



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

July 14, 2017

Via e-filing
puc.filingcenter@state.or.us

Public Utility Commission of Oregon
201 High Street, Suite 100
P. O. Box 1088
Salem, OR 97308-1088

Re: UF 4226(2) - Application Regarding the Issuance of Common Stock.

Attention Filing Center:

Enclosed for filing in the above-captioned docket please find Portland General Electric Company's ("PGE") Application regarding the issuance of common stock.

We ask that, if necessary, this Application be placed for consideration at the Commission's September 9, 2017 Public Meeting, or as soon thereafter as possible.

If you have any questions regarding this matter, please call Doug Tingey at 503.464.8926.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in blue ink that reads "Patrick G Hager". The signature is written in a cursive style and is positioned above the printed name.

Patrick G Hager
Manager, Regulatory Affairs

PGH/sp

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UF 4226 (2)**

In the Matter of the Application of)
PORTLAND GENERAL ELECTRIC COMPANY,) **APPLICATION**
For an Order Authorizing the Issuance and Sale)
of up to 4,687,500 Shares of Common Stock.)

BACKGROUND AND REQUEST

April 24, 2006, Portland General Electric Company (“PGE”) filed an application requesting an order, pursuant to ORS 757.415, authorizing PGE to issue up to 4,687,500 authorized but unissued shares of its Common Stock under its then recently adopted 2006 Stock Incentive Plan (the “Plan”). The Plan is a part of PGE’s overall compensation package. Awards under the Plan are intended to provide market-aligned incentives that will attract, retain and motivate highly-qualified persons as officers, directors, and key employees of PGE. Incentive plans such as PGE’s Plan are common in the industry and in companies similar in size to PGE. The Plan was attached to PGE’s 2006 application, and the application explained the Plan and its governance by a committee appointed by the Board of Directors.

PGE’s application was approved by the Commission at its June 27, 2006, public meeting, with a written Order issued July 5, 2006. That Order, number 06-356, stated:

- 1) The application of Portland General Electric Company for the authority to issue and sell up to 4,687,500 shares of common stock is approved.
- 2) In its next rate proceeding, Portland General Electric Company is required to show that its capitalization structure and capital costs, including imbedded expenses, are just and reasonable.

Since adoption of the plan in 2006, PGE has issued less than one-third of the amount

authorized by the Commission Order, with 3,327,146 shares remaining available for issuance¹.

In this application, PGE does not seek approval to issue any shares in addition to those previously authorized by the Commission.

Paragraph 22 of the Plan stated:

No Award shall be granted more than ten (10) years after the effective date of the Plan. The Committee may amend the Plan from time to time or suspend or terminate the Plan at any time. No amendment of the Plan may be made without approval of the stockholders of the Company if such approval is required under the Code, the rules of the stock exchange, or any other applicable laws or regulations.

The effective date of the plan was March 31, 2006. By unanimous written consent, the PGE Board of Directors recently approved amendments to the plan that extended the effective date of the plan to March 31, 2024. As allowed by applicable rules and regulations, the effective date of the amendment is March 31, 2016. A copy of the Board resolution, and the Board Compensation Committee resolution, approving the amendment are attached as Exhibit C. The amended Plan is attached as Exhibit 1. The amended Plan will be submitted for approval by shareholders at PGE's 2018 annual shareholder meeting.

There are no outstanding shares that have been issued since March 31, 2016. In May 2016, the annual equity grants were made to the non-employee members of the Board of Directors of PGE. Those grants vested quarterly in four equal installments beginning June 30, 2016, but the shares issued under those grants were subsequently rescinded. As of the date of this Application, there are outstanding vested awards granted under the Plan from 2015 to April 2017 covering a total of 469,673 shares. The issuance of those shares is subject to vesting requirements and the authorization of the Commission if necessary, as requested in this Application.

¹ The amount of remaining shares subject to this application is 3,327,146, which is the sum of A) 2,857,473 shares remaining available for future awards granted under the plan, and B) 469,673 shares covered by outstanding, unvested awards granted through April 2017. Should outstanding awards not meet vesting requirements those shares would return to the pool of shares available to be awarded.

This filing is to notify the Commission of this action, and seek Commission authorization if necessary. PGE does not believe that Commission authorization is required, as the Commission's 2006 Order authorized the issuance of 4,687,500 shares under the Plan. PGE is not seeking approval of a new plan or authorization to issue any shares in addition to those approved in the Commission's 2006 Order. However, because PGE's 2006 Application referenced the 10-year term of the Plan, and that term has now been extended to March 31, 2024, we are submitting this Application as a precautionary matter in case the Commission determines that a new authorization is necessary.

Specifically, PGE's request in this filing is that the Commission either:

1. Indicate that PGE continues to have authority to issue shares of stock under Commission Order 06-356 issued in 2006, and the Plan as amended, or
2. If a new grant of authority is required, that the Commission grant PGE authority to issue up to a total of 4,687,500 shares under the 2006 Plan, as recently amended.

I. Required Information Under OAR 860-027-0030:

Pursuant to the requirements of OAR 860-027-0030, PGE represents as follows:

(a) *The applicant's exact name and address of its principal business office:* The name and address of the Applicant is Portland General Electric Company, 121 SW Salmon Street, Portland, Oregon 97204.

(b) *The state in which incorporated, the date of incorporation, and the other states in which authorized to transact utility business:* The Applicant is a corporation organized and existing under and by virtue of the laws of the State of Oregon, and the date of its incorporation is July 25, 1930. The Applicant is authorized to transact business in the states of Oregon, California, Idaho,

Montana, Utah, and Washington and as of February 21, 1995, is also registered as an extra-provincial corporation in Alberta, Canada, but conducts utility business only in the State of Oregon.

(c) *The name and address of persons authorized, on behalf of applicant to receive notices and communications in respect to this application:* The name and address of the persons authorized on behalf of the Applicant to receive notices and communications in respect of this Application are:

PGE-OPUC Filings
Rates & Regulatory Affairs
Portland General Electric Company
121 SW Salmon Street, 1WTC-0306
Portland, OR 97204
(503) 464-8929 (telephone)
(503) 464-7651 (fax)
pge.opuc.filings@pgn.com

Doug Tingey
Assistant General Counsel
Portland General Electric Company
121 SW Salmon Street, 1WTC-1301
Portland, OR 97204
(503) 464-8926 (telephone)
(503) 464-2200 (fax)
doug.tingey@pgn.com

In addition, the names and addresses to receive notices and communications via the e-mail service list are:

Marc Bocci
E-Mail: marc.bocci@pgn.com

(d) As of March 31, 2017, the names, titles and addresses of PGE's principal officers are as follows:

<u>NAME</u>	<u>TITLE</u>
James J. Piro	President and Chief Executive Officer
James F. Lobdell	Senior Vice President, Finance, Chief Financial Officer and Treasurer
William O. Nicholson	Senior Vice President, Customer Service, Transmission and Distribution
Maria M. Pope	Senior Vice President, Power Supply, Operations, and Resource Strategy
Larry N. Bekkedahl	Vice President, Transmission and Distribution Services
Carol A. Dillin	Vice President, Customer Strategies and

	Business Development
J. Jeffrey Dudley ²	Vice President, General Counsel, Corporate Compliance Officer and Assistant Secretary
Campbell A. Henderson	Vice President, Information Technology and Chief Information Officer
Bradley Y. Jenkins	Vice President, Power Supply Generation
Anne F. Mersereau	Vice President Human Resources, Diversity and Inclusion
W. David Robertson	Vice President, Public Policy and Corporate Resiliency
Kristin A. Stathis	Vice President, Customer Service Operations
Jardon T. Jaramillo	Controller and Assistant Treasurer
Christopher A. Liddle	Manager of Finance and Assistant Treasurer
Marc S. Bocci	Associate General Counsel and Corporate Secretary
Nora E. Arkonovich	Assistant Corporate Secretary
Karen J. Lewis	Assistant Corporate Secretary
David F. White	Assistant Corporate Secretary

(e) *A description of the general character of the business done, and a designation of the territories served, by counties and states:* The applicant is engaged in the generation, purchase, transmission, distribution, and sale of electric energy for public use in Clackamas, Columbia, Hood River, Jefferson, Marion, Morrow, Multnomah, Polk, Washington, and Yamhill counties, Oregon.

(f) *A statement as of the date of the balance sheet submitted with the application,*

² Jay Dudley retired July 1, 2017, and Lisa Kaner became Vice President, General Counsel and Corporate Compliance Officer effective June 29, 2017

showing for each class and series of capital stock: brief description; the amount authorized (face value and number of shares); the amount outstanding (exclusive of any amount held in the treasury), held amount as reacquired securities; amount pledged by applicant; amount owned by affiliated interests, and amount held in any fund: The following represents PGE's capital stock as of March 31, 2017, as reported in PGE's Form 10-Q filed with the SEC for the first quarter of 2017.

	<u>Outstanding Shares</u>	<u>Amount (\$000s)</u>
Common Stock: *		
No Par Value	89,067,858	\$ 1,199,871
(160,000,000 shares authorized)		

* Company Directors hold 307,693 shares.

None of the outstanding shares of Common Stock referenced above are held as reacquired securities or have been pledged by the applicant. Vanguard Group, Inc. held 8.44% of the outstanding PGE common stock reported as of December 31, 2016, in an SEC Form 13-G/A filed on February 13, 2017. BlackRock, Inc. held 6.60% of the outstanding PGE common stock reported as of December 31, 2016, in an SEC Form 13-G/A filing filed on January 25, 2017. PGE reports major shareholder activity annually to the Commission pursuant to OAR 860-027-0175 (AR-544). PGE is not aware of any facts or circumstances that would cause these funds to qualify as affiliates.

(g) *A statement, as of the date of the balance sheet submitted with the application, showing for each class and series of long-term debt and notes: brief description (amount, interest rate and maturity); amount authorized; amount outstanding (exclusive of any amount held in the treasury); amount held as reacquired securities; amount pledged; amount held by affiliated interests; and amount in sinking and other funds:* The long-term debt as of March 31, 2017 is as follows:

Description	Authorized (\$000's)	Outstanding (\$000's)
First Mortgage Bonds:		
6.10% series due 4-15-2019	\$ 300,000	\$ 300,000
2.51% series due 1-15-2021	140,000	140,000
9.31% MTN series due 8-11-2021	20,000	20,000
6.75% series VI due 8-1-2023	50,000	50,000
3.51% series due 11-15-2024	80,000	80,000
3.55% series due 1-15-2030	75,000	75,000
6.26% series due 5-1-2031	100,000	100,000
6.875% series VI due 8-1-2033	50,000	50,000
3.50% series due 5-15-2035	70,000	70,000
6.31% series due 5-1-2036	175,000	175,000
5.81% series due 10-1-2037	130,000	130,000
5.80% series due 6-1-2039	170,000	170,000
5.43% series due 5-3-2040	150,000	150,000
4.74% series due 11-15-2042	105,000	105,000
4.47% series due 8-14-2043	75,000	75,000
4.47% series due 6-15-2044	150,000	150,000
4.39% series due 9-15-2045	100,000	100,000
4.44% series due 10-15-2046	100,000	100,000
4.84% series due 12-15-2048	50,000	50,000
	\$ 2,090,000	\$ 2,090,000

Description	Authorized (\$000's)	Outstanding (\$000's)
Pollution Control Bonds:		
City of Forsyth, MT		
5.45% series B 5-1-2033(1)	\$ 21,000	\$ 21,000
Series A 5-1-2033, remarked 3-11-10 at 5%	97,800	97,800
Port of Morrow, OR		
Series A 5-1-2033, remarked 3-11-10 at 5%	23,600	23,600
 (1)This debt instrument, purchased by the Company on May 1, 2009, is currently held for possible remarketing		
	(21,000)	(21,000)
 Total Pollution Control Bonds outstanding	 <u>\$ 121,400</u>	 <u>\$ 121,400</u>
 Other Long Term Debt:		
Term Loan @ LIBOR + 63 basis points due 11/30/17	150,000	150,000
 Long-Term Contracts	 \$ 78	 \$ 78
Unamortized Debt Discount and Other	(584)	(584)
Unamortized Debt Expense	(10,802)	(10,802)
Total Other Long-Term Debt	<u>\$ 138,692</u>	<u>\$ 138,692</u>
 Total Classified as Short-Term	 -	 -
 Net Long Term Debt	 <u>\$ 2,350,092</u>	 <u>\$ 2,350,092</u>

None of the long-term debt is pledged or held as reacquired securities, is held by affiliated corporations, or is held in any sinking or other fund, except as noted above.

(h) *Full description of securities proposed to be issued showing: kind and nature of securities or liabilities; amount (face value and number of shares); interest or dividend rate, if any; date of issue and date of maturity; and voting privileges, if any:* PGE proposes to enter into the following transactions:

(1) Type and nature of securities

See Section I of the Application.

(2) Amount of securities

The Commission previously granted PGE authority to issue 4,687,500 shares of common stock under the 2006 Plan. PGE seeks confirmation, or a new grant of authority, to issue that same number of shares of common stock, including those previously issued under the Plan. PGE is not seeking authorization to issue any shares in addition to those previously approved in the Commission's 2006 Order.

(3) Interest rate

Not applicable.

(4) Date of issuance and maturity

Not applicable.

(i) *A reasonably detailed and precise description of the proposed transaction, including a statement of the reasons why it is desired to consummate the transaction and the anticipated effect thereof. If the transaction is part of a general program, describe the program and its relation to the proposed transaction. Such description shall include, but is not limited to, the following:*

A. *A description of the proposed method of issuing and selling the securities:*

B. *A statement of whether such securities are to be issued pro rata to existing holders of the applicant's securities or issued pursuant to any preemptive right or in connection with any liquidation or reorganization;*

C. *A statement showing why it is in applicant's interest to issue securities in the*

manner proposed and the reason(s) why it selected the proposed method of sale.

D. *Statement that exemption from the competitive bidding requirements of any federal or other state regulatory body has or has not been requested or obtained, and a copy of the action taken thereon when available:* For information responsive to subparts (a)-(c), see Section I of the Application. As to subpart (d) in the opinion of Applicant's legal counsel, the Applicant is not subject to the competitive bidding requirements of federal and state regulatory bodies in connection with the issuance of Common Stock.

(j) *The name and address of any person receiving or entitled to a fee for service:*

See Section I of the Application. There will be no compensation to any underwriter, bank or agent for their services in connection with the issuance of the Common Stock that is the subject of this application other than routine fees to the Company's registrar and transfer agent and usual and customary fees for record-keeping with regard to the Plan.

(k) *A statement showing both in total amount and per unit the price to the public, underwriting commissions and net proceeds to the applicant. Supply also the information (estimated if necessary) required in section (4) of this rule. If the securities are to be issued directly for property, then a full description of the property to be acquired, its location, its original cost (if known) by accounts, with the identification of the person from whom the property is to be acquired, must be furnished. If original cost is not known, an estimate of original cost based, to the extent possible, upon records or data of the seller and applicant or their predecessors must be furnished, with a full explanation of how such estimate has been made, and a description and statement of the present custody of all existing pertinent data and records. A statement showing the cost of all additions and betterments and retirements, from the date of the original cost, should also be furnished:* New shares of Common Stock issued under the Plan will be issued periodically

in accordance with the awards made under the Plan at the time of the awards. It is not possible to determine the economic value of such shares of Common Stock until they are ultimately issued.

(l) *Purposes for which the securities are to be issued:* See Section I of the Application.

(m) *A statement as to whether or not any application, registration statement, etc., with respect to the transaction or any part thereof, is required to be filed with any federal or other state regulatory body:* The appropriate forms or other appropriate filing will be filed with the Securities and Exchange Commission depending on the nature of the issuance of the Common Stock.

(n) *The facts relied upon by the applicant to show that the issue: is for a lawful object within the corporate purposes; is compatible with public interest; is necessary or appropriate for proper performance by application of service as a utility; will not impair its ability to perform the service; is reasonably necessary and appropriate for such purposes; and if filed under ORS 757.495, is fair and reasonable and not contrary to public interest:* See Section I of the application. The requested approval will allow PGE to provide incentives that will attract, retain and motivate highly competent persons as officers, directors, and key employees of PGE. PGE believes the requested approval is in the public interest and is consistent with and will aid PGE in providing service as a public utility.

(o) *A brief statement of all rights to be a corporation, franchises, permits and contracts for consolidation, merger or lease included as assets of the applicant or any predecessor thereof, the amounts actually paid as consideration therefore, respectively, and the facts relied upon to show the issuance of securities for which approval is requested:* Not applicable.

(p) *If filed under ORS 757.490, 757.495, 759.385, or 759.390 a statement describing relationship between utility and the affiliated interest:* Not applicable.

II. Required Exhibits Under OAR 860-027-0030(2):

The following exhibits are submitted and by reference made a part of this application:

EXHIBIT A. *A copy of the applicant's charter or articles of incorporation with amendments to date:* Third Amended and Restated Articles of Incorporation, effective as of May 7, 2014, were previously filed in Docket UP 310, and by reference made a part of this application.

EXHIBIT B. *A copy of the bylaws with amendments to date:* Tenth Amended and Restated Bylaws adopted May 7, 2014, were previously filed in Docket UP 310, and by reference made a part of this application.

EXHIBIT C. *Copies of all resolutions of directors authorizing the proposed disposition, merger, or consolidation of facilities, mortgage or encumbrance of property, acquisition of stock, bonds, or property of another utility, in respect to which the application is made and, if approval of stockholders has been obtained, copies of the resolutions of the stockholders should also be furnished:* Resolution of the Board of Directors approving amendments to the Plan is attached. [electronic format]

EXHIBIT D. *Copies of all mortgages, trust, deeds, or indentures, securing any obligation of each party to the transaction:* Not applicable.

EXHIBIT E. *Balance sheets showing booked amounts, adjustments to record the proposed transaction and pro forma, with supporting fixed capital or plant schedules in conformity with the forms in the annual report, which applicant(s) is required, or will be required, to file with the Commission:* Balance sheets showing booked amounts, adjustments to record the proposed transactions and pro forma Balance sheets as of March 31, 2017, are attached. [electronic format]

EXHIBIT F. *A statement of all known contingent liabilities, except minor items such as damage*

claims and similar items involving relatively small amounts, as of the date of the application, as of March 31, 2017: See Attached. [electronic format]

EXHIBIT G. *Comparative income statements showing recorded results of operations, adjustments to record the proposed transaction and pro forma, in conformity with the form in the annual report which applicant(s) is required, or will be required, to file with the Commission, as of March 31, 2017: See Attached Income Statement for the 12-month period ended March 31, 2017, and pro forma. [electronic format]*

EXHIBIT H. *An analysis of surplus for the period covered by the income statements referred to in Exhibit G, as of March 31, 2010 and pro forma: [electronic format]*

EXHIBIT I. *A copy of registration statement proper, if any, and financial exhibits made a part thereof, filed with the Securities and Exchange Commission: Not Applicable.*


EXHIBIT J. *A copy of each proposed and of the published invitation of proposals for the purchase of underwriting of the securities to be issued; of each proposal received; and of each contract, underwriting, and other arrangement entered into for the sale or marketing of securities: Not Applicable.*

EXHIBIT K. *Copies of the stock certificates, notes, or other evidences of indebtedness proposed to be issued: Not applicable.*

WHEREFORE, the application respectfully requests an Order either:

1. Indicating that PGE continues to have authority to issue shares of stock under Commission Order 06-356, issued in 2006, and the Plan as amended, or
2. If a new grant of authority is required, granting PGE authority to issue up to a total of 4,687,500 shares of PGE Common Stock under the 2006 Stock Incentive Plan, as recently amended. PGE does not seek authority to issue any shares in addition to those approved in the Commission's 2006 Order.

Dated this 14th day of July, 2017.


Douglas C. Tingey, OSB No. 044366
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Portland General Electric Company
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PORTLAND GENERAL ELECTRIC COMPANY

2006 STOCK INCENTIVE PLAN

Effective as of March 31, 2006

(As Amended and Restated March 31, 2016)

1. Purpose. The Portland General Electric Company 2006 Stock Incentive Plan, as amended and restated (the "Plan") is intended to provide incentives which will attract, retain and motivate highly competent persons as officers, directors and key employees of Portland General Electric Company (the "Company") and its subsidiaries and Affiliates, by providing them with appropriate incentives and rewards in the form of rights to earn shares of the common stock of the Company ("Common Stock") and cash equivalents.

2. Definitions. A listing of the defined terms utilized in the Plan is set forth in Appendix A.

3. Effective Date of Plan. The Plan is effective on March 31, 2006.

4. Administration.

(a) *Committee.* The Plan will be administered by a committee (the "Committee") appointed by the Board of Directors of the Company (the "Board of Directors") from among its members (which may be the Compensation and Human Resources Committee) and shall be comprised, solely of not less than two (2) members who shall be (i) "non-employee directors" within the meaning of Rule 16b-3(b)(3) (or any successor rule) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and (ii) "outside directors" within the meaning of Treasury Regulation Section 1.162-27(e)(3) under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). In addition, the Board of Directors may direct that, for the purpose of establishing the terms and conditions applicable to Awards granted to the Chief Executive Officer under the Plan, and determining amounts payable under such Awards, the Committee shall be comprised of each non-employee director who satisfies the standards of the New York Stock Exchange and the Securities and Exchange Commission for an "independent director" and, in addition, is (i) a "non-employee" director within the meaning of Rule 16b-3(b)(3)(or any successor rule) promulgated under the Exchange Act and (ii) an "outside director" within the meaning of Treasury Regulation Section 1.162-27(e)(3) under Section 162(m) of the Code.

(b) *Authority.* The Committee is authorized, subject to the provisions of the Plan, to establish such rules and regulations as it deems necessary for the proper administration of the Plan and, in its sole discretion, to make such determinations, valuations and interpretations and to take such action in connection with the Plan and any Awards (as hereinafter defined) granted hereunder as it deems necessary or advisable. All determinations and interpretations made by the Committee shall be binding and conclusive on all participants and their legal representatives.

(c) *Indemnification.* No member of the Committee and no employee of the Company shall be liable for any act or failure to act hereunder, or for any act or failure to act hereunder by any other member or employee or by any agent to whom duties in connection with the administration of this Plan have been delegated, except in circumstances involving his or her bad faith or willful misconduct. The Company shall indemnify members of the Committee and any agent of the Committee who is an employee of the Company, or of a subsidiary or an Affiliate against any and all liabilities or expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan, except in circumstances involving such person's bad faith or willful misconduct. For purposes of this Plan, "Affiliate(s)" means any entity that controls, is controlled by or is under common control with the Company; *provided, however*, that neither the Disputed Claims Reserve, the Disputed Claims Overseers, the Plan Administrator nor the Disbursing Agent, as those terms are defined in Fifth Amended Joint Plan of Affiliated Debtors In Re Enron Corp. et al., shall be an Affiliate.

(d) *Delegation and Advisers.* The Committee may delegate to one or more of its members, or to one or more employees or agents, such duties and authorities as it may deem advisable including the authority to make grants as permitted by applicable law, the rules of the Securities and Exchange Commission (the "SEC") and any requirements of the New York Stock Exchange (the "NYSE"), and the Committee, or any person to whom it has delegated duties or authorities as aforesaid, may employ one or more persons to render advice with respect to any responsibility the Committee or such person may have under the Plan. The Committee may employ such legal or other counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any

opinion or computation received from any such counsel, consultant or agent. Expenses incurred by the Committee in the engagement of such counsel, consultant or agent shall be paid by the Company, or the subsidiary or Affiliate whose employees have benefited from the Plan, as determined by the Committee.

5. Type of Awards. Awards under the Plan may be granted in any one or a combination of (a) Stock Options, (b) Stock Appreciation Rights, (c) Restricted Stock Awards, and (d) Stock Units (each as described below, and collectively, the "Awards"). Awards may, as determined by the Committee in its discretion, constitute Performance-Based Awards, as described in Section 13 hereof.

6. Participants. Participants will consist of (i) such officers and key employees of the Company and its subsidiaries and Affiliates as the Committee in its sole discretion determines to be significantly responsible for the success and future growth and profitability of the Company and whom the Committee may designate from time to time to receive Awards under the Plan and (ii) each director of the Company who is not otherwise an employee of the Company or any of its subsidiaries and whom the Committee may designate from time to time to receive Awards under the Plan. Designation of a participant in any year shall not require the Committee to designate such person to receive an Award in any other year or, once designated, to receive the same type or amount of Award as granted to the participant in any other year. The Committee shall consider such factors as it deems pertinent in selecting participants and in determining the type and amount of their respective Awards.

7. Grant Agreements.

(a) Awards granted under the Plan shall be evidenced by an agreement ("Grant Agreement") that shall provide such terms and conditions, as determined by the Committee in its sole discretion, *provided, however*, that in the event of any conflict between the provisions of the Plan and any such Grant Agreement, the provisions of the Plan shall prevail.

(b) The Grant Agreement will determine the effect on an Award of the disability, death, retirement, involuntary termination, termination for cause or other termination of employment or service of a participant and the extent to which, and the period during which, the participant's legal representative, guardian or beneficiary may receive payment of an Award or exercise rights thereunder. If the relevant Grant Agreement does not provide otherwise, however, the following default rules shall apply:

(i) vested Stock Option and Stock Appreciation Rights held by a participant shall be exercisable for a period of 90 days following the date the participant ceases to be an employee or director of the Company, its subsidiaries and Affiliates;

(ii) unvested Stock Option, Stock Appreciation Rights, Restricted Stock Awards and Stock Units held by a participant shall be forfeited on the date the participant ceases to be an employee or director of the Company, its subsidiaries and Affiliates.

(c) Subject to Section 13(e), the Committee, in its sole discretion, may modify a Grant Agreement, provided any such modification will not materially adversely affect the economic interests of the participant unless the Committee shall have obtained the written consent of the participant. Notwithstanding the foregoing, the Committee shall not reduce the exercise price of a Stock Option or Stock Appreciation Right (other than under Section 15) without the approval of the Company's shareholders.

(d) Grant Agreements under the Plan need not be identical.

8. Stock Options.

(a) *Generally.* At any time, the Committee may grant, in its discretion, awards of stock options that will enable the holder to purchase a number of shares of Common Stock from the Company, at set terms (a "Stock Option"). Stock Options may be incentive stock options ("Incentive Stock Options"), within the meaning of Section 422 of the Code, or Stock Options which do not constitute Incentive Stock Options ("Nonqualified Stock Options"). The Committee will have the authority to grant to any participant one or more Incentive Stock Options and/or Nonqualified Stock Options. Each Stock Option shall be subject to such terms and conditions, including vesting, consistent with the Plan as the Committee may provide in the Grant Agreement, subject to the following limitations:

(b) *Exercise Price.* Each Stock Option granted hereunder shall have such per-share exercise price as the Committee may determine in the Grant Agreement, but such exercise price may not be less than "Fair Market Value" (as defined in Section 8(g) below) on the date the Stock Option is granted, except as provided in Section 11(c).

(c) Payment of Exercise Price. The option exercise price may be paid in cash or, in the discretion of the Committee and in accordance with any requirements established by the Committee, by the delivery of shares of Common Stock of the Company then owned by the participant. In the discretion of the Committee and in accordance with any requirements established by the Committee, payment may also be made by delivering a properly executed exercise notice to the Company together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale or loan proceeds to pay the exercise price.

(d) Exercise Period. Stock Options granted under the Plan shall be exercisable at such time or times and subject to such terms and conditions, including vesting, as shall be determined by the Committee in the Grant Agreement.

(e) Limitations on Incentive Stock Options. Incentive Stock Options may be granted only to participants who are employees of the Company or of a “Parent Corporation” or “Subsidiary Corporation” (as defined in Sections 424(e) and (f) of the Code, respectively) at the date of grant. The aggregate “Fair Market Value” (as defined and determined as of the time the Stock Option is granted in accordance with Section 8(g) below) of the Common Stock with respect to which Incentive Stock Options are exercisable for the first time by a participant during any calendar year (under all option plans of the Company and of any Parent Corporation or Subsidiary Corporation) shall not exceed one hundred thousand dollars (\$100,000). For purposes of the preceding sentence, Incentive Stock Options will be taken into account in the order in which they are granted. The per-share exercise price of an Incentive Stock Option shall not be less than one hundred percent (100%) of the Fair Market Value of the Common Stock on the date of grant, and no Incentive Stock Option may be exercised later than ten (10) years after the date it is granted.

(f) Additional Limitations on Incentive Stock Options for Ten Percent Shareholders. Incentive Stock Options may not be granted to any participant who, at the time of grant, owns stock possessing (after the application of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent Corporation or Subsidiary Corporation, unless the exercise price of the option is fixed at not less than one hundred ten percent (110%) of the Fair Market Value of the Common Stock on the date of grant and the exercise of such option is prohibited by its terms after the expiration of five (5) years from the date of grant of such option.

(g) Fair Market Value. For purposes of this Plan and any Awards granted hereunder, “Fair Market Value” shall be the closing price of the Common Stock on the relevant date (or on the last preceding trading date if Common Stock was not traded on such date) if the Common Stock is readily tradable on a national securities exchange or other market system, and if the Common Stock is not readily tradable, Fair Market Value shall mean the amount determined in good faith by the Committee as the fair market value of the Common Stock.

9. Stock Appreciation Rights.

(a) Generally. At any time, the Committee may, in its discretion, grant stock appreciation rights with respect to Common Stock (“Stock Appreciation Rights”), including a concurrent grant of Stock Appreciation Rights in tandem with any Stock Option grant. A Stock Appreciation Right means a right to receive a payment in cash or in Common Stock of an amount equal to the excess of (i) the Fair Market Value of a share of Common Stock on the date the right is exercised over (ii) the Fair Market Value of a share of Common Stock on the date the right is granted, all as determined by the Committee. Each Stock Appreciation Right shall be subject to such terms and conditions, including vesting, as the Committee shall impose in the Grant Agreement.

(b) Exercise Period. Stock Appreciation Rights granted under the Plan shall be exercisable at such time or times and subject to such terms and conditions, including vesting, as shall be determined by the Committee in the Grant Agreement.

10. Restricted Stock Awards.

(a) Generally. At any time, the Committee may, in its discretion, grant Awards of Common Stock, subject to restrictions determined by the Committee (a “Restricted Stock Award”). Such Awards may include mandatory payment of any bonus in stock consisting of Common Stock issued or transferred to participants with or without other payments therefor and may be made in consideration of services rendered to the Company or its subsidiaries or Affiliates. A Restricted Stock Award shall be construed as an offer by the Company to the participant to purchase the number of shares of Common Stock subject to the Restricted Stock Award at the purchase price, if any, established therefor.

(b) Payment of the Purchase Price. If the Restricted Stock Award requires payment therefor, the purchase price of any shares of Common Stock subject to a Restricted Stock Award may be paid in any manner authorized by the Committee, which may include any manner authorized under the Plan for the payment of the exercise price of a Stock Option.

(c) Restrictions. Restricted Stock Awards shall be subject to such terms and conditions, including without limitation time based vesting and/or performance based vesting, restrictions on the sale or other disposition of such shares, and/or the right of the Company to reacquire such shares for no consideration upon termination of the participant's employment within specified periods, as the Committee determines appropriate. The Committee may require the participant to deliver a duly signed stock power, endorsed in blank, relating to the Common Stock covered by such an Award. The Committee may also require that the stock certificates evidencing such shares be held in custody or bear restrictive legends until the restrictions thereon shall have lapsed.

(d) Rights as a Shareholder. The Restricted Stock Award shall specify whether the participant shall have, with respect to the shares of Common Stock subject to a Restricted Stock Award, all of the rights of a holder of shares of Common Stock of the Company, including the right to receive dividends and to vote the shares.

11. Common Stock Available Under the Plan.

(a) Basic Limitations. The aggregate number of shares of Common Stock that may be subject to Awards shall be 4,687,500, subject to any adjustments made in accordance with Section 15 hereof. The maximum number of shares of Common Stock that may be:

(i) the subject of an Award with respect to any individual participant under the Plan during the term of the Plan shall not exceed 2,000,000 (subject to adjustments made in accordance with Section 15 hereof);

(ii) covered by Awards issued under the Plan during a year shall be limited during the first calendar year of the Plan to 1,250,000 and during any year thereafter to 1% of the Company's outstanding Common Stock at the beginning of such year; and

(iii) issued pursuant to Incentive Stock Options awarded under the Plan shall be 1,000,000.

(b) Additional Shares. Any shares of Common Stock subject to a Stock Option or Stock Appreciation Right which for any reason is cancelled or terminated without having been exercised, or any shares of Common Stock subject to Restricted Stock Awards or Stock Units which are forfeited, and any shares delivered to the Company as part or full payment for an Award or, to the extent the Committee determines that the availability of Incentive Stock Options under the Plan will not be compromised, to satisfy the Company's withholding obligation with respect to an Award granted under this Plan as payment of a withholding obligation, shall again be available for Awards under the Plan under 11(a). The preceding sentence shall apply only for purposes of determining the aggregate number of shares of Common Stock subject to Awards but shall not apply for purposes of determining the maximum number of shares of Common Stock with respect to which Awards may be granted to any individual participant under the Plan.

(c) Acquisitions. In connection with the acquisition of any business by the Company or any of its subsidiaries or Affiliates, any outstanding grants or awards of options, restricted stock or other equity-based compensation pertaining to such business may be assumed or replaced by Awards under the Plan upon such terms and conditions as the Committee determines, including granting of Stock Options or Stock Appreciation Rights with an exercise price below Fair Market Value at the date of the replacement grant.

12. Stock Units.

(a) Generally. The Committee may, in its discretion, grant "Stock Units" (as defined in subsection (c) below) to participants hereunder. Stock Units may be subject to such terms and conditions, including time based vesting and/or performance based vesting, as the Committee determines appropriate. A Stock Unit granted by the Committee shall provide payment in shares of Common Stock at such time as the Grant Agreement shall specify. Shares of Common Stock issued pursuant to this Section 12 may be issued with or without other payments therefor as may be required by applicable law or such other consideration as may be determined by the Committee. The Committee shall determine whether a participant granted a Stock Unit shall be entitled to a Dividend Equivalent Right (as defined in subsection (c) below).

(b) Settlement of Stock Units. Shares of Common Stock representing the Stock Units shall be distributed to the participant upon settlement of the Award pursuant to the Grant Agreement.

(c) Definitions. A "Stock Unit" means a notional account representing one (1) share of Common Stock. A "Dividend Equivalent Right" means the right to receive the amount of any dividend paid on the share of Common Stock underlying a Stock Unit, which shall be payable in cash or in the form of additional Stock Units, in the discretion of the Committee.

13. Performance-Based Awards.

(a) *Generally.* Any Award granted under the Plan may be granted in a manner such that the Award qualifies for the performance-based compensation exemption of Section 162(m) of the Code ("Performance-Based Awards"). As determined by the Committee in its sole discretion, either the vesting and/or payment of such Performance-Based Awards shall be based on achievement of hurdle rates and/or growth rates in one or more business criteria that apply to the individual participant, one or more business units, or the Company as a whole.

(b) *Business Criteria.* The business criteria shall be as follows, individually or in combination: (1) net earnings; (2) earnings per share; (3) net sales growth; (4) market share; (5) operating profit; (6) earnings before interest and taxes (EBIT); (7) earnings before interest, taxes, depreciation and amortization (EBITDA); (8) gross margin; (9) expense targets; (10) working capital targets relating to inventory and/or accounts receivable; (11) operating margin; (12) return on equity; (13) return on assets; (14) planning accuracy (as measured by comparing planned results to actual results); (15) market price per share; (16) total return to stockholders; (17) cash flow and/or cash flow return on equity; (18) recurring after-tax net income; (19) gross revenues; (20) return on invested capital; (21) safety; (22) cost management; (23) productivity ratios; (24) operating efficiency; (25) accomplishment of mergers, acquisitions, dispositions or similar extraordinary business transactions; (26) bond ratings; (27) economic value added; (28) book value per share; (29) strategic initiatives; (30) employee satisfaction; (31) cash management or asset management metrics; (32) regulatory performance; (33) dividend yield; (34) dividend payout ratio; (35) pre-tax interest coverage; (36) P/E ratio; (37) capitalization targets; (38) customer value/satisfaction; (39) inventory; (40) inventory turns; (41) availability and/or reliability of generation; (42) outage duration; (43) outage frequency; (44) trading floor earnings; (45) budget-to-actual performance; (46) customer growth; (47) funds from operations; (48) interest coverage; (49) funds from operations/average total debt; (50) funds from operations/capital expenditures; (51) total debt/total capital; (52) electric service power quality and reliability, (53) resolution and/or settlement of litigation and other legal proceedings and (54) total equity/total capital. In addition, Performance-Based Awards may include comparisons to the performance of other companies, such performance to be measured by one or more of the foregoing business criteria.

(c) *Establishment of Performance Goals.* With respect to Performance-Based Awards, the Committee shall establish in writing (i) the performance goals applicable to a given period, and such performance goals shall state, in terms of an objective formula or standard, the method for computing the portion of an Award that vests or the number of shares to be delivered to a participant under an Award if such performance goals are obtained, and (ii) the individual employees or class of employees to which such performance goals shall apply, in each case no later than ninety (90) days after the commencement of the applicable performance period (but in no event after twenty-five percent (25%) of such performance period has elapsed).

(d) *Certification of Performance.* No Performance-Based Awards shall be payable to or vest with respect to, as the case may be, any participant for a given period until the Committee certifies in writing that the objective performance goals (and any other material terms) applicable to such period have been satisfied.

(e) *Modification of Performance-Based Awards.* Subject to Section 15(b), with respect to any Awards intended to qualify as Performance-Based Awards, after establishment of a performance goal, the Committee shall not revise such performance goal or increase the amount of compensation payable thereunder upon the attainment of such performance goal (in accordance with the requirements of Section 162(m) of the Code and the regulations thereunder). Notwithstanding the preceding sentence, (i) the Committee may reduce or eliminate the number of shares of Common Stock or cash granted or the number of shares of Common Stock vested upon the attainment of such performance goal, and (ii) the Committee shall disregard or offset the effect of "Extraordinary Items" in determining the attainment of performance goals. For this purpose, "Extraordinary Items" means extraordinary, unusual and/or non-recurring items, including but not limited to, (i) regulatory disallowances or other adjustments, (ii) restructuring or restructuring-related charges, (iii) gains or losses on the disposition of a business or major asset, (iv) changes in regulatory, tax or accounting regulations or laws, (v) resolution and/or settlement of litigation and other legal proceedings or (vi) the effect of a merger or acquisition.

14. Foreign Laws. The Committee may grant Awards to individual participants who are subject to the tax laws of nations other than the United States, which Awards may have terms and conditions as determined by the Committee as necessary to comply with applicable foreign laws. The Committee may take any action which it deems advisable to obtain approval of such Awards by the appropriate foreign governmental entity; *provided, however*, that no such Awards may be granted pursuant to this Section 14 and no action may be taken which would result in a violation of the Exchange Act, the Code or any other applicable law.

15. Adjustment Provisions.

(a) *Adjustment Generally.* If there shall be any change in the Common Stock of the Company, through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, split up, spin-off, combination of shares, exchange of shares, dividends or other changes in capital structure, an adjustment shall be made as provided below in (b) to each outstanding Award.

(b) *Modification of Awards.* In the event of any change or distribution described in subsection (a) above, the Committee shall appropriately adjust the number of shares of Common Stock which may be issued pursuant to the Plan, the other limits on Common Stock issuable under the Plan under Section 11, and the number of shares covered by, and the exercise price of, each outstanding Award; *provided, however,* that any such adjustment to a Performance-Based Award shall not cause the amount of compensation payable thereunder to be increased from what otherwise would have been due upon attainment of the unadjusted award.

(c) Notwithstanding the above, no adjustment to a Stock Option or Stock Appreciation Right shall be made under this Section 15 in a manner that will be treated under Section 409A of the Code as the grant of a new Stock Option or Stock Appreciation Right.

16. Nontransferability, Title and Other Restrictions. Except as otherwise specifically provided by the Committee in a Grant Agreement or modification of a Grant Agreement that provides for transfer, each Award granted under the Plan to a participant shall not be transferable otherwise than by will or the laws of descent and distribution, and shall be exercisable, during the participant's lifetime, only by the participant. In the event of the death of a participant, each Award granted to him or her shall be exercisable during such period after his or her death as the Committee shall in its discretion set forth in the Grant Agreement at the date of grant and then only by the executor or administrator of the estate of the deceased participant or the person or persons to whom the deceased participant's rights under the Stock Option or Stock Appreciation Right shall pass by will or the laws of descent and distribution.

17. Acceleration of Awards.

(a) In order to preserve a participant's rights under an Award in the event of a Change in Control of the Company or in the event of a fundamental change in the business condition or strategy of the Company, the Committee, in its sole discretion, may, at the time an Award is made or at any time thereafter, take one or more of the following actions: (i) provide for the acceleration of any time period relating to the exercise or payment of the Award, (ii) provide for payment to the participant of cash or other property with a fair market value equal to the amount that would have been received upon the exercise or payment of the Award had the Award been exercised or paid upon such event, (iii) adjust the terms of the Award in a manner determined by the Committee to reflect such event, (iv) cause the Award to be assumed, or new rights substituted therefor, by another entity, or (v) make such other adjustments in the Award as the Committee may consider equitable to the participant and in the best interests of the Company. Further, any Award shall be subject to such conditions as necessary to comply with federal and state securities laws, the performance based exception of Section 162(m) of the Code, or understandings or conditions as to the participant's employment in addition to those specifically provided for under the Plan.

(b) A "*Change in Control*" shall mean any of the following events:

(i) Any person (as such term is used in Section 14(d) of the Exchange Act) becomes the "beneficial owner" (as determined pursuant to Rule 14d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than thirty percent (30%) of the combined voting power of the Company's then outstanding voting securities; or

(ii) During any period of two (2) consecutive years (not including any period prior to the execution of this Plan), individuals who at the beginning of such period constitute the members of the Board of Directors and any new director whose election to the Board of Directors or nomination for election to the Board of Directors by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board of Directors; or

(iii) The Company shall merge with or consolidate into any other corporation or entity, other than a merger or consolidation which would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding immediately thereafter securities representing more than fifty percent (50%) of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or

(iv) The stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

Notwithstanding any of the foregoing, the issuance of shares to or the distribution of shares from the "Disputed Claims Reserve" pursuant to the Fifth Amended Joint Plan of Affiliated Debtors In Re Enron Corp. et al. shall not constitute a Change in Control.

(c) Notwithstanding the above, this Section 17 shall not apply to any Award made under the Plan that is subject to Section 409A of the Code to the extent that its application would result in a modification to either the time or form of payment or distribution of such Award as provided for under the terms of the Plan or a Grant Agreement.

18. Withholding. All payments or distributions of Awards made pursuant to the Plan shall be net of any amounts required to be withheld pursuant to applicable federal, state and local tax withholding requirements. If the Company proposes or is required to distribute Common Stock pursuant to the Plan, it may require the recipient to remit to it or to the corporation or entity that employs such recipient an amount sufficient to satisfy such tax withholding requirements prior to the delivery of any certificates for such Common Stock. In lieu thereof, the Company or the employing corporation or entity shall have the right to withhold the amount of such taxes from any other sums due or to become due from such corporation to the recipient as the Committee shall prescribe. The Committee may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit an optionee or award or right holder to pay all or a portion of the federal, state and local withholding taxes arising in connection with any Award consisting of shares of Common Stock by electing to have the Company withhold shares of Common Stock having a Fair Market Value equal to the amount of tax to be withheld, such tax calculated at minimum statutory withholding rates.

19. Employment. A participant's right, if any, to continue to serve the Company or any of its subsidiaries or Affiliates as a director, officer, employee, or otherwise, shall not be enlarged or otherwise affected by his or her designation as a participant under the Plan.

20. Unfunded Plan. Participants shall have no right, title, or interest whatsoever in or to any investments which the Company may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any participant, beneficiary, legal representative or any other person. To the extent that any person acquires a right to receive payments from the Company under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company. All payments to be made hereunder shall be paid from the general funds of the Company and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974, as amended.

21. No Fractional Shares. No fractional shares of Common Stock shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, or Awards, or other property shall be issued or paid in lieu of fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

22. Duration, Amendment and Termination. No Award shall be granted after March 31, 2024. The Committee may amend the Plan from time to time or suspend or terminate the Plan at any time. No amendment of the Plan may be made without approval of the stockholders of the Company if such approval is required under the Code, the rules of a stock exchange, or any other applicable laws or regulations.

23. Award Deferrals. Participants may elect to defer receipt of shares of Common Stock or amounts payable under an Award in accordance with procedures established by the Committee.

24. Effect of Code Section 409A. To the extent that any Award under this plan is or may be considered to involve a nonqualified deferred compensation plan or deferral subject to Section 409A of the Code, the terms and administration of such Award shall comply with the provisions of such Section, applicable IRS guidance and good faith reasonable interpretations thereof and, to the extent necessary, shall be modified, replaced, or terminated in the discretion of the Committee.

25. Compliance with Securities Laws. Notwithstanding any other provision of the Plan, the Company shall have no liability to deliver any shares of Common Stock under the Plan or make any other distribution of benefits under the Plan unless such delivery or distribution would comply with all applicable laws (including, without limitation, the requirements of the Securities Act of 1933), and the applicable requirements of any securities exchange or similar entity.

26. **Governing Law.** This Plan, Awards granted hereunder and actions taken in connection herewith shall be governed and construed in accordance with the laws of the state of Oregon.

PORTLAND GENERAL ELECTRIC COMPANY

By: 

Name: Anne F. Mersereau

Title: Vice President, Human Resources, Diversity and Inclusion

UF 4226(2)

Exhibit C

Signed Board Consent

Signed Compensation Committee Consent

**UNANIMOUS WRITTEN CONSENT OF THE
BOARD OF DIRECTORS OF PORTLAND GENERAL ELECTRIC COMPANY
REGARDING AMENDMENT OF THE
2006 STOCK INCENTIVE PLAN**

The undersigned, constituting all of the members of the Board of Directors of Portland General Electric Company, an Oregon corporation, in accordance with Section 60.341 of the Oregon Revised Statutes, do hereby consent to the adoption of the following resolutions effective March 31, 2016, and upon execution of this consent by each of the Directors listed below, do hereby adopt such resolutions:

WHEREAS, Portland General Electric Company (the "Company") adopted a 2006 Stock Incentive Plan effective as of March 31, 2006 (the "Plan") that provides that no awards shall be granted under the Plan after March 31, 2016 (the "Expiration Date");

WHEREAS, this Board of Directors of the Company (the "Board") has been advised by legal counsel that the Oregon Business Corporation Act and the Company's Articles of Incorporation permit the Board and the Compensation and Human Resources Committee of the Board (the "Committee") to act by unanimous written consent effective as of an earlier date specified in the consent;

WHEREAS, the Committee previously approved an amendment to (and recommended that the Board approve an amendment to) the Plan (the "Plan Amendment"), effective as of March 31, 2016, to extend the term of the Plan through March 31, 2024 (such that the first sentence of Section 22 of the Plan shall be amended, effective as of March 31, 2016, to read in its entirety as follows: "No Award shall be granted after March 31, 2024.");

WHEREAS, the Company is subject to regulation by the Oregon Public Utility Commission (the "OPUC");

WHEREAS, the Board desires that the Plan Amendment be submitted to the shareholders of the Company for approval ("Shareholder Approval") at the Company's annual meeting of shareholders to be held in 2018 (the "2018 Annual Meeting") and, to the extent required by applicable law or regulation, to the OPUC for approval (such Shareholder Approval and any such required approval by OPUC, collectively, "Requisite Approval");

NOW, THEREFORE, BE IT RESOLVED, that, effective as of March 31, 2016, the Board approves the Plan Amendment effective as of March 31, 2016;

RESOLVED FURTHER, that the Board directs the Company to submit the Plan Amendment to the shareholders of the Company for approval at the 2018 Annual Meeting and to submit the Plan Amendment to OPUC for approval or an order confirming that such approval is not required;

2 of 2 in Book Consent for Amendment of the 2006 Stock Incentive Plan

RESOLVED FURTHER, that the proper officers, employees and legal counsel of the Company be, and each of them hereby is authorized, empowered, and directed (any one of them acting alone) to take or cause to be taken all such further action, to execute and deliver all such further instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses as in their judgment may be necessary, appropriate, or advisable to carry into effect the intent and purposes and intentions of the foregoing resolutions; and

RESOLVED FURTHER, that all acts performed prior to the adoption of these resolutions in furtherance of, or consistent with, the purposes of these resolutions are hereby ratified, sanctioned and confirmed in every respect.

DIRECTORS:

Jack E. Davis

Jack E. Davis, Chairman 06.07.2017 5:39 PM

John W. Ballantine

John W. Ballantine 06.07.2017 5:02 PM

Rodney L. Brown

Rodney L. Brown, Director 07.2017 4:45 PM

David A. Dietzler

David A. Dietzler 06.08.2017 5:55 AM

Not Cast

Kirby A. Dyess

Mark B. Ganz

Mark B. Ganz 06.07.2017 8:25 PM

Kathryn J. Jackson

Kathryn J. Jackson 06.07.2017 5:28 PM

Neil J. Nelson

Neil J. Nelson 06.07.2017 7:12 PM

M. Lee Pelton

M. Lee Pelton 06.07.2017 8:27 PM

James J. Piro

James J. Piro 06.07.2017 5:21 PM

Charles W. Shivery

Charles W. Shivery 06.08.2017 6:17 AM

**UNANIMOUS WRITTEN CONSENT OF THE
COMPENSATION AND HUMAN RESOURCES COMMITTEE
OF THE BOARD OF DIRECTORS OF PORTLAND GENERAL ELECTRIC COMPANY
REGARDING AMENDMENT OF THE
2006 STOCK INCENTIVE PLAN**

The undersigned, constituting all of the members of the Compensation and Human Resources Committee of the Board of Directors of Portland General Electric Company, an Oregon corporation, in accordance with Section 60.341 of the Oregon Revised Statutes, do hereby consent to the adoption of the following resolutions effective March 31, 2016, and upon execution of this consent by each of the Directors listed below, do hereby adopt such resolutions:

WHEREAS, Portland General Electric Company (the "Company") adopted a 2006 Stock Incentive Plan effective as of March 31, 2006 (the "Plan") that provides that no awards shall be granted under the Plan after March 31, 2016 (the "Expiration Date");

WHEREAS, this Compensation and Human Resources Committee (the "Committee") has been advised by legal counsel that the Oregon Business Corporation Act and the Company's Articles of Incorporation permit the Board of Directors of the Company (the "Board") and the Committee to act by unanimous written consent effective as of an earlier date specified in the consent;

WHEREAS, the Committee desires to approve an amendment to (and to recommend that the Board approve an amendment to) the Plan (the "Plan Amendment"), effective as of March 31, 2016, to extend the term of the Plan through March 31, 2024 (such that the first sentence of Section 22 of the Plan by reason of this Unanimous Written Consent shall be amended, effective as of March 31, 2016, to read in its entirety as follows: "No Award shall be granted after March 31, 2024.");

WHEREAS, the Company is subject to regulation by the Oregon Public Utility Commission (the "OPUC");

WHEREAS, the Committee desires that the Plan Amendment be submitted to the shareholders of the Company for approval ("Shareholder Approval") at the Company's annual meeting of shareholders to be held in 2018 (the "2018 Annual Meeting") and, to the extent required by applicable law or regulation, to the OPUC for approval (such Shareholder Approval and any such required approval by OPUC, collectively, "Requisite Approval");

NOW, THEREFORE, BE IT RESOLVED, that, effective as of March 31, 2016, the Committee hereby approves the Plan Amendment and recommends that the Board approve the Plan Amendment effective as of March 31, 2016;

RESOLVED FURTHER, that the Committee hereby recommends that the Board direct the Company to submit the Plan Amendment to the shareholders of the Company for approval at the 2018

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Annual Meeting and to submit the Plan Amendment to the OPUC for approval or an order confirming that such approval is not required;

RESOLVED FURTHER, that the proper officers, employees and legal counsel of the Company be, and each of them hereby is authorized, empowered, and directed (any one of them acting alone) to take or cause to be taken all such further action, to execute and deliver all such further instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses as in their judgment may be necessary, appropriate, or advisable to carry into effect the intent and purposes and intentions of the foregoing resolutions; and

RESOLVED FURTHER, that all acts performed prior to the adoption of these resolutions in furtherance of, or consistent with, the purposes of these resolutions are hereby ratified, sanctioned and confirmed in every respect.

DIRECTORS:



Kirby A. Dyess, Chair 06.08.2017 4:33 AM



John W. Ballantine 06.08.2017 11:43 AM



Mark B. Ganz 06.07.2017 8:26 PM



Kathryn J. Jackson 06.07.2017 5:27 PM



Neil J. Nelson 06.07.2017 8:19 PM

Exhibit "E"
UF 4226 (2)

Portland General Electric Company and Subsidiaries
Consolidated Balance Sheet
March 31, 2017
(In Millions)

	March 31, 2017	Adjustments ⁽¹⁾	Adjusted Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 31		\$ 31
Accounts receivable, net	162		162
Unbilled revenues	71		71
Inventories	77		77
Regulatory assets - current	57		57
Other current assets	87		87
Total current assets	<u>485</u>	<u>-</u>	<u>485</u>
Electric utility plant	9,605		9,605
Construction work in progress	242		242
Total cost	9,847		9,847
Less: accumulated depreciation and amortization	<u>(3,381)</u>		<u>(3,381)</u>
Electric utility plant, net	6,466		6,466
Regulatory assets - noncurrent	532		532
Nuclear decommissioning trust	41		41
Non-qualified benefit plan trust	34		34
Other noncurrent assets	54		54
Total assets	<u>\$ 7,612</u>	<u>\$ -</u>	<u>\$ 7,612</u>
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable	\$ 92		\$ 92
Liabilities from price risk management activities - current	59		59
Short-term debt	-		-
Current portion of long-term debt	150		150
Accrued expenses and other current liabilities	247		247
Total current liabilities	<u>548</u>	<u>-</u>	<u>548</u>
Long-term debt, net of current portion	2,200		2,200
Regulatory liabilities - noncurrent	973		973
Deferred income taxes	682		682
Unfunded status of pension and postretirement plans	283		283
Liabilities from price risk management activities - noncurrent	156		156
Asset retirement obligations	164		164
Non-qualified benefit plan liabilities	106		106
Other noncurrent liabilities	113		113
Total liabilities	<u>\$ 5,225</u>	<u>\$ -</u>	<u>\$ 5,225</u>
Commitments and contingencies (see notes)	-		-
Equity			
Preferred stock	-		-
Common stock	1,200		1,200
Accumulated other comprehensive loss	(8)		(8)
Retained earnings	1,195		1,195
Total equity	<u>2,387</u>	<u>-</u>	<u>2,387</u>
Total liabilities and equity	<u>\$ 7,612</u>	<u>\$ -</u>	<u>\$ 7,612</u>

⁽¹⁾ Footnote not used this quarter.

Exhibit "F"
Statement of Contingent Liabilities
As of March 31, 2017

PGE is subject to legal, regulatory, and environmental proceedings, investigations, and claims that arise from time to time in the ordinary course of its business. Contingencies are evaluated using the best information available at the time the condensed consolidated financial statements are prepared. Legal costs incurred in connection with loss contingencies are expensed as incurred. The Company may seek regulatory recovery of certain costs that are incurred in connection with such matters, although there can be no assurance that such recovery would be granted.

Loss contingencies are accrued, and disclosed if material, when it is probable that an asset has been impaired or a liability incurred as of the financial statement date and the amount of the loss can be reasonably estimated. If a reasonable estimate of probable loss cannot be determined, a range of loss may be established, in which case the minimum amount in the range is accrued, unless some other amount within the range appears to be a better estimate.

A loss contingency will also be disclosed when it is reasonably possible that an asset has been impaired or a liability incurred if the estimate or range of potential loss is material. If a probable or reasonably possible loss cannot be determined, then the Company: i) discloses an estimate of such loss or the range of such loss, if the Company is able to determine such an estimate; or ii) discloses that an estimate cannot be made and the reasons.

If an asset has been impaired or a liability incurred after the financial statement date, but prior to the issuance of the financial statements, the loss contingency is disclosed, if material, and the amount of any estimated loss is recorded in the subsequent reporting period.

The Company evaluates, on a quarterly basis, developments in such matters that could affect the amount of any accrual, as well as the likelihood of developments that would make a loss contingency both probable and reasonably estimable. The assessment as to whether a loss is probable or reasonably possible, and as to whether such loss or a range of such loss is estimable, often involves a series of complex judgments about future events. Management is often unable to estimate a reasonably possible loss, or a range of loss, particularly in cases in which: i) the damages sought are indeterminate or the basis for the damages claimed is not clear; ii) the proceedings are in the early stages; iii) discovery is not complete; iv) the matters involve novel or unsettled legal theories; v) significant facts are in dispute; vi) a large number of parties are represented (including circumstances in which it is uncertain how liability, if any, will be shared among multiple defendants); or vii) a wide range of potential outcomes exist. In such cases, there is considerable uncertainty regarding the timing or ultimate resolution, including any possible loss, fine, penalty, or business impact.

Carty

Background—The Company is involved in several litigation proceedings that involve claims concerning the Company's termination of the construction agreement relating to the Carty natural gas-fired generating plant (Carty) located in Eastern Oregon, and the payment obligations of two sureties who provided a performance bond in connection with such agreement. The Company is seeking recovery of incremental construction costs and other damages pursuant to breach of contract claims against the contractor and claims against the sureties pursuant to the performance bond. There are currently several lawsuits pending in U.S. District Court, as well as an arbitration proceeding before the International Chamber of Commerce (ICC). The Company is

seeking to have all claims relating to this matter tried in U.S. District Court for the District of Oregon, but several procedural motions concerning jurisdiction remain pending as of the filing date of this report.

Arbitration Proceeding—In 2013, the Company entered into an agreement (Construction Agreement) with its engineering, procurement and construction contractor - Abeinsa EPC LLC, Abener Construction Services, LLC, Teyma Construction USA, LLC, and Abeinsa Abener Teyma General Partnership, an affiliate of Abengoa S.A. (collectively, the “Contractor”) - for the construction of Carty. Liberty Mutual Insurance Company and Zurich American Insurance Company (hereinafter referred to collectively as the “Sureties”) provided a performance bond of \$145.6 million (Performance Bond) under the Construction Agreement.

On December 18, 2015, the Company declared the Contractor in default under the Construction Agreement and terminated the Construction Agreement. Following termination of the Construction Agreement, PGE, in consultation with the Sureties, brought on new contractors and construction resumed during the week of December 21, 2015.

On January 28, 2016, the Company received notice from the International Chamber of Commerce (ICC) International Court of Arbitration that Abengoa S.A. had submitted a request for arbitration. In the request, Abengoa S.A. alleged that the Company’s termination of the Construction Agreement was wrongful and in breach of the agreement terms and does not give rise to any liability of Abengoa S.A. under the terms of a guaranty in favor of PGE and pursuant to which Abengoa S.A. agreed to guaranty certain obligations of the Contractor under the Construction Agreement. PGE disagrees with the assertions in the request for arbitration and on February 29, 2016 filed a complaint and motion for preliminary injunction in the U.S. District Court for the District of Oregon seeking to have the arbitration claim dismissed on the grounds that the Company has not made a demand under the Abengoa S.A. guaranty, and therefore the matter is not ripe for arbitration. In addition, the Contractor has been joined as a party to the arbitration and is seeking damages of approximately \$117 million based on a claim that PGE wrongfully terminated the Construction Agreement. The Contractor is also seeking estimated damages of \$44 million based on a claim that PGE failed to disclose to the Contractor, in connection with the Contractor’s bid submitted pursuant to the Company’s request for proposals, certain information regarding union labor productivity rates in eastern Oregon, and that this failure caused the Contractor to submit a bid with a contract price that was lower than the contract price that would have been submitted had Contractor known such information. PGE disagrees with both of these claims.

Bankruptcy Proceedings—On March 28, 2016, Abengoa S.A. and several of its foreign affiliates filed petitions for recognition under Chapter 15 of the U.S. Bankruptcy Code requesting interim relief, including an injunction precluding the prosecution of any proceedings against the Chapter 15 debtors. On March 29, 2016, a number of Abengoa S.A.’s U.S. subsidiaries, including the four entities that collectively comprise the Contractor, filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code. As a result, on April 5, 2016, the U.S. District Court issued an order stating that the Company’s District Court action against Abengoa S.A. was stayed. In early October 2016, the bankruptcy court in the Chapter 11 proceeding granted the Company’s motion for relief from stay with respect to the four entities that collectively comprise the Contractor, which allows the Company to bring claims against such entities in the U.S. District Court.

U.S. District Court Proceedings against Sureties—On March 9, 2016, the Sureties delivered a letter to the Company denying liability in whole under the Performance Bond. In the letter, the Sureties make the following assertions in support of their determination:

1. that, because Abengoa S.A. has alleged that PGE wrongfully terminated the Construction Agreement, PGE must disprove such claim as a condition precedent to recovery under the Performance Bond; and

2. that, irrespective of the outcome of the foregoing wrongful termination claim, the Sureties have various contractual and equitable defenses to payment and are not liable to PGE for any amount under the Performance Bond.

The Company disagrees with the foregoing assertions and, on March 23, 2016, filed a breach of contract action against the Sureties in the U.S. District Court for the District of Oregon. The Company's complaint disputes the Sureties' assertion that the Company wrongfully terminated the Construction Agreement and asserts that the Sureties are responsible for the payment of all damages sustained by PGE as a result of the Sureties' breach of contract, including damages in excess of the \$145.6 million stated amount of the Performance Bond. Such damages include additional costs incurred by PGE to complete Carty.

On April 15, 2016, the Sureties filed a motion to stay this U.S. District Court proceeding, alleging that PGE's claims should be addressed in the arbitration proceeding initiated by Abengoa S.A. and referenced above because PGE's claims are intertwined with the issues involved in such arbitration and all parties necessary to resolve PGE's claims are parties to the arbitration. PGE opposed the motion and filed a motion to enjoin the Sureties from pursuing, in the ICC arbitration proceeding, claims relating to the Performance Bond. On July 27, 2016, the court denied the Sureties' motion to stay and granted PGE's motion for a preliminary injunction. The Sureties appealed the rulings to the Ninth Circuit Court of Appeals. On December 13, 2016, the Ninth Circuit issued an order staying the district court proceeding, pending a decision on the Sureties' appeal. Oral argument on the Sureties' appeal is scheduled for May 8, 2017.

U.S. District Court Proceedings against Contractor—On October 21, 2016, PGE filed a complaint in the U.S. District Court for the District of Oregon against Abeinsa for failure to satisfy its obligations under the Construction Agreement. PGE is seeking damages from Abeinsa in excess of \$200 million for: i) costs incurred to complete construction of Carty, settle claims with unpaid contractors and vendors and remove liens; and ii) damages in excess of the construction costs, including a project management fee, liquidated damages under the Construction Agreement, legal fees and costs, damages due to delay of the project, warranty costs, and interest. On March 21, 2017, the U.S. District Court for the District of Oregon entered an order staying the case for 120 days.

Recovery of Capital Costs in Excess of \$514 million—Following termination of the Construction Agreement, PGE brought on new contractors and resumed construction. Carty was placed into service on July 29, 2016 and the Company began collecting its revenue requirement in customer prices on August 1, based on the approved cost of \$514 million. Actual costs for Carty have exceeded the \$514 million approved for inclusion in customer prices by the OPUC. As of March 31, 2017, PGE has capitalized \$636 million for Carty classified as Electric utility plant. The incremental costs resulted from various matters relating to the resumption of construction activities following the termination of the Construction Agreement, including, among other things, determining the remaining scope of construction, preparing work plans for contractors, identifying new contractors, negotiating contracts, and procuring additional materials. Costs also increased as a result of PGE's discovery through the construction process of latent defects in work performed by the former Contractor and the corresponding labor and materials required to correct the work. Other items contributing to the increase include costs relating to the removal of certain liens filed on the property for goods and services provided under contracts with the former Contractor, and costs to repair equipment damage resulting from poor storage and maintenance on the part of the former Contractor.

PGE estimates the total cost of Carty will be approximately \$640 million. This cost estimate does not reflect any offsetting amounts that may be received from the Sureties pursuant to the Performance Bond. This estimate also excludes approximately \$14 million of lien claims filed against PGE for goods and services provided under contracts with the former Contractor. The Company believes these liens are invalid and is contesting the claims in the courts.

In the event the total project costs incurred by PGE, net of offsetting amounts that may be received from the Sureties, Abengoa S.A., or the Contractor, ultimately exceed the \$514 million amount approved by the OPUC for inclusion in customer prices, the Company intends to seek approval to recover the excess amounts in customer prices in a subsequent rate proceeding after exhausting all remedies against the aforementioned parties. However, there is no assurance that such recovery would be allowed by the OPUC. In accordance with GAAP and the Company's accounting policies, any such excess costs would be charged to expense at the time disallowance of recovery becomes probable and a reasonable estimate of the amount of such disallowance can be made. As of the date of this report, the Company has concluded that the likelihood that a portion of the cost of Carty will be disallowed for recovery in customer prices is less than probable. Accordingly, no loss has been recorded to date related to the project.

As actual project costs for Carty exceed \$514 million, the Company is incurring a higher cost than what is reflected in the current authorized revenue requirement amount, primarily due to higher depreciation and interest expense. On July 29, 2016, the Company requested from the OPUC a regulatory deferral for the recovery of the revenue requirement associated with the incremental capital costs for Carty starting from its in service date to the date that such amounts are approved in a subsequent General Rate Case (GRC) proceeding. The Company has requested that the OPUC delay its review of this deferral request until the Company's claims against the Sureties have been resolved. Until such time, the effects of this higher cost are recognized in the Company's results of operations, as a deferral for such amounts would not be considered probable of recovery at this time, in accordance with GAAP. Any amounts approved by the OPUC for recovery under the deferral filing will be recognized in earnings in the period of such approval, however there is no assurance that such recovery would be granted by the OPUC. The Company believes that costs incurred to date and capitalized in Electric utility plant, net in the consolidated balance sheet were prudently incurred. There has been no settlement discussions with regulators related to such costs.

EPA Investigation of Portland Harbor

A 1997 investigation by the United States Environmental Protection Agency (EPA) of a segment of the Willamette River known as Portland Harbor revealed significant contamination of river sediments. The EPA subsequently included Portland Harbor on the National Priority List pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as a federal Superfund site and listed 69 Potentially Responsible Parties (PRPs). PGE was included among the PRPs as it has historically owned or operated property near the river. In 2008, the EPA requested information from various parties, including PGE, concerning additional properties in or near the original segment of the river under investigation as well as several miles beyond. Subsequently, the EPA has listed additional PRPs, which now number over one hundred.

The Portland Harbor site remedial investigation (RI) has been completed pursuant to an Administrative Order on Consent (AOC) between the EPA and several PRPs known as the Lower Willamette Group (LWG), which does not include PGE. The LWG has funded the RI and feasibility study (FS) and has stated that it has incurred \$115 million in investigation-related costs. The Company anticipates that such costs will ultimately be allocated to PRPs as a part of the allocation process for remediation costs of the EPA's preferred remedy.

The EPA has finalized the FS, along with the RI, and these documents provided the framework for the EPA to determine a clean-up remedy for Portland Harbor that was documented in a Record of Decision (ROD) issued on January 6, 2017. The ROD outlines the EPA's selected remediation alternative to clean-up for Portland Harbor which has an estimated total cost of \$1.7 billion, comprised of \$1.2 billion related to remediation construction costs and \$0.5 billion related to long-term operation and maintenance costs, for a combined discounted present value of \$1.05 billion. As stated within the ROD, such cost ranges were estimated with an accuracy between -30% and +50% of actual costs. Remediation construction costs are estimated to be incurred over a 13 year period, with long-term operation and maintenance costs estimated to

be incurred over a 30 year period from the start of construction. The Company anticipates that prior to the commencement of remediation activities, a phase of resampling of the river will be necessary to better refine the remedial design and may impact estimated costs.

PGE is participating in a voluntary process to determine an appropriate allocation of costs amongst the PRPs. Significant uncertainties remain surrounding facts and circumstances that are integral to the determination of such an allocation percentage, including a final allocation methodology and data with regard to property specific activities and history of ownership of sites within Portland Harbor. Based on the above facts and remaining uncertainties, PGE cannot reasonably estimate its potential liability or determine an allocation percentage that represents PGE's portion of the liability to clean-up Portland Harbor.

Where injuries to natural resources have occurred as a result of releases of hazardous substances, federal and state natural resource trustees may seek to recover for damages at such sites, which are referred to as natural resource damages. As it relates to the Portland Harbor, PGE has been participating in the Portland Harbor Natural Resource Damages assessment (NRDA) process. The EPA does not manage NRDA activities, but provides claims information and coordination support to the Natural Resource Damages (NRD) trustees. Damage assessment activities are typically conducted by a Trustee Council made up of the trustee entities for the site. The Portland Harbor NRD trustees are the National Oceanic and Atmospheric Administration, the U.S. Fish and Wildlife Service, the State of Oregon, and certain tribal entities.

The NRD trustees may seek to negotiate legal settlements or take other legal actions against the parties responsible for the damages. Funds from such settlements must be used to restore injured resources and may also compensate the trustees for costs incurred in assessing the damages. The NRD trustees are in the process of negotiating NRDA liability with several PRPs, including PGE. PGE believes that the Company's portion of NRDA liabilities related to Portland Harbor will not have a material impact on its results of operations, financial position, or cash flows.

As discussed above, significant uncertainties still remain concerning the precise boundaries for clean-up, the assignment of responsibility for clean-up costs, the final selection of a proposed remedy by the EPA, and the method of allocation of costs amongst PRPs. It is probable that PGE will share in a portion of these costs. However, the Company does not currently have sufficient information to reasonably estimate the amount, or range, of its potential costs for investigation or remediation of the Portland Harbor site, although such costs could be material. The Company plans to seek recovery of any costs resulting from the Portland Harbor proceeding through claims under insurance policies and regulatory recovery in customer prices.

In July 2016, the Company filed a deferral application with the OPUC seeking the deferral of the future environmental remediation costs, as well as, seeking authorization to establish a regulatory cost recovery mechanism for such environmental costs. The Company reached an agreement with OPUC Staff and other parties regarding the details of the recovery mechanism, which the OPUC approved in the first quarter of 2017. The mechanism will allow the Company to defer and recover incurred environmental expenditures through a combination of third-party proceeds, such as insurance recoveries, and through customer prices, as necessary. The mechanism establishes annual prudency reviews of environmental expenditures and is subject to an annual earnings test.

Trojan Investment Recovery Class Actions

In 1993, PGE closed the Trojan nuclear power plant (Trojan) and sought full recovery of, and a rate of return on, its Trojan costs in a general rate case filing with the OPUC. In 1995, the OPUC issued a general rate order that granted the Company recovery of, and a rate of return on, 87% of its remaining investment in Trojan.

Numerous challenges and appeals were subsequently filed in various state courts on the issue of the OPUC's authority under Oregon law to grant recovery of, and a return on, the Trojan investment. In 2007, following several appeals by various parties, the Oregon Court of Appeals issued an opinion that remanded the matter to the OPUC for reconsideration.

In 2003, in two separate legal proceedings, lawsuits were filed in Marion County Circuit Court (Circuit Court) against PGE on behalf of two classes of electric service customers. The class action lawsuits seek damages totaling \$260 million, plus interest, as a result of the Company's inclusion, in prices charged to customers, of a return on its investment in Trojan.

In August 2006, the OSC issued a ruling ordering the abatement of the class action proceedings. The Oregon Supreme Court (OSC) concluded that the OPUC had primary jurisdiction to determine what, if any, remedy could be offered to PGE customers, through price reductions or refunds, for any amount of return on the Trojan investment that the Company collected in prices.

The OSC further stated that if the OPUC determined that it could provide a remedy to PGE's customers, then the class action proceedings may become moot in whole or in part. The OSC added that, if the OPUC determined that it could not provide a remedy, the court system may have a role to play. The OSC also ruled that the plaintiffs retained the right to return to the Circuit Court for disposition of whatever issues remained unresolved from the remanded OPUC proceedings. In October 2006, the Circuit Court abated the class actions in response to the ruling of the OSC.

In 2008, the OPUC issued an order (2008 Order) that required PGE to provide refunds of \$33 million, including interest, which were completed in 2010. Following appeals, the 2008 Order was upheld by the Oregon Court of Appeals in February 2013 and by the OSC in October 2014.

In June 2015, based on a motion filed by PGE, the Circuit Court lifted the abatement and in July 2015, the Circuit Court heard oral argument on the Company's motion for Summary Judgment. Following oral argument on PGE's motion for Summary Judgment, the plaintiffs moved to amend the complaints. On February 22, 2016, the Circuit Court denied the plaintiff's motion to amend the complaint and on March 16, 2016, the Circuit Court entered a general judgment that granted the Company's motion for Summary Judgment and dismissed all claims by the plaintiffs. On April 14, 2016, the plaintiffs appealed the Circuit Court dismissal to the Court of Appeals for the State of Oregon.

PGE believes that the October 2, 2014 OSC decision and the recent Circuit Court decisions have reduced the risk of a loss to the Company in excess of the amounts previously recorded and discussed above. However, because the class actions remain subject to a decision in the appeal, management believes that it is reasonably possible that a loss in excess of amounts previously recorded could result. As these matters involve unsettled legal theories and have a broad range of potential outcomes, sufficient information is currently not available to determine the amount of any such loss.

Deschutes River Alliance Clean Water Act Claims

On August 12, 2016, the Deschutes River Alliance (DRA) filed a lawsuit against the Company in the U.S. District Court of the District of Oregon. DRA's claims seek injunctive and declaratory relief against PGE under the Clean Water Act (CWA) related to alleged past and continuing violations of the CWA. Specifically, DRA claims PGE has violated certain conditions contained in PGE's Water Quality Certification for the Pelton/Round Butte Hydroelectric Project (Project) related to dissolved oxygen, temperature, and measures of acidity or alkalinity of the water. DRA alleges the violations are related to PGE's operation of the Selective Water Withdrawal (SWW) facility at the Project. The SWW, located above Round Butte Dam, is, among other things, designed to blend water from the surface of the reservoir with

water near the bottom of the reservoir and was constructed and placed into service in 2010 as part of the FERC license requirements for the purpose of restoration and enhancement of native salmon and steelhead fisheries above the Project. DRA has alleged that PGE's operation of the SWW has caused the above-referenced violations of the CWA, which in turn have degraded the Deschutes River's fish and wildlife habitat below the Project and harmed the economic and personal interests of DRA's members and supporters.

On September 30, 2016, PGE filed a motion to dismiss, which asserted that the CWA does not allow citizen suits of this nature, and that FERC has jurisdiction over all licensing issues, including the alleged CWA violations. On March 27, 2017, the court denied PGE's motion to dismiss. On April 6, 2017, PGE filed a motion for certification to file an interlocutory appeal with the U.S. Ninth Circuit Court of Appeals and for a stay of the District Court proceeding. A court decision on that motion has not yet been issued. On April 7, 2017, the court granted an unopposed motion filed by the Confederated Tribes of Warm Springs (the Tribes) to appear in the case as Amicus Curiae (friend of the court). The Tribes share ownership of the Project with PGE, but have not been named as a defendant.

The Company cannot predict the outcome of this matter, but believes that it has strong defenses to DRA's claims and intends to defend against them. Because i) this matter involves novel issues of law and ii) the mechanism and costs for achieving the relief sought in DRA's claims have not yet been determined, the Company cannot, at this time, determine the likelihood of whether the outcome of this matter will result in a material loss.

Other Matters

PGE is subject to other regulatory, environmental, and legal proceedings, investigations, and claims that arise from time to time in the ordinary course of business that may result in judgments against the Company. Although management currently believes that resolution of such matters, individually and in the aggregate, will not have a material impact on its financial position, results of operations, or cash flows, these matters are subject to inherent uncertainties, and management's view of these matters may change in the future.

Exhibit "G"
UF 4226 (2)

Portland General Electric Company and Subsidiaries
Consolidated Statement of Income
Three Months Ended
March 31, 2017
(In Millions)

	Three Months Ended March 31, 2017	Adjustments	Adjusted Total
Revenues	\$530		\$530
Operating Expenses:			
Purchased power and fuel	141		141
Generation, transmission and distribution	81		81
Administrative and other	68		68
Depreciation and amortization	84		84
Taxes other than income taxes	33		33
Total operating expenses	<u>407</u>		<u>407</u>
Income from Operations	123	-	123
Other Income:			
Allowance for equity funds used during construction	2		2
Miscellaneous income, net	1		1
Other Income, net	<u>3</u>	-	<u>3</u>
Interest Expense	<u>30</u>		<u>30</u>
Income before income taxes	96	-	96
Income Taxes	<u>23</u>		<u>23</u>
Net Income	\$73	-	\$73
Other comprehensive income	(1)		(1)
Comprehensive Income	<u>\$72</u>	<u>\$0</u>	<u>\$72</u>

Exhibit "H"
UF 4226 (2)

Portland General Electric Company and Subsidiaries
Consolidated Statement of Retained Earnings
Three Months Ended
March 31, 2017
(In Millions)

	<u>Retained Earnings</u>	<u>Adjustments ⁽¹⁾</u>	<u>Adjusted Total</u>
Balance at Beginning of Period, January 1, 2017	\$1,150		\$1,150
Net Income	73		73
	<u>1,223</u>		<u>1,223</u>
Dividends Declared			
Common stock	<u>(28)</u>		<u>(28)</u>
Balance at End of Period, March 31, 2017	<u>\$1,195</u>	<u>\$0</u>	<u>\$1,195</u>

(1) No preliminary adjusting entries to the Statement of Retained Earnings.

Exhibit "E"
UF 4226 (2)

Portland General Electric Company and Subsidiaries
Consolidated Balance Sheet
March 31, 2017
(In Millions)

	March 31, 2017	Adjustments ⁽¹⁾	Adjusted Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 31		\$ 31
Accounts receivable, net	162		162
Unbilled revenues	71		71
Inventories	77		77
Regulatory assets - current	57		57
Other current assets	87		87
Total current assets	<u>485</u>	<u>-</u>	<u>485</u>
Electric utility plant	9,605		9,605
Construction work in progress	242		242
Total cost	<u>9,847</u>		<u>9,847</u>
Less: accumulated depreciation and amortization	<u>(3,381)</u>		<u>(3,381)</u>
Electric utility plant, net	<u>6,466</u>		<u>6,466</u>
Regulatory assets - noncurrent	532		532
Nuclear decommissioning trust	41		41
Non-qualified benefit plan trust	34		34
Other noncurrent assets	54		54
Total assets	<u>\$ 7,612</u>	<u>\$ -</u>	<u>\$ 7,612</u>
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable	\$ 92		\$ 92
Liabilities from price risk management activities - current	59		59
Short-term debt	-		-
Current portion of long-term debt	150		150
Accrued expenses and other current liabilities	247		247
Total current liabilities	<u>548</u>	<u>-</u>	<u>548</u>
Long-term debt, net of current portion	2,200		2,200
Regulatory liabilities - noncurrent	973		973
Deferred income taxes	682		682
Unfunded status of pension and postretirement plans	283		283
Liabilities from price risk management activities - noncurrent	156		156
Asset retirement obligations	164		164
Non-qualified benefit plan liabilities	106		106
Other noncurrent liabilities	113		113
Total liabilities	<u>\$ 5,225</u>	<u>\$ -</u>	<u>\$ 5,225</u>
Commitments and contingencies (see notes)	-		-
Equity			
Preferred stock	-		-
Common stock	1,200		1,200
Accumulated other comprehensive loss	(8)		(8)
Retained earnings	1,195		1,195
Total equity	<u>2,387</u>	<u>-</u>	<u>2,387</u>
Total liabilities and equity	<u>\$ 7,612</u>	<u>\$ -</u>	<u>\$ 7,612</u>

⁽¹⁾ Footnote not used this quarter.

Exhibit "G"
UF 4226 (2)

Portland General Electric Company and Subsidiaries
Consolidated Statement of Income

Three Months Ended

March 31, 2017

(In Millions)

	Three Months Ended March 31, 2017	Adjustments	Adjusted Total
Revenues	\$530		\$530
Operating Expenses:			
Purchased power and fuel	141		141
Generation, transmission and distribution	81		81
Administrative and other	68		68
Depreciation and amortization	84		84
Taxes other than income taxes	33		33
Total operating expenses	407		407
Income from Operations	123	-	123
Other Income:			
Allowance for equity funds used during construction	2		2
Miscellaneous income, net	1		1
Other Income, net	3	-	3
Interest Expense	30		30
Income before income taxes	96	-	96
Income Taxes	23		23
Net Income	\$73	-	\$73
Other comprehensive income	(1)		(1)
Comprehensive Income	\$72	\$0	\$72

Exhibit "H"
UF 4226 (2)

Portland General Electric Company and Subsidiaries
Consolidated Statement of Retained Earnings
Three Months Ended
March 31, 2017
(In Millions)

	<u>Retained Earnings</u>	<u>Adjustments ⁽¹⁾</u>	<u>Adjusted Total</u>
Balance at Beginning of Period, January 1, 2017	\$1,150		\$1,150
Net Income	73		73
	<u>1,223</u>		<u>1,223</u>
Dividends Declared			
Common stock	<u>(28)</u>		<u>(28)</u>
Balance at End of Period, March 31, 2017	<u><u>\$1,195</u></u>	<u><u>\$0</u></u>	<u><u>\$1,195</u></u>

(1) No preliminary adjusting entries to the Statement of Retained Earnings.