

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 1995

or
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the Transition period from _____ to _____

Commission File Number	Registrant; State of Incorporation; IRS Employer Address; and Telephone Number	Identification No.
1-5532	PORTLAND GENERAL CORPORATION (an Oregon Corporation) 121 SW Salmon Street Portland, Oregon 97204 (503) 464-8820	93-0909442
1-5532-99	PORTLAND GENERAL ELECTRIC COMPANY (an Oregon Corporation) 121 SW Salmon Street Portland, Oregon 97204 (503) 464-8000	93-0256820

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

The number of shares outstanding of the registrants' common stocks as of July 31, 1995 are:

Portland General Corporation	50,804,314
Portland General Electric Company (owned by Portland General Corporation)	42,758,877

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Portland General Corporation and Subsidiaries
Management's Discussion and Analysis of Financial
Condition and Results of Operations

Results of Operations

Portland General Electric Company (PGE or the Company), an electric utility company and the principal operating subsidiary of Portland General Corporation (Portland General), accounts for substantially all of Portland General's assets, revenues and net income. The following discussion focuses on utility operations, unless otherwise noted.

1995 Compared to 1994 for the Three Months Ended June 30

Portland General earned \$32 million or \$0.64 per share for the second quarter of 1995, compared to earnings of \$24 million or \$0.48 per share in 1994. Strong earnings reflect abundant west coast hydro conditions resulting in lower power costs, as well as the Company's April 1, 1995 price increase. 1994 earnings include the restoration to income of \$6.5 million, net of tax, in previously recorded real estate reserves. 1994 earnings from continuing operations were \$17 million, or \$.35 per share.

Retail revenues increased \$21 million, or 12%, for the period, primarily due to a general price increase and increased energy sales. The April 1, 1995 rate order, which contained an average 5% price increase, resulted in \$13 million of additional revenue (including \$4 million of decoupling revenues). Retail energy sales increased 4%, or 155,000 MWhs, resulting in \$8 million of additional revenue. Load growth was driven by both an increase in retail customers and significantly cooler April temperatures. Weather adjusted energy sales increased 3%.

Wholesale revenues declined \$5 million, or 23%, despite a 4% increase in the volume of energy sold. Abundant energy supplies, lower natural gas prices, and an increasingly competitive wholesale market resulted in a 26% reduction in wholesale prices.

Variable power costs fell \$17 million, or 27%, despite increased load, as the average cost of power decreased from 17.9 to 13.7 mills (see table below). Mild temperatures, low gas prices, and excellent water conditions due to snow melt in both the Northwest

and California contributed to an abundance of low cost secondary (or spot) energy in the region.

Resource Mix/Variable Power Costs					
	Resource Mix		Average Variable Power Cost (Mills/KWh)		
	1995	1994	1995	1994	
Generation	22%	32%	4.6	7.8	
Firm Purchases	29%	26%	22.4	23.2	
Spot Purchases	49%	42%	10.0	18.2	
Total Resources	100%	100%	Average	13.7	17.9

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Portland General Corporation and Subsidiaries

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Secondary energy purchases met nearly half of the Company's total energy requirements. Since abundant supplies of energy drove market prices to historic lows, PGE used purchased power to meet increased loads and to displace thermal generation. Spot market purchases averaged 10.0 mills, ranging from 1.7 to 14 mills, compared to an average 18.2 mills in 1994. Company-owned hydro generation increased 22%, or 109,600 MWh, reflecting above-average hydro conditions on the Clackamas River system. Favorable gas prices allowed the Beaver Combustion Turbine Plant (Beaver) to generate slightly more energy at 33% lower variable cost. Overall, PGE reduced thermal plant generation by 58% to take advantage of low prices in the spot market.

Operating expenses (excluding variable power, depreciation and income taxes) were slightly lower than in 1994. Maintenance costs at the Boardman Coal Plant (Boardman) were lower during the current year since the February economic outage allowed for major maintenance activities to occur earlier in the year.

New depreciation rates, effective April 1, 1995 with the general price increase, raised depreciation expense \$4 million. Higher operating income yielded a \$14 million increase in income taxes. Miscellaneous Other Income declined \$2 million due to a 1994 sale of nonutility property.

1995 Compared to 1994 for the Six Months Ended June 30

Portland General earned \$30 million or \$0.60 per share for the six months ended June 30, 1995, compared to earnings of \$63 million or \$1.28 per share in 1994. 1995 results include a \$36.7 million charge to income related to the Public Utility Commission of Oregon's (PUC) rate order disallowing 13% of PGE's remaining investment in the Trojan Nuclear Plant (Trojan). 1994 earnings include \$6.5 million in previously recorded real estate reserves. Excluding these items, operating earnings were \$67 million in 1995 and \$56 million in 1994. Strong operating results reflect good hydro conditions, lower secondary power costs and continued retail load growth, partially offset by narrowing margins in a competitive wholesale market.

Retail sales rose 3% and revenues increased by \$9 million as cooler temperatures during the period and the addition of approximately 4,800 retail customers contributed to load growth. Increased sales combined with the Company's general price increase grew retail revenues almost 6%.

Other revenues, not related to sales of energy, declined for the period. During 1995, \$11 million in revenues related to deferred power costs were recorded, compared with \$19 million in 1994. In addition, during the 1994 period, \$11 million of incentive revenues related to energy efficiency programs were recorded.

A 14% decrease in wholesale energy sales coupled with an average 12% reduction in prices, caused wholesale revenues to decrease \$12 million from 1994 levels. The region's price advantage over the Southwest eroded in the current year due to abundant energy supplies and improved hydro conditions in California.

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Variable power costs, reflecting the benefits of abundant west coast hydro generation and declining gas prices, fell 19% or \$31 million. Spot market purchases, which provided 31% of the Company's energy supply, averaged 10.5 mills compared to 19.2 mills in 1994 (see table below).

	Resource Mix/Variable Power Costs		Average Variable Power Cost	
	Resource Mix		(Mills/KWh)	
	1995	1994	1995	1994
Generation	32%	42%	6.9	10.1
Firm Purchases	37%	32%	24.8	24.9
Spot Purchases	31%	26%	10.5	19.2
Total Resources	100%	100%	Average 16.0	18.8

Company generation met 32% of PGE's load, 60% of which was provided by the Company's eight hydroelectric plants. Hydro generation increased 24%, or 254,132 MWh, reflecting above average water conditions on the Clackamas River system. Thermal plant generation was reduced 40%. Total average variable power costs declined from 18.8 to 16.0 mills.

New depreciation rates, effective April 1, 1995 with the general price increase, raised depreciation expense \$4 million. Higher operating income yielded a \$12 million increase in income taxes. Other income decreased \$37 million from last year largely due to the Trojan write-off.

Cash Flow

Portland General Corporation

Portland General requires cash to pay dividends to its common stockholders, to provide funds to its subsidiaries, to meet debt service obligations and for day to day operations. Sources of cash are dividends from PGE, leasing rentals, short- and intermediate-term borrowings and the sale of its common stock. Cash provided by operations decreased for the year compared with 1994. During 1994, Portland General's cash provided by operations benefited from the use of approximately \$9 million in tax credits which reduced federal tax payments.

Portland General received \$11.5 million in dividends from PGE during the second quarter of 1995 and \$2.1 million in proceeds from the issuance of shares of common stock under its Dividend Reinvestment and Optional Cash Payment Plan.

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Portland General Electric Company

Cash Provided by Operations

Operations are the primary source of cash used for day to day operating needs of PGE and funding of construction activities. PGE also obtains cash from external borrowings, as needed.

A significant portion of cash from operations comes from depreciation and amortization of utility plant, charges which are recovered in customer revenues but require no current cash outlay. Changes in accounts receivable and accounts payable can also be significant contributors or users of cash. Improved cash flow reflects the Company's general price increase and lower variable power costs.

Portland General has reached a tentative settlement with the IRS regarding the Washington Public Power Supply System Unit 3 (WNP-3) abandonment loss deduction on its 1985 tax return. Portland General does not expect future cash requirements to be materially affected by the resolution of this matter (see Note 3, Income Taxes, for further information).

Investing Activities

PGE invests in facilities for generation, transmission and distribution of electric energy and products and services for energy efficiency. Estimated capital expenditures for 1995 are expected to be \$250 million. Approximately \$104 million has been expended for capital projects, including energy efficiency, through June 30, 1995.

PGE pays into an external trust for the Trojan decommissioning costs. The April 1, 1995 general rate order authorized PGE to increase its collections from customers and its corresponding contribution to the trust from \$11 million to \$14 million annually. The trust invests in investment-grade tax-exempt bonds. Total-to-date cash withdrawn from the trust to pay for decommissioning costs is approximately \$7 million.

Financing Activities

Second quarter financing activities include the issuance of \$50 million of twelve year notes at 7.15% maturing June 2007 and \$25 million of five year notes at 6.75% maturing June 2000. Other financing activities for the quarter included a \$10 million sinking fund redemption of 200,000 shares of PGE's 8.10% series preferred stock.

The issuance of additional preferred stock and First Mortgage Bonds requires PGE to meet earnings coverage and security provisions set forth in the Articles of Incorporation and Indenture securing its First Mortgage Bonds. As of June 30, 1995, PGE could issue \$290 million of preferred stock and \$330 million of additional First Mortgage Bonds.

Financial and Operating Outlook

Utility

Retail Customer Growth and Energy Sales

During the second quarter of 1995 approximately 2,700 retail customers were added to PGE's service territory. For the six-months ended June 30, 1995, 4,800 retail customers were added.

The Company expects 1995 weather-adjusted retail energy sales growth to be approximately 2.6%.

Omitted graphic information:

Quarterly Increase in Retail Customers

Quarter/Year	Residential Customers	Commercial/Industrial Customers
1Q 93	2025	275
2Q 93	1697	429
3Q 93	2802	446
4Q 93	2775	563
1Q 94	2986	390
2Q 94	2476	550
3Q 94	2219	454
4Q 94	4247	379
1Q 95	3010	270
2Q 95	2194	509

Seasonality

PGE's retail sales peak in the winter, therefore, quarterly earnings are not necessarily indicative of results to be expected for fiscal year 1995.

Competition

The Energy Policy Act of 1992 (Energy Act) set the stage for federal and state regulations directed toward the stimulation of both wholesale and retail competition in the electric industry. The Energy Act eased restrictions on independent power production, and bestowed authority on the Federal Energy Regulatory Commission (FERC) to mandate open access for the wholesale transmission of electricity.

FERC has since taken steps to provide a framework for increased competition in the electric industry. In March 1995 it issued a Notice of Proposed Rulemaking (NOPR) regarding non-discriminatory open access transmission requirements for all public utilities. The proposed rules address several issues including stranded asset recovery and the open access transmission of electricity. If adopted, the proposed open access transmission requirements would give wholesale competitors access to PGE's transmission facilities and, in turn, give PGE access to their transmission facilities. PGE is in the process of preparing an open access transmission tariff for its existing transmission facilities.

Since the passage of the Energy Act, various state utility commissions are considering proposals which would gradually allow customers direct access to generation suppliers, marketers, brokers and other service providers in a competitive marketplace for energy services.

Portland General Corporation and Subsidiaries

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Although presently operating in a cost-based regulated environment, PGE expects

increasing competition from other forms of energy and other suppliers of electricity. While the Company is unable to determine precisely the future impact of increased competition, it believes that ultimately it will result in reduced wholesale and retail prices in the industry.

Residential Exchange Program

In July 1995 the Bonneville Power Administration (BPA) released its 1996 rate proposal under which there would be a significant reduction in the benefits to PGE's customers from the residential exchange program under the Regional Power Act (RPA). The RPA, passed in 1980, attempted to resolve growing power supply and cost inequities between customers of government and publicly owned utilities, who have priority access to the low cost power from the federal hydro electric system, and the customers of IOUs. The RPA residential exchange program exists to ensure that all residential and small farm customers in the region, the vast majority of which are served by IOUs, receive similar benefits from the publicly funded federal power system. Exchange program benefits are passed directly to residential and small farm customers. The exchange benefit for PGE residential and small farm customers totaled \$46 million for calendar year 1994. Under BPA's July 1995 proposal, this exchange benefit would be substantially decreased. New BPA rates are expected to be effective October 1, 1996, after a ten month public process in which PGE will be an active party seeking equitable treatment for its residential and small farm customers.

General Rate Order

Beginning April 1, 1995 PGE implemented new general rates. The PUC authorized a single average rate increase of 5%, representing additional annual revenues of \$51 million. The rate order authorized PGE to recover all of the estimated Trojan decommissioning costs and 87% of its remaining investment in Trojan. Amounts will be collected over Trojan's original license period ending in 2011.

The order also adopted a mechanism to decouple short-term profits from retail kilowatt-hour sales during the two-year test period. The decoupling mechanism adopted by the PUC sets revenue targets associated with retail loads for each month beginning April 1995 through December 1996. If actual weather-adjusted revenues exceed or fall short of target revenues, PGE will refund or collect the difference from customers over an 18-month period. The adjustment at any time during the two-year period cannot result in an overall increase or decrease in rates, due solely to decoupling, of more than 3%. Adjustments to rates, if necessary, will be made every six months. The Company has recently filed a request with the PUC to exclude certain large customers from the decoupling mechanism.

The rate order also included the variable power cost savings expected from the commercial operation of the Coyote Springs Generating Project (Coyote Springs), a 220 megawatt natural gas-fueled cogeneration facility under construction in eastern Oregon. The order did not include capital and fixed costs associated with the plant. In August 1995, the Company filed for inclusion of these costs in rates beginning early November 1995, concurrent with the projected commercial operation of the plant. See discussion below regarding the Coyote Springs filing.

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Legal challenges have been filed against the PUC regarding recovery of the Trojan Investment and decommissioning costs (see Item 1. Legal Proceedings for further discussion). PGE has intervened in these filings and believes that the rate order and the authorized recovery of the Trojan investment and decommissioning costs will be upheld.

Power Cost Recovery and Coyote Springs Filing

PGE operates without a power cost adjustment tariff, therefore adjustments for power costs above or below those set in existing general tariffs are not automatically reflected in customers' rates. As a result, PGE obtained PUC approval to defer incremental replacement power costs related to the closure of Trojan. The following table sets out the amounts deferred and the collection status of the various deferrals. In accordance with Oregon law, collection of the deferrals is subject to PUC review of PGE's reported earnings, adjusted for the regulatory treatment of unusual and/or non-recurring items, as well as the determination of an appropriate rate of return on equity for a given review period.

Synopsis of Power Cost Deferrals

Period Covered	Deferral Rate	Earnings Review	Amounts	
			Deferred	Collected
December 4, 1992 - March 31, 1993	80%	Approved (1)	\$56 million (4) (a)	\$23 million
July 1, 1993 - March 31, 1994	50%	Mid-1995 (2)	\$58 million (4) (b)	N/A
January 1, 1995 - March 31, 1995	40%	Mid-1995 (3)	\$11 million (4) (c)	N/A

(1) Approved for collection which began on 4/1/94.

(2) Subject to earnings review for the period 4/1/93 through 3/31/94 filed on August 8, 1995.

(3) Subject to earnings review for the period 4/1/94 through 3/31/95 filed on August 8, 1995.

(4) Includes accrued interest of (a) \$11 million and (b) \$9 million and \$.4 million.

On August 8, 1995 Portland General Electric filed with the Public Utility Commission of Oregon a consolidated request to recover deferred power costs, the capital and fixed costs associated with Coyote Springs and BPA's October 1995 price increases.

Upon the PUC's completion of review and approval for collection, the filing proposes to offset the power cost deferrals and certain other regulatory assets against PGE's unamortized gain on the sale of a portion of the Boardman Coal Plant (a refund to customers). In addition, the Company proposes to cancel the existing collection of deferred power costs.

The proposal, if approved, would eliminate regulatory assets and liabilities of \$117 million. It would also eliminate any price increase resulting from authorization to collect outstanding power cost deferrals and mitigate the price increase resulting from Coyote Springs and BPA costs.

If approved, the filing would result in a 2.4% rate increase or \$23.5 million in additional annual revenues. The Company expects the PUC to rule on the proposal in November 1995.

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Nonutility

Portland General, Portland General Holdings, Inc. (Holdings), and certain affiliated individuals (Portland Defendants), along with others, have been

named as defendants in a class action suit by investors in Bonneville Pacific Corporation (Bonneville Pacific) and in a suit filed by the bankruptcy trustee for Bonneville Pacific. The class action suit has been settled for \$2.5 million (see Item 1. Legal Proceedings for further discussion).

Holdings has filed a complaint seeking approximately \$228 million in damages against Deloitte & Touche and certain parties associated with Bonneville Pacific alleging that it relied on fraudulent and negligent statements and omissions when it acquired an interest in and made loans to Bonneville Pacific.

A detailed report released in June 1992, by a U.S. Bankruptcy examiner outlined a number of questionable transactions that resulted in gross exaggeration of Bonneville Pacific's assets prior to Holdings' investment. This report includes the examiner's opinion that there was significant mismanagement and very likely fraud at Bonneville Pacific.

For background information and further details, see Note 2, Legal Matters in the Notes to Financial Statements.

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Portland General Corporation and Subsidiaries
Consolidated Statements of Income for the
Three Months and Six Months Ended June 30, 1995 and 1994
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
	(Thousands of Dollars)			
Operating Revenues	\$219,892	\$202,110	\$479,069	\$480,124
Operating Expenses				
Purchased power and fuel	46,616	63,847	134,312	164,817
Production and distribution	16,288	15,607	31,441	31,013
Maintenance and repairs	11,384	14,069	21,317	23,228
Administrative and other	26,409	25,294	51,549	47,726
Depreciation and amortization	34,785	30,399	66,243	61,248
Taxes other than income taxes	13,026	12,793	26,783	27,087
	148,508	162,009	331,645	355,119
Operating Income Before Income Taxes	71,384	40,101	147,424	125,005
Income Taxes	24,205	10,082	50,692	39,066
Net Operating Income	47,179	30,019	96,732	85,939
Other Income (Deductions)				
Trojan disallowance - net of income taxes of \$17,101	-	-	(36,708)	-
Interest expense	(20,134)	(17,868)	(39,329)	(34,919)
Allowance for funds used during construction	2,926	800	5,074	1,264
Preferred dividend requirement - PGE	(2,417)	(2,646)	(5,000)	(5,634)
Other - net of income taxes	4,849	7,188	9,680	10,008
Income from Continuing Operations	32,403	17,493	30,449	56,658
Discontinued Operations				
Gain on disposal of real estate operations - net of income taxes of \$4,226	-	6,472	-	6,472
Net Income	\$ 32,403	\$ 23,965	\$ 30,449	\$ 63,130
Common Stock				
Average shares outstanding	50,697,040	50,145,565	50,644,415	49,411,959
Earnings per average share				
Continuing operations	0.64	0.35	0.60	1.15
Discontinued operations	-	0.13	-	0.13
Earnings per average share	\$ 0.64	\$ 0.48	\$ 0.60	\$ 1.28
Dividends declared per share	\$ 0.30	\$ 0.30	\$ 0.60	\$ 0.60

Consolidated Statements of Retained Earnings for the
Three Months and Six Months Ended June 30, 1995 and 1994
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30	1994	June 30	1994
	1995		1995	
	(Thousands of Dollars)			
Balance at Beginning of Period	\$101,063	\$104,939	\$118,676	\$ 81,159
Net Income	32,403	23,965	30,449	63,130
ESOP Tax Benefit & Amortization of Preferred Stock Premium	(474)	(426)	(948)	(796)
	132,992	128,478	148,177	143,493
Dividends Declared on Common Stock	15,215	15,051	30,400	30,066
Balance at End of Period	\$117,777	\$113,427	\$117,777	\$113,427

<FN>
The accompanying notes are an integral part of these consolidated statements.
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Portland General Corporation and Subsidiaries
Consolidated Balance Sheets
as of June 30, 1995 and December 31, 1994

	(Unaudited)	
	June 30 1995	December 31 1994
	(Thousands of Dollars)	
Assets		
Electric Utility Plant -Original Cost		
Utility plant (includes Construction Work in Progress of \$193,769 and \$148,267)	\$2,653,838	\$2,563,476
Accumulated depreciation	(999,278)	(958,465)
	1,654,560	1,605,011
Capital leases - less amortization of \$26,881 and \$25,796	10,438	11,523
	1,664,998	1,616,534
Other Property and Investments		
Leveraged leases	153,992	153,332
Net assets of discontinued real estate operations	4,623	11,562
Trojan decommissioning trust, at market value	66,272	58,485
Corporate Owned Life Insurance less loans of \$24,320 in 1995 and \$21,731 in 1994	69,195	65,687
Other investments	28,227	28,626
	322,309	317,692
Current Assets		
Cash and cash equivalents	19,098	17,542
Accounts and notes receivable	84,999	91,418
Unbilled and accrued revenues	157,713	162,151
Inventories, at average cost	38,740	31,149
Prepayments and other	34,570	34,455
	335,120	336,715
Deferred Charges		
Unamortized regulatory assets		
Trojan investment	336,816	402,713
Trojan decommissioning	324,324	338,718
Income taxes recoverable	204,009	217,967
Debt reacquisition costs	30,896	32,245
Energy efficiency programs	65,410	58,894
Other	46,116	47,787
WNP-3 settlement exchange agreement	170,853	173,308
Miscellaneous	21,769	16,698
	1,200,193	1,288,330
	\$3,522,620	\$3,559,271
Capitalization and Liabilities		
Capitalization		
Common stock	\$ 190,195	\$ 189,358
Other paid-in capital	568,700	563,915
Unearned compensation	(10,480)	(13,636)
Retained earnings	117,777	118,676
	866,192	858,313

Cumulative preferred stock of subsidiary		
Subject to mandatory redemption	40,000	50,000
Not subject to mandatory redemption	69,704	69,704
Long-term debt	904,644	835,814
	1,880,540	1,813,831
Current Liabilities		
Long-term debt and preferred stock due within one year	83,448	81,506
Short-term borrowings	100,073	148,598
Accounts payable and other accruals	80,860	104,254
Accrued interest	19,805	19,915
Dividends payable	17,970	18,109
Accrued taxes	36,849	27,778
	339,005	400,160
Other		
Deferred income taxes	655,028	687,670
Deferred investment tax credits	54,510	56,760
Deferred gain on sale of assets	118,205	118,939
Trojan decommissioning and transition costs	388,812	396,873
Miscellaneous	86,520	85,038
	1,303,075	1,345,280
	\$3,522,620	\$3,559,271

<FN>

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

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Portland General Corporation and Subsidiaries

Consolidated Statements of Capitalization
as of June 30, 1995 and December 31, 1994

	(Unaudited)			
	June 30		December 31	
	1995		1994	
	(Thousands of Dollars)			
Common Stock Equity				
Common stock, \$3.75 par value per share 100,000,000 shares authorized, 50,718,615 and 50,495,492 shares outstanding	\$ 190,195		\$ 189,358	
Other paid-in capital - net	568,700		563,915	
Unearned compensation	(10,480)		(13,636)	
Retained earnings	117,777		118,676	
	866,192	46.1%	858,313	47.3%
Cumulative Preferred Stock				
Subject to mandatory redemption				
No par value, 30,000,000 shares authorized				
7.75% Series, 300,000 shares outstanding	30,000		30,000	
\$100 par value, 2,500,000 shares authorized				
8.10% Series, 200,000 and 300,000 shares outstanding	20,000		30,000	
Current sinking fund	(10,000)		(10,000)	
	40,000	2.1	50,000	2.8
Not subject to mandatory redemption, \$100 par value				
7.95% Series, 298,045 shares outstanding	29,804		29,804	
7.88% Series, 199,575 shares outstanding	19,958		19,958	
8.20% Series, 199,420 shares outstanding	19,942		19,942	
	69,704	3.7	69,704	3.8
Long-Term Debt				
First mortgage bonds				
Maturing 1995 through 2000				
4.70% Series due March 1, 1995	-		3,045	
5-7/8% Series due June 1, 1996	5,066		5,216	
6.60% Series due October 1, 1997	15,363		15,363	
Medium-term notes - 5.65%-9.27%	276,000		251,000	
Maturing 2001 through 2007 - 6.47%-9.07%	260,845		210,845	
Maturing 2021 through 2023 - 7.75%-9.46%	195,000		195,000	
Pollution control bonds				
Port of Morrow, Oregon, variable rate (Average 2.7% for 1994), due 2013	23,600		23,600	
City of Forsyth, Montana, variable rate (Average 2.9% for 1994), due 2013 through 2016	118,800		118,800	
Amount held by trustee	(8,076)		(8,355)	
Port of St. Helens, Oregon, due 2010 and 2014 (Average variable 2.7%-2.9% for 1994)	51,600		51,600	

Medium-term notes maturing 1996 - 8.09%	30,000		30,000	
Capital lease obligations	10,438		11,523	
Other	(544)		(317)	
	978,092		907,320	
Long-term debt due within one year	(73,448)		(71,506)	
	904,644	48.1	835,814	46.1
Total capitalization	\$1,880,540	100.0%	\$1,813,831	100.0%

<FN>
The accompanying notes are an integral part of these consolidated statements.
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Portland General Corporation and Subsidiaries
Consolidated Statements of Cash Flow for the
Three Months and Six Months Ended June 30, 1995 and 1994
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
Cash Provided (Used) By -				
Operations:				
Net income	\$ 32,403	\$ 23,965	\$ 30,449	\$ 63,130
Adjustments to reconcile net income to net cash provided by operations:				
Depreciation and amortization	27,039	22,589	50,845	45,154
Amortization of WNF-3 exchange agreement	1,227	1,173	2,455	2,347
Amortization of Trojan investment	5,946	6,495	12,409	13,216
Amortization of Trojan decommissioning	3,510	2,805	6,315	5,610
Amortization of deferred charges - other	833	547	(178)	2,886
Deferred income taxes - net	(140)	9,720	(3,872)	12,532
Other noncash revenues	(1,969)	(324)	(2,372)	(658)
Changes in working capital:				
(Increase) Decrease in receivables	5,914	20,907	10,801	(879)
(Increase) Decrease in inventories	(946)	(2,475)	(7,591)	(1,358)
Increase (Decrease) in payables	(41,773)	(48,684)	(17,107)	(21,241)
Other working capital items - net	11,835	7,000	785	3,399
Gain from discontinued operations	-	(6,472)	-	(6,472)
Deferred charges - other	(9,870)	899	(9,740)	(244)
Miscellaneous - net	2,915	6,768	5,728	7,315
Trojan disallowance	-	-	36,708	-
	36,924	44,913	115,635	124,737
Investing Activities:				
Utility construction - new resources	(13,452)	(26,874)	(29,411)	(49,853)
Utility construction - other	(36,729)	(36,108)	(65,163)	(61,408)
Energy efficiency programs	(5,050)	(5,198)	(8,952)	(10,032)
Rentals received from leveraged leases	7,262	7,897	11,685	12,882
Nuclear decommissioning trust contributions	(7,702)	(2,805)	(10,507)	(5,610)
Nuclear decommissioning expenditures	1,670	-	6,608	-
Discontinued operations	1,222	26,454	6,939	27,065
Other	(4,191)	(1,987)	(4,692)	(2,327)
	(56,970)	(38,621)	(93,493)	(89,283)
Financing Activities:				
Short-term borrowings - net	(24,898)	40,283	(48,525)	1,134
Borrowings from Corporate Owned Life Insurance	-	19,619	2,589	19,619
Long-term debt issued	75,000	-	75,000	-
Long-term debt retired	-	(233)	(3,045)	(11,465)
Repayment of nonrecourse borrowings for leveraged leases	(6,757)	(7,585)	(10,628)	(12,061)
Preferred stock retired	(10,000)	(20,000)	(10,000)	(20,000)
Common stock issued	2,148	1,899	4,562	45,206
Dividends paid	(15,406)	(15,482)	(30,539)	(29,710)
	20,087	18,501	(20,586)	(7,277)
Increase (Decrease) in Cash and Cash Equivalents	41	24,793	1,556	28,177
Cash and Cash Equivalents at the Beginning of Period	19,057	6,586	17,542	3,202
Cash and Cash Equivalents at the End of Period	\$ 19,098	\$ 31,379	\$ 19,098	\$ 31,379
Supplemental disclosures of cash flow information				
Cash paid during the period:				
Interest	\$ 20,608	\$ 20,330	\$ 36,011	\$ 32,938
Income taxes	41,390	18,450	41,390	18,239

<FN>

Portland General Corporation and Subsidiaries

Notes to Financial Statements
(Unaudited)

Note 1

Principles of Interim Statements

The interim financial statements have been prepared by Portland General and, in the opinion of management, reflect all material adjustments which are necessary to a fair statement of results for the interim periods presented. Certain information and footnote disclosures made in the last annual report on Form 10-K have been condensed or omitted for the interim statements. Certain costs are estimated for the full year and allocated to interim periods based on the estimates of operating time expired, benefit received or activity associated with the interim period. Accordingly, such costs are subject to year-end adjustment. It is Portland General's opinion that, when the interim statements are read in conjunction with the 1994 Annual Report on Form 10-K, the disclosures are adequate to make the information presented not misleading.

Reclassifications

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

Note 2

Legal Matters

WNP Cost Sharing

PGE and three other investor-owned utilities (IOUs) have been involved in litigation since October 1982 surrounding the proper allocation of shared costs between Washington Public Power Supply System (WPPSS) Units 1 and 3 and Units 4 and 5. In late 1994, PGE agreed to a tentative settlement in the case. The settlement was approved by the court on July 6, 1995 and the Company paid \$1 million.

Bonneville Pacific Class Action and Lawsuit

Portland General, Portland General Holdings, Inc., and certain affiliated individuals have settled for \$2.5 million the claims alleged in the class action suit. The suit was a consolidation of various actions filed on behalf of certain purchasers of Bonneville Pacific common shares and subordinated debentures against numerous defendants including Portland General, Holdings and certain Portland General individuals. Final court approval of the settlement was obtained in June 1995 with no party having any appeal rights.

A separate legal action was filed by Bonneville Pacific against Portland General, Holdings, and certain individuals affiliated with Portland General and Holdings alleging breach of fiduciary duty, tortious interference, breach of contract, and other actionable wrongs related to Holdings' investment in Bonneville Pacific. Following his appointment, the Bonneville Pacific bankruptcy trustee, on behalf of Bonneville Pacific, filed numerous amendments to the complaint. The complaint now includes allegations of RICO violations and RICO conspiracy, collusive tort, civil conspiracy, common law fraud, negligent misrepresentation, breach of fiduciary duty, liability as a partner for the debts of a partnership, and other actionable wrongs. Although the amount of damages sought is not specified

Portland General Corporation and Subsidiaries

Notes to Financial Statements
(Unaudited)

in the Complaint, the Trustee has filed a damage disclosure calculation which purports to compute damages in amounts ranging from \$340 million to \$1 billion - subject to possible increase based on various factors.

Other Legal Matters

Portland General and certain of its subsidiaries are party to various other claims, legal actions and complaints arising in the ordinary course of business. These claims are not considered material.

Summary

While the ultimate disposition of these matters may have an impact on the results of operations for a future reporting period, management believes, based on discussion of the underlying facts and circumstances with legal counsel, that these matters will not have a material adverse effect on the financial condition of Portland General.

Other Bonneville Pacific Related Litigation

Holdings has filed complaints seeking approximately \$228 million in damages against Deloitte & Touche and certain other parties associated with Bonneville Pacific alleging that it relied on fraudulent and negligent statements and omissions by Deloitte & Touche and the other defendants when it acquired an interest in and made loans to Bonneville Pacific.

Note 3

Income Taxes

As a result of its examination of PGE's 1985 tax return the IRS proposed to disallow PGE's 1985 WNP-3 abandonment loss deduction on the premise that it is a taxable exchange. Portland General and the IRS have reached a tentative settlement regarding this issue. Management has previously provided for probable tax adjustments and is of the opinion that the ultimate disposition of this matter will not have a material adverse impact on the results of operations or cash flows of Portland General.

Note 4

Short-Term Borrowings

Portland General and PGE replaced expiring committed credit facilities in July 1995. Portland General now has a \$15 million committed facility expiring in July 1996 and PGE has a committed facility of \$200 million expiring in July 2000. These lines of credit have annual facility fees of .10% and do not require compensating cash balances. The facilities are used primarily as backup for commercial paper.

PGE has a commercial paper facility of \$200 million. The amount of commercial paper outstanding cannot exceed the Company's unused committed lines of credit.

	Page Number
Management Discussion and Analysis of Financial Condition and Results of Operations *	3-10
Financial Statements	18-21
Notes to Financial Statements **	15-16

* The discussion is substantially the same as that disclosed by Portland General and, therefore, is incorporated by reference to the information on the page numbers listed above.

** The notes are substantially the same as those disclosed by Portland General and are incorporated by reference to the information on the page numbers shown above, excluding the Bonneville Pacific litigation discussion contained in Note 2 which relates solely to Portland General.

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Portland General Electric Company and Subsidiaries

Consolidated Statements of Income for the
Three Months and Six Months Ended June 30, 1995 and 1994
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
	(Thousands of Dollars)			
Operating Revenues	\$218,476	\$201,773	\$477,367	\$479,445
Operating Expenses				
Purchased power and fuel	46,616	63,847	134,312	164,817
Production and distribution	16,288	15,607	31,441	31,013
Maintenance and repairs	11,384	14,068	21,317	23,227
Administrative and other	26,144	24,405	50,961	46,412
Depreciation and amortization	34,765	30,318	66,202	61,088
Taxes other than income taxes	13,014	12,782	26,735	27,019
Income taxes	23,766	13,012	50,512	44,580
	171,977	174,039	381,480	398,156
Net Operating Income	46,499	27,734	95,887	81,289
Other Income (Deductions)				
Regulatory disallowance - net of income taxes of \$17,101	-	-	(36,708)	-
Allowance for equity funds used during construction	565	-	686	-
Other	4,814	8,464	9,504	10,279
Income taxes	84	(2,010)	(260)	(950)
	5,463	6,454	(26,778)	9,329
Interest Charges				
Interest on long-term debt and other	17,464	15,134	33,811	29,845
Interest on short-term borrowings	2,059	1,314	4,246	2,310
Allowance for borrowed funds used during construction	(2,361)	(800)	(4,388)	(1,264)
	17,162	15,648	33,669	30,891

Net Income	34,800	18,540	35,440	59,727
Preferred Dividend Requirement	2,417	2,646	5,000	5,634
Income Available for Common Stock	\$ 32,383	\$ 15,894	\$ 30,440	\$ 54,093

Consolidated Statements Of Retained Earnings for the
Three Months and Six Months Ended June 30, 1995 and 1994
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	1995	1994	1995	1994
	(Thousands of Dollars)			
Balance at Beginning of Period	\$202,506	\$201,670	\$216,468	\$179,297
Net Income	34,800	18,540	35,440	59,727
ESOP Tax Benefit & Amortization of Preferred Stock Premium	(474)	(426)	(948)	(796)
	236,832	219,784	250,960	238,228
Dividends Declared				
Common stock	11,545	15,393	23,090	30,786
Preferred stock	2,417	2,583	5,000	5,634
	13,962	17,976	28,090	36,420
Balance at End of Period	\$222,870	\$201,808	\$222,870	\$201,808

<FN>

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

</FN>

Portland General Electric Company and Subsidiaries

Consolidated Balance Sheets
as of June 30, 1995 and December 31, 1994

	(Unaudited)	
	June 30 1995	December 31 1994
	(Thousands of Dollars)	
Assets		
Electric Utility Plant - Original Cost		
Utility plant (includes Construction Work in Progress of \$193,769 and \$148,267)	\$2,653,838	\$2,563,476
Accumulated depreciation	(999,278)	(958,465)
	1,654,560	1,605,011
Capital leases - less amortization of \$26,881 and \$25,796	10,438	11,523
	1,664,998	1,616,534
Other Property and Investments		
Trojan decommissioning trust, at market value	66,272	58,485
Corporate Owned Life Insurance less loans of \$24,320 in 1995 and \$21,731 in 1994	41,310	40,034
Other investments	25,656	26,074
	133,238	124,593
Current Assets		
Cash and cash equivalents	10,415	9,590
Accounts and notes receivable	82,396	91,672
Unbilled and accrued revenues	157,713	162,151

Inventories, at average cost	38,740	31,149
Prepayments and other	33,182	33,148
	322,446	327,710
Deferred Charges		
Unamortized regulatory assets		
Trojan investment	336,816	402,713
Trojan decommissioning	324,324	338,718
Income taxes recoverable	204,009	217,967
Debt reacquisition costs	30,896	32,245
Energy efficiency programs	65,410	58,894
Other	46,116	47,787
WNP-3 settlement exchange agreement	170,853	173,308
Miscellaneous	18,785	13,682
	1,197,209	1,285,314
	\$3,317,891	\$3,354,151

Capitalization and Liabilities

Capitalization		
Common stock equity	\$ 844,870	\$ 834,226
Cumulative preferred stock		
Subject to mandatory redemption	40,000	50,000
Not subject to mandatory redemption	69,704	69,704
Long-term debt	874,644	805,814
	1,829,218	1,759,744
Current Liabilities		
Long-term debt and preferred stock due within one year	83,448	81,506
Short-term borrowings	100,086	148,598
Accounts payable and other accruals	79,019	104,612
Accrued interest	18,992	19,084
Dividends payable	14,212	15,702
Accrued taxes	42,393	32,820
	338,150	402,322
Other		
Deferred income taxes	518,509	549,160
Deferred investment tax credits	54,510	56,760
Deferred gain on sale of assets	118,205	118,939
Trojan decommissioning and transition costs	388,812	396,873
Miscellaneous	70,487	70,353
	1,150,523	1,192,085
	\$3,317,891	\$3,354,151

<FN>

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

</FN>

Portland General Electric Company and Subsidiaries

Consolidated Statements of Capitalization
as of June 30, 1995 and December 31, 1994

	(Unaudited) June 30 1995		December 31 1994	
	(Thousands of Dollars)			
Common Stock Equity				
Common stock, \$3.75 par value per share, 100,000,000 shares authorized, 42,758,877 shares outstanding	\$ 160,346		\$ 160,346	
Other paid-in capital - net	471,182		470,008	
Unearned compensation	(9,528)		(12,596)	
Retained earnings	222,870		216,468	
	844,870	46.2 %	834,226	47.4 %

Cumulative Preferred Stock

Subject to mandatory redemption				
No par value, 30,000,000 shares authorized				
7.75% Series, 300,000 shares outstanding	30,000		30,000	
\$100 par value, 2,500,000 shares authorized				
8.10% Series, 200,000 and 300,000 shares outstanding	20,000		30,000	
Current sinking fund	(10,000)		(10,000)	
	40,000	2.2	50,000	2.8
Not subject to mandatory redemption, \$100 par value				
7.95% Series, 298,045 shares outstanding	29,804		29,804	
7.88% Series, 199,575 shares outstanding	19,958		19,958	
8.20% Series, 199,420 shares outstanding	19,942		19,942	
	69,704	3.8	69,704	4.0
Long-Term Debt				
First mortgage bonds				
Maturing 1995 through 2000				
4.70% Series due March 1, 1995	-		3,045	
5-7/8% Series due June 1, 1996	5,066		5,216	
6.60% Series due October 1, 1997	15,363		15,363	
Medium-term notes - 5.65%-9.27%	276,000		251,000	
Maturing 2001 through 2007 - 6.47%-9.07%	260,845		210,845	
Maturing 2021 through 2023 - 7.75%-9.46%	195,000		195,000	
Pollution control bonds				
Port of Morrow, Oregon, variable rate (Average 2.7% for 1994), due 2013				
	23,600		23,600	
City of Forsyth, Montana, variable rate (Average 2.9% for 1994), due 2013 through 2016				
	118,800		118,800	
Amount held by trustee	(8,076)		(8,355)	
Port of St. Helens, Oregon, due 2010 and 2014 (Average variable 2.7% - 2.9% for 1994)				
	51,600		51,600	
Capital lease obligations	10,438		11,523	
Other	(544)		(317)	
	948,092		877,320	
Long-term debt due within one year	(73,448)		(71,506)	
	874,644	47.8	805,814	45.8
Total capitalization	\$1,829,218	100.0%	\$1,759,744	100.0%

<FN>

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

</FN>

Portland General Electric Company and Subsidiaries

Consolidated Statements of Cash Flow for the
Three Months and Six Months Ended June 30, 1995 and 1994

(Unaudited)

	Three Months Ended		Six Months Ended	
	1995	1994	1995	1994
	June 30		June 30	
	(Thousands of Dollars)			
Cash Provided (Used) By -				
Operations:				
Net Income	\$ 34,800	\$ 18,540	\$ 35,440	\$ 59,727
Non-cash items included in net income:				
Depreciation and amortization	27,019	22,583	50,804	45,142
Amortization of WNP-3 exchange agreement	1,227	1,173	2,455	2,347
Amortization of Trojan investment	5,946	6,495	12,409	13,216
Amortization of Trojan decommissioning	3,510	2,805	6,315	5,610
Amortization of deferred charges - other	833	547	(178)	2,886
Deferred income taxes - net	(662)	(2,987)	(690)	4,590
Other noncash revenues	(564)	-	(685)	-
Changes in working capital:				
(Increase) Decrease in receivables	9,997	19,162	13,658	(2,432)
(Increase) Decrease in inventories	(946)	(2,476)	(7,591)	(1,359)
Increase (Decrease) in payables	(47,866)	(49,142)	(18,897)	(16,053)
Other working capital items - net	11,629	7,706	(210)	2,993
Deferred charges - other	(9,870)	899	(9,740)	(244)
Miscellaneous - net	2,806	2,607	4,977	2,701
Trojan disallowance	-	-	36,708	-
	37,859	27,912	124,775	119,124
Investing Activities:				
Utility construction - new resources	(13,452)	(26,874)	(29,411)	(49,853)
Utility construction - other	(36,729)	(36,108)	(65,163)	(61,408)
Energy efficiency programs	(5,050)	(5,198)	(8,952)	(10,032)
Nuclear decommissioning trust contributions	(7,702)	(2,805)	(10,507)	(5,610)
Nuclear decommissioning expenditures	1,670	-	6,608	-
Other investments	(2,477)	(2,441)	(2,978)	(2,546)
	(63,740)	(73,426)	(110,403)	(129,449)
Financing Activities:				
Short-term debt - net	(24,904)	63,280	(48,512)	20,424
Borrowings from Corporate Owned Life Insurance	-	19,619	2,589	19,619

Long-term debt issued	75,000	-	75,000	-
Long-term debt retired	-	(150)	(3,045)	(8,882)
Preferred stock retired	(10,000)	(20,000)	(10,000)	(20,000)
Common stock issued	-	-	-	41,055
Dividends paid	(14,170)	(18,444)	(29,579)	(39,639)
	25,926	44,305	(13,547)	12,577
Increase (Decrease) in Cash and Cash Equivalents	45	(1,209)	825	2,252
Cash and Cash Equivalents at the Beginning of Period	10,370	5,560	9,590	2,099
Cash and Cash Equivalents at the End of Period	\$ 10,415	\$ 4,351	\$ 10,415	\$ 4,351
Supplemental disclosures of cash flow information				
Cash paid during the period:				
Interest	\$ 20,603	\$ 19,389	\$ 34,781	\$ 29,765
Income taxes	45,818	31,560	45,121	25,460

<FN>
The accompanying notes are an integral part of these consolidated statements.
</FN>

Portland General Corporation and Subsidiaries
Portland General Electric Company and Subsidiaries

Part II. Other Information

Item 1. Legal Proceedings

For further information, see Portland General's and PGE's reports on Form 10-K for the year ended December 31, 1994.

NONUTILITY

Gerhard W. Gohler, IRA, et al v Robert L. Wood et al, U.S. District Court for the District of Utah

Portland General, Portland General Holdings, Inc., and certain affiliated individuals have settled the claims alleged in the class action for \$2.5 million. Final court approval was obtained in June 1995

with no party having any appeal rights.

UTILITY

PGE v. Ronald Eachus, Myron Katz, Nancy Ryles (Oregon Public Utility Commissioners) and the Oregon Public Utility Commission, Marion County Oregon Circuit Court

On January 23, 1995 the Court affirmed the PUC's decision in the 1987 rate order related to the gain on PGE's sale of a portion of Boardman and the Intertie. This judgement was entered on May 1, 1995 and PGE has since filed a Notice of Appeal with the Oregon Court of Appeals.

Columbia Steel Casting Co., Inc. v. (Columbia Steel) PGE, Pacificorp, and Myron Katz, Nancy Ryles and Ronald Eachus, U.S. Ninth Circuit Court of Appeals

On July 24, 1995 the Ninth Circuit Court of Appeals reversed a lower court ruling regarding Columbia Steel's 1990 lawsuit against PGE and set aside the \$1.3 million judgement against PGE. The decision holds that the 1972 territorial allocation agreement between PGE and PacificCorp, dba Pacific Power & Light Company, approved by the PUC provides immunity to PGE under the anti-trust laws. Columbia Steel has asked for reconsideration.

BPA v. WPPSS (WPPSS v. 88 Participants), U.S. District Court for the Western District of Washington

The parties settlement in the case was approved by the Court on July 6, 1995. PGE's contribution was \$1 million.

Southern California Edison Company v. PGE, Multnomah County Oregon Circuit Court, August 3, 1994

On June 29, 1995 FERC denied PGE's petition for a declaratory order and request that FERC take jurisdiction over the contract dispute. FERC's ruling means the case will proceed in the Multnomah County Circuit Court. A trial date is currently scheduled for October 1995.

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Portland General Corporation and Subsidiaries
Portland General Electric Company and Subsidiaries

Part II. Other Information

Utility Reform Project and Colleen O'Neil v. Public Utility Commission of Oregon, Marion County Oregon Circuit Court, March 1995

The Utility Reform Project (URP) filed an appeal of the PUC's order in PGE's general rate case. The Multnomah county court granted the PUC's motion to transfer the case to Marion County where PGE has since

intervened in the case.

Citizens Utility Board of Oregon v. Public Utility Commission of Oregon, Marion County Oregon Circuit Court, April 1995.

PGE has intervened in the Citizens Utility Board's (CUB) appeal which challenges the portion of the PUC's order in PGE's general rate case that authorizes PGE to recover a return on its remaining investment in Trojan.

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

Number	Exhibit	PGC	PGE
4	Forty-Fifth Supplemental Indenture dated May 1, 1995	X	X
27	Financial Data Schedule - UT (Electronic Filing Only)	X	X

b. Reports on Form 8-K

June 13, 1995 - Item 5. Other Events

PGE requested an extension from the PUC to file earnings reviews related to two outstanding power cost deferrals.

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SIGNATURES

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

the undersigned hereunto duly authorized.

PORTLAND GENERAL CORPORATION
PORTLAND GENERAL ELECTRIC COMPANY
(Registrants)

August 9, 1995

By

/s/ Joseph M. Hirko

Joseph M. Hirko
Vice President Finance,
Chief Financial Officer,
Chief Accounting Officer,
and Treasurer

24

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

<ARTICLE> UT

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS FILED ON FORM 10-Q FOR THE PERIOD ENDED JUNE 30, 1995 FOR PORTLAND GENERAL CORPORATION AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<F2>INCLUDES UNEARNED COMPENSATION OF \$(10,480)

<F3>NET OF MANDATORY SINKING FUND OF \$10,000.

<F4>NET OF CURRENT PORTION.

<F5>NET OF CURRENT PORTION OF CAPITAL LEASE OBLIGATIONS.

<F6>EXCLUSIVE OF INTEREST EXPENSE AND PREFERRED DIVIDEND REQUIREMENT FOR PGE.

<F7>INCLDING AFUDC DEBT.

<F8>PRIOR TO PREFERRED DIVIDEND REQUIREMENTS.

<F9>REPRESENTS THE 12 MONTH-TO-DATE FIGURE ENDING JUNE 30, 1995.

</FN>

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS FILED ON FORM 10-Q FOR THE PERIOD ENDED JUNE 30, 1995 FOR PORTLAND GENERAL ELECTRIC COMPANY AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<TOTAL-CURRENT-ASSETS>		322,446
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<TOTAL-ASSETS>		3,317,891
<COMMON>		160,346
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<RETAINED-EARNINGS>		222,870
<TOTAL-COMMON-STOCKHOLDERS-EQ>		844,870<F2>
<PREFERRED-MANDATORY>		40,000<F3>
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<LONG-TERM-DEBT-NET>		866,588<F4>
<SHORT-TERM-NOTES>		0
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<COMMERCIAL-PAPER-OBLIGATIONS>		100,086
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<PREFERRED-STOCK-CURRENT>		10,000
<CAPITAL-LEASE-OBLIGATIONS>		8,056<F5>
<LEASES-CURRENT>		2,382
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<TOT-CAPITALIZATION-AND-LIAB>		3,317,891
<GROSS-OPERATING-REVENUE>		218,476
<INCOME-TAX-EXPENSE>		23,766
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148,211

<TOTAL-OPERATING-EXPENSES>	171,977
<OPERATING-INCOME-LOSS>	46,499
<OTHER-INCOME-NET>	5,463<F6>
<INCOME-BEFORE-INTEREST-EXPEN>	51,962
<TOTAL-INTEREST-EXPENSE>	17,162<F7>
<NET-INCOME>	34,800<F8>
<PREFERRED-STOCK-DIVIDENDS>	2,417
<EARNINGS-AVAILABLE-FOR-COMM>	32,383
<COMMON-STOCK-DIVIDENDS>	11,545
<TOTAL-INTEREST-ON-BONDS>	58,278<F9>
<CASH-FLOW-OPERATIONS>	37,859
<EPS-PRIMARY>	0<F10>
<EPS-DILUTED>	0<F10>
<FN>	

<F1>INCLUDING CAPITAL LEASE OBLIGATIONS NET OF AMORTIZATION.

<F2>INCLUDES UNEARNED COMPENSATION OF \$(9,528).

<F3>NET OF MANDATORY SINKING FUND OF \$10,000.

<F4>NET OF CURRENT PORTION.

<F5>NET OF CURRENT PORTION OF CAPITAL LEASE OBLIGATIONS.

<F6>EXCLUSIVE OF INTEREST EXPENSE AND PREFERRED DIVIDEND REQUIREMENT FOR PGE.

<F7>INCLUDING AFUDC DEBT.

<F8>PRIOR TO PREFERRED DIVIDEND REQUIREMENTS.

<F9>REPRESENTS THE 12 MONTH-TO-DATE FIGURE ENDING JUNE 30, 1995.

<F10>THE STOCK OF PORTLAND GENERAL ELECTRIC COMPANY IS FULLY OWNED BY ITS PARENT COMPANY PORTLAND GENERAL CORPORATION. SINCE THE STOCK IS NOT PUBLICALLY TRADED, EPS INFORMATION IS NOT EXTERNALLY REPORTED.

</FN>

PORTLAND GENERAL ELECTRIC COMPANY

TO

MARINE MIDLAND BANK
(FORMERLY THE MARINE MIDLAND TRUST
COMPANY OF NEW YORK)

Trustee.

Forty-fifth Supplemental Indenture

Dated May 1, 1995

First Mortgage Bonds,
Medium Term Note Series IV

Supplemental to Indenture of Mortgage and Deed of Trust,
dated July 1, 1945 of Portland General Electric Company.

FORTY-FIFTH SUPPLEMENTAL INDENTURE, dated May 1, 1995, made by and between Portland General Electric Company, an Oregon corporation (hereinafter called the "Company"), party of the first part, and Marine Midland Bank (formerly The Marine Midland Trust Company of New York), a New York banking corporation and trust company (hereinafter called the "Trustee"), party of the second part.

WHEREAS, the Company has heretofore executed and delivered its Indenture of Mortgage and Deed of Trust (herein sometimes referred to as the "Original Indenture"), dated July 1, 1945, to the Trustee to secure an issue of First Mortgage Bonds of the Company; and

WHEREAS, Bonds in the aggregate principal amount of \$34,000,000 have heretofore been issued under and in accordance with the terms of the Original Indenture as Bonds of an initial series designated "First Mortgage Bonds, 3-1/8% Series due 1975" (herein sometimes referred to as the "Bonds of the 1975 Series"); and

WHEREAS, the Company has heretofore executed and delivered to the Trustee several supplemental indentures which provided, among other things, for the creation or issuance of several new series of First Mortgage Bonds under the terms of the Original Indenture as follows:

Supplemental Indenture	Dated		Series	Principal Amount
First	11-1-47	3-1/2%	Series due 1977	\$ 6,000,000 (1)
Second	11-1-48	3-1/2%	Series due 1977	4,000,000 (1)
Third	5-1-52	3-1/2%	Second Series due 1977	4,000,000 (1)
Fourth	11-1-53	4-1/8%	Series due 1983	8,000,000 (2)
Fifth	11-1-54	3-3/8%	Series due 1984	12,000,000 (1)
Sixth	9-1-56	4-1/4%	Series due 1986	16,000,000 (1)
Seventh	6-1-57	4-7/8%	Series due 1987	10,000,000 (1)
Eighth	12-1-57	5-1/2%	Series due 1987	15,000,000 (3)
Ninth	6-1-60	5-1/4%	Series due 1990	15,000,000 (1)
Tenth	11-1-61	5-1/8%	Series due 1991	12,000,000 (1)
Eleventh	2-1-63	4-5/8%	Series due 1993	15,000,000 (1)
Twelfth	6-1-63	4-3/4%	Series due 1993	18,000,000 (1)
Thirteenth	4-1-64	4-3/4%	Series due 1994	18,000,000 (1)
Fourteenth	3-1-65	4.70%	Series due 1995	14,000,000 (1)
Fifteenth	6-1-66	5-7/8%	Series due 1996	12,000,000
Sixteenth	10-1-67	6.60%	Series due October 1, 1997	24,000,000
Seventeenth	4-1-70	8-3/4%	Series due April 1, 1977	20,000,000 (1)
Eighteenth	11-1-70	9-7/8%	Series due November 1, 2000	20,000,000 (4)
Nineteenth	11-1-71	8%	Series due November 1, 2001	20,000,000 (4)
Twentieth	11-1-72	7-3/4%	Series due November 1, 2002	20,000,000

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Supplemental Indenture	Dated		Series	Principal Amount
Twenty-first	4-1-73	7.95%	Series due April 1, 2003	\$ 35,000,000
Twenty-second	10-1-73	8-3/4%	Series due October 1, 2003	17,000,000 (4)
Twenty-third	12-1-74	10-1/2%	Series due December 1, 1980	40,000,000 (1)
Twenty-fourth	4-1-75	10%	Series due April 1, 1982	40,000,000 (1)
Twenty-fifth	6-1-75	9-7/8%	Series due June 1, 1985	27,000,000 (1)
Twenty-sixth	12-1-75	11-5/8%	Series due December 1, 2005	50,000,000 (4)
Twenty-seventh	4-1-76	9-1/2%	Series due April 1, 2006	50,000,000 (4)
Twenty-eighth	9-1-76	9-3/4%	Series due September 1, 1996	62,500,000 (4)
Twenty-ninth	6-1-77	8-3/4%	Series due June 1, 2007	50,000,000 (4)
Thirtieth	10-1-78	9.40%	Series due January 1, 1999	25,000,000 (4)
Thirty-first	11-1-78	9.80%	Series due November 1, 1998	50,000,000 (4)
Thirty-second	2-1-80	13-1/4%	Series due February 1, 2000	55,000,000 (4)
Thirty-third	8-1-80	13-7/8%	Series due August 1, 2010	75,000,000 (4)
Thirty-sixth	10-1-82	13-1/2%	Series due October 1, 2012	75,000,000 (4)
Thirty-seventh	11-15-84	11-5/8%	Extendable Series A due November 15, 1999	75,000,000 (4)
Thirty-eighth	6-1-85	10-3/4%	Series due June 1, 1995	60,000,000 (4)
Thirty-ninth	3-1-86	9-5/8%	Series due March 1, 2016	100,000,000 (4)
Fortieth	10-1-90		Medium Term Note Series	200,000,000
Forty-first	12-1-91		Medium Term Note Series I	150,000,000
Forty-second	4-1-93	7-3/4%	Series due April 15, 2023	150,000,000
Forty-third	7-1-93		Medium Term Note Series II	75,000,000
Forty-fourth	8-24-94		Medium Term Note Series III	75,000,000

<FN>

(1) Paid in full at maturity.

(2) This entire issue of Bonds was redeemed out of proceeds from the sale of First Mortgage Bonds, 3-3/8% Series due 1984.

(3) This entire issue of Bonds was redeemed out of 4-5/8% Series due 1993.

(4) Redeemed in full prior to maturity.

</FN>

which bonds are sometimes referred to herein as the "Bonds of the 1977 Series", "Bonds of the 1977 Second Series", "Bonds of the 1983 Series", "Bonds of the 1984 Series", "Bonds of the 1986 Series", "Bonds of the 4-7/8% Series due 1987", "Bonds of the 5-1/2% Series due 1987", "Bonds of the 1990 Series", "Bonds of the 1991 Series", "Bonds of the 4-5/8% Series due 1993", "Bonds of the 4-3/4% Series due 1993", "Bonds of the 1994 Series", "Bonds of the 1995 Series", "Bonds of the 1996 Series", "Bonds of the 1997 Series", "Bonds of the 1977 Third Series", "Bonds of the 2000 Series", "Bonds of the 2001 Series", "Bonds of the 2002 Series", "Bonds of the 2003 Series", "Bonds of the 2003 Second Series", "Bonds of the 1980 Series", "Bonds of the 1982 Series", "Bonds of the 1985 Series", "Bonds of the 2005 Series", "Bonds of the 2006 Series", "Bonds of the 1996 Second Series", "Bonds of the 2007 Series", "Bonds of the 1999 Series", "Bonds of the 1998 Series", "Bonds of the 2000 Second Series", "Bonds of the 2010 Series", "Bonds of the 2012 Series", "Bonds of the Extendable Series A", "Bonds of the 1995 Second Series", "Bonds of the 2016 Series", "Bonds of the Medium Term Note Series", "Bonds of the Medium Term Note Series I", "Bonds of the 2023 Series", "Bonds of the Medium Term Note Series II", and Bonds of the Medium Term Note Series III , respectively; and

WHEREAS, the Original Indenture provides that the Company and the Trustee, subject to the conditions and restrictions in the Original Indenture contained, may enter into an indenture or indentures supplemental thereto, which shall thereafter form a part of said Original Indenture, among other things, to mortgage, pledge, convey, transfer or assign to the Trustee and to subject to the lien of the Original Indenture with the same force and effect as though included in the granting clauses thereof, additional properties acquired by the Company after the execution and delivery of the Original Indenture, and to provide for the creation of any series of Bonds (other than the Bonds of the 1975 Series), designating the series to be created and specifying the form and provisions of the Bonds of such series as therein provided or permitted, and to provide a sinking, amortization, replacement or other analogous fund for the benefit of all or any of the Bonds of any one or more series, of such character and of such amount, and upon such terms and conditions as shall be contained in such supplemental indenture; and

WHEREAS, the Company has heretofore executed and delivered to the Trustee the Fortieth Supplemental Indenture and the Forty-first Supplemental Indenture amending in certain respects the Original Indenture, as theretofore supplemented (such Original Indenture as so amended hereinafter referred to as the "Original Indenture"); and

Redemption Date as described on the reverse hereof or any Optional Repayment Date specified above). Interest on this bond will accrue from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Original Issue Date specified above, until the principal hereof has been paid or duly made available for payment. If the Maturity Date (or any Redemption Date or any Optional Repayment Date) or an Interest Payment Date falls on a day which is not a Business Day as defined below, principal or interest payable with respect to such Maturity Date (or Redemption Date or Optional Repayment Date) or Interest Payment Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date (or Redemption Date or Optional Repayment Date) or Interest Payment Date, as the case may be, and no interest shall accrue for the period from and after such Maturity Date (or Redemption Date or Optional Repayment Date) or Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, subject to certain exceptions, be paid to the person in whose name this bond (or one or more predecessor bonds) is registered at the close of business on the fifteenth day (whether or not a Business Day) next preceding such Interest Payment Date (the "Regular Record Date"); provided, however, that interest payable on the Maturity Date (or any Redemption Date or any Optional Repayment Date) will be payable to the person to whom the principal hereof shall be payable. Should the Company default in the payment of interest ("Defaulted Interest"), the Defaulted Interest shall be paid to the person in whose name this bond (or one or more predecessor bonds) is registered on a subsequent record date fixed by the Company, which subsequent record date shall be fifteen (15) days prior to the payment of such Defaulted Interest. As used herein, "Business Day" means any day, other than a Saturday or Sunday, on which banks in The City of New York are not required or authorized by law to close.

Payment of the principal of and interest on this bond will be made in

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immediately available funds at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that payment of interest on any Interest Payment Date other than the Maturity Date (or any Redemption Date or any Optional Repayment Date) may be made at the option of the Company by check mailed to the address of the person entitled thereto as such address shall appear in the bond register of the Company. A person holding \$10,000,000 or more in aggregate principal amount of bonds having the same Interest Payment Date (whether having identical or different terms and provisions) will be entitled to receive payments of interest by wire transfer of immediately available funds if appropriate written wire transfer instructions have been received by the Trustee not

less than sixteen days prior to the applicable Interest Payment Date.

Reference is hereby made to the further provisions of this bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not become or be valid or obligatory for any purpose until the authentication certificate hereon shall have been signed by the Trustee.

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IN WITNESS WHEREOF, PORTLAND GENERAL ELECTRIC COMPANY has caused this instrument to be executed manually or in facsimile by its duly authorized officers and has caused a facsimile of its corporate seal to be imprinted hereon.

Dated:

PORTLAND GENERAL ELECTRIC COMPANY,

By:
[Title]

Attest:
Secretary.

(Form of Trustee's Authentication Certificate for Bonds of the Medium Term Note Series IV)

This is one of the bonds, of the series designated herein, described in the within-mentioned Indenture.

MARINE MIDLAND BANK, AS TRUSTEE,

By:
Authorized Officer

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[Reverse of Bond]

This bond is one of the bonds, of a series designated as Medium Term Note Series IV of an authorized issue of bonds of the Company, known as First Mortgage Bonds, not limited as to maximum aggregate principal amount, all issued or issuable in one or more series under and equally secured (except insofar as any sinking fund, replacement fund or other fund established in accordance with the provisions of the Indenture hereinafter mentioned may afford additional security for the bonds of any specific series) by an Indenture of Mortgage and Deed of Trust dated July 1, 1945, duly executed and delivered by the Company to The Marine Midland Trust Company of New York (now Marine Midland Bank), as Trustee, as supplemented and modified by forty-five supplemental indentures

(such Indenture of Mortgage and Deed of Trust as so supplemented and modified being hereinafter called the "Indenture"), to which Indenture and all indentures supplemental thereto, reference is hereby made for a description of the property mortgaged and pledged as security for said bonds, the nature and extent of the security, and the rights, duties and immunities thereunder of the Trustee, the rights of the holders of said bonds and of the Trustee and of the Company in respect of such security, and the terms upon which said bonds may be issued thereunder.

This bond will not be subject to any sinking fund.

This bond may be subject to repayment at the option of the holder on the Optional Repayment Date(s), if any, indicated on the face hereof. If no Optional Repayment Dates are set forth on the face hereof, this bond may not be so repaid at the option of the holder hereof prior to maturity. On any Optional Repayment Date this bond shall be repayable in whole or in part in increments of \$1,000 (provided that any remaining principal hereof shall be at least \$100,000) at the option of the holder hereof at a repayment price equal to 100% of the principal amount to be repaid, together with interest thereon payable to the date of repayment. For this bond to be repaid in whole or in part at the option of the holder hereof, this bond must be received, with the form entitled "Option to Elect Repayment" below duly completed, by the Trustee at 140 Broadway, New York, New York 10005-1180, or such address which the Company shall from time to time notify the holders of the bonds, not more than 60 nor less than 20 days prior to an Optional Repayment Date. Exercise of such repayment option by the holder hereof shall be irrevocable.

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This bond may be redeemed by the Company on any date on and after the Initial Regular Redemption Date, if any, indicated on the face hereof. If no Initial Regular Redemption Date is set forth on the face hereof, this bond may not be redeemed prior to maturity, except as provided in the second succeeding paragraph. On and after the Initial Regular Redemption Date, if any, this bond may be redeemed at any time in whole or from time to time in part in increments of \$1,000 (provided that any remaining principal hereof shall be at least \$100,000) at the option of the Company at the applicable Regular Redemption Price (as defined below) together with interest thereon payable to the date of such redemption, on notice given not more than 90 nor less than 30 days prior to such date. Any date on which Bonds are to be redeemed is herein called a "Redemption Date".

The "Regular Redemption Price" shall initially be the Initial Regular Redemption Percentage, shown on the face hereof, of the principal amount of this bond to be redeemed and shall decline at each anniversary of the Initial Regular Redemption Date, shown on the face hereof, by the Annual Regular Redemption Percentage Reduction, if any, shown on the face hereof, of the principal amount to be

redeemed until the Regular Redemption Price is 100% of such principal amount.

The Bonds may be redeemed prior to maturity as a whole at any time or in part from time to time (in increments as specified in the second preceding paragraph) in the instances provided in the Indenture by the application of proceeds of the sale or disposition substantially as an entirety of the Company's electric properties at Portland, Oregon, upon payment of the principal amount thereof, together with interest accrued to the date of such redemption, on notice given as provided in such second preceding paragraph.

Interest payments on this bond will include interest accrued to but excluding the Interest Payment Date or the Maturity Date, as the case may be. Interest payments for this bond will be computed and paid on the basis of a 360-day year of twelve 30-day months.

If this bond or any portion thereof (\$1,000 or an integral multiple thereof) is duly called for redemption and payment duly provided for as specified in the Indenture, this bond or such portion thereof shall cease to be entitled to the lien of the Indenture from and after the date payment is so provided for and shall cease to bear interest from and after the redemption date fixed for such redemption.

In the event of the selection for redemption of a portion only of the principal of this bond, payment of the redemption price will be made only

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upon surrender of this bond in exchange for a bond or bonds (but only of authorized denominations) for the unredeemed balance of the principal amount of this bond.

The Indenture contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than seventy-five per cent in principal amount of the bonds (exclusive of bonds disqualified by reason of the Company's interest therein) at the time outstanding, including, if more than one series of bonds shall be at the time outstanding, not less than sixty percent in principal amount of each series affected, to effect, by an indenture supplemental to the Indenture, modifications or alterations of the Indenture and of the rights and obligations of the Company and of the holders of the bonds and coupons; provided, however, that no such modification or alteration shall be made without the written approval or consent of the holder hereof which will (a) extend the maturity of this bond or reduce the rate or extend the time of payment of interest hereon or reduce the amount of the principal hereof or reduce any premium payable on the redemption hereof, (b) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of the Indenture, or (c) reduce the percentage of the principal amount of the bonds upon the approval or consent of the holders of which modifications or alterations may be made as aforesaid.

This bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing, at the corporate trust office of the Trustee in the Borough of Manhattan, City and State of New York, upon surrender of this bond for cancellation and upon payment of any taxes or other governmental charges payable upon such transfer, and thereupon a new registered bond or bonds of the same series and of a like aggregate principal amount will be issued to the transferee or transferees in exchange therefor.

The Company, the Trustee and any paying agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payments of or an account of the principal hereof and interest due hereon, and for all other purposes, whether or not this bond shall be overdue, and neither the Company, the Trustee nor any paying agent shall be affected by any notice to the contrary.

Bonds of this series are issuable only in fully registered form without coupons in denominations of \$100,000 or integral multiples of \$1,000 in excess thereof. The registered owner of this bond at his option may surrender the same for cancellation at said office of the Trustee and receive in exchange therefor the same aggregate principal amount of registered bonds

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of the same series and with the same terms and provisions, including the same issue date, maturity date, and redemption provisions, if any, and which bear interest at the same rate, but of other authorized denominations, upon payment of any taxes or other governmental charges payable upon such exchange and subject to the terms and conditions set forth in the Indenture.

If an event of default as defined in the Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in the Indenture. The holders, however, of certain specified percentages of the bonds at the time outstanding, including in certain cases specified percentages of bonds of particular series, may in the cases, to the extent and as provided in the Indenture, waive certain defaults thereunder and the consequences of such defaults.

No recourse shall be had for the payment of the principal of or the interest on this bond, or for any claim based hereon, or otherwise in respect hereof or of the Indenture, against any incorporator, shareholder, director or officer, past, present or future, as such, of the Company or of any predecessor or successor corporation, either directly or through the Company or such predecessor or successor corporation, under any constitution or statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of incorporators, shareholders, directors and officers, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and as provided in the Indenture.

The Indenture provides that this bond shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with and governed by the laws of said State.

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably request(s) and instruct(s) the Company to repay this bond (or portion hereof specified below) pursuant to its terms at a price equal to the principal amount hereof together with interest to the repayment date, to the undersigned, at.....
.....
.....
(Please print or typewrite name and address of the undersigned)

For this bond to be repaid, the Trustee must receive at 140 Broadway, New York, New York 10005-1180, or at such other place or places of which the Company shall from time to time notify the holder of this bond,

not more than 60 nor less than 20 days prior to an Optional Repayment Date, if any, shown on the face of this bond, this bond with this "Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this bond is to be repaid, specify the portion hereof (which shall be in increments of \$1,000) which the holder elects to have repaid and specify the denomination or denominations (which shall be \$100,000 or an integral multiple of \$1,000 in excess of \$100,000) of the bonds to be issued to the holder for the portion of this bond not being repaid (in the absence of any such specification, one such bond will be issued for the portion not being repaid).

\$.....
Date.....
NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of this bond in every particular, without alteration or enlargement or any change whatever.

(End of Form of Bond of the Medium Term Note Series IV)

and

WHEREAS, all acts and proceedings required by law and by the charter or articles of incorporation and bylaws of the Company necessary to make the Bonds of the Medium Term Note Series IV to be issued hereunder, when executed by the Company, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal obligations of the Company, and to constitute this Supplemental Indenture a valid and binding instrument, have been done and taken; and the execution and delivery of this Supplemental Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH, that, in order to secure the payment of the principal of, premium, if any, and interest on all Bonds at any time issued and outstanding under the Original Indenture as supplemented and modified by the forty-four supplemental indentures hereinbefore described and as supplemented and modified by this Supplemental Indenture, according to their tenor, purport and effect, and to secure the performance and observance of all the covenants and conditions therein and herein contained, and for the purpose of confirming and perfecting the lien of the Original Indenture on the properties of the Company hereinafter described, or referred to, and for and in consideration of the premises and of the mutual covenants herein contained, and acceptance of the Bonds of the Medium

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Term Note Series IV by the holders thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, the Company has executed and delivered this Supplemental Indenture and by these presents does grant, bargain, sell, warrant, alien, convey, assign, transfer, mortgage, pledge, hypothecate, set over and confirm unto the Trustee the following property, rights, privileges and franchises (in addition to all other property, rights, privileges and franchises heretofore subjected to the lien of the Original Indenture as supplemented by the forty-four supplemental indentures hereinbefore described and not heretofore released from the lien thereof), to wit:

CLAUSE I

Without in any way limiting anything hereinafter described, all and singular the lands, real estate, chattels real, interests in land, leaseholds, ways, rights-of-way, easements, servitudes, permits and licenses, lands under water, riparian rights, franchises, privileges, electric generating plants, electric transmission and distribution systems, and all apparatus and equipment appertaining thereto, offices, buildings, warehouses, garages, and other structures, tracks, machine shops, materials and supplies and all property of any nature appertaining to any of the plants, systems, business or operations of the Company, whether or not affixed to the realty, used in the operation of any of the premises or plants or systems or otherwise, which have been acquired by the Company since the execution and delivery of the Original Indenture and not heretofore included in any indenture supplemental thereto, and now owned or which may hereafter be acquired by the Company (other than excepted property as defined in the Original Indenture).

CLAUSE II

All corporate, Federal, State, municipal and other permits, consents, licenses, bridge licenses, bridge rights, river permits, franchises, grants, privileges and immunities of every kind and description, owned, held, possessed or enjoyed by the Company (other than excepted property as defined in the Original Indenture) and all renewals, extensions, enlargements and

modifications of any of them, which have been acquired by the Company since the execution and the delivery of the Original Indenture and not heretofore included in any indenture supplemental thereto, and now owned or which may hereafter be acquired by the Company.

CLAUSE III

Together with all and singular the plants, buildings, improvements,

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additions, tenements, hereditaments, easements, rights, privileges, licenses and franchises and all other appurtenances whatsoever belonging or in any wise pertaining to any of the property hereby mortgaged or pledged, or intended so to be, or any part thereof, and the reversion and reversions, remainder and remainders, and the rents, revenues, issues, earnings, income, products and profits thereof, and every part and parcel thereof, and all the estate, right, title, interest, property, claim and demand of every nature whatsoever of the Company at law, in equity or otherwise howsoever, in, of and to such property and every part and parcel thereof.

TO HAVE AND TO HOLD all of said property, real, personal and mixed, and all and singular the lands, properties, estates, rights, franchises, privileges and appurtenances hereby mortgaged, conveyed, pledged or assigned, or intended so to be, together with all the appurtenances thereto appertaining and the rents, issues and profits thereof, unto the Trustee and its successors and assigns, forever:

SUBJECT, HOWEVER, to the exceptions, reservations, restrictions, conditions, limitations, covenants and matters contained in all deeds and other instruments whereunder the Company has acquired any of the property now owned by it, and to permitted encumbrances as defined in Subsection B of Section 1.11 of the Original Indenture;

BUT IN TRUST NEVERTHELESS, for the equal and proportionate use, benefit, security and protection of those who from time to time shall hold the Bonds and coupons authenticated and delivered under the Original Indenture and the forty-four supplemental indentures hereinbefore described or this Supplemental Indenture, and duly issued by the Company, without any discrimination, preference or priority of any one bond or coupon over any other by reason of priority in the time of issue, sale or negotiation thereof or otherwise, except as provided in Section 11.28 of the Original Indenture, so that, subject to said Section 11.28, each and all of said Bonds and coupons shall have the same right, lien and privilege under the Original Indenture and the forty-four supplemental indentures hereinbefore described, or this Supplemental Indenture, and shall be equally secured thereby and hereby and shall have the same proportionate interest and share in the trust estate, with the same effect as if all of the Bonds and coupons had been issued, sold and negotiated simultaneously on the date of delivery of the

Original Indenture;

AND UPON THE TRUSTS, USES AND PURPOSES and subject to the covenants, agreements and conditions in the Original Indenture and the forty-four supplemental indentures hereinbefore described and herein set forth and declared.

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ARTICLE ONE.

BONDS OF THE MEDIUM TERM NOTE SERIES IV AND CERTAIN PROVISIONS RELATING THERETO.

SECTION 1.01. Certain Terms of Bonds of the Medium Term Note Series IV. The aggregate principal amount of the Bonds of the Medium Term Note Series IV shall be limited to \$75,000,000, excluding, however, any Bonds of the Medium Term Note Series IV which may be executed, authenticated and delivered in exchange for or in lieu of or in substitution for other Bonds of such Series pursuant to the provisions of the Original Indenture or of this Supplemental Indenture.

The definitive Bonds of the Medium Term Note Series IV shall be issuable only in fully registered form without coupons in the denomination of \$100,000, or any amount in excess thereof that is a multiple of \$1,000. Notwithstanding the provisions of Section 2.05 of the Original Indenture, each Bond of the Medium Term Note Series IV shall be dated as of the date of its authentication, and shall mature on such date not less than nine months nor more than thirty years from such date, shall bear interest from such date, shall bear interest at such rate or rates, which may be fixed or variable, and have such other terms and conditions not inconsistent with the Original Indenture as the Board of Directors of the Company, or any officer of the Company acting pursuant to authority granted by the Board of Directors may determine (the execution of any bond of the Medium Term Note Series IV by any authorized officer of the Company being, with regard to any holder of such bond, conclusive evidence of such approval). Interest on Bonds of the Medium Term Note Series IV shall be payable on the dates established on the date of first authentication of such Bond ("Original Issue Date"). The person in whose name any Bond of the Medium Term Note Series IV is registered at the close of business on the applicable record date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to such record date and prior to such interest payment date, unless the Company shall default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Bond is registered on a subsequent record date fixed by the Company, which subsequent record date shall be fifteen (15) days prior to the payment of such defaulted interest. Such interest payments shall be made in such manner and in such places as provided on the Form of Bonds of the Medium Term Note Series IV set forth in this Supplemental

Indenture. The principal of the Bonds of the Medium Term Note Series IV shall be payable in any coin or currency

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of the United States of America which at the time of payment is legal tender for the payment of public and private debts at the office or agency of the Company in the Borough of Manhattan, City and State of New York, and interest and premium, if any, on such Bonds shall be payable in like coin or currency at said office or agency.

The definitive Bonds of the Medium Term Note Series IV may be issued in the form of Bonds, engraved, printed or lithographed on steel engraved borders.

Upon compliance with the provisions of Section 2.06 of the Original Indenture and as provided in this Supplemental Indenture, and upon payment of any taxes or other governmental charges payable upon such exchange, Bonds of the Medium Term Note Series IV may be exchanged for a new Bond or Bonds of different authorized denominations of like aggregate principal amount.

The Trustee hereunder shall, by virtue of its office as such Trustee, be the registrar and transfer agent of the Company for the purpose of registering and transferring Bonds of the Medium Term Note Series IV.

Notwithstanding the provisions of Section 2.11 of the Original Indenture, no service charge shall be made for any exchange or transfer of Bonds of the Medium Term Note Series IV, but the Company at its option may require payment of a sum sufficient to cover any tax or other governmental charge incident thereto.

SECTION 1.02. Redemption Provisions for Bonds of the Medium Term Note Series IV. The Bonds of the Medium Term Note Series IV shall be subject to redemption prior to maturity as a whole at any time or in part from time to time as the Board of Directors of the Company, or any officer of the Company acting pursuant to authority granted by the Board of Directors may determine, and as set forth on the Form of Bonds of the Medium Term Note Series IV set forth in this Supplemental Indenture.

The Bonds of the Medium Term Note Series IV which are redeemable on the payment of a Regular Redemption Price as provided for in this Section 1.02 may be redeemed at such Regular Redemption Price through the application of cash deposited with the Trustee pursuant to Section 6.04 of the Original Indenture upon the taking, purchase or sale of any property subject to the lien hereof or thereof in the manner set forth in said Section.

The Bonds of the Medium Term Note Series IV are also subject to redemption through the application of proceeds of the sale or disposition

substantially as an entirety of the Company's electric properties at Portland, Oregon, which proceeds are required by the provisions of Section 7.01 of the Original Indenture to be applied to the retirement of Bonds, upon payment of the principal amount thereof together with interest thereon payable to the date of redemption.

SECTION 1.03. Notwithstanding the provisions of Section 4.07 of the Original Indenture, the provisions of Sections 4.04, 4.05, and 4.06 of the Original Indenture shall remain in full force and effect and shall be performed by the Company so long as any Bonds of the Medium Term Note Series IV remain outstanding. The Bonds of the Medium Term Note Series IV which are redeemable on the payment of a Regular Redemption Price as provided for in Section 1.02 of this Supplemental Indenture may be redeemed at such Regular Redemption Price with moneys remaining in the replacement fund provided for in said Section 4.04 of the Original Indenture.

SECTION 1.04. The requirements which are stated in the next to the last paragraph of Section 1.13 and in Clause (9) of Paragraph A of Section 3.01 of the Original Indenture to be applicable so long as any of the Bonds of the 1975 Series are outstanding shall remain applicable so long as any of the Bonds of the Medium Term Note Series IV are outstanding.

SECTION 1.05. Notwithstanding the provisions of Section 2.06 or Section 2.10 of the Original Indenture, the Company shall not be required (i) to issue, register, discharge from registration, exchange or transfer any Bond of the Medium Term Note Series IV for a period of fifteen (15) days next preceding any selection by the Trustee of Bonds of the Medium Term Note Series IV to be redeemed or (ii) to register, discharge from registration, exchange or transfer any Bond of the Medium Term Note Series IV so selected for redemption in its entirety or (iii) to exchange or transfer any portion of a Bond of the Medium Term Note Series IV which portion has been so selected for redemption.

SECTION 1.06. So long as any Bonds of the Medium Term Note Series IV remain outstanding, all references to the minimum provision for depreciation in the form of certificate of available additions set forth in Section 3.03 of the Original Indenture shall be included in any certificate of available additions filed with the Trustee, but whenever Bonds of the Medium Term Note Series IV shall no longer be outstanding, all references to such minimum provisions for depreciation may be omitted from any such certificate.

SECTION 1.07. I. Each holder of any Bond of the Medium Term

Note Series IV by acceptance of such Bond shall thereby consent that, at any time after the

requisite consents, if any, of the holders of Bonds of other series shall have been given as hereinafter provided, Subsections A and G of Section 1.10 of the Original Indenture be amended so as to read as follows:

"A. The term 'bondable public utility property' shall mean and comprise any tangible property now owned or hereafter acquired by the Company and subjected to the lien of this Indenture, which is located in the States of Oregon, Washington, California, Arizona, New Mexico, Idaho, Montana, Wyoming, Utah and Nevada and is used or is useful to it in the business of furnishing or distributing electricity for heat, light or power or other use, or supplying hot water or steam for heat or power or steam for other purposes, including, without limiting the generality of the foregoing, all properties necessary or appropriate for purchasing, generating, manufacturing, producing, transmitting, supplying, distributing and/or disposing of electricity, hot water or steam; provided, however, that the term 'bondable public utility property' shall not be deemed to include any nonbondable property, as defined in Subsection B of this Section 1.10, or any excepted property."

"G. The term 'minimum provision for depreciation' for the period from March 31, 1945 through December 31, 1966, as applied to bondable public utility property, whether or not subject to a prior lien, shall mean \$35,023,487.50.

"The term 'minimum provision for depreciation' for any calendar year subsequent to December 31, 1966, as applied to bondable public utility property, shall mean the greater of (i) an amount equal to 2% of depreciable bondable public utility property, as shown by the books of the Company as of January 1 of such year, with respect to which the Company was as of that date required, in accordance with sound accounting practice, to make appropriations to a reserve or reserves for depreciation or obsolescence, or (ii) the amount actually appropriated by the Company on its books of account to a reserve or reserves for depreciation or obsolescence in respect of depreciable bondable public utility property for such calendar year, in either case less an amount equal to the aggregate of (a) the amount of any property additions which during such calendar year were included in an officers' certificate filed with the Trustee as the basis for a sinking fund credit pursuant to the provisions of a sinking fund for Bonds of any series, and (b) 166-2/3% of the principal amount of Bonds of any series which shall have been delivered to the Trustee as a credit, or which the Company shall have elected to apply as a credit, against any sinking fund payment due during such calendar year for Bonds of any

series, or which shall have been redeemed in anticipation of, or out of moneys paid to the Trustee on account of, any sinking fund payment due during such calendar year for Bonds of any series. Bonds delivered to the Trustee as, or applied as, a credit against any sinking fund payment and Bonds redeemed in anticipation of any sinking fund

payment, regardless of the time when they were actually delivered, applied or redeemed, for purposes of the preceding sentence shall be deemed to have been delivered, applied or redeemed, as the case may be, on the sinking fund payment date when such sinking fund payment was due. Bonds redeemed out of moneys paid to the Trustee on account of any sinking fund payment shall, regardless of the date when they were redeemed, for purposes of the second preceding sentence, be deemed to have been redeemed on the later of (i) the date on which such moneys were paid to the Trustee or (ii) the sinking fund payment date when such sinking fund payment was due.

"The minimum provision for depreciation for any calendar year subsequent to December 31, 1966, as applied to bondable public utility property not subject to a prior lien, shall be determined as set forth in the paragraph immediately preceding, except that all references therein to 'depreciable bondable public utility property' shall be deemed to be 'depreciable bondable public utility property not subject to a prior lien'.

"The minimum provision for depreciation as applied to bondable public utility property and the minimum provision for depreciation as applied to bondable public utility property not subject to a prior lien for any period commencing subsequent to December 31, 1966 which is of twelve whole calendar months' duration but is other than a calendar year or which is of less than twelve whole calendar months' duration shall be determined by multiplying the number of whole calendar months in such period by one-twelfth of the corresponding minimum provision for depreciation for the most recent calendar year completed prior to the end of such period, and fractions of a calendar month shall be disregarded.

"The aggregate amount of the minimum provision for depreciation as applied to bondable public utility property and the aggregate amount of the minimum provision for depreciation as applied to bondable public utility property not subject to a prior lien from March 31, 1945 to any date shall be the sum of the corresponding minimum provision for depreciation for each completed calendar year between December 31, 1966 and such date, plus the corresponding minimum provision for depreciation for the period, if any, from the end of the most recent such completed calendar year to such date, in each case determined as set forth above, plus \$35,023,487.50.

"All Bonds credited against any sinking fund payment due subsequent

to December 31, 1966 for Bonds of any series and (except as provided in Section 9.04 with respect to Bonds on which a notation of partial payment shall be made) all Bonds redeemed in anticipation of or out of moneys paid to the Trustee as a part of any sinking fund payment due subsequent to December 31, 1966 for Bonds of any series, shall be canceled and no such Bonds, nor any property additions which, subsequent to December 31, 1966, shall have been

included in an officers' certificate filed with the Trustee as the basis for a sinking fund credit pursuant to the provisions of a sinking fund for Bonds of any series, shall be made the basis of the authentication and delivery of Bonds or of any other further action or credit hereunder."

II. Each holder of any Bond of the Medium Term Note Series IV, by acceptance of such Bond shall thereby consent that, at any time after the requisite consents, if any, of the holders of Bonds of other series shall have been given as hereinafter provided:

(1) Subsection A of Section 1.10 of the Original Indenture, as the same may be amended as hereinabove in this Section 1.07 provided, be further amended by replacing the word "and" between the words "Utah" and "Nevada" with a comma and by adding after the word "Nevada" the words "and Alaska";

(2) Subsection G of Section 1.10 of the Original Indenture, as the same may be amended as hereinabove in this Section 1.07 provided, be further amended by amending the second paragraph thereof to read as follows:

"The term 'minimum provision for depreciation' for any calendar year subsequent to December 31, 1966, as applied to bondable public utility property, shall mean the greater of (i) an amount equal to 2% of depreciable bondable public utility property, as shown by the books of the Company as of January 1 of such year, with respect to which the Company was as of that date required, in accordance with sound accounting practice, to make appropriations to a reserve or reserves for depreciation or obsolescence, or (ii) the amount actually appropriated by the Company on its books of account to a reserve or reserves for depreciation or obsolescence in respect of depreciable bondable public utility property for such calendar year, in either case less an amount equal to the aggregate of (a) the amount of any property additions which during such calendar year were included in an officers' certificate filed with the Trustee as the basis for a sinking fund credit pursuant to the provisions of a sinking fund for Bonds of any series and which as a result of having been so included have

been deemed, either without time limit or only so long as any Bonds of such series are outstanding, to have been 'included in an officers' certificate filed with the Trustee as the basis for a sinking fund credit' and to have been 'made the basis for action or credit hereunder' as such term is defined in Subsection H of Section 1.10 of the Original Indenture, and (b) 166-2/3% of the principal amount of Bonds of any series which shall have been delivered to the Trustee as a credit, or which the Company shall have elected to apply as a credit, against any sinking fund payment due during such calendar year for Bonds of any

series, or which shall have been redeemed in anticipation of, or out of moneys paid to the Trustee on account of, any sinking fund payment due during such calendar year for Bonds of any series and which as a result of having been so made the basis of a credit upon a sinking fund payment and/or so redeemed by operation of a sinking fund shall have been disqualified, either without time limit or only so long as any Bonds of such series are outstanding, from being made the basis of the authentication and delivery of Bonds or of any other further action or credit under the Original Indenture or any supplemental indenture. Bonds delivered to the Trustee as, or applied as, a credit against any sinking fund payment and Bonds redeemed in anticipation of any sinking fund payment, regardless of the time when they were actually delivered, applied or redeemed, for purposes of the preceding sentence shall be deemed to have been delivered, applied or redeemed, as the case may be, on the sinking fund payment date when such sinking fund payment was due. Bonds redeemed out of moneys paid to the Trustee on account of any sinking fund payment shall, regardless of the date when they were redeemed, for purposes of the second preceding sentence, be deemed to have been redeemed on the later of (i) the date on which such moneys were paid to the Trustee or (ii) the sinking fund payment date when such sinking fund payment was due."

(3) Subsection G of Section 1.10 of the Original Indenture, as the same may be amended as hereinabove in this Section 1.07 provided, be further amended by deleting therefrom the last two paragraphs thereof and inserting therein a new last paragraph to read as follows:

"The aggregate amount of the minimum provision for depreciation as applied to bondable public utility property and the aggregate amount of the minimum provision for depreciation as applied to bondable public utility property not subject to a prior lien from March 31, 1945 to any date shall be the sum of the corresponding minimum provision for depreciation for each completed calendar year

between December 31, 1966 and such date, plus (1) the corresponding minimum provision for depreciation for the period, if any, from the end of the most recent such completed calendar year to such date, in each case determined as set forth above, plus (2) \$35,023,487.50, plus (3) an amount equal to the aggregate of (a) the amount of any property additions which, between December 31, 1966 and such date, became property additions of the character described in clause (a) of the second paragraph of this Subsection G and which, thereafter, also between December 31, 1966 and such date, became 'available additions' as a result of the fact that all Bonds of such series ceased to be outstanding, and (b) 166-

2/3% of the principal amount of Bonds of any series which, between December 31, 1966 and such date, become Bonds of the character described in clause (b) of the second paragraph of this Subsection G and which, thereafter, also between December 31, 1966 and such date, became 'available Bond retirements' as a result of the fact that all Bonds of such series ceased to be outstanding."

III. Each holder of any Bond of the Medium Term Note Series IV, by acceptance of such Bond shall thereby consent that, at any time after the requisite consents, if any, of the holders of Bonds of other series shall have been given as hereinafter provided:

(1) the subparagraph numbered (3) of the third paragraph of Section 1.03 of each of the Sixteenth and the Eighteenth through the Twenty-first Supplemental Indentures and the third paragraph of Section 1.03 of the Third Supplemental Indenture be amended by inserting before the words "any available additions thus shown as a credit" the phrase "provided, however, that so long as any Bonds of the Series are outstanding" and inserting in the blank space of such phrase the applicable designation of the series of Bonds created by such supplemental indenture;

(2)(i) the fifth paragraph of Section 1.03 of the Ninth through the Sixteenth Supplemental Indentures and the Eighteenth through the Twenty-second Supplemental Indentures, which begins with the words "All Bonds made the basis of a credit upon any sinking fund payment for Bonds", (ii) Section 1.03 of the Seventeenth, Twentythird and Twenty-fourth Supplemental Indentures, (iii) the last sentence of the fourth paragraph of Section 1.03 of the First, Third, Fifth, Sixth and Seventh Supplemental Indentures, which begins with the words "All Bonds delivered to the Trustee as part of or to anticipate any sinking fund payment" and (iv) the last sentence of the fourth paragraph of Section 4.03 of the Original Indenture, which

begins with the words "All Bonds delivered to the Trustee as part of or to anticipate any sinking fund payment", each be amended so as to read as follows:

"All Bonds made the basis of a credit upon any sinking fund payment, and/or (except with respect to Bonds on which a notation of partial payment shall be made as permitted by any provision of the Original Indenture, of any supplemental indenture or of any agreement entered into as permitted by the Original Indenture or by any supplemental indenture) redeemed (whether on any sinking fund payment date or in anticipation of any such sinking fund payment) by operation of the sinking fund, for Bonds of the 1975 Series, or for Bonds of the 1977 Series, or for Bonds of the

1977 Second Series, or for Bonds of the 1984 Series, or for Bonds of the 1986 Series, or for Bonds of the 4-7/8% Series due 1987, or for Bonds of the 1990 Series, or for Bonds of the 1991 Series, or for Bonds of the 4-5/8% Series due 1993, or for Bonds of the 4-3/4% Series due 1993, or for Bonds of the 1994 Series, or for Bonds of the 1995 Series, or for Bonds of the 1996 Series, or for Bonds of the 1997 Series, or for Bonds of the 2000 Series, or for Bonds of the 2001 Series, or for Bonds of the 2002 Series, or for Bonds of the 2003 Series, or for Bonds of the 2003 Second Series if not theretofore canceled shall be canceled and, except as otherwise provided in the supplemental indenture creating such series of Bonds, or in another supplemental indenture amending such supplemental indenture, so long as any Bonds of such series are outstanding shall not (but without limiting the use of the principal amount thereof in calculating any minimum provision for depreciation pursuant to the provisions of Subsection G of Section 1.10 of the Original Indenture as the same may be amended in accordance with the provisions of any supplemental indenture) be made the basis of the authentication and delivery of Bonds or of any further action or credit under the Original Indenture or any supplemental indenture.

"To the extent that

- (a) in any given year the principal amount of Bonds made the basis of a credit upon any sinking fund payment, and/or redeemed (whether on a sinking fund payment date or in anticipation of a sinking fund payment) by operation of the sinking fund, for Bonds of the 1975 Series, or for Bonds of the 1977 Series, or for Bonds of the 1977 Second Series, or for Bonds of the 1984 Series, or for Bonds of the 1986 Series, or for Bonds of the 4-7/8% Series due 1987, or for Bonds of the 1990 Series, or for

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Bonds of the 1991 Series, or for Bonds of the 4-5/8% Series due 1993, or for Bonds of the 4-3/4% Series due 1993, or for Bonds of the 1994 Series, or for Bonds of the 1995 Series or for Bonds of the 1996 Series,

does not exceed

- (b) an amount equal to 1% of the greatest aggregate principal amount of Bonds of such Series theretofore at any one time outstanding, after deducting from said aggregate principal amount the sum of the following amounts, in the event that such sum would equal \$500,000 or more, namely, (1) the aggregate principal amount of Bonds of such Series theretofore redeemed by the application of the proceeds of property released from the lien of the Original Indenture or taken

or purchased pursuant to the provisions of Article Six of the Original Indenture, and (2) the aggregate principal amount of Bonds of such Series theretofore redeemed and retired and made the basis for the withdrawal of such proceeds pursuant to Section 7.03 of the Original Indenture or certified pursuant to Section 6.06 of the Original Indenture in lieu of the deposit of cash upon the release or taking of property; and

to the extent that

- (c) in any given year the principal amount of Bonds made the basis of a credit upon any sinking fund payment, and/or redeemed (whether on a sinking fund payment date or in anticipation of a sinking fund payment) by operation of the sinking fund, for Bonds of the 1997 Series, or for Bonds of the 2000 Series, or for Bonds of the 2001 Series, or for Bonds of the 2002 Series, or for Bonds of the 2003 Series, or for Bonds of the 2003 Second Series,

does not exceed

- (d) an amount equal to (1) 1% of the greatest aggregate principal amount of Bonds of such Series theretofore at any one time outstanding, after making the deductions from said aggregate principal amount referred to in clause (b) of this paragraph, minus (2) 60% of the amount of available additions made the basis of a credit against such sinking fund payment,

the principal amount of Bonds so made the basis of a credit upon a

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sinking fund payment and/or so redeemed by operation of the sinking fund for Bonds of such Series shall not (but without limiting the use of the principal amount thereof in calculating any minimum provision for depreciation pursuant to the provisions of Subsection G of Section 1.10 of the Original Indenture as the same may be amended in accordance with the provisions of any supplemental indenture) be made the basis of the authentication and delivery of Bonds or of any other further action or credit under the Original Indenture or any supplemental indenture; and

to the extent that

- (e) in any given year the amount of available additions made the basis of a credit against any sinking fund payment for Bonds of the 1997 Series, or for Bonds of the 2000 Series, or for Bonds of the 2001 Series, or for Bonds of the 2002 Series, or for Bonds of the 2003 Series, or for Bonds of the 2003 Second

Series,

does not exceed

- (f) an amount equal to one and sixty-six and two-thirds one hundredths per cent (1.66-2/3%) of the greatest aggregate principal amount of Bonds of such Series theretofore at any one time outstanding, after making the deductions from said aggregate principal amount referred to in clause (b) of this paragraph,

the amount of available additions so made the basis of a credit against a sinking fund payment shall (but without limiting the use of the amount thereof in calculating any minimum provision for depreciation pursuant to the provisions of Subsection G of Section 1.10 of the Original Indenture as the same may be amended in accordance with the provisions of any supplemental indenture) be deemed to have been 'included in an officers' certificate filed with the Trustee as the basis for a sinking fund credit' and to have been 'made the basis for action or credit hereunder' as such term is defined in Subsection H of Section 1.10 of the Original Indenture.

"From and after the time when all Bonds of any of the Series referred to in (a) of the paragraph immediately preceding shall cease to be outstanding, a principal amount of Bonds equal to the excess of

- (i) the aggregate principal amount of Bonds made the basis of a credit upon all sinking fund payments and/or redeemed by operation of the sinking fund for Bonds of such Series as set forth in said (a) in all years, over

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- (ii) the aggregate amounts set forth in (b) of the paragraph immediately preceding with reference to Bonds of such Series for all years,

shall become 'available Bond retirements' as such term is defined in Section 1.10.J. of the Original Indenture and may thereafter be included in Item 4 of any 'certificate of available Bond retirements' thereafter delivered to and/or filed with the Trustee pursuant to Section 3.02 of the Original Indenture; and from and after the time when all Bonds of any of the Series referred to in (c) of the paragraph immediately preceding shall cease to be outstanding, a principal amount of Bonds equal to the excess of

- (iii) the aggregate principal amount of Bonds made the basis of a credit upon all sinking fund payments and/or redeemed by operation of the sinking fund for Bonds of such Series as set forth in said (c) in all years, over

- (iv) the aggregate amounts set forth in (d) of the paragraph immediately preceding with reference to Bonds of such Series for all years,

shall become 'available Bond retirements' as such term is defined in Section 1.10.J. of the Original Indenture and may thereafter be included in Item 4 of any 'certificate of available Bond retirements' thereafter delivered to and/or filed with the Trustee pursuant to Section 3.02 of the Original Indenture, and an amount of available additions equal to the excess of

- (v) the amount of available additions made the basis of a credit against all sinking fund payments for Bonds of such Series as set forth in (e) of the paragraph immediately preceding in all years, over
- (vi) the aggregate amounts set forth in (f) of the paragraph immediately preceding with reference to Bonds of such Series for all years,

shall become 'available additions' as such term is defined in Section 1.10.I. of the Original Indenture and may thereafter be included in Item 5 of any 'certificate of available additions' thereafter filed with the Trustee pursuant to Section 3.01 of the Original Indenture.";

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(3) subsection H of Section 1.10 of the Original Indenture be amended by inserting before the semicolon preceding clause (ii) thereof, and as a part of clause (1) thereof, the words "if, to the extent that, and so long as, the provisions of this Indenture or any supplemental indentures creating or providing for any such fund or any supplemental indentures amending the provisions creating or providing for any such fund shall preclude the use of property additions so included in an officers' certificate as the basis for further action or credit hereunder"; Subsection I of Section 1.10 of the Original Indenture be amended by changing the reference therein from "Item 5" to "Item 7"; and Subsection J of Section 1.10 of the Original Indenture be amended by changing the reference therein from "Item 4" to "Item 5";

(4) paragraph (3) of Section 3.01(A) of the Original Indenture be amended by changing the period at the end thereof to a comma and adding the following words thereto: "except to the extent otherwise provided in this Indenture or in any supplemental indenture";

(5) the Certificate of Available Additions set forth in Section 3.03.A. of the Original Indenture be amended by

- (i) adding new paragraphs (5) and (6) thereto immediately preceding existing paragraph (5) thereof, as follows:

"(5) The aggregate amount, if any, of available additions included in Item 4 above which were so included because the same were made the basis of a credit upon any sinking fund payment for Bonds of any series and which have subsequently again become 'available additions' as a result of the fact that all Bonds of such series ceased to be outstanding, is \$.....

"(6) The aggregate amount of available additions heretofore made the basis for action or credit under said Indenture of Mortgage and which have not subsequently again become 'available additions' as set forth in Item 5 above, namely Item 4 above minus Item 5 above is \$.....

(ii) renumbering existing paragraph (5) as paragraph (7) and changing the references in renumbered paragraph (7) from "Item 3 above minus Item 4 above" to "Item 3 above minus Item 6 above",

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(iii) renumbering existing paragraphs (6) and (7) as paragraphs (8) and (9) and changing the references in renumbered paragraph (9) from "Item 5 above minus Item 6 above" to "Item 7 above minus Item 8 above", and

(iv) deleting "Item 7 above" in the second line of the paragraph immediately succeeding renumbered paragraph (9) and substituting "Item 9 above" therefor; and

(6) the Certificate of Available Bond Retirements set forth in Section 3.03.B. of the Original Indenture be amended by

(i) adding a new paragraph (4) thereto immediately preceding the existing paragraph (4) thereof, as follows:

"(4) The aggregate amount, if any, of Bonds previously made the basis of a credit upon any sinking fund payment for Bonds of any series, and/or redeemed (whether on a sinking fund payment date or in anticipation of sinking fund payment) by operation of the sinking fund for Bonds of such series, which have subsequently become 'available Bond retirements' as a result of the fact that all Bonds of such series ceased to be outstanding is \$....."

- (ii) renumbering the existing paragraph (4) as paragraph (5) and revising the same to read as follows: "The amount of presently available Bond retirements, namely the sum of Items (1), (2), (3) and (4) above, is \$....."
- (iii) renumbering the existing paragraphs (5) and (6) as (6) and (7), respectively, and changing the reference in renumbered paragraph (7) from "Item 4 minus Item 5" to "Item 5 minus Item 6".

IV. The amendments of Subsections A, G, H, I and/or J of Section 1.10 of the Original Indenture, of Sections 3.01, 3.03 and/or 4.03 of the Original Indenture and/or of Section 1.03 of the First, Third, Fifth, Sixth, Seventh and Ninth through Twenty-fourth Supplemental Indentures set forth above shall, subject to the Company and the Trustee, in accordance with the provisions of Section 17.02 of the Original Indenture, entering into an indenture or indentures supplemental to the Original Indenture for the purpose of so amending said Subsections A, G, H, I and/or J, Sections

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3.01, 3.03 and/or 4.03 and/or Section 1.03, become effective at such time as the holders of not less than 75% in principal amount of Bonds then outstanding or their attorneys-in-fact duly authorized, including the holders of not less than 60% in principal amount of the Bonds then outstanding of each series the rights of the holders of which are affected by such amendment, shall have consented to such amendment. No further vote or consent of the holders of Bonds of the Medium Term Note Series IV shall be required to permit such amendments to become effective and in determining whether the holders of not less than 75% in principal amount of Bonds outstanding at the time such amendments become effective have consented thereto, the holders of all Bonds of the Medium Term Note Series IV then outstanding shall be deemed to have so consented.

SECTION 1.08. This Article shall be of force and effect only so long as any Bonds of the Medium Term Note Series IV are outstanding.

ARTICLE TWO.

TRUSTEE.

SECTION 2.01. The Trustee hereby accepts the trust hereby created. The Trustee undertakes, prior to the occurrence of an event of default and after the curing of all events of default which may have occurred, to perform such duties and only such duties as are specifically set forth in the Original Indenture as heretofore and hereby supplemented and modified, on and subject to the terms and conditions set forth in the Original Indenture as so supplemented and modified, and in case of the occurrence of an event of default (which has not been cured) to exercise such of the

rights and powers vested in it by the Original Indenture as so supplemented and modified, and to use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the Bonds issued hereunder or the due execution thereof by the Company. The Trustee shall be under no obligation or duty with respect to the filing, registration, or recording of this Supplemental Indenture or the re-filing, re-registration, or re-recording thereof. The recitals of fact contained herein or in the Bonds (other than the Trustee's authentication certificate) shall be taken as the statements solely of the Company, and the Trustee assumes no responsibility for the correctness thereof.

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ARTICLE THREE.

MISCELLANEOUS PROVISIONS.

SECTION 3.01. Although this Supplemental Indenture, for convenience and for the purpose of reference, is dated May 1, 1995, the actual date of execution by the Company and by the Trustee is as indicated by their respective acknowledgments hereto annexed.

SECTION 3.02. This Supplemental Indenture is executed and shall be construed as an indenture supplemental to the Original Indenture as heretofore supplemented and modified, and as supplemented and modified hereby, the Original Indenture as heretofore supplemented and modified is in all respects ratified and confirmed, and the Original Indenture as heretofore and hereby supplemented and modified shall be read, taken and construed as one and the same instrument. All terms used in this Supplemental Indenture shall be taken to have the same meaning as in the Original Indenture except in cases where the context clearly indicates otherwise.

SECTION 3.03. In case any one or more of the provisions contained in this Supplemental Indenture or in the Bonds or coupons shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Supplemental Indenture, but this Supplemental Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

SECTION 3.04. This Supplemental Indenture may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts, or as many of them as the Company and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, Portland General Electric Company has caused this Supplemental Indenture to be signed in its corporate name by its President or one of its Senior Vice Presidents or one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its Secretary or one of its Assistant Secretaries, and in token of its acceptance of the trusts created hereunder, Marine Midland Bank (formerly The Marine Midland Trust Company of New York) has caused this Supplemental Indenture to be signed in its corporate name by one of its Vice Presidents or one of its Assistant Vice Presidents or one of its Corporate Trust Officers and its corporate seal to be hereunto affixed and attested by

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one of its Corporate Trust Officers, all as of the day and year first above written.

PORTLAND GENERAL ELECTRIC
COMPANY

By: /s/ Joseph M. Hirko

Title: Vice President

Attest:

/s/ Steven F. McCarrel

Title: Assistant Secretary

(Seal)

MARINE MIDLAND BANK

By: /s/ Richard G. Pittius

Title: Assistant Vice President

Attest:

/s/ Frank J. Godino

Title: Corporate Trust Officer

(Seal)

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State of Oregon

} ss.:

County of Multnomah

The foregoing instrument was acknowledged before me on this 18th day of May, 1995 by Joseph M. Hirko, a Vice President of PORTLAND GENERAL ELECTRIC COMPANY, an Oregon corporation, on behalf of said corporation.

/s/ Bonnie D. Rushing
Notary Public for Oregon

