

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 02-122**

Authorizing County Participation in Public Acquisition of Portland General Electric

**The Multnomah County Board of Commissioners Finds:**

- a. Portland General Electric (PGE) provides electricity to residents and businesses throughout Multnomah County and Northwest Oregon.
- b. PGE is a wholly owned subsidiary and the largest asset of Enron Corporation (Enron), and Enron is involved in a Chapter 11 proceeding in U.S. Bankruptcy Court in New York.
- c. Enron's actions and business conduct have had a substantial negative impact on PGE's financial health, including potential responsibility for liabilities of Enron. These financial impacts on PGE may affect its ability to provide a stable supply of electricity at the lowest possible rates to Multnomah County and Northwest Oregon residents and businesses.
- d. Enron's current management and creditors have announced an auction to sell PGE, with decisions on possible new ownership by the end of 2002.
- e. It is in the interest of Multnomah County, Northwest Oregon and all PGE ratepayer's that PGE, or a successor utility, provide safe, reliable electrical service at stable, reasonable rates. There should be no continuing liability for Enron's actions or its debts. Management must be responsive to local needs and priorities, dedicated to its local employees, and committed to the economic and environmental well being of Multnomah County and Northwest Oregon. These public interests should be considered in the sale or transfer of PGE assets and business.
- f. Multnomah County believes that public acquisition of PGE assets and business could be beneficial to the residents and businesses of this region
- g. The City of Portland has resolved to enter into discussions with Enron and its creditors, and with other interested governments, to possibly acquire PGE. Counties are also discussing opportunities to possibly acquire PGE. One unified proposal would best serve the public's interest.

**The Multnomah County Board of Commissioners Resolves:**

1. Commissioner Lisa Naito, District 3, and Chair Diane Linn are authorized to act on behalf of Multnomah County to:
  - a. Participate in discussions with other counties and the City of Portland regarding a possible public acquisition of Portland General Electric.
  - b. Report regularly to the Board and recommend further action as appropriate until there is a satisfactory transfer of PGE assets and business that satisfies the public interest.
2. The Board authorizes expenditure of up to \$75,000 as needed to examine public power options, governance and financing models, and related issues to provide guidance on the acquisition. Any expenditure will be reimbursed from debt proceeds.

ADOPTED this 19th day of September, 2002.

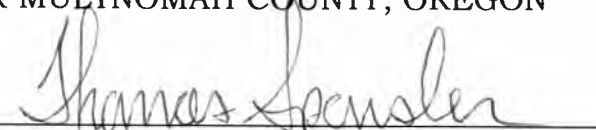


BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

  
Lonnie Roberts, Vice-Chair

REVIEWED:

THOMAS SPONSLE, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
Thomas Sponsler, County Attorney