

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) June 15, 2005

**PORTLAND GENERAL ELECTRIC COMPANY**

(Exact name of registrant as specified in its charter)

<b>Oregon</b>	<b>Commission File Number</b>	<b>93-0256820</b>
(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 - Registrant's Business and Operations**

**Item 1.01 Entry into a Material Definitive Agreement.**

## **Severance Pay Plan for Executive Employees**

### **Portland General Electric Company Severance Pay Plan for Executive Employees**

On June 15, 2005, the Compensation Committee of the Board of Directors of Portland General Electric Company (PGE, or the Company) adopted the Portland General Electric Company Severance Pay Plan for Executive Employees (Severance Plan), which is summarized below. A copy of the Severance Plan is attached hereto as Exhibit 10.1.

#### **Purpose**

The purpose of the Severance Plan is to define the benefits provided to executive employees whose employment is permanently terminated by PGE as a result of (i) a corporate, departmental or work group reorganization, including without limitation, a position elimination, or (ii) similar business circumstances, as determined by the Company (any such event a Reorganization).

#### **Eligibility to Participate**

Employees are eligible to participate in the Severance Plan if they are regular full-time executives employed by PGE or a participating affiliate at a level of vice president or above unless they:

- are covered under the provisions of another severance pay plan that provides for a form of severance remuneration upon termination of employment; or
- have a written employment contract that provides for a form of severance remuneration upon termination of employment.

#### **Eligibility for Benefits**

To be eligible to receive severance benefits under the Severance Plan, an eligible executive must:

- suffer a permanent termination of employment from the Company or a participating affiliate in connection with a Reorganization; and
- execute a waiver and release in favor of the Company and its affiliates, within the time limit, and on the form prescribed by the Company.

Generally, to receive benefits under the Severance Plan, the eligible executive must suffer an involuntary employment termination (other than for "cause" (as defined in the Severance Plan), death or disability). However, if an eligible executive's employment terminates following a refusal to accept the offer of another position within the Company or with a portion of the Company that has or is proposed to be divested, or any purchaser of such portion of the Company or any affiliate thereof (a Divested Employer) and such employment termination would otherwise qualify the executive for severance benefits, such executive would be eligible for severance if the position either:

- did not provide compensation at least equal to the executive's then existing base salary or rate of compensation (or if a sign-on bonus was offered, when combined with such existing base salary or rate of compensation was not at least one-hundred twenty-five percent (125%) of the executive's then existing base salary or hourly rate of compensation); or
- located more than fifty (50) miles from the executive's place of employment at the time of such offer, or would require the executive to travel more than an additional fifty (50) miles farther than the executive's place of employment at the time of such offer (excluding any such travel that may be consistent with the executive's business travel obligations) without relocation benefits that are equivalent to the relocation benefits the executive would be entitled to under the existing relocation policy of the Company or a participating affiliate then applicable to the executive.

If an offer of employment is made by the Company or a Divested Employer that does not meet the above requirements and an executive's employment is terminated following his or her refusal to accept such offer, the executive is not eligible for severance benefits under the Severance Plan.

Similarly, an executive is not eligible for severance benefits under the Severance Plan if the executive's employment is terminated (i) for cause, (ii) in connection with a short-term layoff in which the executive is subject to recall within a reasonable time, (iii) if executive will receive other severance or termination benefits outside of the Severance Plan (e.g., an enhanced retirement package), or (iv) if the Company's chief executive officer determines in writing that severance will not be paid (e.g., in connection with a particular business transaction).

#### **Amount of Benefit**

The severance benefit ranges from 13 to 52 weeks of base pay, depending on years of service as shown on the chart below, and is payable in a lump sum no later than 60 days following employment termination (or, if later, the date any revocation period expires on the required waiver and release).

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<b>Years of Service</b>	<b>Severance Benefit</b>
Up to 2 years of service	13 weeks of base pay
2 years of service, but less than 3 years	26 weeks of base pay
3 years of service, but less than 4 years	39 weeks of base pay
4 or more years of service	52 weeks of base pay

If an executive receives additional remuneration, by virtue of the federal Worker Adjustment Retraining Notification Act, such amount is offset against the severance benefit amount.

If, within one year following termination of employment, an executive who has received severance benefits under the Severance Plan is rehired by the Company or by a Divested Employer or any of their affiliates, the executive must refund to the Company the severance benefits received less the amount of base pay the executive would have received had the executive remained employed at his or her base pay at termination until the date of his or her reemployment or employment.

If an executive who has received severance benefits from the Company under the Severance Plan or any other arrangement is reemployed by the Company or an affiliate, service used in calculating the severance pay (excluding any service attributable to any severance pay refunded by the executive) is not used in any subsequent severance pay calculation under the Severance Plan.

### **Amendment or Termination of Severance Plan**

The Company has reserved the right to amend or terminate the Severance Plan at any time. If the Severance Plan is terminated, all severance benefits in "pay status" will be paid but any other right to severance benefits shall cease.

### **Outplacement Assistance Plan**

#### **Portland General Electric Company Outplacement Assistance Plan**

On June 15, 2005, the Compensation Committee of the Board of Directors of PGE adopted the Portland General Electric Company Outplacement Assistance Plan (Outplacement Plan). Although both management employees (including executive officers) and non-management employees participate in the Outplacement Plan, the summary below explains how the Outplacement Plan operates only with respect to the Company's executive officers. The main difference in benefits provided under the Outplacement Plan is that management employees receive outplacement benefits for a guaranteed minimum time period in the event of a Reorganization (defined below). A copy of the Outplacement Plan is attached hereto as Exhibit 10.2.

#### **Purpose**

The purpose of the Outplacement Plan is to provide outplacement benefits to eligible employees whose employment is permanently terminated as a result of a (i) a corporate, departmental or work group reorganization, including without limitation, a position elimination, or (ii) similar business circumstances, as determined by the Company (any such event a Reorganization).

#### **Eligibility to Participate**

Executives receiving benefits under the Severance Plan are eligible for benefits under the Outplacement Plan. Former employees who would have been eligible for severance benefits under the Severance Plan except that they accepted employment with a portion of the Company that has or is proposed to be divested, or any purchaser of such portion of the Company or any affiliate thereof (a Divested Employer) are also eligible for benefits under the Outplacement Plan if their employment with such Divested Employer is involuntarily terminated without "cause" (as defined in the Outplacement Plan) within 12 months after their employment with the Company or a participating affiliate has terminated.

#### **Eligibility to Receive Benefits**

To receive benefits, an eligible executive must initiate outplacement services no later than thirty days after employment terminates with the Company, a participating affiliate or a Divested Employer. Eligible executives are not eligible for pay in lieu of outplacement benefits.

#### **Description of Benefits**

The Plan provides for the Company to pay for outplacement benefits offered by a provider selected by the Company for an initial three month period with the ability to extend for at least one additional three month period. In no event will outplacement benefits be provided for a period in excess of 12 months.

## Amendment or Termination of Severance Plan

The Company has reserved the right to amend or terminate the Outplacement Plan at any time.

## Section 9 - Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

#### Exhibit Description

#### **(10) Material Contracts**

10.1 Portland General Electric Company Severance Pay Plan for Executive Employees, dated June 15, 2005

10.2 Portland General Electric Company Outplacement Assistance Plan, dated June 15, 2005

## 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)

June 17, 2005	By:	/s/ James J. Piro
		James J. Piro Executive Vice President, Finance Chief Financial Officer and Treasurer

June 17, 2005	By:	/s/ Kirk M. Stevens
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		<p>Kirk M. Stevens Controller and Assistant Treasurer</p>
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PORTLAND GENERAL ELECTRIC COMPANY  
SEVERANCE PAY PLAN FOR EXECUTIVE EMPLOYEES

Dated Effective June 15, 2005

PORTLAND GENERAL ELECTRIC COMPANY  
SEVERANCE PAY PLAN  
FOR EXECUTIVE EMPLOYEES

**PURPOSE**

This Portland General Electric Company Severance Pay Plan for Executive Employees, as amended from time to time, (the "Plan") defines the benefits provided to Executive employees whose employment is permanently terminated by Portland General Electric Company (the "Company") as a result of (i) a corporate, departmental or work group reorganization, including without limitation, a position elimination, or (ii) similar business circumstances, as determined by the Company (any such event a "Reorganization").

**ARTICLE I. EFFECTIVE DATE**

1.1 The Plan, as amended and restated, shall be effective June 15, 2005 (the "Effective Date").

**ARTICLE II. DEFINED TERMS**

The following terms are defined in this Plan, as described below.

2.1 "Cause" shall have the meaning set forth in Section 3.3(a) of the Plan.

2.2 "Committee" shall have the meaning set forth in Article VIII of the Plan.

2.3 "Company" shall have the meaning set forth in the Purpose section of the Plan.

2.4 "Divested Employer" shall have the meaning set forth in Article III of the Plan.

2.5 "Effective Date" shall have the meaning set forth in Article I of the Plan.

2.6 "Employees" shall have the meaning set forth in the Purpose section of the Plan.

2.7 "ERISA" shall have the meaning set forth in Article VII of the Plan.

2.8 "Plan" shall have the meaning set forth in the Purpose section of the Plan.

2.9 "Reorganization" shall have the meaning set forth in the Purpose section of the Plan.

2.10 "Retirement" shall mean an Employee's voluntary termination of employment on or after an "early retirement date" (as such term is defined in Section 5.3 of the Portland General Electric Company Pension Plan, as amended from time to time).

**ARTICLE III. ELIGIBILITY**

3.1 Eligibility to Participate. All regular full time active employees of the Company, and such affiliates of the Company as the Board of Directors of the Company may determine from time to time may participate in the Plan, who are employed on the payroll of the Company or any such affiliate, and whose position with the Company is at the level of vice president or above, are eligible to participate in the Plan except any employee: (i) covered under the provisions of another severance pay plan that provides for a form of severance remuneration upon termination of employment; or (ii) having a written employment contract that provides for a form of severance remuneration upon termination of employment. Employees who are not designated as full time active employees of the Company or a participating affiliate (including those on an unpaid personal leave of absence, unless the Employees'

reemployment rights are protected by applicable law, in which case they shall be treated as full time active employees for purposes of this Plan), or who are designated as temporary employees or contract employees on the payroll of the Company or a participating affiliate are not eligible to participate in the Plan, or to receive Plan benefits. Those employees of the Company or a participating affiliate who are eligible for benefits hereunder, as determined by the Company and the Committee as set forth herein, are referred to as "Employees".

3.2 No Benefits Unless Involuntary Termination by Company. No Employee who voluntarily terminates employment with the Company or a participating affiliate (including due to Retirement) or whose employment terminates due to death or disability shall receive a severance benefit under the Plan, unless an Employee voluntarily terminates employment following Employee's refusal to accept an offer of employment from the Company or a Divested Employer or any of their respective affiliates which position either (i) did not provide compensation at least equal to Employee's then existing base salary or rate of compensation, (or if a sign-on bonus was offered, when combined with such existing base salary or rate of compensation was not at least one-hundred twenty-five percent (125%) of the Employee's then existing base salary or hourly rate of compensation), or (ii) was located more than fifty (50) miles from the Employee's place of employment at the time of such offer (or would require Employee to travel more than an additional fifty (50) miles farther than the Employee's place of employment at the time of such offer (excluding any such travel that may be consistent with the Employee's business travel obligations)) without relocation benefits that are equivalent to the relocation benefits the Employee would be entitled to under the existing relocation policy of the Company or a participating affiliate then applicable to the Employee. Voluntary termination of employment includes any termination of an Employee's employment for which the Employee directly, indirectly, or impliedly consents.

3.3 Additional Exclusions. An Employee will not be eligible to receive a severance benefit under this Plan if:

(a) Termination for Cause. The Employee's employment is terminated as a result of a violation of Company standards of performance, conduct or attendance (as construed by the Company in its sole discretion), such violation hereinafter ("Cause");

(b) Short Term Layoff with Potential of Recall. The Employee is laid off for a period of short duration and subject to recall within a reasonable time, as determined by the Company;

(c) Offer of Position. The Employee (i) receives an offer of employment from the Company or a Divested Employer or any of their respective affiliates which position provides compensation at not less than the Employee's existing base salary or rate of compensation, (or if a sign-on bonus is offered, when combined with such existing base salary or rate of compensation is at least one-hundred twenty-five percent (125%) of the Employee's existing base salary or hourly rate of compensation), and (A) which position is located not further than fifty (50) miles from the Employee's place of employment at the time of such offer (or does not require the Employee to travel more than an additional fifty (50) miles farther than the Employee's place of employment at the time of such offer (excluding any such travel that may be consistent with the Employee's business travel obligations)), or (B) located beyond the range described in (A) above with relocation benefits that are equivalent to the relocation benefits the Employee would be entitled to under the existing relocation policy of the Company or a participating affiliate applicable to the Employee, or (ii) accepts an offer of employment at any salary or location from the Company or a Divested Employer or any of their respective affiliates, regardless of whether the requirements of (i) above are satisfied;

(d) Other Severance or Termination Benefits. The Employee receives extra or additional consideration outside of the Plan in connection with the Employee's termination of, or retirement from, employment (including by way of example, but not limited to, enhanced retirement benefits or incentive remuneration), and the Committee makes a determination that a severance benefit under the Plan should not be paid; or

(e) Other Special Circumstances. Special circumstances exist for which the Chief Executive Officer of the Company makes a written determination that a severance benefit will not be paid.

"Divested Employer" means (i) a division, subsidiary, venture or partnership, or other business segment of the Company or an affiliate of the Company, which has been or is proposed to be divested, or (ii) the proposed or actual purchaser or acquirer thereof, by reason of ownership or acquisition of stock, assets or otherwise, and includes any affiliate of such Divested Employer.

#### **ARTICLE IV. SEVERANCE BENEFIT**

4.1 Waiver and Release Required. Subject to the provisions of the Plan, an Employee whose employment is permanently terminated by the Company or a participating affiliate in connection with a Reorganization and who is eligible for severance benefits under the Plan will receive the severance benefit provided for in Section 4.2 of the Plan, provided the Employee timely executes and delivers to the Company an agreement of separation that shall contain a waiver and release of all rights and claims relating to the Employee's employment by the Company and its affiliates, and the termination of that employment by the Company or its affiliate, and that shall contain such other provisions as approved and required by the Company, in its sole discretion, within a time limit and in a form prepared by and acceptable to the Company.

4.2 Amount of Severance Benefit. Subject to the provisions of the Plan including, but not limited to, Section 4.4, the severance benefit payable under the Plan is:

<b>Years of Service</b>	<b>Severance Benefit</b>
Up to 2 years of service	13 weeks of base pay
2 years of service, but less than 3 years	26 weeks of base pay
3 years of service, but less than 4 years	39 weeks of base pay
4 or more years of service	52 weeks of base pay

provided, however, in no event shall benefits payable under the Plan exceed fifty-two (52) weeks of base pay.

4.3 Payment of Benefit. Severance benefits shall be paid in a lump sum no later than sixty (60) days after termination of employment (or, if later, the date that any revocation period expires under the waiver and release described in Section 4.1).

4.4 Income Taxes. The payment of benefits under the Plan is subject to all applicable federal, state and local tax withholding and generally constitute taxable income to the recipient. Employees are advised to consult with their personal tax advisor for more information.

4.5 Adjustment of Severance Benefit. If a terminated Employee who is entitled to payment of a severance benefit under the Plan also receives any form of remuneration, payment or entitlement under the provisions of the Federal Worker Adjustment and Retraining Notification Act relating to the Employee's termination of employment, then the severance benefit payable under the Plan shall be reduced and offset by the amount of such remuneration or payment received or to be received by such Employee.

4.6 Definition of Service. For purposes of the Plan, subject to Section 5.2 of the Plan, service will be defined as service with the Company and its affiliates as well as prior service with Enron Corp. and its affiliates. The records of the Company, as the case may be, with respect to years of service, employment history, pay, absences, illnesses, and all other relevant matters shall be conclusive for all purposes of this Plan.

#### **ARTICLE V. REEMPLOYMENT OF TERMINATED EMPLOYEE**

5.1 Reemployment. In the event an Employee who receives a severance benefit under the Plan is reemployed by the Company or any affiliate or is employed by a Divested Employer or any affiliate within one (1) year after the Employee's termination of employment, the Employee shall be required to refund to the Company an amount equal to the amount of severance benefit less the amount of base pay the Employee would have received had the Employee remained employed at the Employee's rate of base pay at termination until the date of the Employee's reemployment or employment.

5.2 Effect on Service. If an Employee who has previously received severance benefits from the Company or any affiliate under an agreement, this Plan or any other severance plan who is subsequently rehired, and who then is terminated and entitled to receive a severance benefit under the Plan, the years of service of such Employee in computing the amount of such severance benefit shall not include any year of service for which the Employee received prior severance benefits, except that, when a rehired Employee refunds benefits to the Company, in accordance with Section 5.1, all or a portion of such severance benefits previously paid to such Employee, the years of service attributable to the amount of such repaid severance benefit, as determined in the sole discretion of the Company, shall be included in the years of service of such Employee who is subsequently terminated and entitled to receive a severance benefit under the Plan.

#### **ARTICLE VI. MALFEASANCE IS BREACH OF PORTLAND GENERAL ELECTRIC COMPANY POLICY**

6.1 Any officer or employee of the Company or a participating affiliate, including an Employee who receives a severance benefit under the Plan, who intentionally participates in a mischaracterization of the reason for an Employee's termination of employment, whereby an Employee receives a greater severance benefit under the Plan or any other compensatory plan, program or policy of the Company or any affiliate, than such Employee would otherwise be entitled, shall work a malfeasance against the Company and the Plan, and the Company and the Plan may seek any remedy available in equity or at law due to such malfeasance.

#### **ARTICLE VII. ERISA PROVISIONS**

7.1 ERISA. The Plan is established pursuant to, and governed by, the Employee Retirement Security Act, as amended ("ERISA").

7.2 Funding. The benefits provided herein shall be funded by the Company's general assets. The Plan shall constitute an unfunded mechanism for the Company to pay Plan benefits to Employees determined to be eligible for payments hereunder. No fund or trust is created with respect to the Plan, and no Employee shall have any security or other interest in the assets of the Company.

7.3 Fiscal Year. The Fiscal Year of the Plan shall be the same fiscal year adopted by the Company for accounting purposes.

7.4 Cost of Plan. The entire cost of the Plan shall be borne by the Company and no contributions shall be required of the eligible Employees, except as specifically provided herein.



7.5 Named Fiduciary. The Company is the sponsor and the named fiduciary of the Plan.

## **ARTICLE VIII. ADMINISTRATION OF THE PLAN**

8.1 Appointment of Committee. The general administration of the Plan shall be vested in the Compensation Committee of the Board of Directors of the Company (the "Committee"), which shall consist of three (3) or more persons appointed by the Company. For purposes of ERISA, the Committee shall be the Plan "administrator" and shall be a "fiduciary" with respect to the administration of the Plan.

8.2 Compensation, Bonding and Expenses of Members. The Members of the Committee shall not receive compensation with respect to their services for the Committee in respect of this Plan. To the extent required by ERISA or other applicable law, or required by the Company, members of the Committee shall furnish bond or security for the performance of their duties hereunder. Any expenses properly incurred by the Committee incident to the administration, termination or protection of the Plan, including the cost of furnishing any bond or security, shall be paid by the Company.

8.3 Committee Powers and Duties. The Committee shall supervise the administration and enforcement of the Plan according to the terms and provisions hereof and shall have the sole discretionary authority and all powers necessary to accomplish these purposes, including, but not by way of limitation, the right, power, authority and duty to:

- (a) make rules, regulations and procedures for the administration of the Plan which are not inconsistent with the terms and provisions hereof, provided such rules, regulations and procedures are evidenced in writing and copies thereof are delivered to the Company;
- (b) construe and interpret all terms, provisions, conditions and limitations of the Plan;
- (c) correct any defect, supply any omission, construe any ambiguous or uncertain provisions, or reconcile any inconsistency that may appear in the Plan, in such manner and to such extent as it shall deem expedient to carry the Plan into effect;
- (d) employ and compensate such accountants, attorneys, investment advisors and other agents and employees as the Committee may deem necessary or desirable in the proper and efficient administration of the Plan;
- (e) determine all questions relating to eligibility;
- (f) determine the amount, manner and time of payment of any benefits hereunder and to prescribe procedures to be followed by distributees in obtaining benefits;
- (g) prepare, file and distribute, in such manner as the Committee determines to be appropriate, such information and material as is required by the reporting and disclosure requirements of ERISA; and
- (h) make a determination as to the right of any person to receive a benefit under the Plan.

8.4 Standard of Review. Any decision, determination, or other action by the Committee shall be final and binding upon the parties, and shall only be subject to judicial review under an abuse of discretion standard.

8.5 Information to Committee. The Company shall supply full and timely information to the Committee relating to Employees and such pertinent facts as the Committee may require. When making a determination in connection with the Plan, the Committee shall be entitled to rely upon the aforesaid information furnished by the Company.

## **ARTICLE IX. CLAIMS PROCEDURE**

9.1 Claim for Benefits. If an Employee is not paid benefits under the Plan at the time of termination of his or her employment, any claim for benefits payable under the Plan must be made in writing and received by the Company within ninety (90) days of the Employee's termination of employment. Claims for benefits under the Plan shall be made in writing to the Company.

9.2 Denial of Claim. If a claim for benefits is wholly or partially denied, the Company shall notify the claimant of the Plan's adverse benefit determination within a reasonable period of time, but not later than ninety (90) days after receipt of the claim by the plan, unless the Company determines that special circumstances require an extension of time for processing the claim. If the Company determines that an extension of time for processing is required, written notice of the extension shall be furnished to the claimant prior to the termination of the initial ninety-day period. In no event shall such extension exceed a period of ninety (90) days from the end of such initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination. The period of time within which a benefit determination is required to be made shall begin at the time a claim is filed in accordance with the reasonable procedures established by the Committee, without regard to whether all the information necessary to make a benefit determination accompanies the filing.

9.3 Notice of Claim Denial. The Company shall provide a claimant with written or electronic notification of any adverse benefit determination. Any electronic notification shall comply with the standards imposed by 29 CFR 2520.104b-1(c)(1)(i), (iii), and (iv). The notification shall set forth, in a manner calculated to be understood by the claimant: (i) the specific reason or reasons for the adverse determination; (ii) reference to the specific plan provisions on which the determination is based; (iii) a description of any

additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and (iv) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review. Such notification shall provide the claimant the opportunity to submit written comments, documents, records, and other information relating to the claim for benefits. The claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. A document, record, or other information shall be considered "relevant" to a claimant's claim if such document, record, or other information: (i) was relied upon in making the benefit determination; (ii) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination; or (iii) demonstrates compliance with the administrative processes and safeguards established by the Committee to ensure and to verify that benefit claim determinations are made in accordance with governing plan documents and that, where appropriate, the Plan provisions have been applied consistently with respect to similarly situated claimants.

9.4 Review of Denial. Within sixty (60) days of the receipt by the claimant of written or permitted electronic notification of an adverse benefit determination, the claimant may file a written request with the Committee that it conduct a full and fair review of the denial of the claimant's claim for benefits. A review by the Committee shall take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The period of time within which a benefit determination on review is required to be made shall begin at the time an appeal is filed in accordance with the reasonable procedures established by the Committee, without regard to whether all the information necessary to make a benefit determination on review accompanies the filing. In the event that a period of time is extended due to a claimant's failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

9.5 Decision on Review. The Committee shall notify a claimant, in accordance with Section 9.6 of the Plan, of its benefit determination on review of a claimant's appeal of an adverse benefit determination within a reasonable period of time, but not later than sixty days after receipt of the claimant's request for review by the Committee, unless the Committee determines that special circumstances (such as the need to hold a hearing, if the Plan's procedures provide for a hearing) require an extension of time for processing the claim. If the Committee determines that an extension of time for processing is required, written notice of the extension shall be furnished to the claimant prior to the termination of the initial sixty-day period. In no event shall such extension exceed a period of sixty days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the determination on review.

9.6 Notice of Decision on Review. The Committee shall notify the claimant of the benefit determination as soon as possible, but not later than five (5) days after the benefit determination is made with written or electronic notification of the Committee's benefit determination of the claimant's appeal of the benefit denial. Any electronic notification shall comply with the standards imposed by 29 CFR 2520.104b-1(c)(I)(i), (iii), and (iv). In the case of an adverse benefit determination, the notification shall set forth, in a manner calculated to be understood by the claimant: (i) the specific reason or reasons for the adverse determination; (ii) reference to the specific plan provisions on which the benefit determination is based; (iii) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits; and (iv) a statement of the claimant's right to bring an action under section 502(a) of ERISA.

## **ARTICLE X. TERMINATION AND AMENDMENT OF PLAN**

10.1 Termination of Plan. The Company may terminate the Plan at any time, without prior notice.

10.2 Benefit upon Termination of Plan. Upon termination of the Plan, except with respect to benefits then in pay status, all rights to benefits hereunder, if any, shall cease.

10.3 Amendment of Plan. The severance benefits provided for in the Plan are not vested benefits. Accordingly, the Company reserves the right in its sole and absolute discretion, to amend or modify the Plan, in whole or in part, including any or all of the provisions of the Plan, by action of the Committee, without prior notice. The Plan supersedes any severance benefit policies, plans, practices or arrangements applicable to the Employees that may have been in force prior to the Effective Date.

## **ARTICLE XI. MISCELLANEOUS**

11.1 No Contract of Employment. The Plan does not constitute or imply the existence of an employment contract between the Company or any participating affiliate and any Employee. Employment with the Company is "at will". The Company may amend or terminate the Plan at any time without prior notice.

11.2 Governing Law; Venue. To the extent not governed by federal law, the Plan shall be interpreted under the laws of the State of Oregon notwithstanding any conflict of law principles. Venue for all claims and actions related to or arising under the Plan shall be exclusively in the courts of the State of Oregon.

11.3 Gender. Wherever in this instrument words are used in the masculine or neuter gender, they shall be read and construed as in the masculine, feminine or neuter gender whenever they would so apply, and vice versa. Wherever words appear in the singular or plural, they shall be read and construed as in the plural or singular, respectively, wherever they would so apply.

11.4 Auxiliary Documents. Each Employee does, by his acceptance of potential benefits under the Plan, agree to execute any documents that may be necessary or proper in the carrying out of the purpose and intent of the Plan.

PORTLAND GENERAL ELECTRIC COMPANY

By: /s/ Arleen N. Barnett

As Its: Vice President, Administration

PORTLAND GENERAL ELECTRIC COMPANY  
OUTPLACEMENT ASSISTANCE PLAN

Dated Effective June 15, 2005

PORTLAND GENERAL ELECTRIC COMPANY  
OUTPLACEMENT ASSISTANCE PLAN

**ARTICLE 1. PURPOSE AND NATURE OF PLAN**

The purpose of the Portland General Electric Company Outplacement Assistance Plan, as amended from time to time (the "Plan") is to provide outplacement benefits to Eligible Employees whose employment with the Employer is permanently terminated as a result of a Reorganization (as defined below).

The Plan is unfunded; benefits are payable only from the general assets of Portland General Electric Company or other Employer. Outplacement benefits are provided by one or more professional outplacement firms that are contracted to provide services under the Plan. The Plan is intended to be an employee welfare benefit plan within the meaning of Section 3(1) of ERISA and Department of Labor regulation 29 CFR Section 2510.3-2(b).

**ARTICLE 2. DEFINITIONS**

**2.1 Benefits Administration Committee** means a committee comprised of not less than three (3) individuals which is designated by the Corporation to serve under this Plan, as described in Section 2.2 below.

**2.2 Committee(s)** means with respect to Management Employees employed at a level of vice president or above, the Compensation Committee of the Board of Directors of the Corporation and with respect to Non-Management Employees and Management Employees employed at a level below vice president, the Benefits Administration Committee.

**2.3 Cause** means a violation of Employer standards of performance, conduct or attendance (as construed by the applicable Committee at its sole discretion).

**2.4 Corporation** means Portland General Electric Company.

**2.5 Divested Employer** means (i) a division, subsidiary, venture or partnership, or other business segment of an Employer which has been or is proposed to be divested, or (ii) the proposed or actual purchaser or acquirer thereof, by reason of ownership or acquisition of stock, assets or otherwise, and includes any affiliate of such Divested Employer.

**2.6 Eligible Employee** means any Employee who satisfies the eligibility requirements set forth in Section 3.1 of the Plan, and any former Employee who satisfies the eligibility requirements set forth in Section 3.2 of the Plan.

**2.7 Employee** means any person employed by an Employer and on Employer's regular payroll.

**2.8 Employer** means individually, the Corporation and such affiliates of the Corporation as the Board of Directors of the Corporation designates as an Employer from time to time under the Plan, and collectively, the Corporation and all such affiliates.

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

**2.10 Management Employee** means an Eligible Employee who is or was at the time his or her employment terminated employed at the level of supervisor, manager or above (up to and including vice president or above).

**2.11 Non-Management Employee** means an Eligible Employee who is not or was not a Management Employee.

**2.12 Outplacement Firm** means the firm or firms chosen by the Corporation to provide counseling services to Participants under the Plan.

**2.13 Participant** means an Eligible Employee who is receiving outplacement benefits under the Plan.

**2.14 Plan** has the meaning described in Article I.

**2.15 Reorganization** means (i) a corporate, departmental or work group reorganization, including without limitation, a position elimination, or (ii) similar business circumstances, as determined by the Corporation.

### **ARTICLE 3. ELIGIBILITY**

**3.1 Eligible Employees.** All Employees who are receiving benefits under either the Portland General Electric Company Severance Pay Plan for Non-Executive Employees or the Portland General Electric Company Severance Pay Plan for Executive Employees shall be eligible to receive outplacement benefits under this Plan.

**3.2 Eligible Former Employees.** Any former Employee would have been an Eligible Employee except that the former Employee accepted an offer of employment from a Divested Employer whose employment is involuntarily terminated by such Divested Employer, other than for Cause, within twelve (12) months after the date of his or her employment termination with an Employer shall also be eligible to receive outplacement benefits under this Plan.

### **ARTICLE 4. OUTPLACEMENT BENEFITS**

**4.1 Non-Management Employee Outplacement Benefits.** Non-Management Employees who become Participants shall be offered the services selected by the Employer to be provided by an Outplacement Firm to Non-Management Employees from time to time. The Employer shall pay the entire cost of any such services selected by the Employer and provided to the Participant. An Eligible Employee must initiate the services of the Outplacement Firm within thirty (30) days of termination of employment with the Employer or the Divested Employer to become a Participant.

**4.2 Management Employee Outplacement Benefits.** Management Employees who become Participants shall be offered the services selected by the Employer by an Outplacement Firm to be provided to Management Employees from time to time. Such services shall be provided for a period of not less than three (3) months from the date of initiation of such services with an option to extend the services for an additional three (3) months or such additional period as the Committee shall permit; provided, however, in no event shall services extend beyond twelve (12) months. The Employer shall pay the entire cost of any such services provided to the Participant during the twelve-month period. An Eligible Employee must initiate the services of the Outplacement Firm within thirty (30) days of termination of employment with the Employer or the Divested Employer to become a Participant.

**4.3 No Compensation in Lieu of Benefits.** Participation in this Plan and receipt of outplacement benefits is voluntary. An Eligible Employee shall not be eligible to receive compensation in lieu of outplacement benefits should he or she choose not to avail himself or herself of the benefits provided by this Plan.

**4.4 Limitation of Liability.** An Employer shall have no liability to any Employee or former Employee for the action or inaction taken by the Outplacement Firm with respect to the services of the Outplacement Firm provided under the Plan.

### **ARTICLE 5. CLAIMS AND REVIEW PROCEDURES**

#### **5.1 Claims Procedure.**

(a) **Claims.** All claims for benefits and all inquiries concerning the Plan shall be submitted to the Corporation in accordance with procedures established by the Corporation and communicated to Eligible Employees. Claims for benefits must be in writing on the form prescribed by the Corporation, signed by the Eligible Employee, and submitted in a timely manner. The claim of a former Employee who becomes an Eligible Employee pursuant to Section 3.2 of the Plan shall contain such documentation and include such releases and waivers as Employer deems necessary to allow Employer to determine that the former Employee's employment with the Divested Employer was not terminated for Cause

(b) **Denial of Claim.** In the event that any claim for benefits is denied, in whole or in part, the Corporation shall notify the claimant in writing of such denial and of the claimant's right to a review thereof. Such written notice shall set forth, in a manner calculated to be understood by the claimant, specific reasons for such denial, specific references to the Plan provisions on which such denial is based, a description of any information or material necessary for the claimant to perfect the application, an explanation of why such material is necessary and an explanation of the Plan's review procedure. Such written notice shall be given to the claimant within ninety (90) days after the Corporation receives the claim, unless special circumstances require an extension of time of up to an additional ninety (90) days for processing the claim. If such an extension is required, written notice of the extension shall be furnished to the claimant prior to the termination of the initial ninety (90) day period. This notice of extension shall indicate the special circumstances requiring the extension and the date by which the Corporation expects to render its decision on the claim for benefits. If written notice of denial of the claim for benefits is not furnished within the time specified in this Section 5.1(b), the claim shall be deemed denied, and the claimant shall be permitted to appeal such denial in accordance with the review procedure described in Section 5.2.

## 5.2 Review Procedure.

(a) Committee. The applicable Committee shall have the authority to act with respect to any appeal from a denial of Plan benefits.

(b) Appeal. Any Eligible Employee whose claim for benefits under the Plan is denied, in whole or in part, or such person's duly authorized representative, may appeal from the denial by submitting to the applicable Committee a request for a review of the claim within sixty (60) days after receiving written notice of the denial from the Corporation. The applicable Committee shall give the claimant or representative an opportunity to review pertinent documents in preparing a request for review.

(c) Form and Contents. The request for review must be in writing and shall be addressed (i) in the case of a claim by a Non-Management Employee or a Management Employee who is employed below the level of vice president, to the Benefits Administration Committee of the Portland General Electric Company Outplacement Assistance Plan, Attn: Chairman of the Benefits Administration Committee, Portland General Electric Company, One World Trade Center, 121 S.W. Salmon Street, Portland, OR 97204 and (ii) in the case of a claim by a Management Employee who is employed at a level of vice president or above, to the Compensation Committee of the Board of Directors of Portland General Electric Company, Portland General Electric Company, One World Trade Center, 121 S.W. Salmon Street, Portland, OR 97204. The request for review shall set forth all of the grounds upon which it is based, all supporting facts and any other matters which the claimant deems pertinent. The reviewing Committee may require the claimant to submit such additional facts, documents or other material as the reviewing Committee may deem necessary or appropriate in making its review.

(d) Processing Time. The reviewing Committee shall act upon each request for review within sixty (60) days after its receipt, unless special circumstances require an extension of time of up to an additional sixty (60) days for processing the claim. If such an extension is required, written notice of the extension shall be furnished to the claimant prior to the end of the initial sixty (60) day period.

(e) Notice of Decision. Within the time prescribed in (d) above, the reviewing Committee shall give written notice of its decision to the claimant and the Corporation. In the event that the reviewing Committee confirms the denial of the claim for benefits, such notice shall set forth the specific reasons for such denial and specific references to the Plan provisions on which the decision is based. If the reviewing Committee disagrees with the denial of the claim for benefits, it shall direct the Corporation to take such action as is necessary or desirable to carry out its decision. If written notice of the reviewing Committee's decision is not given to the claimant within the time prescribed in (d) above, the claim will be deemed denied on review.

(f) Rules and Procedures. Each Committee shall establish such rules and procedures, consistent with the Plan and with ERISA, as it may deem necessary or appropriate in carrying out its responsibilities under this Section 5.2. The reviewing Committee may require a claimant who wishes to submit additional information in connection with an appeal from the denial of benefits in whole or in part to do so at the claimant's own expense.

**5.3 Exhaustion of Remedies.** No legal or equitable action for benefits under the Plan shall be brought unless and until the claimant:

(a) Has submitted a written claim for benefits in accordance with Section 5.1(a) of the Plan;

(b) Has been notified by the Corporation that the claim is denied (or the claim is deemed denied as provided in Section 5.1(b)) of the Plan;

(c) Has filed a written request for a review of the claim in accordance with Section 5.2(b) of the Plan; and

(d) Has been notified in writing that the reviewing Committee has affirmed the denial of the claim (or the claim is deemed denied on review as provided in Section 5.2(e) of the Plan).

## **ARTICLE 6. GENERAL PROVISIONS**

**6.1 No Assignment of Contract Rights.** The interest or contract rights of any person in the Plan shall not be optioned, anticipated, assigned (either at law or in equity), alienated or made subject to attachment, garnishment, execution, levy, other legal or equitable process or bankruptcy, and any act in violation of this Section 6.1 shall be void. All benefits under the Plan are personal to the Eligible Employee.

**6.2 No Employment Rights.** Nothing in the Plan shall be deemed to give any person a right to remain in the employ of the Employer, nor affect any right of the Employer to terminate such person's employment at any time, with or without cause.

**6.3 Interpretation.** The Committees shall have the discretionary authority to construe the terms of this Plan and to determine eligibility for benefits thereunder. Any determinations or interpretations of the Plan by the Committees shall be binding upon the Plan, Employees and their beneficiaries, the Corporation and each other Employer.

**6.4 Governing Law.** The Plan shall be construed and enforced under the applicable provisions of ERISA and, to the extent not preempted by ERISA, the laws of the State of Oregon.

**ARTICLE 7. CONTINUATION OF PLAN; AMENDMENT AND TERMINATION**

The Corporation reserves the right to terminate or amend the Plan at any time by execution of a written instrument.

**ARTICLE 8. EXECUTION**

The Corporation has caused its authorized officer to execute the same this 16th day of June, 2005.

PORTLAND GENERAL ELECTRIC COMPANY

By: /s/ Arleen N. Barnett

As Its: Vice President, Administration