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August 14, 2014

Via Electronic Mail and Federal Express

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
Salem OR 97302

Re: PORTLAND GENERAL ELECTRIC
Request for a General Rate Revision
Docket No. UE 283

Dear Filing Center:

Enclosed for filing in the above-referenced docket, please find a corrected page 29 of the Rebuttal Testimony of Bradley G. Mullins and a revised page 10 of Exhibit ICNU/303 on behalf of the Industrial Customers of Northwest Utilities (“ICNU”). Page 29, line 9 of Mr. Mullins’ testimony referred to an informal document Portland General Electric Company (“Company”) provided to ICNU. This document was subsequently incorporated into a supplemental response to ICNU Data Request 169, which was made available the afternoon of August 13, 2014, the same day ICNU’s rebuttal testimony was due. Because ICNU had already finalized its testimony, it did not have the ability to incorporate this change at that time. This filing corrects Mr. Mullins’ testimony to reflect the fact that the “informal” document the Company provided to ICNU has now been formally provided as part of a data response, and revises page 10 of Exhibit ICNU/303 to replace the Company’s original response to ICNU Data Request 169 with the combined original and supplemental response. The corrected testimony page is being provided in clean and redlined format for the parties’ convenience.

Thank you for your assistance. If you have any questions, please do not hesitate to contact our office.

Sincerely,



Jesse O. Gorsuch

Enclosures
cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the attached **Corrected Rebuttal Testimony and Exhibit of Bradley G. Mullins** upon all parties in this proceeding by causing a copy to be sent via electronic mail to the following parties at the following addresses.

Dated this 14th day of August, 2014.

Sincerely,



Jesse O. Gorsuch

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1 Company calculated the PTC carry-forwards based on the December 31, 2015 year-end
2 balance, rather than an average balance.

3 **Q. WHAT LEVEL OF CURRENT TAXES IS THE COMPANY FORECASTING IN**
4 **THE TEST PERIOD?**

5 A. It is not clear. The Company's latest filed revenue requirement calculations, an errata
6 correcting multiple numerical errors from the Company's rebuttal filing, includes current
7 taxes of \$81.1 million.^{64/} In response to a data request provided four business days prior
8 to this filing, however, the Company indicated that the amount included in its errata filing
9 was wrong:^{65/} ~~and~~ It later supplemented this data request, on August 13, 2014, to indicate
10 informally provided a document suggesting that current taxes should be \$53.8 million.^{66/}
11 The Rebuttal Testimony of Mr. Greene, on the other hand, suggests an entirely different
12 number, indicating that a level of current taxes actually used to calculate the production
13 tax credit carry-forwards was \$34.3 million.^{67/}

14 **Q. WHICH OF THESE CURRENT TAX CALCULATIONS SHOULD BE USED TO**
15 **CALCULATE PRODUCTION TAX CREDIT CARRY-FORWARDS IN RATE**
16 **BASE?**

17 A. If my recommendation regarding the use of normalized income tax expense is not
18 adopted, I recommend that \$81.1 million in current taxes be used. This value is the
19 amount included in the Company's most recent revenue requirement table filed with the
20 Commission.

^{64/} PGE/Errata 1701 at 2:65 (July 31, 2014).

~~^{65/} Exhibit ICNU/303 at 10 (PGE Resp. to ICNU DR 169).~~

~~^{66/} Exhibit ICNU/303 at 10 (PGE Resp. to ICNU DR 169, Supplement 1).~~

^{67/} PGE/Exhibit 1900 at 4, Table 3.

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^{66/} PGE/Exhibit 1900 at 4, Table 3.

August 13, 2014

TO: Bradley Van Cleve
Bradley Mullins
Michael Gorman

FROM: Patrick Hager
Manager, Regulatory Affairs

**PORTLAND GENERAL ELECTRIC
UE 283
PGE *First Supplemental Response* to ICNU Data Request No. 169
Dated July 29, 2014**

Request:

Reference PGE/1900, Greene/9: Please provide an explanation of why Table 3, Column “Tucannon + Base”, Row “a” contains total current taxes (before tax credits) for the 2015 test year of \$34.3 million, yet PGE Exhibit 1701 contains total current taxes (before tax credits, including Tucannon River and Port Westward II) of \$81.1 million

Response (dated August 7, 2014):

Attachment 169-A contains a reconciliation between the \$34.3 million in Table 2 of PGE Exhibit 1900 and the \$81.1 million in PGE Exhibit 1701. The ‘Deferred Ms’ for Tucannon in PGE Exhibit 1701 were inadvertently included as \$71.7 million rather than \$156.2 million. The amount of accumulated deferred income taxes corresponding to the \$156.2 million was already included as a reduction to PGE’s rate base in this filing and as such this change has no bearing on revenue requirement, but does reduce the \$81.1 million in this comparison to \$53.8 million. We then remove Port Westward 2 which is not included in PGE Exhibit 1900, Table 2. Finally, we adjust pre-tax book income for deductions not included in PGE’s revenue requirement.

Supplement Response (dated August 13, 2014):

Attachment 169-B provides a revised PGE Exhibit 1701 to reflect the updated \$156.2 million in Deferred Schedule Ms for Tucannon. The change in Deferred Ms has no effect on PGE’s revenue requirement, but does reduce current taxes from \$81.1 million to \$53.8 million.