



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

November 5, 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 Estimate Update and November 5, 2015 MONET Update**

Filing Center:

Enclosed is a revised revenue requirement estimate for Docket No. UE 294. This estimate includes PGE's November 5, 2015 MONET update, which contains contracts and electric and gas forward curves as of October 20, 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 November 5, 2015 MONET update and the stipulations filed with the Commission in Docket No. UE 294 on June 23, 2015 and August 28, 2015. PGE's revised revenue requirement estimate 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. PGE's cost of service load forecast (measured at the busbar) decreased from approximately 2,164 MWh to 2,153 MWh.

**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)
Nov. 5, NVPC, Cost of Debt, and Load Forecast Updates	\$0.5	\$0.2	\$0.7
<b>Total*</b>	<b>(\$14.7)</b>	<b>\$84.3</b>	<b>\$69.6</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 revised revenue requirement estimate is a decrease of \$14.7 million before the consideration of the Carty Generating Station (Carty), which separately represents an \$84.3 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 \$531.6 million. Because the Carty revenue requirement reflects annualized amounts, PGE increases Carty's dispatch benefit from \$1.4 million to \$2.3 million. This reduces NVPC in our case to \$530.8 million for revenue requirement purposes, a decrease of roughly \$4.3 million from the October 1, 2015 power cost update filing.<sup>2</sup> This decrease is primarily due to a lower cost of service load forecast and coal commodity and transportation contract cost updates.

Summary of Attachments

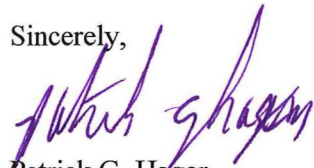
As part of this update, PGE is including three attachments.

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

Attachment 2 is protected and subject to Protective Order No. 15-036.

We note that the revenue requirement for the 2016 test year still requires one potential update. PGE will submit a final update to its MONET power cost forecast on November 16, 2015, providing a final update of gas and electric forward curves. 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 October 1, 2015 and filed in Docket No. UE 294. NVPC for revenue requirement purposes was reported to be \$535.1 million.

**UE 294**

**2016 PGE Annual Power Cost Update  
November 5, 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:	69,592	3.9%

	Base Business 2016	Carty	Total Results
	(1)	(2)	(3)
1 Sales to Consumers	1,779,538	84,253	1,863,791
2 Sales for Resale	-	-	-
3 Other Revenues	26,638	-	26,638
4 Total Operating Revenues	1,806,177	84,253	1,890,430
5 Net Variable Power Costs	533,108	(2,324)	530,785
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	340	7,515
12 OPUC Fees	6,673	316	6,989
13 A&G, Ins/Bene., & Gen. Plant	142,717	1,644	144,361
14 Total Operating & Maintenance	1,016,251	10,106	1,026,358
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	45,326	2,146	47,472
21 Utility Income Tax	57,311	16,766	74,077
22 Total Operating Expenses & Taxes	1,510,923	46,074	1,556,997
23 <b>Utility Operating Income</b>	295,254	38,179	333,433
24 <b>Rate Base</b>			
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 <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	54,818	1,672	56,489
34 <b>Rate Base</b>	3,931,738	508,405	4,440,143
35 <b>Rate of Return</b>	7.509%		7.509%
36 <b>Implied Return on Equity</b>	9.600%		9.600%

	Base Business 2016	Carty	Total Results
	(1)	(2)	(3)
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	1,806,177	84,253	1,890,430
55 Book Expenses	1,453,612	29,308	1,482,920
56 Interest Deduction	106,530	13,775	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	37,563	214,838
61 Current State Tax	12,785	2,709	15,494
62 State Tax Credits	(992)	-	(992)
63 Net State Taxes	11,794	2,709	14,503
64 Federal Taxable Income	165,482	34,854	200,336
65 Current Federal Tax	57,919	12,199	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	16,766	74,077
70 Regulated Net Income	188,723		213,127
71 Check Regulated NI			213,127

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

	Rev Req
Total Increase:	(14,661)

	At Current Rates	Oct. Load Forecast Delta	GRC Change for RROE	Proposed 2016	Blank (5)	Blank (6)	Blank (7)	Subtotal (8)	Non-NVPC Adjustments (5)	NVPC Adjustments (6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(5)	(6)
1 Sales to Consumers	1,799,009	(4,810)	43,562	1,837,761	-	-	-	1,837,761	(33,519)	(24,704)
2 Sales for Resale	-			-				-	-	-
3 Other Revenues	25,138			25,138				25,138	1,500	-
4 Total Operating Revenues	1,824,147		43,562	1,862,900	-	-	-	1,862,900	(32,019)	(24,704)
5 Net Variable Power Costs	556,895			556,895				556,895	-	(23,787)
6 Production O&M (excludes Trojan)	146,000			146,000				146,000	-	-
7 Trojan O&M	93			93				93	-	-
8 Transmission O&M	14,251			14,251				14,251	-	-
9 Distribution O&M	94,457			94,457				94,457	-	-
10 Customer & MBC O&M	72,083			72,083				72,083	(307)	-
11 Uncollectibles Expense	7,736		167	7,902	-	-	-	7,902	(91)	(100)
12 OPUC Fees	6,746		145	6,892	-	-	-	6,892	(84)	(93)
13 A&G, Ins/Bene., & Gen. Plant	153,003			153,003				153,003	(10,286)	-
14 Total Operating & Maintenance	1,051,265		312	1,051,577	-	-	-	1,051,577	(10,768)	(23,979)
15 Depreciation	270,257			270,257				270,257	-	-
16 Amortization	49,697			49,697				49,697	(3,852)	-
17 Property Tax	59,947			59,947				59,947	-	-
18 Payroll Tax	14,187			14,187				14,187	-	-
19 Other Taxes	1,798			1,798				1,798	-	-
20 Franchise Fees	45,822		987	46,809	-	-	-	46,809	(572)	(629)
21 Utility Income Tax	48,126		14,858	62,984	-	-	-	62,984	(5,645)	(28)
22 Total Operating Expenses & Taxes	1,541,099		16,157	1,557,256	-	-	-	1,557,256	(20,835)	(24,637)
23 Utility Operating Income	283,049		22,595	305,644	-	-	-	305,644	(11,184)	(67)
24 Average Rate Base				305,644						
25 Avg. Gross Plant	8,705,924			8,705,924				8,705,924	(55,196)	-
26 Avg. Accum. Deprec. / Amort	(4,219,464)			(4,219,464)				(4,219,464)	1,489	-
27 Avg. Accum. Def Tax	(591,970)			(591,970)				(591,970)	377	-
28 Avg. Accum. Def ITC	-			-				-	-	-
29 Avg. Net Utility Plant	3,894,490		-	3,894,490	-	-	-	3,894,490	(53,330)	-
30 Misc. Deferred Debits	26,623			26,623				26,623	-	-
31 Operating Materials & Fuel	79,458			79,458				79,458	-	-
32 Misc. Deferred Credits	(70,321)			(70,321)				(70,321)	-	-
33 Working Cash	55,913		586	56,499	-	-	-	56,499	(756)	(894)
34 Average Rate Base	3,986,163		586	3,986,749	-	-	-	3,986,749	(54,086)	(894)
35 Rate of Return	7.101%			7.667%						
36 Implied Return on Equity	8.769%			9.900%						

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)	-	-	-	-	(14,259)
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)						(13,663)

Percent
-0.81%
Total Results
(7)
1,779,538
-
26,638
1,806,177
533,108
146,000
93
14,251
94,457
71,776
7,175
6,673
142,717
1,016,251
270,257
45,845
59,947
14,187
1,798
45,326
57,311
1,510,923
295,254
295,254
8,650,728
(4,217,975)
(591,593)
-
3,841,160
26,623
79,458
(70,321)
54,818
3,931,738
7.509%
9.600%

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	(753)	84,253
2 Sales for Resale	-	-	-	-	-	-	-	-
3 Other Revenues	-	-	-	-	-	-	-	-
4 Total Operating Revenues	83,583	-	83,583	(1,305)	82,278	2,728	(753)	84,253
5 Net Variable Power Costs	(1,599)	-	(1,599)	-	(1,599)	-	(725)	(2,324)
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	(3)	340
12 OPUC Fees	313	-	313	(5)	309	10	(3)	316
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	(731)	10,106
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	(19)	2,146
21 Utility Income Tax	16,464	-	16,464	(500)	15,986	781	(1)	16,766
22 Total Operating Expenses & Taxes	46,498	-	46,498	(544)	45,954	871	(751)	46,074
23 Utility Operating Income	37,086	-	37,086	(761)	36,325	1,856	(2)	38,179
<b>24 Average Rate Base</b>								
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	(27)	1,672
34 Average Rate Base	483,735	-	483,735	(20)	483,715	24,718	(27)	508,405
35 Rate of Return	7.667%		7.667%					7.509%
36 Implied Return on Equity	9.900%		9.900%					9.600%



**NVPC Adjustment Detail**

	4/1/2015 NVPC Update	7/15/2015 NVPC Update	8/12/2015 Settlement Update	10/1/2015 NVPC Update	11/5/2015 NVPC Update	11/16/2015 NVPC Update	<b>Total NVPC Adjustments</b>
	(1)	(2)		(3)	(3)	(3)	
1 Sales to Consumers	(5,155)	(2,318)	(10,234)	(2,338)	(4,659)	-	(24,704)
2 Sales for Resale							-
3 Other Revenues							-
4 Total Operating Revenues	(5,155)	(2,318)	(10,234)	(2,338)	(4,659)	-	(24,704)
5 Net Variable Power Costs	(4,964)	(2,232)	(9,854)	(2,251)	(4,486)	-	(23,787)
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)	-	(100)
12 OPUC Fees	(19)	(9)	(38)	(9)	(17)	-	(93)
13 A&G, Ins/Bene., & Gen. Plant							-
14 Total Operating & Maintenance	(5,004)	(2,250)	(9,934)	(2,269)	(4,522)	-	(23,979)
15 Depreciation							-
16 Amortization							-
17 Property Tax							-
18 Payroll Tax							-
19 Other Taxes							-
20 Franchise Fees	(131)	(59)	(261)	(60)	(119)	-	(629)
21 Utility Income Tax	(6)	(3)	(12)	(3)	(5)	-	(28)
22 Total Operating Expenses & Taxes	(5,141)	(2,312)	(10,206)	(2,331)	(4,646)	-	(24,637)
23 <b>Utility Operating Income</b>	(14)	(6)	(28)	(6)	(13)	-	(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)	-	(894)
34 <b>Average Rate Base</b>	(187)	(84)	(370)	(85)	(169)	-	(894)
35 <b>Rate of Return</b>	7.509%						7.510%
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)	-	(24,704)
55 Book Expenses	(5,135)	(2,309)	(10,194)	(2,329)	(4,641)	-	(24,608)
56 Interest Deduction	(5)	(2)	(10)	(2)	(5)	-	(24)
57 Production Deduction							-
58 Permanent Ms							-
59 Deferred Ms							-
60 Taxable Income	(15)	(7)	(29)	(7)	(13)	-	(71)
61 Current State Tax	(1)	(0)	(2)	(0)	(1)	-	(5)
62 State Tax Credits							-
63 Net State Taxes	(1)	(0)	(2)	(0)	(1)	-	(5)
64 Federal Taxable Income	(14)	(6)	(27)	(6)	(12)	-	(66)
65 Current Federal Tax	(5)	(2)	(10)	(2)	(4)	-	(23)
66 Federal Tax Credits							-
67 ITC Amort							-
68 Deferred Taxes	-	-	-	-	-	-	-
69 Total Income Tax Expense	(6)	(3)	(12)	(3)	(5)	-	(28)
73 Regulated Net Income	(9)	(4)	(18)	(4)	(8)	-	(43)

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	1,863,791
Factor per OAR	<u>0.125%</u>
Presumed Reasonable Cat A Costs	<u>2,329,739</u>

Total Adjustment



**UE 294**

**2016 PGE Annual Power Cost Update  
November 5, 2015**

**Attachment 2**

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

**Protected 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 5, 2015**

**Attachment 3**

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

Minimum Filing Requirements  
Non-Protected Supporting Documents and Work Papers

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

	Rev Req	Percent	
Total Increase:	69,592	3.9%	
	Base Business	Total	
	2016	Results	
	(1)	(3)	
	Carty		
	(2)		
1 Sales to Consumers	1,779,538	84,253	1,863,791
2 Sales for Resale	-	-	-
3 Other Revenues	26,638	-	26,638
4 Total Operating Revenues	1,806,177	84,253	1,890,430
5 Net Variable Power Costs	533,108	(2,324)	530,785
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	340	7,515
12 OPUC Fees	6,673	316	6,989
13 A&G, Ins/Bene., & Gen. Plant	142,717	1,644	144,361
14 Total Operating & Maintenance	1,016,251	10,106	1,026,358
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	45,326	2,146	47,472
21 Utility Income Tax	57,311	16,766	74,077
22 Total Operating Expenses & Taxes	1,510,923	46,074	1,556,997
23 <b>Utility Operating Income</b>	295,254	38,179	333,433
24 <b>Rate Base</b>			
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 <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	54,818	1,672	56,489
34 <b>Rate Base</b>	3,931,738	508,405	4,440,143
35 <b>Rate of Return</b>	7.509%		7.509%
36 <b>Implied Return on Equity</b>	9.600%		9.600%

	Base Business 2016	Carty	Total Results
	(1)	(2)	(3)
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	1,806,177	84,253	1,890,430
55 Book Expenses	1,453,612	29,308	1,482,920
56 Interest Deduction	106,530	13,775	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	37,563	214,838
61 Current State Tax	12,785	2,709	15,494
62 State Tax Credits	(992)	-	(992)
63 Net State Taxes	11,794	2,709	14,503
64 Federal Taxable Income	165,482	34,854	200,336
65 Current Federal Tax	57,919	12,199	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	16,766	74,077
70 Regulated Net Income	188,723		213,127
71 Check Regulated NI			213,127

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

Total Increase:	Rev Req (14,661)
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	At Current Rates	Oct. Load Forecast Delta	GRC Change for RROE	Proposed 2016	Blank (5)	Blank (6)	Blank (7)	Subtotal (8)	Non-NVPC Adjustments (5)	NVPC Adjustments (6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(5)	(6)
1 Sales to Consumers	1,799,009	(4,810)	43,562	1,837,761	-	-	-	1,837,761	(33,519)	(24,704)
2 Sales for Resale	-			-				-	-	-
3 Other Revenues	25,138			25,138				25,138	1,500	-
4 Total Operating Revenues	1,824,147		43,562	1,862,900	-	-	-	1,862,900	(32,019)	(24,704)
5 Net Variable Power Costs	556,895			556,895				556,895	-	(23,787)
6 Production O&M (excludes Trojan)	146,000			146,000				146,000	-	-
7 Trojan O&M	93			93				93	-	-
8 Transmission O&M	14,251			14,251				14,251	-	-
9 Distribution O&M	94,457			94,457				94,457	-	-
10 Customer & MBC O&M	72,083			72,083				72,083	(307)	-
11 Uncollectibles Expense	7,736		167	7,902	-	-	-	7,902	(91)	(100)
12 OPUC Fees	6,746		145	6,892	-	-	-	6,892	(84)	(93)
13 A&G, Ins/Bene., & Gen. Plant	153,003			153,003				153,003	(10,286)	-
14 Total Operating & Maintenance	1,051,265		312	1,051,577	-	-	-	1,051,577	(10,768)	(23,979)
15 Depreciation	270,257			270,257				270,257	-	-
16 Amortization	49,697			49,697				49,697	(3,852)	-
17 Property Tax	59,947			59,947				59,947	-	-
18 Payroll Tax	14,187			14,187				14,187	-	-
19 Other Taxes	1,798			1,798				1,798	-	-
20 Franchise Fees	45,822		987	46,809	-	-	-	46,809	(572)	(629)
21 Utility Income Tax	48,126		14,858	62,984	-	-	-	62,984	(5,645)	(28)
22 Total Operating Expenses & Taxes	1,541,099		16,157	1,557,256	-	-	-	1,557,256	(20,835)	(24,637)
23 <b>Utility Operating Income</b>	283,049		22,595	305,644	-	-	-	305,644	(11,184)	(67)
				305,644						
24 <b>Average Rate Base</b>										
25 Avg. Gross Plant	8,705,924			8,705,924				8,705,924	(55,196)	-
26 Avg. Accum. Deprec. / Amort	(4,219,464)			(4,219,464)				(4,219,464)	1,489	-
27 Avg. Accum. Def Tax	(591,970)			(591,970)				(591,970)	377	-
28 Avg. Accum. Def ITC	-			-				-	-	-
29 <b>Avg. Net Utility Plant</b>	3,894,490		-	3,894,490	-	-	-	3,894,490	(53,330)	-
30 Misc. Deferred Debits	26,623			26,623				26,623	-	-
31 Operating Materials & Fuel	79,458			79,458				79,458	-	-
32 Misc. Deferred Credits	(70,321)			(70,321)				(70,321)	-	-
33 Working Cash	55,913		586	56,499	-	-	-	56,499	(756)	(894)
34 <b>Average Rate Base</b>	3,986,163		586	3,986,749	-	-	-	3,986,749	(54,086)	(894)
35 <b>Rate of Return</b>	7.101%			7.667%						
36 <b>Implied Return on Equity</b>	8.769%			9.900%						

Percent
-0.81%
Total Results
(7)
1,779,538
-
26,638
1,806,177
533,108
146,000
93
14,251
94,457
71,776
7,175
6,673
142,717
1,016,251
270,257
45,845
59,947
14,187
1,798
45,326
57,311
1,510,923
295,254
295,254
8,650,728
(4,217,975)
(591,593)
-
3,841,160
26,623
79,458
(70,321)
54,818
3,931,738
7.509%
9.600%

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	(753)	84,253
2 Sales for Resale	-	-	-	-	-	-	-	-
3 Other Revenues	-	-	-	-	-	-	-	-
4 Total Operating Revenues	83,583	-	83,583	(1,305)	82,278	2,728	(753)	84,253
5 Net Variable Power Costs	(1,599)	-	(1,599)	-	(1,599)	-	(725)	(2,324)
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	(3)	340
12 OPUC Fees	313	-	313	(5)	309	10	(3)	316
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	(731)	10,106
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	(19)	2,146
21 Utility Income Tax	16,464	-	16,464	(500)	15,986	781	(1)	16,766
22 Total Operating Expenses & Taxes	46,498	-	46,498	(544)	45,954	871	(751)	46,074
23 <b>Utility Operating Income</b>	<b>37,086</b>	-	<b>37,086</b>	<b>(761)</b>	<b>36,325</b>	<b>1,856</b>	<b>(2)</b>	<b>38,179</b>
24 <b>Average Rate Base</b>								
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 <b>Avg. Net Utility Plant</b>	<b>483,007</b>	-	<b>483,007</b>	-	<b>483,007</b>	<b>24,686</b>	-	<b>507,693</b>
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	(27)	1,672
34 <b>Average Rate Base</b>	<b>483,735</b>	-	<b>483,735</b>	<b>(20)</b>	<b>483,715</b>	<b>24,718</b>	<b>(27)</b>	<b>508,405</b>
35 <b>Rate of Return</b>	7.667%		7.667%					7.509%
36 <b>Implied Return on Equity</b>	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	Advertising	Medical Benefits	Dues & Donations	Cap. Adds Rate Base	Energy Efficiency	R&D
					S-1, S-2, S-3	S-5	S-7	S-9	S-10	S-12	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)	-	-	-	-	(14,259)
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)	-	(24,704)
2 Sales for Resale							-
3 Other Revenues							-
4 Total Operating Revenues	(5,155)	(2,318)	(10,234)	(2,338)	(4,659)	-	(24,704)
5 Net Variable Power Costs	(4,964)	(2,232)	(9,854)	(2,251)	(4,486)	-	(23,787)
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)	-	(100)
12 OPUC Fees	(19)	(9)	(38)	(9)	(17)	-	(93)
13 A&G, Ins/Bene., & Gen. Plant							-
14 Total Operating & Maintenance	(5,004)	(2,250)	(9,934)	(2,269)	(4,522)	-	(23,979)
15 Depreciation							-
16 Amortization							-
17 Property Tax							-
18 Payroll Tax							-
19 Other Taxes							-
20 Franchise Fees	(131)	(59)	(261)	(60)	(119)	-	(629)
21 Utility Income Tax	(6)	(3)	(12)	(3)	(5)	-	(28)
22 Total Operating Expenses & Taxes	(5,141)	(2,312)	(10,206)	(2,331)	(4,646)	-	(24,637)
23 <b>Utility Operating Income</b>	(14)	(6)	(28)	(6)	(13)	-	(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)	-	(894)
34 <b>Average Rate Base</b>	(187)	(84)	(370)	(85)	(169)	-	(894)
35 <b>Rate of Return</b>	7.509%						7.510%
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)	-	(24,704)
55 Book Expenses	(5,135)	(2,309)	(10,194)	(2,329)	(4,641)	-	(24,608)
56 Interest Deduction	(5)	(2)	(10)	(2)	(5)	-	(24)
57 Production Deduction							-
58 Permanent Ms							-
59 Deferred Ms							-
60 Taxable Income	(15)	(7)	(29)	(7)	(13)	-	(71)
61 Current State Tax	(1)	(0)	(2)	(0)	(1)	-	(5)
62 State Tax Credits							-
63 Net State Taxes	(1)	(0)	(2)	(0)	(1)	-	(5)
64 Federal Taxable Income	(14)	(6)	(27)	(6)	(12)	-	(66)
65 Current Federal Tax	(5)	(2)	(10)	(2)	(4)	-	(23)
66 Federal Tax Credits							-
67 ITC Amort							-
68 Deferred Taxes	-	-	-	-	-	-	-
69 Total Income Tax Expense	(6)	(3)	(12)	(3)	(5)	-	(28)
73 Regulated Net Income	(9)	(4)	(18)	(4)	(8)	-	(43)

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	1,863,791
Factor per OAR	<u>0.125%</u>
Presumed Reasonable Cat A Costs	<u>2,329,739</u>

Total Adjustment	-
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