



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

December 31, 2015

**Email / FedEx**

puc.filingcenter@state.or.us

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

**RE: UE 294 Revenue Requirement Final Update and November 16, 2015 Final MONET Update**

Filing Center:

Pursuant to Staff's request, PGE is re-submitting its filing submitted on November 16, 2015 in Docket No. UE 294 in order to include a copy of Attachment 1 in .pdf format. Attachment 1 provides PGE's final revenue requirement. PGE initially submitted Attachment 1 electronically on November 16, 2015. PGE provides this copy of Attachment 1 as information only and does not seek any action by the Commission.

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](mailto:pge.opuc.filings@pgn.com).

Sincerely,

A handwritten signature in blue ink that reads "Patrick G. Hager".

Patrick G. Hager  
Manager, Regulatory Affairs

*encl.*



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 201 High St SE, Suite 100  
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**RE: UE 294 Revenue Requirement Final Update and November 16, 2015 Final MONET Update**

Filing Center:

Enclosed is PGE’s final update to the revenue requirement adopted by the Commission in Order No. 15-356 for Docket No. UE 294. This revenue requirement includes PGE’s November 16, 2015 final MONET update, which contains 2016 electric and gas forward prices based on a five-day average of the November 2, 2015 through November 6, 2015 forward curves. PGE provides this final revenue requirement as information only, and will file new tariffs consistent with Order No. 15-356 by December 15, 2015 (to be effective January 1, 2016).

PGE’s revenue requirement shown in the table below incorporates the November 16, 2015 final MONET update and the stipulations filed with the Commission in Docket No. UE 294 on June 23, 2015 and August 28, 2015. PGE’s revenue requirement also incorporates the update to PGE’s cost of long-term debt<sup>1</sup> and a reduction to PGE’s cost of service load forecast reflecting the outcome of September’s long-term opt-out window and the closure of one large paper company.

**Final 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)
Nov. 5, NVPC, Cost of Debt, and Load Forecast Updates	\$0.5	\$0.2	\$0.7
Nov. 16, NVPC Update	(\$0.1)	\$0.9	\$0.8
<b>Total*</b>	<b>(\$14.7)</b>	<b>\$85.1</b>	<b>\$70.4</b>

\* May not sum due to rounding.

<sup>1</sup> 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 final revenue requirement is a decrease of \$14.7 million before the consideration of the Carty Generating Station (Carty), which separately represents an \$85.1 million increase.

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 \$532.1 million. Because the Carty revenue requirement reflects annualized amounts, PGE increases Carty's dispatch benefit from \$0.9 million to \$1.5 million. This reduces NVPC in our case to \$531.6 million for revenue requirement purposes, an increase of roughly \$0.8 million from the November 5, 2015 power cost update filing.<sup>2</sup> This increase is due to the change in electric and natural gas forward prices.

Summary of Attachments

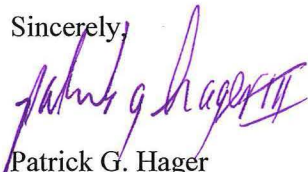
As part of this update, PGE is including three attachments.

1. Attachment 1 provides PGE's final revenue requirement as described above.
2. Confidential Attachment 2 is one (1) CD containing Minimum Filing Requirements (MFRs) with confidential information.
3. Attachment 3 is one (1) CD containing MFRs with non-confidential information.

Attachment 2 is 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](mailto:pge.opuc.filings@pgn.com).

Sincerely,



Patrick G. Hager  
Manager, Regulatory Affairs

*encl.*

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<sup>2</sup> See PGE's letter dated November 5, 2015 and filed in Docket No. UE 294. NVPC for revenue requirement purposes was reported to be \$530.8 million.

**UE 294**

**2016 PGE Annual Power Cost Update  
November 16, 2015**

**Attachment 1**

**Provided in Electronic Format Only (CD)**

**Final Revenue Requirement**

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

		Rev Req	Percent
	Total Increase:	70,391	3.9%
	Base Business	Carty	Total
	2016		Results
	(1)	(2)	(3)
1 Sales to Consumers	1,779,454	85,136	1,864,590
2 Sales for Resale	-	-	-
3 Other Revenues	26,638	-	26,638
4 Total Operating Revenues	1,806,092	85,136	1,891,229
5 Net Variable Power Costs	533,027	(1,473)	531,554
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	7,175	343	7,518
12 OPUC Fees	6,673	319	6,992
13 A&G, Ins/Bene., & Gen. Plant	142,717	1,644	144,361
14 Total Operating & Maintenance	1,016,169	10,964	1,027,133
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	45,324	2,168	47,493
21 Utility Income Tax	57,311	16,767	74,078
22 Total Operating Expenses & Taxes	1,510,839	46,955	1,557,794
23 <b>Utility Operating Income</b>	295,254	38,181	333,435
24 <b>Rate Base</b>			
25 Avg. Gross Plant	8,650,729	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 <b>Net Utility Plant</b>	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	54,815	1,704	56,518
34 <b>Rate Base</b>	3,931,735	508,437	4,440,173
35 <b>Rate of Return</b>	7.510%		7.510%
36 <b>Implied Return on Equity</b>	9.600%		9.600%
37 Effective Cost of Debt	5.419%	5.419%	5.419%
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	2.710%	2.710%	2.710%
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	10.668%	10.668%	10.668%
53 OPUC Fee Rate	0.3750%	0.375%	0.375%
Utility Income Taxes			
54 Book Revenues	1,806,092	85,136	1,891,229
55 Book Expenses	1,453,528	30,188	1,483,716
56 Interest Deduction	106,530	13,776	120,306
57 Production Deduction	-	-	-
58 Permanent Ms	(23,836)	(1,075)	(24,911)
59 Deferred Ms	92,595	4,682	97,277
60 Taxable Income	177,275	37,566	214,841
61 Current State Tax	12,785	2,709	15,495
62 State Tax Credits	(992)	-	(992)
63 Net State Taxes	11,793	2,709	14,503
64 Federal Taxable Income	165,482	34,856	200,338
65 Current Federal Tax	57,919	12,200	70,118
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	57,311	16,767	74,078
70 Regulated Net Income	188,723		213,128
71 Check Regulated NI			213,128







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	(1,305)	82,278	2,728	130	85,136
2 Sales for Resale	-	-	-	-	-	-	-	-
3 Other Revenues	-	-	-	-	-	-	-	-
4 Total Operating Revenues	83,583	-	83,583	(1,305)	82,278	2,728	130	85,136
5 Net Variable Power Costs	(1,599)	-	(1,599)	-	(1,599)	-	126	(1,473)
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	1	343
12 OPUC Fees	313	-	313	(5)	309	10	0	319
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	127	10,964
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	(33)	2,096	69	3	2,168
21 Utility Income Tax	16,464	-	16,464	(500)	15,986	781	0	16,767
22 Total Operating Expenses & Taxes	46,498	-	46,498	(544)	45,954	871	130	46,955
23 Utility Operating Income	37,086	-	37,086	(761)	36,325	1,856	0	38,181
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	(20)	1,667	32	5	1,704
34 Average Rate Base	483,735	-	483,735	(20)	483,715	24,718	5	508,437
35 Rate of Return	7.667%		7.667%					7.510%
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
		(11,074)	(10,276)	(289)	(512)						
1 Sales to Consumers	1,826,688	1,827,485	1,837,473	1,837,250	(11,074)	(73)	(1,030)	(201)	(2,728)	(246)	(1,142)
2 Sales for Resale	-	-	-	-							
3 Other Revenues	25,138	25,138	25,138	25,138							
4 Total Operating Revenues	1,851,826	1,852,623	1,862,611	1,862,388	(11,074)	(73)	(1,030)	(201)	(2,728)	(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	7,365	7,858	7,901	7,408	(537)	(0)	(4)	(1)	(11)	(1)	(5)
12 OPUC Fees	6,850	6,853	6,891	6,890	(42)	(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	1,050,998	1,051,494	1,051,574	1,051,080	(579)	(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	46,527	46,548	46,802	46,796	(282)	(2)	(26)	(5)	(69)	(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	1,552,454	1,552,971	1,557,246	1,556,746	(4,801)	(73)	(1,027)	(201)	(871)	(245)	(1,139)
23 <b>Utility Operating Income</b>	299,372	299,652	305,365	305,643	(6,272)	(0)	(3)	(1)	(1,856)	(1)	(3)
	299,372	299,652	305,365	305,643							
24 <b>Average Rate Base</b>											
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 <b>Avg. Net Utility Plant</b>	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	56,498	56,480	(174)	(3)	(37)	(7)	(32)	(9)	(41)
34 <b>Average Rate Base</b>	3,986,575	3,986,593	3,986,748	3,986,730	(174)	(3)	(37)	(7)	(24,718)	(9)	(41)
35 <b>Rate of Return</b>	7.510%	7.517%	7.660%	7.667%							
36 <b>Implied Return on Equity</b>	9.600%	9.600%	9.900%	9.900%							

37 Effective Cost of Debt	5.419%	5.433%	5.419%	5.433%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%
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	2.710%	2.717%	2.710%	2.717%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%
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	10.668%	10.675%	10.917%	10.924%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%
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	1,851,826	1,852,623	1,862,611	1,862,388	(11,074)	(73)	(1,030)	(201)	(2,728)	(246)	(1,142)
55 Book Expenses	1,493,411	1,493,928	1,494,262	1,493,763	(861)	(72)	(1,026)	(201)	(91)	(245)	(1,138)
56 Interest Deduction	108,016	108,296	108,021	108,300	(5)	(0)	(1)	(0)	(670)	(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	(10,208)	(0)	(3)	(1)	(1,967)	(1)	(3)
61 Current State Tax	13,100	13,100	13,816	13,816	(736)	(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	(736)	(0)	(0)	(0)	(142)	(0)	(0)
64 Federal Taxable Income	169,531	169,533	178,744	178,743	(9,472)	(0)	(3)	(1)	(1,825)	(1)	(3)
65 Current Federal Tax	59,336	59,336	62,561	62,560	(3,315)	(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	(4,051)	(0)	(1)	(0)	(781)	(0)	(1)
73 Regulated Net Income	191,356	191,356	197,344	197,343	(6,268)	(0)	(2)	(0)	(1,186)	-	-



37 Effective Cost of Debt	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%
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	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%
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	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%
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)	(2,066)	(52)	(4,000)	(104)	-	-	-	-	(32,019)
55 Book Expenses	(8,309)	(69)	(52)	(3,985)	(3)	-	-	-	-	(15,191)
56 Interest Deduction	(252)	(507)	(0)	(4)	(26)	-	-	-	-	(1,462)
57 Production Deduction										-
58 Permanent Ms										-
59 Deferred Ms										-
60 Taxable Income	(741)	(1,490)	(0)	(12)	(75)	-	-	-	-	(15,367)
61 Current State Tax	(53)	(107)	(0)	(1)	(5)	-	-	-	-	(1,108)
62 State Tax Credits										-
63 Net State Taxes	(53)	(107)	(0)	(1)	(5)	-	-	-	-	(1,108)
64 Federal Taxable Income	(688)	(1,383)	(0)	(11)	(70)	-	-	-	-	(14,258)
65 Current Federal Tax	(241)	(484)	(0)	(4)	(24)	-	-	-	-	(4,990)
66 Federal Tax Credits										-
67 ITC Amort										-
68 Deferred Taxes	-	-	-	-	-	-	-	-	-	-
69 Total Income Tax Expense	(294)	(591)	(0)	(5)	(30)	-	-	-	-	(6,099)
73 Regulated Net Income	(447)	(899)	(0)	(7)	(7)					(13,663)

**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)	<b>Total NVPC Adjustments</b>
1 Sales to Consumers	(5,155)	(2,318)	(10,234)	(2,338)	(4,659)	(85)	(24,788)
2 Sales for Resale							-
3 Other Revenues							-
4 Total Operating Revenues	(5,155)	(2,318)	(10,234)	(2,338)	(4,659)	(85)	(24,788)
5 Net Variable Power Costs	(4,964)	(2,232)	(9,854)	(2,251)	(4,486)	(81)	(23,868)
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)	(19)	(0)	(100)
12 OPUC Fees	(19)	(9)	(38)	(9)	(17)	(0)	(93)
13 A&G, Ins/Bene., & Gen. Plant							-
14 Total Operating & Maintenance	(5,004)	(2,250)	(9,934)	(2,269)	(4,522)	(82)	(24,061)
15 Depreciation							-
16 Amortization							-
17 Property Tax							-
18 Payroll Tax							-
19 Other Taxes							-
20 Franchise Fees	(131)	(59)	(261)	(60)	(119)	(2)	(631)
21 Utility Income Tax	(6)	(3)	(12)	(3)	(5)	(0)	(28)
22 Total Operating Expenses & Taxes	(5,141)	(2,312)	(10,206)	(2,331)	(4,646)	(84)	(24,721)
23 <b>Utility Operating Income</b>	(14)	(6)	(28)	(6)	(13)	(0)	(67)
24 <b>Average Rate Base</b>							
25 Avg. Gross Plant							-
26 Avg. Accum. Deprec. / Amort							-
27 Avg. Accum. Def Tax							-
28 Avg. Accum. Def ITC							-
29 <b>Avg. Net Utility Plant</b>	-	-	-	-	-	-	-
30 Misc. Deferred Debits							-
31 Operating Materials & Fuel							-
32 Misc. Deferred Credits							-
33 Working Cash	(187)	(84)	(370)	(85)	(169)	(3)	(897)
34 <b>Average Rate Base</b>	(187)	(84)	(370)	(85)	(169)	(3)	(897)
35 <b>Rate of Return</b>	7.509%						7.509%
36 <b>Implied Return on Equity</b>	9.600%						9.600%

37 Effective Cost of Debt	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%	5.419%
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	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%	2.710%
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	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%	10.668%
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)	(4,659)	(85)	(24,788)
55 Book Expenses	(5,135)	(2,309)	(10,194)	(2,329)	(4,641)	(84)	(24,693)
56 Interest Deduction	(5)	(2)	(10)	(2)	(5)	(0)	(24)
57 Production Deduction							-
58 Permanent Ms							-
59 Deferred Ms							-
60 Taxable Income	(15)	(7)	(29)	(7)	(13)	(0)	(71)
61 Current State Tax	(1)	(0)	(2)	(0)	(1)	(0)	(5)
62 State Tax Credits							-
63 Net State Taxes	(1)	(0)	(2)	(0)	(1)	(0)	(5)
64 Federal Taxable Income	(14)	(6)	(27)	(6)	(12)	(0)	(66)
65 Current Federal Tax	(5)	(2)	(10)	(2)	(4)	(0)	(23)
66 Federal Tax Credits							-
67 ITC Amort							-
68 Deferred Taxes							-
69 Total Income Tax Expense	(6)	(3)	(12)	(3)	(5)	(0)	(28)
73 Regulated Net Income	(9)	(4)	(18)	(4)	(8)	(0)	(43)



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

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

2016 Total Revenue Requirement	1,864,590
Factor per OAR	<u>0.125%</u>
Presumed Reasonable Cat A Costs	<u>2,330,738</u>

Total Adjustment	-
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**UE 294**

**2016 PGE Annual Power Cost Update  
November 16, 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  
November 16, 2015**

**Attachment 3**

**Provided in Electronic Format (CD) Only**

Minimum Filing Requirements  
Non-Confidential Supporting Documents and Work Papers