



Portland General Electric Company
Trojan Nuclear Plant
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September 29, 2004

VPN-044-2004

Trojan Nuclear Plant/ISFSI
Docket Nos. 50-344/72-17
License Nos. NPF-1/SNM-2509

10 CFR § 50.80
10 CFR § 72.50

ATTN: Document Control Desk
U. S. Nuclear Regulatory Commission
Washington, DC 20555-0001

ATTN: Document Control Desk
Director, Spent Fuel Project Office
Office of Nuclear Material Safety and Safeguards
U. S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Supplemental Information in Support of Application
for Consent to Indirect Transfer of Facility Licenses

This letter provides supplemental information in support of Portland General Electric Company's ("PGE") "Application for Consent to Indirect Transfer of Facility Licenses" ("Application"), submitted to the Nuclear Regulatory Commission ("NRC") by PGE on its own behalf and that of Oregon Electric Utility Company, LLC ("OEUC"), via PGE Letter VPN-020-2004 dated June 14, 2004. Specifically, this letter informs the NRC of a change in the identities of certain individual members of one of the entities that will own OEUC, and of a de minimis (approximately 0.17 percent) change in the equity ownership distribution of OEUC. These changes will not: (1) have any adverse impact on the decommissioning of the TNP or on the Trojan ISFSI; (2) affect the managerial, technical or financial qualifications of PGE under its licenses; (3) result in foreign ownership, control or domination over any NRC licensee; or (4) require any additional NRC reviews (e.g., antitrust review). Therefore, as stated in the Application, the proposed transfers will not be inimical to the common defense and security or

result in any undue risk to public health and safety, and will be consistent with the requirements of the Atomic Energy Act (AEA) and the NRC regulations.

The new information in question concerns the identity of the individuals that comprise Managing Member, LLC (“Managing Member”), as well as the membership of the OEUC and PGE Boards of Directors. As stated in the Application, “three separate groups of investors will, directly or indirectly, hold ownership interests in OEUC: the local owners that comprise the Managing Member; the TPG Partners III and TPG Partners IV limited partnerships; and two passive investors, the Gates Foundation and the OCM limited partnership.” The Application further states that “[u]pon closing of the Transaction, OEUC will appoint a new board of directors of PGE..., [and that] a majority of the members will at all times be U.S. citizens.... The local owners are all U.S. citizens.”

Consistent with PGE’s June 14, 2004, Application to the NRC as cited above, OEUC announced on July 8, 2004, the names of seven additional directors who will join David Bonderman, Kelvin Davis, Peggy Fowler, Gerald Grinstein, and Tom Walsh on the Board of Directors of PGE upon approval of the Transaction. They are:

- Peter O. Kohler, M.D. – President, Oregon Health & Science University
- Kirby Dyess – former Corporate Vice President and Director of Operations, Intel Capital; Principal, Austin Capital Management
- Maria Eitel – Vice President and Senior Advisor for Corporate Responsibility, Nike Inc.; President, Nike Foundation
- Jerry Jackson – former senior utility executive at Entergy Corporation; Of Counsel, Skadden, Arps, Slate, Meagher & Flom, LLP
- Duane McDougall – former President and CEO, Willamette Industries, Inc.
- Robert Miller – Chairman, Rite Aid Corp.; former CEO, Fred Meyer, Inc.
- M. Lee Pelton, Ph.D. – President, Willamette University

Dr. Kohler will serve as Chairman of the PGE Board of Directors. Consistent with the commitment in the Application that "a majority of the members [of the PGE Board of Directors] will at all times be U.S. citizens," all the new members of the PGE Board of Directors are U.S. citizens.

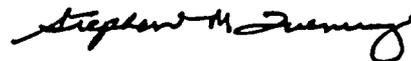
Dr. Kohler and Messrs. McDougall and Miller will also become members of Managing Member (i.e., will become "local owners"). With these additions, there will be five members in Managing Member: Dr. Kohler and Messrs. Grinstein, McDougall, Miller, and Walsh. Consistent with the commitment in the Application that "[t]he local owners are all U.S. citizens," all five of the local owners are U.S. citizens. All five will serve on the OEUC Board of Directors, as will Mr. Davis. A revised description of the names, addresses, and citizenship of the OEUC Board of Directors is provided as Enclosure (1) to this letter, which replaces in its entirety Enclosure (3) to the Application submitted to the NRC on June 14, 2004.

The above changes will not materially impact the structure of Managing Member or its relationships to OEUC and PGE. The new members of Managing Member will participate on substantially the same terms and conditions as described in the Application for Gerald Grinstein and Tom Walsh. The only changes to Managing Member will be the addition of the new local owners as investors in Managing Member, and an increase in the total amount invested in Managing Member from approximately \$2.5 million to approximately \$3.5 million. With each of the five local owners investing their personal funds in OEUC through investments in Managing Member, the local owners collectively will own approximately 0.67 percent of the economic interest in OEUC. The TPG Partners III and TPG Partners IV limited partnerships will own approximately 79.90 percent of the economic interest in OEUC, and the Passive Investors will own approximately 19.43 percent of the economic interest in OEUC. A revised chart of the ownership structure of OEUC is provided as Enclosure (2) to this letter, which replaces in its entirety Enclosure (5) to the Application submitted to the NRC on June 14, 2004. There will be no changes to voting control of OEUC as set out in the Application.

Based on the above, this Supplement to the Application does not materially impact the conclusions reached in and supported by the Application. Further, given the nature of the supplemental information provided herein, the schedule for completion of the proposed Transaction is not anticipated to be affected. Specifically, as stated in the Application, the parties anticipate closing as soon as possible during the second half of calendar year 2004. Accordingly, the target date requested in the Application for the NRC to complete its review and issue the transfer is unchanged by this Supplement.

For purposes of answering questions concerning the information provided in this letter, please contact Douglas R. Nichols, General Counsel, Portland General Electric Company, Suite 1700, 121 SW Salmon St. Portland, OR 97204 (phone number 503-464-8402). Service of any comments, hearing requests, intervention petitions, or other filings should also be made to: Samuel Behrends IV, LeBoeuf, Lamb, Greene & McRae, 1875 Connecticut Ave., N.W., Suite 1200, Washington, DC 20009 (sbehrend@llgm.com) and Jay E. Silberg, Shaw Pittman LLP, 2300 N Street, N.W., Washington, DC 20037 (JaySilberg@shawpittman.com).

Sincerely,



Stephen M. Quennoz
Vice President, Generation

Enclosures:

- (1) Names, addresses, and citizenship of the current members and principal officers and directors of OEUC [replaces Enclosure (3) to VPN-020-2004 dated June 14, 2004]
- (2) Chart of ownership structure of OEUC [replaces Enclosure (5) to VPN-020-2004 dated June 14, 2004]

cc: J. T. Buckley, NRC, NMSS
C. M. Regan, NRC, NMSS, SFPO
Director, DNMS, NRC Region IV
David Stewart-Smith, ODOE

Richard A. Ekleberry, TPG Partners III, L.P.
Mitch Taylor, Enron Corp.
David Koogler, Enron Corp.
Owners Committee Representatives of BPA, PacifiCorp, and EWEB
Michael L. Ryan, Cleary, Gottlieb, Steen & Hamilton
David Leinwand, Cleary, Gottlieb, Steen & Hamilton
Brian P. Leitch, Arnold & Porter
Jay Tabor, Weil, Gotshal & Manges LLP
Michael M. Morgan, Tonkon Torp

ENCLOSURE (2) TO VPN-044-2004

CHART OF OWNERSHIP STRUCTURE OF OEUC

[Replaces Enclosure (5) to VPN-020-2004 dated June 14, 2004]

OEUC Structure

