



Portland General Electric Company
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 PortlandGeneral.com

October 1, 2015

Email / FedEx
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Public Utility Commission of Oregon
 201 High St SE, Suite 100
 Salem, OR 97301

RE: UE 294 Revenue Requirement Estimate Update and PGE’s October MONET Update

Filing Center:

Enclosed is a revised revenue requirement estimate for Docket No. UE 294. This revision includes PGE’s October 1, 2015 MONET update, which contains contracts and electric and gas forward curves as of September 3, 2015. PGE provides this estimate as information only and does not seek any action by the Commission.

Revised Revenue Requirement Estimate

PGE’s revised revenue requirement estimate shown in the table below incorporates the October 1, 2015 MONET update and the stipulations filed with the Commission in Docket No. UE 294 on June 23, 2015 and August 28, 2015. Collectively, the stipulations resolve all issues in this docket.¹

PGE’s revised revenue requirement estimate is a decrease of \$15.1 million before the consideration of the Carty Generating Station (Carty), which separately represents an \$84.1 million increase.

Revised Revenue Requirement (\$ millions)

	<u>Base Case</u>	<u>Carty</u>	<u>Total*</u>
Original Filing	\$38.8	\$83.6	\$122.4
April 1, NVPC Update	(\$5.2)	(\$1.0)	(\$6.2)
June 23, Stipulation	(\$15.3)	\$2.8	(\$12.5)
June Load Forecast Update	\$1.9	--	\$1.9
July 15, NVPC Update	(\$2.3)	(\$0.7)	(\$3.0)
August 28, Stipulation	(\$28.2)	(\$1.4)	(\$29.6)
Sept. Load Forecast Update	(\$2.5)	--	(\$2.5)
Oct. 1, NVPC Update	(\$2.3)	\$0.8	(\$1.5)
Total*	(\$15.1)	\$84.1	\$68.9

* May not sum due to rounding.

¹ On September 29, 2015, PGE filed its second supplemental response to OPUC Standard Data Request No. 012. In the response, PGE updated its cost of long-term debt for 2015. PGE’s revised revenue requirement table in this letter does not reflect the update to PGE’s cost of long-term debt.

MONET Update

Prior to PGE's adjustment to reflect an annualized amount for the Carty revenue requirement, the MONET update results in a Net Variable Power Cost (NVPC) forecast of \$536.0 million. Because the Carty revenue requirement reflects annualized amounts, PGE increases Carty's dispatch benefit from \$1.6 million to \$2.5 million. This reduces NVPC in our case to \$535.1 million for revenue requirement purposes, a decrease of roughly \$11.4 million from the July 15, 2015 power cost update filing.² This decrease is primarily due to the reduction to PGE's NVPC forecast agreed to in the Second Partial Stipulation filed on August 28, 2015.

Summary of Attachments

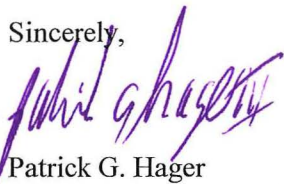
As part of this update, PGE is including four attachments.

1. Attachment 1 provides PGE's revised revenue requirement as described above.
2. Confidential Attachment 2 is one (1) CD containing the confidential Minimum Filing Requirements (MFRs).
3. Attachment 3 is one (1) CD containing the non-confidential MFRs.
4. Confidential Attachment 4 is one (1) CD containing the load forecast work papers.

Attachments 2 and 4 are confidential and subject to Protective Order No. 15-036.

If you have any questions or require further information, please contact Aaron Rodehorst at 503-464-8804. Please direct all formal correspondence and requests to the following email address: pge.opuc.filings@pgn.com.

Sincerely,



Patrick G. Hager
Manager, Regulatory Affairs

encl.

² See PGE's letter dated July 15, 2015 and filed in Docket No. UE 294. NVPC for revenue requirement purposes was reported to be \$546.5 million.

UE 294

**2016 PGE Annual Power Cost Update
October 1, 2015**

Attachment 1

Provided in Electronic Format Only

Revised Revenue Requirement

Portland General Electric Company
2016 Revenue Requirement Summary
 (\$000)

		Rev Req	Percent	
	Total Increase:	68,941	3.8%	
	Base Business			
	2016	Carty	Total Results	
	(1)	(2)	(3)	
1	Sales to Consumers	1,784,482	84,073	1,868,555
2	Sales for Resale	-	-	-
3	Other Revenues	26,638	-	26,638
4	Total Operating Revenues	1,811,120	84,073	1,895,193
5	Net Variable Power Costs	537,594	(2,533)	535,061
6	Production O&M (excludes Trojan)	146,000	10,130	156,130
7	Trojan O&M	93	-	93
8	Transmission O&M	14,251	-	14,251
9	Distribution O&M	94,457	-	94,457
10	Customer & MBC O&M	71,776	-	71,776
11	Uncollectibles Expense	7,195	339	7,534
12	OPUC Fees	6,692	315	7,007
13	A&G, Ins/Bene., & Gen. Plant	142,717	1,644	144,361
14	Total Operating & Maintenance	1,020,776	9,896	1,030,671
15	Depreciation	270,257	14,397	284,654
16	Amortization	45,845	-	45,845
17	Property Tax	59,947	2,433	62,379
18	Payroll Tax	14,187	226	14,413
19	Other Taxes	1,798	-	1,798
20	Franchise Fees	45,452	2,141	47,594
21	Utility Income Tax	57,316	16,766	74,082
22	Total Operating Expenses & Taxes	1,515,579	45,859	1,561,437
23	Utility Operating Income	295,542	38,214	333,755
24	Rate Base			
25	Avg. Gross Plant	8,650,728	513,750	9,164,479
26	Avg. Accum. Deprec. / Amort	(4,217,975)	(7,089)	(4,225,065)
27	Avg. Accum. Def Tax	(591,593)	1,031	(590,561)
28	Avg. Accum. Def ITC	-	-	-
29	Net Utility Plant	3,841,160	507,693	4,348,853
30	Misc. Deferred Debits	26,623	-	26,623
31	Operating Materials & Fuel	79,458	-	79,458
32	Misc. Deferred Credits	(70,321)	(959)	(71,280)
33	Working Cash	54,987	1,664	56,651
34	Rate Base	3,931,907	508,398	4,440,305
35	Rate of Return	7.517%		7.517%
36	Implied Return on Equity	9.600%		9.600%

	Base Business 2016	Carty	Total Results
	(1)	(2)	(3)
37 Effective Cost of Debt	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.3750%	0.375%	0.375%
Utility Income Taxes			
54 Book Revenues	1,811,120	84,073	1,895,193
55 Book Expenses	1,458,262	29,093	1,487,355
56 Interest Deduction	106,810	13,811	120,621
57 Production Deduction	-	-	-
58 Permanent Ms	(23,836)	(1,075)	(24,911)
59 Deferred Ms	92,595	4,682	97,277
60 Taxable Income	177,289	37,562	214,851
61 Current State Tax	12,786	2,709	15,495
62 State Tax Credits	(992)	-	(992)
63 Net State Taxes	11,794	2,709	14,504
64 Federal Taxable Income	165,494	34,853	200,348
65 Current Federal Tax	57,923	12,199	70,122
66 Federal Tax Credits	(49,150)	-	(49,150)
67 ITC Amort	-	-	-
68 Deferred Taxes	36,749	1,858	38,607
69 Total Income Tax Expense	57,316	16,766	74,082
70 Regulated Net Income	188,732		213,135
71 Check Regulated NI			213,135

Portland General Electric Company
2016 Revenue Requirement - Carty
(\$000)

	As Filed (2/12/2015)	Blank	Subtotal	Settlement Uncoll. ROE	Settlement Subtotal	Capital Additions S-10	NVPC Adjustments	Total
1 Sales to Consumers	83,583	-	83,583	(1,270)	82,313	2,729	(970)	84,073
2 Sales for Resale	-	-	-	-	-	-	-	-
3 Other Revenues	-	-	-	-	-	-	-	-
4 Total Operating Revenues	83,583	-	83,583	(1,270)	82,313	2,729	(970)	84,073
5 Net Variable Power Costs	(1,599)	-	(1,599)	-	(1,599)	-	(934)	(2,533)
6 Production O&M (excludes Trojan)	10,130	-	10,130	-	10,130	-	-	10,130
7 Trojan O&M	-	-	-	-	-	-	-	-
8 Transmission O&M	-	-	-	-	-	-	-	-
9 Distribution O&M	-	-	-	-	-	-	-	-
10 Customer & MBC O&M	-	-	-	-	-	-	-	-
11 Uncollectibles Expense	359	-	359	(5)	332	11	(4)	339
12 OPUC Fees	313	-	313	(5)	309	10	(4)	315
13 A&G, Ins/Bene., & Gen. Plant	1,644	-	1,644	-	1,644	-	-	1,644
14 Total Operating & Maintenance	10,849	-	10,849	(10)	10,816	21	(942)	9,896
15 Depreciation	14,397	-	14,397	-	14,397	-	-	14,397
16 Amortization	-	-	-	-	-	-	-	-
17 Property Tax	2,433	-	2,433	-	2,433	-	-	2,433
18 Payroll Tax	226	-	226	-	226	-	-	226
19 Other Taxes	-	-	-	-	-	-	-	-
20 Franchise Fees	2,129	-	2,129	(32)	2,097	70	(25)	2,141
21 Utility Income Tax	16,464	-	16,464	(487)	15,986	781	(1)	16,766
22 Total Operating Expenses & Taxes	46,498	-	46,498	(529)	45,955	871	(967)	45,859
23 Utility Operating Income	37,086	-	37,086	(741)	36,358	1,858	(3)	38,214
24 Average Rate Base								
25 Avg. Gross Plant	488,250	-	488,250	-	488,250	25,500	-	513,750
26 Avg. Accum. Deprec. / Amort	(6,598)	-	(6,598)	-	(6,598)	(491)	-	(7,089)
27 Avg. Accum. Def Tax	1,354	-	1,354	-	1,354	(323)	-	1,031
29 Avg. Net Utility Plant	483,007	-	483,007	-	483,007	24,686	-	507,693
30 Misc. Deferred Debits	-	-	-	-	-	-	-	-
31 Operating Materials & Fuel	-	-	-	-	-	-	-	-
32 Misc. Deferred Credits	(959)	-	(959)	-	(959)	-	-	(959)
33 Working Cash	1,687	-	1,687	(19)	1,667	32	(35)	1,664
34 Average Rate Base	483,735	-	483,735	(19)	483,715	24,718	(35)	508,398
35 Rate of Return	7.667%		7.667%					7.517%
36 Implied Return on Equity	9.900%		9.900%					9.600%

Non-NVPC Adjustment Detail

	7/9/2015		6/23/2015								
	All Revenue Sensitive	ROE	Cost of Debt	Uncollectibles	Rev Sensitive S-1, S-2, S-3	Advertising S-5	Medical Benefits S-7	Dues & Donations S-9	Cap. Adds Rate Base S-10	Energy Efficiency S-12	R&D S-13
1 Sales to Consumers	(10,785)	(10,276)	-	(512)	(10,785)	(73)	(1,030)	(201)	(2,729)	(246)	(1,142)
2 Sales for Resale	1,826,976	1,827,485	1,837,761	1,837,250							
3 Other Revenues	-	-	-	-							
4 Total Operating Revenues	25,138	25,138	25,138	25,138							
5 Net Variable Power Costs	1,852,115	1,852,623	1,862,900	1,862,388	(10,785)	(73)	(1,030)	(201)	(2,729)	(246)	(1,142)
6 Production O&M (Excludes Trojan)	556,895	556,895	556,895	556,895							
7 Trojan O&M	146,000	146,000	146,000	146,000							
8 Transmission O&M	93	93	93	93							
9 Distribution O&M	14,251	14,251	14,251	14,251							
10 Customer & MBC O&M	94,457	94,457	94,457	94,457							
11 Uncollectibles Expense	72,083	72,083	72,083	72,083		(70)				(237)	
12 OPUC Fees	7,366	7,858	7,902	7,408	(536)	(0)	(4)	(1)	(11)	(1)	(5)
13 A&G, Ins/Bene., & Gen. Plant	6,851	6,853	6,892	6,890	(40)	(0)	(4)	(1)	(10)	(1)	(4)
14 Total Operating & Maintenance	153,003	153,003	153,003	153,003			(992)	(194)			(1,100)
15 Depreciation	1,051,000	1,051,494	1,051,577	1,051,080	(576)	(71)	(1,000)	(196)	(21)	(239)	(1,109)
16 Amortization	270,257	270,257	270,257	270,257							
17 Property Tax	49,697	49,697	49,697	49,697							
18 Payroll Tax	59,947	59,947	59,947	59,947							
19 Other Taxes	14,187	14,187	14,187	14,187							
20 Franchise Fees	1,798	1,798	1,798	1,798							
21 Utility Income Tax	46,535	46,548	46,809	46,796	(275)	(2)	(26)	(5)	(70)	(6)	(29)
22 Total Operating Expenses & Taxes	59,043	59,044	62,984	62,983	(3,941)	(0)	(1)	(0)	(781)	(0)	(1)
23 Utility Operating Income	1,552,464	1,552,971	1,557,256	1,556,746	(4,792)	(73)	(1,027)	(201)	(871)	(245)	(1,139)
24 Average Rate Base	299,651	299,652	305,644	305,643	(5,993)	(0)	(3)	(1)	(1,858)	(1)	(3)
25 Avg. Gross Plant	299,651	299,652	305,644	305,643							
26 Avg. Accum. Deprec. / Amort	8,705,924	8,705,924	8,705,924	8,705,924					(25,500)		
27 Avg. Accum. Def Tax	(4,219,464)	(4,219,464)	(4,219,464)	(4,219,464)					491		
28 Avg. Accum. Def ITC	(591,970)	(591,970)	(591,970)	(591,970)					323		
29 Avg. Net Utility Plant	3,894,490	3,894,490	3,894,490	3,894,490					(24,686)		
30 Misc. Deferred Debits	26,623	26,623	26,623	26,623							
31 Operating Materials & Fuel	79,458	79,458	79,458	79,458							
32 Misc. Deferred Credits	(70,321)	(70,321)	(70,321)	(70,321)							
33 Working Cash	56,325	56,343	56,499	56,480	(174)	(3)	(37)	(7)	(32)	(9)	(41)
34 Average Rate Base	3,986,575	3,986,593	3,986,749	3,986,730	(174)	(3)	(37)	(7)	(24,718)	(9)	(41)
35 Rate of Return	7.517%	7.517%	7.667%	7.667%							
36 Implied Return on Equity	9.600%	9.600%	9.900%	9.900%							

37 Effective Cost of Debt	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.4032%	0.4300%	0.4300%	0.4032%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.900%	9.900%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.924%	10.924%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%
Utility Income Taxes											
54 Book Revenues	1,852,115	1,852,623	1,862,900	1,862,388	(10,785)	(73)	(1,030)	(201)	(2,729)	(246)	(1,142)
55 Book Expenses	1,493,421	1,493,928	1,494,272	1,493,763	(851)	(72)	(1,026)	(201)	(91)	(245)	(1,138)
56 Interest Deduction	108,295	108,296	108,300	108,300	(5)	(0)	(1)	(0)	(671)	(0)	(1)
57 Production Deduction	-	-	-	-	-	-	-	-	-	-	-
58 Permanent Ms	(23,836)	(23,836)	(23,836)	(23,836)	-	-	-	-	-	-	-
59 Deferred Ms	92,595	92,595	92,595	92,595	-	-	-	-	-	-	-
60 Taxable Income	181,640	181,641	191,569	191,567	(9,929)	(0)	(3)	(1)	(1,967)	(1)	(3)
61 Current State Tax	13,100	13,100	13,816	13,816	(716)	(0)	(0)	(0)	(142)	(0)	(0)
62 State Tax Credits	(992)	(992)	(992)	(992)	-	-	-	-	-	-	-
63 Net State Taxes	12,108	12,108	12,824	12,824	(716)	(0)	(0)	(0)	(142)	(0)	(0)
64 Federal Taxable Income	169,531	169,533	178,744	178,743	(9,213)	(0)	(3)	(1)	(1,825)	(1)	(3)
65 Current Federal Tax	59,336	59,336	62,561	62,560	(3,225)	(0)	(1)	(0)	(639)	(0)	(1)
66 Federal Tax Credits	(49,150)	(49,150)	(49,150)	(49,150)	-	-	-	-	-	-	-
67 ITC Amort	-	-	-	-	-	-	-	-	-	-	-
68 Deferred Taxes	36,749	36,749	36,749	36,749	-	-	-	-	-	-	-
69 Total Income Tax Expense	59,043	59,044	62,984	62,983	(3,941)	(0)	(1)	(0)	(781)	(0)	(1)
73 Regulated Net Income	191,356	191,356	197,344	197,343	(5,988)	(0)	(2)	(0)	(1,186)	-	-

37 Effective Cost of Debt	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%
Utility Income Taxes										
54 Book Revenues	(9,303)	(2,068)	(52)	(4,000)	(104)	-	-	-	-	(31,734)
55 Book Expenses	(8,309)	(69)	(52)	(3,985)	(3)	-	-	-	-	(15,191)
56 Interest Deduction	(253)	(509)	(0)	(4)	(26)	-	-	-	-	(1,465)
57 Production Deduction										-
58 Permanent Ms										-
59 Deferred Ms										-
60 Taxable Income	(741)	(1,490)	(0)	(12)	(75)	-	-	-	-	(15,078)
61 Current State Tax	(53)	(107)	(0)	(1)	(5)	-	-	-	-	(1,087)
62 State Tax Credits										-
63 Net State Taxes	(53)	(107)	(0)	(1)	(5)	-	-	-	-	(1,087)
64 Federal Taxable Income	(688)	(1,383)	(0)	(11)	(70)	-	-	-	-	(13,991)
65 Current Federal Tax	(241)	(484)	(0)	(4)	(24)	-	-	-	-	(4,897)
66 Federal Tax Credits										-
67 ITC Amort										-
68 Deferred Taxes										-
69 Total Income Tax Expense	(294)	(591)	(0)	(5)	(30)	-	-	-	-	(5,984)
73 Regulated Net Income	(447)	(899)	(0)	(7)						(13,374)

NVPC Adjustment Detail

	4/1/2015 NVPC Update (1)	7/15/2015 NVPC Update (2)	8/12/2015 Settlement Update	10/1/2015 NVPC Update (3)	11/5/2015 NVPC Update (3)	11/16/2015 NVPC Update (3)	Total NVPC Adjustments
1 Sales to Consumers	(5,155)	(2,318)	(10,234)	(2,338)	-	-	(20,045)
2 Sales for Resale							-
3 Other Revenues							-
4 Total Operating Revenues	(5,155)	(2,318)	(10,234)	(2,338)	-	-	(20,045)
5 Net Variable Power Costs	(4,964)	(2,232)	(9,854)	(2,251)	-	-	(19,301)
6 Production O&M (Excludes Trojan)							-
7 Trojan O&M							-
8 Transmission O&M							-
9 Distribution O&M							-
10 Customer & MBC O&M							-
11 Uncollectibles Expense	(21)	(9)	(41)	(9)	-	-	(81)
12 OPUC Fees	(19)	(9)	(38)	(9)	-	-	(75)
13 A&G, Ins/Bene., & Gen. Plant							-
14 Total Operating & Maintenance	(5,004)	(2,250)	(9,934)	(2,269)	-	-	(19,457)
15 Depreciation							-
16 Amortization							-
17 Property Tax							-
18 Payroll Tax							-
19 Other Taxes							-
20 Franchise Fees	(131)	(59)	(261)	(60)	-	-	(511)
21 Utility Income Tax	(6)	(3)	(12)	(3)	-	-	(23)
22 Total Operating Expenses & Taxes	(5,141)	(2,312)	(10,206)	(2,331)	-	-	(19,990)
23 Utility Operating Income	(14)	(6)	(28)	(6)	-	-	(55)
24 Average Rate Base							
25 Avg. Gross Plant							-
26 Avg. Accum. Deprec. / Amort							-
27 Avg. Accum. Def Tax							-
28 Avg. Accum. Def ITC							-
29 Avg. Net Utility Plant							-
30 Misc. Deferred Debits							-
31 Operating Materials & Fuel							-
32 Misc. Deferred Credits							-
33 Working Cash	(187)	(84)	(370)	(85)	-	-	(725)
34 Average Rate Base	(187)	(84)	(370)	(85)	-	-	(725)
35 Rate of Return	7.516%						7.516%
36 Implied Return on Equity	9.600%						9.600%

37 Effective Cost of Debt	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658	1.658	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.375%	0.375%	0.375%	0.375%	0.375%	0.375%	0.375%
Utility Income Taxes							
54 Book Revenues	(5,155)	(2,318)	(10,234)	(2,338)	-	-	(20,045)
55 Book Expenses	(5,135)	(2,309)	(10,194)	(2,329)	-	-	(19,968)
56 Interest Deduction	(5)	(2)	(10)	(2)	-	-	(20)
57 Production Deduction							-
58 Permanent Ms							-
59 Deferred Ms							-
60 Taxable Income	(15)	(7)	(29)	(7)	-	-	(58)
61 Current State Tax	(1)	(0)	(2)	(0)	-	-	(4)
62 State Tax Credits							-
63 Net State Taxes	(1)	(0)	(2)	(0)	-	-	(4)
64 Federal Taxable Income	(14)	(6)	(27)	(6)	-	-	(54)
65 Current Federal Tax	(5)	(2)	(10)	(2)	-	-	(19)
66 Federal Tax Credits							-
67 ITC Amort							-
68 Deferred Taxes							-
69 Total Income Tax Expense	(6)	(3)	(12)	(3)	-	-	(23)
73 Regulated Net Income	(9)	(4)	(18)	(4)	-	-	(35)

Category A Advertising
Adjust Result to 1/8 of 1% per OAR

9090001 CustSvc-InformAdvertisingExp	2,113,423
Less: Legally Mandated Advertising	25,750
	<u>2,087,673</u>

2016 Total Revenue Requirement	1,868,555
Factor per OAR	0.125%
Presumed Reasonable Cat A Costs	<u>2,335,693</u>

Total Adjustment

UE 294

**2016 PGE Annual Power Cost Update
October 1, 2015**

Attachment 2

Provided in Electronic Format (CD) Only

Confidential and Subject to Protective Order No. 15-036

**Minimum Filing Requirements
Supporting Documents and Work Papers**

UE 294

**2016 PGE Annual Power Cost Update
October 1, 2015**

Attachment 3

Provided in Electronic Format (CD) Only

Minimum Filing Requirements
Non-Confidential Supporting Documents and Work Papers

UE 294

**2016 PGE Annual Power Cost Update
October 1, 2015**

Attachment 4

Provided in Electronic Format (CD) Only

Confidential and Subject to Protective Order No. 15-036

**PGE Energy and Load Forecast Work Papers
SSEP15E**

Portland General Electric Company
2016 Revenue Requirement Summary
(\$000)

	Rev Req		Percent
Total Increase:	68,941		3.8%
	Base Business		Total
	2016	Carty	Results
	(1)	(2)	(3)
1 Sales to Consumers	1,784,482	84,073	1,868,555
2 Sales for Resale	-	-	-
3 Other Revenues	26,638	-	26,638
4 Total Operating Revenues	1,811,120	84,073	1,895,193
5 Net Variable Power Costs	537,594	(2,533)	535,061
6 Production O&M (excludes Trojan)	146,000	10,130	156,130
7 Trojan O&M	93	-	93
8 Transmission O&M	14,251	-	14,251
9 Distribution O&M	94,457	-	94,457
10 Customer & MBC O&M	71,776	-	71,776
11 Uncollectibles Expense	7,195	339	7,534
12 OPUC Fees	6,692	315	7,007
13 A&G, Ins/Bene., & Gen. Plant	142,717	1,644	144,361
14 Total Operating & Maintenance	1,020,776	9,896	1,030,671
15 Depreciation	270,257	14,397	284,654
16 Amortization	45,845	-	45,845
17 Property Tax	59,947	2,433	62,379
18 Payroll Tax	14,187	226	14,413
19 Other Taxes	1,798	-	1,798
20 Franchise Fees	45,452	2,141	47,594
21 Utility Income Tax	57,316	16,766	74,082
22 Total Operating Expenses & Taxes	1,515,579	45,859	1,561,437
23 Utility Operating Income	295,542	38,214	333,755
24 Rate Base			
25 Avg. Gross Plant	8,650,728	513,750	9,164,479
26 Avg. Accum. Deprec. / Amort	(4,217,975)	(7,089)	(4,225,065)
27 Avg. Accum. Def Tax	(591,593)	1,031	(590,561)
28 Avg. Accum. Def ITC	-	-	-
29 Net Utility Plant	3,841,160	507,693	4,348,853
30 Misc. Deferred Debits	26,623	-	26,623
31 Operating Materials & Fuel	79,458	-	79,458
32 Misc. Deferred Credits	(70,321)	(959)	(71,280)
33 Working Cash	54,987	1,664	56,651
34 Rate Base	3,931,907	508,398	4,440,305
35 Rate of Return	7.517%		7.517%
36 Implied Return on Equity	9.600%		9.600%

	Base Business 2016	Carty	Total Results
	(1)	(2)	(3)
37 Effective Cost of Debt	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.3750%	0.375%	0.375%
Utility Income Taxes			
54 Book Revenues	1,811,120	84,073	1,895,193
55 Book Expenses	1,458,262	29,093	1,487,355
56 Interest Deduction	106,810	13,811	120,621
57 Production Deduction	-	-	-
58 Permanent Ms	(23,836)	(1,075)	(24,911)
59 Deferred Ms	92,595	4,682	97,277
60 Taxable Income	177,289	37,562	214,851
61 Current State Tax	12,786	2,709	15,495
62 State Tax Credits	(992)	-	(992)
63 Net State Taxes	11,794	2,709	14,504
64 Federal Taxable Income	165,494	34,853	200,348
65 Current Federal Tax	57,923	12,199	70,122
66 Federal Tax Credits	(49,150)	-	(49,150)
67 ITC Amort	-	-	-
68 Deferred Taxes	36,749	1,858	38,607
69 Total Income Tax Expense	57,316	16,766	74,082
70 Regulated Net Income	188,732		213,135
71 Check Regulated NI			213,135

Portland General Electric Company
2016 Revenue Requirement - Carty
(\$000)

	As Filed (2/12/2015)	Blank	Subtotal	Settlement Uncoll. ROE	Settlement Subtotal	Capital Additions S-10	NVPC Adjustments	Total
1 Sales to Consumers	83,583	-	83,583	(1,270)	82,313	2,729	(970)	84,073
2 Sales for Resale	-	-	-	-	-	-	-	-
3 Other Revenues	-	-	-	-	-	-	-	-
4 Total Operating Revenues	83,583	-	83,583	(1,270)	82,313	2,729	(970)	84,073
5 Net Variable Power Costs	(1,599)	-	(1,599)	-	(1,599)	-	(934)	(2,533)
6 Production O&M (excludes Trojan)	10,130	-	10,130	-	10,130	-	-	10,130
7 Trojan O&M	-	-	-	-	-	-	-	-
8 Transmission O&M	-	-	-	-	-	-	-	-
9 Distribution O&M	-	-	-	-	-	-	-	-
10 Customer & MBC O&M	-	-	-	-	-	-	-	-
11 Uncollectibles Expense	359	-	359	(5)	332	11	(4)	339
12 OPUC Fees	313	-	313	(5)	309	10	(4)	315
13 A&G, Ins/Bene., & Gen. Plant	1,644	-	1,644	-	1,644	-	-	1,644
14 Total Operating & Maintenance	10,849	-	10,849	(10)	10,816	21	(942)	9,896
15 Depreciation	14,397	-	14,397	-	14,397	-	-	14,397
16 Amortization	-	-	-	-	-	-	-	-
17 Property Tax	2,433	-	2,433	-	2,433	-	-	2,433
18 Payroll Tax	226	-	226	-	226	-	-	226
19 Other Taxes	-	-	-	-	-	-	-	-
20 Franchise Fees	2,129	-	2,129	(32)	2,097	70	(25)	2,141
21 Utility Income Tax	16,464	-	16,464	(487)	15,986	781	(1)	16,766
22 Total Operating Expenses & Taxes	46,498	-	46,498	(529)	45,955	871	(967)	45,859
23 Utility Operating Income	37,086	-	37,086	(741)	36,358	1,858	(3)	38,214
24 Average Rate Base								
25 Avg. Gross Plant	488,250	-	488,250	-	488,250	25,500	-	513,750
26 Avg. Accum. Deprec. / Amort	(6,598)	-	(6,598)	-	(6,598)	(491)	-	(7,089)
27 Avg. Accum. Def Tax	1,354	-	1,354	-	1,354	(323)	-	1,031
29 Avg. Net Utility Plant	483,007	-	483,007	-	483,007	24,686	-	507,693
30 Misc. Deferred Debits	-	-	-	-	-	-	-	-
31 Operating Materials & Fuel	-	-	-	-	-	-	-	-
32 Misc. Deferred Credits	(959)	-	(959)	-	(959)	-	-	(959)
33 Working Cash	1,687	-	1,687	(19)	1,667	32	(35)	1,664
34 Average Rate Base	483,735	-	483,735	(19)	483,715	24,718	(35)	508,398
35 Rate of Return	7.667%		7.667%					7.517%
36 Implied Return on Equity	9.900%		9.900%					9.600%

Non-NVPC Adjustment Detail

	7/9/2015		6/23/2015								
	All Revenue Sensitive	ROE	Cost of Debt	Uncollectibles	Rev Sensitive S-1, S-2, S-3	Advertising S-5	Medical Benefits S-7	Dues & Donations S-9	Cap. Adds Rate Base S-10	Energy Efficiency S-12	R&D S-13
		(10,785)	(10,276)	-	(512)						
1 Sales to Consumers	1,826,976	1,827,485	1,837,761	1,837,250	(10,785)	(73)	(1,030)	(201)	(2,729)	(246)	(1,142)
2 Sales for Resale	-	-	-	-							
3 Other Revenues	25,138	25,138	25,138	25,138							
4 Total Operating Revenues	1,852,115	1,852,623	1,862,900	1,862,388	(10,785)	(73)	(1,030)	(201)	(2,729)	(246)	(1,142)
5 Net Variable Power Costs	556,895	556,895	556,895	556,895							
6 Production O&M (Excludes Trojan)	146,000	146,000	146,000	146,000							
7 Trojan O&M	93	93	93	93							
8 Transmission O&M	14,251	14,251	14,251	14,251							
9 Distribution O&M	94,457	94,457	94,457	94,457							
10 Customer & MBC O&M	72,083	72,083	72,083	72,083		(70)				(237)	
11 Uncollectibles Expense	7,366	7,858	7,902	7,408	(536)	(0)	(4)	(1)	(11)	(1)	(5)
12 OPUC Fees	6,851	6,853	6,892	6,890	(40)	(0)	(4)	(1)	(10)	(1)	(4)
13 A&G, Ins/Bene., & Gen. Plant	153,003	153,003	153,003	153,003			(992)	(194)			(1,100)
14 Total Operating & Maintenance	1,051,000	1,051,494	1,051,577	1,051,080	(576)	(71)	(1,000)	(196)	(21)	(239)	(1,109)
15 Depreciation	270,257	270,257	270,257	270,257							
16 Amortization	49,697	49,697	49,697	49,697							
17 Property Tax	59,947	59,947	59,947	59,947							
18 Payroll Tax	14,187	14,187	14,187	14,187							
19 Other Taxes	1,798	1,798	1,798	1,798							
20 Franchise Fees	46,535	46,548	46,809	46,796	(275)	(2)	(26)	(5)	(70)	(6)	(29)
21 Utility Income Tax	59,043	59,044	62,984	62,983	(3,941)	(0)	(1)	(0)	(781)	(0)	(1)
22 Total Operating Expenses & Taxes	1,552,464	1,552,971	1,557,256	1,556,746	(4,792)	(73)	(1,027)	(201)	(871)	(245)	(1,139)
23 Utility Operating Income	299,651	299,652	305,644	305,643	(5,993)	(0)	(3)	(1)	(1,858)	(1)	(3)
	299,651	299,652	305,644	305,643							
24 Average Rate Base											
25 Avg. Gross Plant	8,705,924	8,705,924	8,705,924	8,705,924					(25,500)		
26 Avg. Accum. Deprec. / Amort	(4,219,464)	(4,219,464)	(4,219,464)	(4,219,464)					491		
27 Avg. Accum. Def Tax	(591,970)	(591,970)	(591,970)	(591,970)					323		
28 Avg. Accum. Def ITC	-	-	-	-							
29 Avg. Net Utility Plant	3,894,490	3,894,490	3,894,490	3,894,490	-	-	-	-	(24,686)	-	-
30 Misc. Deferred Debits	26,623	26,623	26,623	26,623							
31 Operating Materials & Fuel	79,458	79,458	79,458	79,458							
32 Misc. Deferred Credits	(70,321)	(70,321)	(70,321)	(70,321)							
33 Working Cash	56,325	56,343	56,499	56,480	(174)	(3)	(37)	(7)	(32)	(9)	(41)
34 Average Rate Base	3,986,575	3,986,593	3,986,749	3,986,730	(174)	(3)	(37)	(7)	(24,718)	(9)	(41)
35 Rate of Return	7.517%	7.517%	7.667%	7.667%							
36 Implied Return on Equity	9.600%	9.600%	9.900%	9.900%							

37 Effective Cost of Debt	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.4032%	0.4300%	0.4300%	0.4032%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.900%	9.900%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.924%	10.924%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%
Utility Income Taxes											
54 Book Revenues	1,852,115	1,852,623	1,862,900	1,862,388	(10,785)	(73)	(1,030)	(201)	(2,729)	(246)	(1,142)
55 Book Expenses	1,493,421	1,493,928	1,494,272	1,493,763	(851)	(72)	(1,026)	(201)	(91)	(245)	(1,138)
56 Interest Deduction	108,295	108,296	108,300	108,300	(5)	(0)	(1)	(0)	(671)	(0)	(1)
57 Production Deduction	-	-	-	-							
58 Permanent Ms	(23,836)	(23,836)	(23,836)	(23,836)							
59 Deferred Ms	92,595	92,595	92,595	92,595							
60 Taxable Income	181,640	181,641	191,569	191,567	(9,929)	(0)	(3)	(1)	(1,967)	(1)	(3)
61 Current State Tax	13,100	13,100	13,816	13,816	(716)	(0)	(0)	(0)	(142)	(0)	(0)
62 State Tax Credits	(992)	(992)	(992)	(992)							
63 Net State Taxes	12,108	12,108	12,824	12,824	(716)	(0)	(0)	(0)	(142)	(0)	(0)
64 Federal Taxable Income	169,531	169,533	178,744	178,743	(9,213)	(0)	(3)	(1)	(1,825)	(1)	(3)
65 Current Federal Tax	59,336	59,336	62,561	62,560	(3,225)	(0)	(1)	(0)	(639)	(0)	(1)
66 Federal Tax Credits	(49,150)	(49,150)	(49,150)	(49,150)							
67 ITC Amort	-	-	-	-							
68 Deferred Taxes	36,749	36,749	36,749	36,749	-	-	-	-	-	-	-
69 Total Income Tax Expense	59,043	59,044	62,984	62,983	(3,941)	(0)	(1)	(0)	(781)	(0)	(1)
73 Regulated Net Income	191,356	191,356	197,344	197,343	(5,988)	(0)	(2)	(0)	(1,186)		

37 Effective Cost of Debt	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%	0.3750%
Utility Income Taxes										
54 Book Revenues	(9,303)	(2,068)	(52)	(4,000)	(104)	-	-	-	-	(31,734)
55 Book Expenses	(8,309)	(69)	(52)	(3,985)	(3)	-	-	-	-	(15,191)
56 Interest Deduction	(253)	(509)	(0)	(4)	(26)	-	-	-	-	(1,465)
57 Production Deduction										-
58 Permanent Ms										-
59 Deferred Ms										-
60 Taxable Income	(741)	(1,490)	(0)	(12)	(75)	-	-	-	-	(15,078)
61 Current State Tax	(53)	(107)	(0)	(1)	(5)	-	-	-	-	(1,087)
62 State Tax Credits										-
63 Net State Taxes	(53)	(107)	(0)	(1)	(5)	-	-	-	-	(1,087)
64 Federal Taxable Income	(688)	(1,383)	(0)	(11)	(70)	-	-	-	-	(13,991)
65 Current Federal Tax	(241)	(484)	(0)	(4)	(24)	-	-	-	-	(4,897)
66 Federal Tax Credits										-
67 ITC Amort										-
68 Deferred Taxes	-	-	-	-	-	-	-	-	-	-
69 Total Income Tax Expense	(294)	(591)	(0)	(5)	(30)	-	-	-	-	(5,984)
73 Regulated Net Income	(447)	(899)	(0)	(7)	(7)					(13,374)

NVPC Adjustment Detail

	4/1/2015 NVPC Update (1)	7/15/2015 NVPC Update (2)	8/12/2015 Settlement Update	10/1/2015 NVPC Update (3)	11/5/2015 NVPC Update (3)	11/16/2015 NVPC Update (3)	Total NVPC Adjustments
1 Sales to Consumers	(5,155)	(2,318)	(10,234)	(2,338)	-	-	(20,045)
2 Sales for Resale							-
3 Other Revenues							-
4 Total Operating Revenues	(5,155)	(2,318)	(10,234)	(2,338)	-	-	(20,045)
5 Net Variable Power Costs	(4,964)	(2,232)	(9,854)	(2,251)	-	-	(19,301)
6 Production O&M (Excludes Trojan)							-
7 Trojan O&M							-
8 Transmission O&M							-
9 Distribution O&M							-
10 Customer & MBC O&M							-
11 Uncollectibles Expense	(21)	(9)	(41)	(9)	-	-	(81)
12 OPUC Fees	(19)	(9)	(38)	(9)	-	-	(75)
13 A&G, Ins/Bene., & Gen. Plant							-
14 Total Operating & Maintenance	(5,004)	(2,250)	(9,934)	(2,269)	-	-	(19,457)
15 Depreciation							-
16 Amortization							-
17 Property Tax							-
18 Payroll Tax							-
19 Other Taxes							-
20 Franchise Fees	(131)	(59)	(261)	(60)	-	-	(511)
21 Utility Income Tax	(6)	(3)	(12)	(3)	-	-	(23)
22 Total Operating Expenses & Taxes	(5,141)	(2,312)	(10,206)	(2,331)	-	-	(19,990)
23 Utility Operating Income	(14)	(6)	(28)	(6)	-	-	(55)
24 Average Rate Base							
25 Avg. Gross Plant							-
26 Avg. Accum. Deprec. / Amort							-
27 Avg. Accum. Def Tax							-
28 Avg. Accum. Def ITC							-
29 Avg. Net Utility Plant	-	-	-	-	-	-	-
30 Misc. Deferred Debits							-
31 Operating Materials & Fuel							-
32 Misc. Deferred Credits							-
33 Working Cash	(187)	(84)	(370)	(85)	-	-	(725)
34 Average Rate Base	(187)	(84)	(370)	(85)	-	-	(725)
35 Rate of Return	7.516%						7.516%
36 Implied Return on Equity	9.600%						9.600%

37 Effective Cost of Debt	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%	5.433%
38 Effective Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
39 Debt Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
40 Preferred Share of Cap Structure	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
41 Weighted Cost of Debt	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%	2.717%
42 Weighted Cost of Preferred	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
43 Equity Share of Cap Structure	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%	50.000%
44 State Tax Rate	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%	7.212%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%	39.688%
47 Bad Debt Rate	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%	0.403%
48 Franchise Fee Rate	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%	2.547%
49 Working Cash Factor	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.658	1.658	1.658	1.658	1.658	1.658	1.658
51 ROE Target	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%	9.600%
52 Grossed-Up COC	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%	10.675%
53 OPUC Fee Rate	0.375%	0.375%	0.375%	0.375%	0.375%	0.375%	0.375%
Utility Income Taxes							
54 Book Revenues	(5,155)	(2,318)	(10,234)	(2,338)	-	-	(20,045)
55 Book Expenses	(5,135)	(2,309)	(10,194)	(2,329)	-	-	(19,968)
56 Interest Deduction	(5)	(2)	(10)	(2)	-	-	(20)
57 Production Deduction							-
58 Permanent Ms							-
59 Deferred Ms							-
60 Taxable Income	(15)	(7)	(29)	(7)	-	-	(58)
61 Current State Tax	(1)	(0)	(2)	(0)	-	-	(4)
62 State Tax Credits							-
63 Net State Taxes	(1)	(0)	(2)	(0)	-	-	(4)
64 Federal Taxable Income	(14)	(6)	(27)	(6)	-	-	(54)
65 Current Federal Tax	(5)	(2)	(10)	(2)	-	-	(19)
66 Federal Tax Credits							-
67 ITC Amort							-
68 Deferred Taxes	-	-	-	-	-	-	-
69 Total Income Tax Expense	(6)	(3)	(12)	(3)	-	-	(23)
73 Regulated Net Income	(9)	(4)	(18)	(4)	-	-	(35)

Category A Advertising
Adjust Result to 1/8 of 1% per OAR

9090001 CustSvc-InformAdvertisingExp	2,113,423
Less: Legally Mandated Advertising	25,750
	<u>2,087,673</u>

2016 Total Revenue Requirement	1,868,555
Factor per OAR	<u>0.125%</u>
Presumed Reasonable Cat A Costs	<u>2,335,693</u>

Total Adjustment	-
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