



Portland General Electric Company
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Peggy Y. Fowler
CEO and President

June 6, 2002

Honorable Pat Wood
Chairman
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Portland General Electric Company

Dear Chairman Wood:

Thank you for coming to Portland to learn more about our RTO issues in the Northwest. I enjoyed meeting you briefly and appreciated the "heads up" and contact information for Don Gelinas, about PGE not being forthcoming with data. I am sure you could tell from my reaction, that I was extremely surprised by this, as we take all of these investigations very seriously, and devoted many internal and external resources to ensure PGE's integrity.

I am writing to request the assistance of the Commission in helping PGE respond in the most productive manner possible to your June 4, 2002 Order to Show Cause in Docket No. PA02-2-000. It is PGE's intention and corporate policy to cooperate with the Commission's investigation into Western Power Markets, and it will continue to do all within its capacity to answer the Commission's questions. Indeed, PGE has already devoted extraordinary resources to responding to the data requests we have received to date from the Commission. Though PGE was not even requested to respond to the Commission's May 8th Order, upon learning of that Order last month, we immediately assembled a team of senior personnel to formulate and execute a thorough investigation of the issues involved.

In response to the May 8th Order, our General Counsel and I immediately directed our employees to fully cooperate with the investigation, and required employees to search their records and files for any potentially responsive documents. An investigative team, comprised of all available in-house Portland attorneys as well as outside counsel, then identified and conducted extensive interviews with 74 current and former Portland employees, including senior

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management and all traders, who may have possessed any relevant knowledge of the issues under investigation. An extensive search was conducted of hundreds of thousands of electronically stored documents, including e-mails. Lastly, as the team began to focus on the transactions that occurred on 17 days from April-June 2000, team members listened to hundreds of hours of tapes made from the trading floor, and transcribed, as an aid to the Commission, all relevant passages in an attempt to provide all relevant information to the Commission. Altogether, Portland committed more than 300 person hours per day (including weekends) during the limited time we were given to respond, and we ultimately submitted all the relevant information that we were capable of retrieving given the significant time and resource constraints.

After working so hard to respond to your May 8, 2002 data requests, we obviously were extremely disappointed to learn that you found it inadequate. We clearly want to avoid this happening again, and therefore want to make certain that we direct our prospective efforts in a way that is consistent with your needs and expectations. We are attaching a preliminary workplan for complying with your Show Cause Order. The workplan represents our efforts to supplement our initial filing with additional details and to identify any further areas that may warrant additional research. We recognize, of course, that preliminary workplans such as this can change dramatically in the course of an investigation as new information might suggest more fruitful avenues of investigation. Nevertheless, we believe the attached workplan is an appropriate basis for commencing our effort. If the Commission believes that this workplan is in any way misdirected or in need of modification, we would appreciate receiving that guidance as early as possible so that we can redirect our efforts in a more productive manner. We also would appreciate having the Commission designate a contact person with whom we might consult in complying with your needs and in targeting our resources in a way that maximizes results.

Sincerely,

Leggy Y. Fowler

Attachment

cc: Commissioner Nora M. Brownell
Commissioner William L. Massey
Commissioner Linda K. Breathitt