in subdivisions (f), (g), and (h) of this Article IV (and subject to the rights of any class of stock hereafter created), and except as may be otherwise provided by law, the holders of the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes.

(l) Upon the issuance for money or other consideration of any shares of capital stock of the Corporation, or of any security convertible into capital stock of the Corporation, no holder of shares of the capital stock, irrespective of the class or kind thereof, shall have any preemptive or other right to subscribe for, purchase, or receive any proportionate or other amount of such shares of capital stock, or such security convertible into capital stock, proposed to be issued; and the Board of Directors may cause the Corporation to dispose of all or any of such shares of capital stock, or of any such security convertible into capital stock, as and when said Board may determine, free of any such right, either by offering the same to the Corporation's then shareholders or by otherwise selling or disposing of such shares or other securities, as the Board of Directors may deem advisable.

(m) The Corporation from time to time, with the approving vote of the holders of at least a majority of its then outstanding shares of Common Stock, may authorize additional shares of its capital stock, with or without nominal or par value, including shares of such other class or classes, and having such designations, preferences, rights, and voting powers, or restrictions or qualifications thereof, as may be approved by such vote and be stated in amended or restated articles of incorporation executed and filed in the manner provided by law.

(n) The provisions of subdivision (l) and of this subdivision (n) of this Article IV shall not be changed unless the holders of at least a majority of the outstanding shares of Common Stock shall consent thereto in writing, or by vote at a meeting in the notice of which action on the proposed change shall have been set forth.

ARTICLE V.

Designation of Series Preferred Stock

7.75% SERIES CUMULATIVE PREFERRED STOCK, WITHOUT PAR VALUE.

7.75% Series Cumulative Preferred Stock, Without Par Value of the Corporation shall consist of 300,000 shares. Such series of Preferred Stock is hereinafter referred to as "Preferred Stock of the First Series, Without Par Value." Shares of Preferred Stock of the First Series, Without Par Value shall have the following relative rights and preferences in addition to those fixed in Article IV above:

a. The rate of dividend payable upon shares of Preferred Stock of the First Series, Without Par Value shall be 7.75 percent per annum. Dividends upon shares of Preferred Stock of the First Series, Without Par Value shall be cumulative from the date of original issue and shall be payable on the 15th day of January, April, July and October of each year thereafter.

b. Subject to the provisions of subdivision (d) of Article IV of the Articles, prior to June 15, 2002, and prior to June 15 in each year thereafter until June 15, 2006, so long as any of the Preferred Stock of the First Series, Without Par Value shall remain outstanding, the Corporation shall deposit with its Transfer Agent, as a Sinking Fund for the Preferred Stock of the First Series, Without Par Value, an amount sufficient to redeem a minimum of 15,000 shares of the Preferred Stock of the First Series, Without Par Value, plus an amount equal to dividends accrued thereon to each such June 15 and, in addition, the Corporation may, at its option, prior to each such June 15, deposit an amount sufficient to retire through the operation of the Sinking Fund not more than 15,000 additional shares of Preferred Stock of the First Series, Without Par Value, but the right to make such optional deposit shall not be cumulative and shall not reduce any subsequent mandatory Sinking Fund payment for the Preferred Stock o f the First Series, Without Par Value, and prior to June 15, 2007 the Corporation shall deposit with its Transfer Agent, as the final Sinking Fund payment, an amount sufficient to redeem all shares of the Preferred Stock of the First Series, Without Par Value outstanding on June 15, 2007. The Corporation shall not declare or pay or set apart for, or make or order any other distribution in respect of, or purchase or otherwise acquire for value any shares of, the Common Stock of the Corporation, or any class of stock as to which the Preferred Stock of the Corporation has priority as to payments of dividends, unless all amounts required to be paid or set aside for any Sinking Fund payment to retire shares of the Preferred Stock of the First Series, Without Par Value, shall have been paid or set aside. The Corporation's Transfer Agent shall, in accordance with the provisions set forth herein, apply the moneys in the Sinking Fund to redeem (i) pro rata, or by lot if so determined by the Board of Directors, on Jun e 15, 2002, and on June 15 in each year thereafter until June 15, 2006, shares of the Preferred Stock of the First Series, Without Par Value, and (ii) on June 15, 2007 all outstanding shares of Preferred Stock of the First Series, Without Par Value, in each case at One hundred Dollars ($100.00) per share plus dividends accrued to the date of redemption. The Corporation may, upon notice to its Transfer Agent prior to a date 45 days prior to June 15 in any year, commencing with the year 2002 through and including the year 2006, in which the Corporation shall be obligated to redeem shares of the Preferred Stock of the First Series, Without Par Value through the operation of the Sinking Fund, elect to reduce its obligation in respect of the redemption of shares required to be redeemed pursuant to the Sinking Fund by directing that any shares of the Preferred Stock of the First Series, Without Par Value previously purchased by the Corporation (other than shares purchased pursuant to the operation of the Sinking F und or previously applied as a credit against the Sinking Fund) shall be applied as a credit, in whole or in part, in an amount equal to the aggregate liquidation value of the shares so applied, against the aggregate liquidation value of the shares required to be redeemed in such year pursuant to the operation of the Sinking Fund.

c. The Preferred Stock of the First Series, Without Par Value shall not be subject to redemption, except pursuant to the Sinking Fund established for such Series.

d. In the event of (i) any voluntary dissolution, liquidation or winding up of the Corporation, holders of the Preferred Stock of the First Series, Without Par Value shall be entitled to be paid out of the net assets of the Corporation available for distribution to its shareholders One Hundred Dollars ($100.00) per share, plus unpaid accumulated dividends thereon, if any, to the date of payment, and no more, and (ii) any involuntary dissolution, liquidation or winding up of the Corporation, holders of the Preferred Stock of the First Series, Without Par Value shall be entitled to be paid out of the net assets of the Corporation One Hundred Dollars ($100.00) per share, plus unpaid accumulated dividends thereon, if any, to the date of payment, and no more.

ARTICLE VI.

Vacancy on Board of Directors

Any vacancy occurring on the Board of Directors, including a vacancy created by reason of an increase in the number of directors, may be filled by the affirmative vote of a majority of directors then in office, although less than a quorum, provided that so long as a default in preferred dividends shall exist, any vacancy in the office of a director elected by the holders of the Preferred Stock may be filled only as provided in subdivision (f) of Article IV.

ARTICLE VII.

Limitation of Liability

To the fullest extent permitted by law, no director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for conduct as a director. No amendment or repeal of this provision shall adversely affect any right or protection of a director existing at the time of such amendment or repeal. No change in the law shall reduce or eliminate the right and protections applicable at the time this provision became effective unless the change in law shall specifically require such reduction or elimination. If the law is amended, after this Article VII shall become effective, to authorize corporate action further eliminating or limiting the personal liability of directors, officers, employees or agents of the Corporation, then the liability of directors, officers, employees or agents of the Corporation shall be eliminated or limited to the fullest extent permitted by the law, as so amended.

ARTICLE VIII.

Indemnification

The Corporation may indemnify to the fullest extent permitted by law any person who is made or threatened to be made a party to, witness in, or otherwise involved in, any action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the Corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the Corporation or any of its subsidiaries, or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974, as amended, with respect to any employee benefit plan of the Corporation or any of its subsidiaries, or serves or served at the request of the Corporation as a director, officer, employee or agent, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. Any indemnification provided pursuant to this Article VIII shall not be exclusive of any rights to which the person in demnified may otherwise be entitled under any provision of articles of incorporation, bylaws, agreement, statute, policy of insurance, vote of shareholders or Board of Directors, or otherwise.

ARTICLE IX.

Shareholder Action Without a Meeting

Except as otherwise provided under these Articles of Incorporation and applicable law, and subject to restrictions on the taking of shareholder action without a meeting under applicable law or rules of a national securities association or exchange, action required or permitted by the Act to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by shareholders having not less than the minimum number of votes that would be necessary to take such action at a meeting at which all shareholders entitled to vote on the action were present and voted.

Exhibit 10.1

SEPARATION AGREEMENT

BETWEEN

ENRON CORP.

AND

PORTLAND GENERAL ELECTRIC COMPANY

Dated as of April 3, 2006

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SEPARATION AGREEMENT

SEPARATION AGREEMENT, dated as of April 3, 2006 (this "Agreement"), between Enron Corp., an Oregon corporation ("Enron"), and Portland General Electric Company, an Oregon corporation ("PGE"). Certain terms used in this Agreement are defined in Section 4.1.

W I T N E S S E T H:

WHEREAS, commencing on December 2, 2001, Enron and certain of its subsidiaries filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code; and

WHEREAS, prior to the execution and delivery of this Agreement, Enron owns all of the issued and outstanding common stock, par value $3.75 per share, of PGE (the "PGE Common Stock"); and

WHEREAS, Enron and PGE desire to enter into this Agreement in connection with the Stock Issuance which is occurring concurrently with the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

ARTICLE I

COVENANTS

1.1 Preservation of Records; Cooperation. Each of Enron and PGE shall preserve and keep in its possession all records held by it on and after the date hereof which may relate to the businesses of or any claim, action, investigation or proceeding involving the Enron Group, on the one hand, and the PGE Group, on the other hand, until the earlier of (x) seven (7) years from the date of this Agreement or (y) the closing of the Bankruptcy Cases, or such longer period as may be required by Applicable Law or any other Transaction Document, and shall make such records and then existing personnel available to the other party as may reasonably be requested by such party in connection with, among other things, any insurance claims, legal proceedings, or governmental investigations of the Enron Group or the PGE Group or in order to enable Enron or PGE to comply with their respective obligations under this Agreement and each other agreement, document or instrument contemplated hereby or thereby; provided, however, that in no event shall the Enron Group or the PGE Group be obligated to provide any information (i) the disclosure of which would jeopardize any privilege available to the Enron Group or the PGE Group, as applicable, relating to such information, (ii) the disclosure of which would cause the Enron Group or the PGE Group, as applicable, to breach a confidentiality obligation to which it is bound or (iii) the disclosure of which would cause the Enron Group or the PGE Group, as applicable, to be in violation of Applicable Law. After the expiration of any applicable retention period, before any party shall dispose of any of such records, at least ninety (90) days' prior notice to such effect shall be given by such party to the other party hereto (or a Person designated by such party) and such party shall have the opportunity (but not the obligation), at its sole cost and expense, to remove and retain all or any part of such records as it may in it s sole discretion select. From and after the date of this Agreement and until the Final Release Date, each of Enron and PGE shall, and shall cause each of its Subsidiaries to, (A) provide the other party with notice of any governmental inquiries or investigations or any litigation initiated against the Enron Group or the PGE Group, as applicable, which may relate to the business, assets or operations of any member of the Enron Group or the PGE Group, as applicable, and (B) make good faith efforts to provide such other party with information which such party believes to be beneficial to such other party in connection with investigations of or matters involving claims against the Enron Group or the PGE Group, as applicable; provided, however, that in no event shall the Enron Group or the PGE Group, as applicable, be obligated to provide any information (i) the disclosure of which would jeopardize any privilege available to the Enron Group or the PGE Group, as applicable, relating t o such information, (ii) the disclosure of which would cause the Enron Group or the PGE Group, as applicable, to breach a confidentiality obligation to which it is bound or (iii) the disclosure of which would cause the Enron Group or the PGE Group, as applicable, to be in violation of Applicable Law.

1.2 Confidentiality.

a. Subject to Section 1.2(c), Enron shall not, and shall cause its Affiliates and their respective officers, directors, employees, attorneys and other agents and representatives, including attorneys, agents and other representatives of any Person providing financing (collectively, "Representatives"), not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person other than Representatives of Enron or of its Affiliates who reasonably need to know such information in providing services to any member of the Enron Group, any PGE Confidential Information (as defined below). For purposes of this Section 1.2, any information, material or documents relating to the businesses currently or formerly conducted by the PGE Group furnished to or in possession of the Enron Group, irrespective of the form of communication, and all notes, analyses, compilations, forecasts, data, translations, studies, memoranda or other documents prepared by the Enron Group and their res pective Representatives, that contain or otherwise reflect such information, material or documents is hereinafter referred to as "PGE Confidential Information". "PGE Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that (i) is or becomes generally available to the public, other than as a result of a disclosure by Enron not otherwise permissible hereunder, (ii) is deemed by Enron to be necessary or appropriate to disclose in connection with (A) the administration of the Bankruptcy Cases, (B) any investigation, proceeding or litigation, including, but not by means of limitation, any such investigation, proceeding or litigation related to ERISA or federal income tax liability, or (C) one or more Releases, including without limitation obtaining consents in connection with such Releases, or (iii) Enron can demonstrate was or became available to Enron from a source other than the PGE Group; provided, however, that, in the case of clause (iii), the source of such information was not known by Enron to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the PGE Group with respect to such information. For the avoidance of doubt, PGE Confidential Information includes all electronic information, including emails, prepared by the PGE Group or the Enron Group, including any electronic information which may reside on systems in which the Enron Group has an ownership interest, which are controlled, in whole or in part, by the Enron Group, or to which the Enron Group has access.
b. Subject to Section 1.2(c), PGE shall not, and shall cause its Subsidiaries and their respective Representatives, not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person other than Representatives of such party or of its Affiliates who reasonably need to know such information in providing services to the PGE Group or use or otherwise exploit for its own benefit or for the benefit of any third party, any Enron Confidential Information (as defined below). For purposes of this Section 1.2, any information, material or documents relating to the businesses currently or formerly conducted by the Enron Group furnished to or in possession of the PGE Group, irrespective of the form of communication, and all notes, analyses, compilations, forecasts, data, translations, studies, memoranda or other documents prepared by the PGE Group or their respective Representatives, that contain or otherwise reflect such information, material or documents is hereinafter refer red to as "Enron Confidential Information". "Enron Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that (i) is or becomes generally available to the public, other than as a result of a disclosure by the PGE Group not otherwise permissible hereunder, or (ii) PGE can demonstrate was or became available to PGE from a source other than the Enron Group; provided, however, that, in the case of clause (ii), the source of such information was not known by PGE to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Enron Group with respect to such information. For the avoidance of doubt, Enron Confidential Information includes all electronic information, including emails, prepared by any member of the Enron Group or the PGE Group, including any electronic information which may reside on systems in which the PGE Group has an ownership interest , are controlled, in whole or in part, by the PGE Group, or to which the PGE Group has access.
c. If Enron, on the one hand, or PGE, on the other hand, is requested or required (by oral question, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) by any Governmental Authority to disclose any PGE Confidential Information or Enron Confidential Information, as applicable, the Person receiving such request or demand shall use all reasonable efforts to provide the other party with written notice of such request or demand as promptly as practicable under the circumstances so that such other party shall have an opportunity to seek an appropriate protective order. The party receiving such request or demand agrees to take, and cause its representatives to take, all other reasonable steps necessary to obtain confidential treatment by the recipient. The covenants and agreements of the parties set forth in Sections 1.2(a), (b) and (c) shall survive for a period of two (2) years after the date of this Agreement.

1.3 Use of Name.

a. PGE shall not have any right, title or interest in the name "Enron" (or any variation thereof) or any trademarks, trade names, logo or symbols related thereto. As soon as reasonably practicable following the date of this Agreement (and in any event, within three hundred sixty five (365) days thereafter), PGE shall, to the extent applicable, amend its organizational documents and the organizational documents of any Subsidiary to the extent necessary to remove the "Enron" name (and any variation thereof) from its name and to remove, at the sole expense of PGE, all trademarks, trade names, logos and symbols related to the name "Enron" from any properties and assets (including all signs) that are visible to, or obtainable by, members of the public.

b. Enron shall not have any right, title or interest in the name "Portland General Electric" (or any variation thereof) or any trademarks, trade names, logos or symbols related thereto. As soon as reasonably practicable following the date of this Agreement (and in any event, within three hundred and sixty-five (365) days thereafter), Enron shall, to the extent applicable, amend its organizational documents and the organizational documents of any Subsidiary to the extent necessary to remove the "Portland General Electric" name (and any variation thereof) from its name and to remove, at the sole expense of Enron, all trademarks, trade names, logos and symbols related to the name "Portland General Electric" from any properties and assets (including all signs) that are visible to, or obtainable by, members of the public.

1.4 Intercompany Amounts and Agreements.

a. Immediately prior to the execution and delivery of this Agreement, PGE has caused any amounts owed by any member of the Enron Group to any member of the PGE Group (whether liquidated or unliquidated, known or unknown, but excluding obligations under any Transaction Document and amounts for Tax return services provided by PGE in an aggregate amount not in excess of $20,000) to be released, dividended or otherwise distributed to Enron. To the extent any such amount has not otherwise been expressly released, dividended or distributed as provided in the immediately preceding sentence, this Agreement constitutes a full release thereof by and on behalf of each member of the PGE Group. In addition, this Agreement constitutes a full release by and on behalf of each member of the Enron Group of any amounts owed by any member of the PGE Group to any member of the Enron Group (whether liquidated or unliquidated, known or unknown, but excluding obligations under any Transaction Document). Subject to the prov isions of Section 1.4(b), all agreements between any member of the Enron Group, on the one hand, and any member of the PGE Group, on the other hand (other than any Transaction Document), are hereby terminated.
b. The Tax Allocation Agreement is hereby terminated effective as of the date hereof; provided, however, that notwithstanding such termination or Section 6.1(a) of the Tax Allocation Agreement to the contrary, the Tax Allocation Agreement shall continue to apply for the sole purpose of determining the amount of any payment due under the Tax Allocation Agreement by Enron or the PGE Group to the other, as the case may be, for any Tax year (or portion thereof) beginning on or after January 1, 2005, and ending on or before the date of this Agreement (the "Short Period Amount"). If the parties cannot agree upon the Short Period Amount on or before March 15, 2007, such dispute shall be submitted to an independent nationally recognized accounting firm mutually acceptable to both Enron and PGE for a determination of the Short Period Amount and such determination shall be binding upon the parties. The Short Period Amount, as so determined, will remain an obligation of Enron or the PGE Group, as the case may be, until satisfied. For the avoidance of doubt, notwithstanding any other provision of the Tax Allocation Agreement, (i) the Parties shall have no additional obligation to each other with respect to adjustments (after the date hereof) to consolidated Tax liability pursuant to Article V of the Tax Allocation Agreement (relating to taxable years for which the statute of limitations for assessment or collection of Tax has not expired) and (ii) Article II of the Tax Allocation Agreement shall survive the termination of the Tax Allocation Agreement (as provided in section 2.2(b) of the Tax Allocation Agreement) with respect to any Tax year (or portion thereof) ending on or prior to termination of the Tax Allocation Agreement.

1.5 Further Assurances. Each of Enron and PGE agree that each of them will, and will cause their respective Affiliates to, execute and deliver such instruments and take such other commercially reasonable action as may reasonably be requested by any party hereto to carry out the purposes and intents hereof.

1.6 The Plan and Stock Issuance.

a. PGE shall take all actions necessary to ensure that all shares of its capital stock being issued in the Stock Issuance pursuant to the Plan are duly authorized, validly issued, fully paid and nonassessable and free of any preemptive (or similar) rights. As soon as practicable after the execution and delivery of this Agreement, PGE shall cause its transfer agent to mail to the recipients of its capital stock certificates (as directed by Stephen Forbes Cooper LLC or its successor under the Plan) for the applicable number of shares, unless the transfer agent uses a book entry system of stock recordkeeping, in which case no certificates for shares of New PGE Common Stock shall be issued unless a shareholder so requests.
b. The appropriate procedures in connection with any Release Date shall be governed by the terms of the Plan. All expenses incurred by PGE in connection with a Release, including expenses incurred in preparing, filing with the SEC, and obtaining an effective order with respect to the registration of the class of New PGE Common Stock pursuant to the Securities Exchange Act, shall be borne by PGE.

ARTICLE II

CONCURRENT DELIVERIES AND TRANSACTIONS

2.1 Documents Delivered by the Enron Group. Concurrently with the execution and delivery of this Agreement, Enron is delivering, or causing to be delivered, to PGE or the other appropriate parties originally executed versions of each of the Transaction Documents executed by all parties thereto other than PGE.

2.2 Documents to Be Delivered by PGE. Concurrently with the execution and delivery of this Agreement, PGE is delivering to Enron or the other appropriate parties originally executed versions of each of the Transaction Documents executed by PGE.

2.3 Stock Issuance. Concurrently with the execution and delivery of this Agreement, the Stock Issuance is occurring. In order to effect the Stock Issuance, (i) PGE is canceling all shares of PGE Common Stock heretofore owned by Enron (and Enron hereby directs PGE to effect such cancellation), (ii) PGE is issuing the New PGE Common Stock to Stephen Forbes Cooper LLC and to other Persons pursuant to the Plan.

ARTICLE III

INDEMNIFICATION

3.1 Tax Indemnification.

a. Enron hereby agrees to indemnify and hold the PGE Indemnified Parties harmless from and against any and all Taxes of any member of the PGE Group that are imposed upon such member of the PGE Group by reason of such member of the PGE Group being severally liable for any Taxes of any member of the Enron Group which is not a member of the PGE Group pursuant to Treasury Regulation Section 1.1502-6(a) or any analogous state, local or foreign law; provided, that such Taxes are (x) imposed upon or assessed against any PGE Indemnified Party or the assets or the properties thereof and (y) assessed before assessment of such Tax is barred under the applicable statute of limitations relating to such Tax and provided, further, that the indemnity set forth in this Section 3.1(a) shall not affect the obligation of any member of the PGE Group to make payments pursuant to any order of the Bankruptcy Court, the Tax Allocation Agreement or any other agreement between any me mber of the Enron Group, on one hand, and any member of the PGE Group, on the other hand, to allocate liability for Taxes.
b. Enron also shall indemnify and hold harmless the PGE Indemnified Parties from and against any Liabilities (other than Taxes assessed on any indemnification payment received by the PGE Indemnified Parties pursuant to this Article III) incurred in connection with the Taxes for which Enron is responsible to indemnify the PGE Indemnified Parties pursuant to Section 3.1(a).

3.2 Employee Benefits Indemnification. Enron hereby agrees to indemnify and hold the PGE Indemnified Parties harmless from and against any and all Liabilities arising out of any employee benefit plan sponsored by Enron or its ERISA Affiliates (other than members of the PGE Group) that are imposed upon or assessed against a member of the PGE Group or the assets thereof (i) under Title IV of ERISA or (ii) due to participating employer status in the Enron Corp. Savings Plan; provided, that such Liabilities are not barred from recovery under the relevant statute of limitations and provided, further, that the indemnity set forth in this Section 3.2 shall not affect the obligation of any member of the PGE Group to make payments pursuant to any order of the Bankruptcy Court or any other agreement between any member of the Enron Group, on one hand, and any member of the PGE Group, on the other hand, relating to the al location of costs of providing employee benefits to the employees of the PGE Group.

3.3 Indemnification Procedures. All claims for indemnification under this Article III shall be resolved as follows:

a. A party claiming indemnification under this Agreement (an "Indemnified Party") shall promptly (i) notify the party from whom indemnification is sought (the "Indemnifying Party") of any Third Party Claim asserted against the Indemnified Party which could give rise to a right of indemnification under this Agreement and (ii) transmit to the Indemnifying Party a written notice ("Claim Notice") describing the nature of the Third Party Claim, a copy of all papers served with respect to such claim (if any), and the basis of the Indemnified Party's request for indemnification under this Agreement.
b. Within ten (10) days after receipt of any Claim Notice (the "Election Period"), the Indemnifying Party shall notify the Indemnified Party (i) whether the Indemnifying Party disputes its potential liability to the Indemnified Party under this Agreement with respect to such Third Party Claim and (ii) whether the Indemnifying Party desires, at the sole cost and expense of the Indemnifying Party, to defend the Indemnified Party against such Third Party Claim.
c. If the Indemnifying Party notifies the Indemnified Party within the Election Period that the Indemnifying Party elects to assume the defense of the Third Party Claim, then the Indemnifying Party shall have the right to defend, at its sole cost and expense, such Third Party Claim by all appropriate proceedings, which proceedings shall be prosecuted diligently by the Indemnifying Party to a final conclusion or settled at the discretion of the Indemnifying Party in accordance with this Section 3.3 The Indemnifying Party shall have full control of such defense and proceedings including any compromise or settlement thereof; provided, however, that any such compromise or settlement that imposes any material limitation on the business activities of the Enron Group or the PGE Group, as the case may be, shall be subject to the consent of the Indemnified Party (such consent not to be unreasonably withheld, delayed or conditioned). If requested by the Indemnifying Party, the Indemnified Pa rty shall cooperate with the Indemnifying Party and its counsel in contesting any Third Party Claim which the Indemnifying Party elects to contest, including, without limitation, the making of any related counterclaim against the Person asserting the

Third Party Claim or any cross-complaint against any Person; provided, that the Indemnifying Party shall pay the reasonable, out-of-pocket expenses incurred by the Indemnified Party in connection therewith. The Indemnified Party may participate in, but not control, any defense or settlement of any Third Party Claim controlled by the Indemnifying Party pursuant to this Section 3.3 and, except as provided in the preceding sentence, shall bear its own costs and expenses with respect to such participation.

d. If the Indemnifying Party fails to notify the Indemnified Party within the Election Period that the Indemnifying Party elects to defend the Indemnified Party pursuant to this Section 3.3 then the Indemnified Party shall have the right to defend the Third Party Claim, at the sole cost and expense of the Indemnifying Party. The Indemnified Party shall have full control of such defense and proceedings; provided, however, that the Indemnified Party may not enter into, without the Indemnifying Party's consent, which shall not be unreasonably withheld, conditioned or delayed, any compromise or settlement of such Third Party Claim. The Indemnifying Party may participate in, but not control, any defense or settlement controlled by the Indemnified Party pursuant to this Section 3.3 and the Indemnifying Party shall bear its own costs and expenses with respect to such participation.
e. Payments of all amounts owing by the Indemnifying Party pursuant to Sections 3.3(c) and (d) shall be made not later than thirty (30) days after the latest of (A) the settlement of the Third Party Claim, (B) the expiration of the period for appeal of a final adjudication of such Third Party Claim or (C) the expiration of the period for appeal of a final adjudication of the Indemnifying Party's liability to the Indemnified Party under this Agreement.
f. The failure to provide notice as provided in this Section 3.3 shall not excuse any party from its continuing obligations hereunder; provided, however, any claim shall be reduced by the damages resulting from such party's delay or failure to provide notice as provided in this Section 3.3

3.4 Limitation on Indemnification.

a. Enron's obligations to indemnify pursuant to Section 3.1 and 3.2 shall terminate upon the closing of the Bankruptcy Cases. Notwithstanding the foregoing, any matter as to which a Claim Notice has been delivered to the Indemnifying Party that is pending or unresolved as of the date on which the corresponding obligation to indemnify otherwise terminates pursuant to this Section 3.4 shall continue to be covered by this Article III until such matter is finally terminated or otherwise resolved by the parties under this Agreement or by a court of competent jurisdiction and any amounts payable hereunder are finally determined and paid.
b. The aggregate amount of Liabilities for which indemnification is provided under this Article III shall be net of any amounts actually recovered by the Indemnified Party under any insurance policies and shall be reduced to take account of any net tax benefit actually realized by the Indemnified Party arising from the incurrence of such Liability.

3.5 Remedies Exclusive. EXCEPT FOR ANY PARTIES' RIGHT TO SEEK INJUNCTIVE RELIEF FOR A BREACH OF SECTION 1.2, THE PARTIES ACKNOWLEDGE AND AGREE THAT THE REMEDIES SET FORTH IN THIS ARTICLE III, INCLUDING THE DISCLAIMERS AND LIMITATIONS ON SUCH REMEDIES, ARE INTENDED TO BE, AND SHALL BE, THE SOLE AND EXCLUSIVE REMEDIES UNDER THIS AGREEMENT.

ARTICLE IV

DEFINITIONS

4.1 Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 4.1:

"Action" means any action, suit, arbitration, claim, inquiry, proceeding or investigation by or before any Governmental Authority of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

"Affiliate" (and, with a correlative meaning "affiliated") means, with respect to any Person, any direct or indirect subsidiary of such Person, and any other Person that directly, or through one or more intermediaries, controls or is controlled by or is under common control with such first Person; provided, however, that no member of the PGE Group shall be deemed an Affiliate of any member of the Enron Group for purposes of this Agreement; and provided, further, that no member of the Enron Group shall be deemed an Affiliate of any member of the PGE Group for purposes of this Agreement. As used in this definition, "control" (including with correlative meanings, "controlled by" and "under common control with") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by Contract or otherwise).

"Agreement" shall have the meaning set forth in the preamble hereto.

"Applicable Law" means, with respect to any Person, any Law applicable to such Person or its business, properties or assets.

"Bankruptcy Cases" means the chapter 11 cases commenced by Enron and certain of its direct and indirect subsidiaries on or after December 2, 2001 (including any case commenced after the date of this Agreement), jointly administered under Case No. 01-16034-(AJG).

"Bankruptcy Code" means title 11 of the United States Code, as amended.

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or any other court having jurisdiction over the Bankruptcy Cases from time to time.

"Claim Notice" shall have the meaning set forth in Section 3.3(a).

"Contract" means any written contract, indenture, note, bond, loan, instrument, lease, commitment or other agreement.

"Election Period" shall have the meaning set forth in Section 3.3(b).

"Enron" shall have the meaning set forth in the preamble hereto.

"Enron Confidential Information" shall have the meaning set forth in Section 1.2(b).

"Enron Group" means Enron and each Person that is an Affiliate of Enron immediately after the execution and delivery of this Agreement. For sake of clarity, it is expressly agreed that "Enron Group" does not include PGE or its Subsidiaries.

"Enron Indemnified Parties" means each member of the Enron Group and their respective directors, officers, employees, Affiliates, agents, representatives, successors and assigns.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with Enron, is treated as a single employer under Section 414(b) or (c) of the Internal Revenue Code of 1986, as amended.

"Final Release Date" shall mean the date on which the final Release occurs.

"Governmental Authority" means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any governmental authority, agency, department, board, commission or instrumentality of the United States, any state of the United States or any political subdivision thereof, and any tribunal, court or arbitrator(s) of competent jurisdiction, and shall include the Bankruptcy Court.

"Indemnified Party" shall have the meaning set forth in Section 3.3(a).

"Indemnifying Party" shall have the meaning set forth in Section 3.3(a).

"Law" means any federal, state or local law (including common law), statute, code, ordinance, rule, regulation, order, judgment or other requirement enacted, promulgated, issued or entered by a Governmental Authority.

"Liabilities" means any and all debts, losses, liabilities, claims (including claims as defined in the Bankruptcy Code), damages, expenses, fines, costs, royalties, proceedings, deficiencies or obligations (including those arising out of any Action, such as any settlement or compromise thereof or judgment or award therein), of any nature, whether known or unknown, absolute, accrued, contingent or otherwise and whether due or to become due, and whether or not resulting from Third Party Claims, and any reasonable out-of-pocket costs and expenses (including reasonable legal counsels', accountants', or other fees and expenses incurred in defending any Action or in investigating any of the same or in asserting any rights hereunder), but not including consequential, exemplary, special, incidental and punitive damages and loss of revenue or income, cost of capital, and loss of business reputation or opportunity.

"New PGE Common Stock" means the 62,500,000 shares of common stock, without par value, of PGE issued pursuant to the Plan.

"Person" means and includes natural persons, corporations, limited partnerships, limited liability companies, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and all Governmental Authorities.

"PGE" has the meaning set forth in the preamble hereto.

"PGE Common Stock" shall have the meaning set forth in the recitals hereto.

"PGE Confidential Information" shall have the meaning set forth in Section 1.2(a).

"PGE Group" means PGE, each Subsidiary of PGE immediately after the execution and delivery of this Agreement and each other Person that is either controlled directly or indirectly by PGE immediately after the execution and delivery of this Agreement.

"PGE Indemnified Parties" means each member of the PGE Group and their respective Representatives, successors and assigns.

"Plan" means the Joint Plan of Affiliated Debtors pursuant to Chapter 11 of the Bankruptcy Code for Enron Corp., dated January 9, 2004, including, without limitation, the exhibits and schedules attached thereto, as the same may be modified and supplemented from time to time.

"Release" means any release by Stephen Forbes Cooper LLC (or its successor under the Plan) of shares of New PGE Common Stock pursuant to the Plan.

"Release Date" means any date on which a Release occurs.

"Representatives" shall have the meaning set forth in Section 1.2(a).

"SEC" means the Securities and Exchange Commission.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Stock Issuance" means the issuance of New PGE Common Stock that is occurring pursuant to the Plan concurrently with the execution and delivery of this Agreement.

"Subsidiary" or "subsidiary" means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (a) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities of such entity, (ii) the total combined equity interests, or (iii) the capital or profit interests, in the case of a partnership; or (b) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"Tax" means all federal, state, provincial, territorial, municipal, local or foreign income, profits, franchise, gross receipts, environmental (including taxes under Code Section 59A), customs, duties, net worth, sales, use, goods and services, withholding, value added, *ad valorem*, employment, social security, disability, occupation, pension, real property, personal property (tangible and intangible), stamp, transfer, conveyance, severance, production, excise and other taxes, withholdings, duties, levies, imposts and other similar charges and assessments (including any and all fines, penalties and additions attributable to or otherwise imposed on or with respect to any such taxes, charges, fees, levies or other assessments, and interest thereon) imposed by or on behalf of any Taxing Authority, in each case whether such Tax arises by Law, Contract or otherwise.

"Tax Allocation Agreement" means that certain Tax Allocation Agreement dated on or about December 23, 2002 between Enron and members of the PGE Group.

"Taxing Authority" means any Governmental Authority exercising any authority to impose, regulate, levy, assess or administer the imposition of any Tax.

"Third Party Claim" means any claim brought by any Person other than a member of the Enron Group, the PGE Group or their respective Affiliates.

"Transaction Documents" means this Agreement and the documents necessary to effect the Stock Issuance.

4.2 Other Terms. Other terms may be defined elsewhere in this Agreement and, unless otherwise indicated, shall have such meaning throughout this Agreement.

ARTICLE V

MISCELLANEOUS

5.1 Survival of Covenants and Agreements. The covenants and agreements of the parties made herein or in any other agreement delivered pursuant to this Agreement shall survive the execution and delivery of this Agreement for the applicable period set forth therein.

5.2 Expenses. Except as otherwise set forth in Sections 1.1 and Article III (or except as expressly provided in any other Transaction Document), each party shall bear all expenses incurred by it in connection with this Agreement, the Transaction Documents and each other agreement, document and

instrument contemplated by this Agreement and the consummation of the transactions contemplated hereby and thereby.

5.3 Incorporation of Exhibits and Schedules. The exhibits and schedules identified in this Agreement are incorporated herein by reference and made a part hereof. Any information disclosed on any schedule hereto shall be deemed disclosed for all schedules hereto. Any matter disclosed in any section of a schedule shall be deemed disclosed in each section of such schedule.

5.4 Submission to Jurisdiction; Consent to Service of Process.

a. Without limiting any party's right to appeal any Order of the Bankruptcy Court, (i) the Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby, and (ii) any and all Actions related to the foregoing shall be filed and maintained only in the Bankruptcy Court, and the parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court and shall receive notices at such locations as indicated in Section 5.11; provided, however, that if the Bankruptcy Cases have closed, the parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the Southern District of Texas sitting in Harris County or the Civil Trial Division of the District Courts of the State of Texas sitting in Harris County and any appellate court from any thereof, for the resolution of any such claim or dispute.
b. The parties hereby unconditionally and irrevocably waive, to the fullest extent permitted by Applicable Law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby brought in any court specified in paragraph (a) above, or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.
c. Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, Action or proceeding by the mailing of a copy thereof in accordance with the provisions of Section 5.11.

5.5 Waiver of Jury Trial. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT THEY MAY HAVE TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION, OR IN ANY LEGAL PROCEEDING, DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTIES WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

5.6 No Consequential or Punitive Damages. No party hereto (or its Affiliates) shall, under any circumstance, be liable to any other party (or its Affiliates) for any consequential, exemplary, special, incidental or punitive damages claimed by such other party under the terms of or due to any breach of this Agreement, including, but not limited to, loss of revenue or income, cost of capital, or loss of business reputation or opportunity.

5.7 Entire Agreement; Amendments and Waivers. This Agreement (including the schedules and exhibits hereto) and the other Transaction Documents represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of suc h breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law. In the event of any conflict between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall govern.

5.8 Governing Law. THIS AGREEMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT, AND ANY CLAIM OR CONTROVERSY DIRECTLY OR

INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL IN ALL RESPECTS BE GOVERNED BY AND INTERPRETED, CONSTRUED, AND DETERMINED IN ACCORDANCE WITH, THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE AND THE INTERNAL LAWS OF THE STATE OF TEXAS (WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THAT WOULD REQUIRE THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION).

5.9 Table of Contents and Headings. The table of contents and section headings of this Agreement are for reference purposes only and are to be given no effect in the construction or interpretation of this Agreement.

5.10 No Strict Construction. The parties to this Agreement have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement or any other Transaction Document, this Agreement or such other Transaction Documents shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring a party by virtue of the authorship of any of the provisions of this Agreement or such other Transaction Documents.

5.11 Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed duly given (i) when delivered personally or by prepaid overnight courier, with a record of receipt, (ii) the fourth day after mailing if mailed by certified mail, return receipt requested, or (iii) the day of transmission, if sent by facsimile or telecopy during regular business hours, or the day after transmission, if sent after regular business hours (with a copy promptly sent by prepaid overnight courier with record of receipt or by certified mail, return receipt requested), to the parties at the following addresses or telecopy numbers (or to such other address or telecopy number as a party may have specified by notice given to the other party pursuant to this provision or, in the case of the Enron Group, as specified in the Plan):

If to the Enron Group, to:

Enron Corp.
Four Houston Center
1221 Lamar, Suite 1600
Houston, TX 77010
Attn: General Counsel
Facsimile: (713) 646-5847

with a copy to:

Weil, Gotshal & Manges LLP
200 Crescent Court
Suite 300
Dallas, Texas 75201
Attention: R. Jay Tabor
Facsimile: (214) 746-7777

If to PGE, to:

Portland General Electric Company
121 SW Salmon Street
Portland, OR 97204
Attention: General Counsel
Facsimile: (503) 778-5566

5.12 Severability. If any provision of this Agreement is invalid or unenforceable, the balance of this Agreement shall remain in effect.

5.13 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns, including, with respect to Enron, any reorganized debtor entity or plan administrator appointed pursuant to the Plan. Except as set forth in Article V, nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by Enron or PGE (by operation of law or otherwise) without the prior written consent of the other party hereto and any attempted assignment without the required consents shall be void.

5.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

ENRON CORP.

By: /s/ K. Wade Cline

K. Wade Cline

Managing Director and General Counsel

PORTLAND GENERAL ELECTRIC COMPANY

By: /s/ James J. Piro

James J. Piro

Executive Vice President Finance, CFO and Treasurer