



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

September 29, 2017

**Email / FedEx**

puc.filingcenter@state.or.us

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

**RE: UE 319 Revenue Requirement Estimate Update and PGE's September 29th MONET Update**

Filing Center:

Enclosed is a revised revenue requirement estimate for Docket No. UE 319. This revision includes PGE's September 29, 2017 MONET update, which contains contracts and electric and gas forward curves as of August 31, 2017. 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 September 29, 2017 MONET update and the stipulations filed with the Commission in Docket No. UE 319 on September 8, 2017 and September 18, 2017. Collectively, the stipulations resolve all revenue requirement issues in this docket.

**Revised Revenue Requirement (\$ millions)**

Original Filing	\$99.9
March 31, NVPC Update	(\$1.0)
June Load Forecast Update	(\$8.7)
July 10, NVPC Update	(\$0.2)
September 8, Stipulation	(\$6.4)
September 18, Stipulation	(\$51.6)
Sept. Load Forecast Update	(\$12.2)
Sept. 29, NVPC Update	\$0.6
Total	\$20.4

MONET Update

The MONET update results in a Net Variable Power Cost (NVPC) forecast of \$346.9 million, a slight increase of approximately \$0.6 million from the July 10, 2017 power cost update filing.<sup>1</sup> This slight increase is due to PGE's September load forecast update, which is largely offset by a decrease in gas transportation costs and mining costs.

<sup>1</sup> See PGE's letter dated July 10, 2017 and filed in Docket No. UE 319. NVPC for revenue requirement purposes was reported to be \$346.3 million.

Summary of Attachments

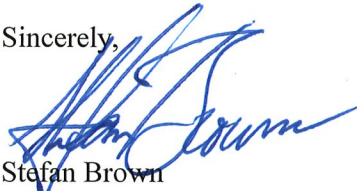
As part of this update, PGE is including four attachments.

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. 17-057.

If you have any questions or require further information, please contact Greg Batzler at 503-464-8644. Please direct all formal correspondence and requests to the following email address: [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com).

Sincerely,



Stefan Brown  
Manager, Regulatory Affairs

*encl.*

**UE 319**

**2018 PGE Annual Power Cost Update  
September 29, 2017**

**Attachment 1**

**Provided in Electronic Format Only**

Revised Revenue Requirement

**UE 319**

**2018 PGE Annual Power Cost Update  
September 29, 2017**

**Attachment 2**

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

**Confidential and Subject to Protective Order No. 17-057**

Minimum Filing Requirements  
Supporting Documents and Work Papers

**UE 319**

**2018 PGE Annual Power Cost Update  
September 29, 2017**

**Attachment 3**

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

Minimum Filing Requirements  
Non-Confidential Supporting Documents and Work Papers

**UE 319**

**2018 PGE Annual Power Cost Update  
September 29, 2017**

**Attachment 4**

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

**Confidential and Subject to Protective Order No. 17-057**

**PGE Energy and Load Forecast Work Papers  
SSEP17E**

**Portland General Electric Company  
2018 Revenue Requirement Summary  
(\$000)**

	Rev Req	Percent
Total Increase:	20,429	1.15%
	Base Business	Total
	2018	Results
	(1)	(3)
1 Sales to Consumers	1,824,729	1,824,729
2 Sales for Resale	-	-
3 Other Revenues	26,841	26,841
4 Total Operating Revenues	1,851,570	1,851,570
5 Net Variable Power Costs	346,865	346,865
6 Production O&M (excludes Trojan)	159,922	159,922
7 Trojan O&M	84	84
8 Transmission O&M	14,306	14,306
9 Distribution O&M	120,165	120,165
10 Customer & MBC O&M	74,495	74,495
11 Uncollectibles Expense	6,261	6,261
12 OPUC Fees	5,859	5,859
13 A&G, Ins/Bene., & Gen. Plant	153,149	153,149
14 Total Operating & Maintenance	881,105	881,105
15 Depreciation	301,893	301,893
16 Amortization	58,455	58,455
17 Property Tax	60,743	60,743
18 Payroll Tax	16,078	16,078
19 Other Taxes	2,434	2,434
20 Franchise Fees	46,448	46,448
21 Utility Income Tax	153,153	153,153
22 Total Operating Expenses & Taxes	1,520,310	1,520,310
23 <b>Utility Operating Income</b>	331,260	331,260
24 <b>Rate Base</b>		
25 Avg. Gross Plant	9,816,526	9,816,526
26 Avg. Accum. Deprec. / Amort	(4,727,753)	(4,727,753)
27 Avg. Accum. Def Tax	(662,272)	(662,272)
28 Avg. Accum. Def ITC	-	-
29 <b>Net Utility Plant</b>	4,426,502	4,426,502
30 Misc. Deferred Debits	16,940	16,940
31 Operating Materials & Fuel	80,737	80,737
32 Misc. Deferred Credits	(73,318)	(73,318)
33 Working Cash	55,158	55,158
34 <b>Rate Base</b>	4,506,020	4,506,020
35 <b>Rate of Return</b>	7.352%	7.352%
36 <b>Implied Return on Equity</b>	9.500%	9.500%

	Base Business 2018	Blank	Total Results
	(1)	(2)	(3)
37 Effective Cost of Debt	5.203%	5.203%	5.203%
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	2.602%	2.602%	2.602%
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	7.582%	7.582%	7.582%
45 Federal Tax Rate	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.928%	39.928%	39.928%
47 Bad Debt Rate	0.343%	0.343%	0.343%
48 Franchise Fee Rate	2.545%	2.545%	2.545%
49 Working Cash Factor	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.665	1.665	1.665
51 ROE Target	9.500%	9.500%	9.500%
52 Grossed-Up COC	10.509%	10.509%	10.509%
53 OPUC Fee Rate	0.3211%	0.321%	0.321%
Utility Income Taxes			
54 Book Revenues	1,851,570	-	1,851,570
55 Book Expenses	1,367,157	-	1,367,157
56 Interest Deduction	117,224	-	117,224
57 Production Deduction	9,000	-	9,000
58 Permanent Ms	(24,268)	-	(24,268)
59 Deferred Ms	45,835	-	45,835
60 Taxable Income	336,622	-	336,622
61 Current State Tax	26,206	-	26,206
62 State Tax Credits	-	-	-
63 Net State Taxes	26,206	-	26,206
64 Federal Taxable Income	310,416	-	310,416
65 Current Federal Tax	108,646	-	108,646
66 Federal Tax Credits	-	-	-
67 ITC Amort	-	-	-
68 Deferred Taxes	18,301	-	18,301
69 Total Income Tax Expense	153,153	-	153,153
70 Regulated Net Income	214,036	-	214,036
71 Check Regulated NI			214,036



Portland General Electric Company  
2018 Revenue Requirement - Base Business  
(\$000)

	At Current Rates	June Load Forecast Delta	GRC Change for RROE	Proposed 2018	Non-NVPC Adjustments	NVPC Adjustments	Total Results
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1 Sales to Consumers	1,783,435	20,865	79,032	1,883,332	(51,631)	(6,971)	1,824,730
2 Sales for Resale	-			-	-	-	-
3 Other Revenues	25,841			25,841	1,000	-	26,841
4 Total Operating Revenues	1,809,276		79,032	1,909,173	(50,631)	(6,971)	1,851,571
5 Net Variable Power Costs	353,586			353,586	-	(6,721)	346,865
6 Production O&M (excludes Trojan)	159,768			159,768	154	-	159,922
7 Trojan O&M	84			84	-	-	84
8 Transmission O&M	14,306			14,306	-	-	14,306
9 Distribution O&M	120,162			120,162	4	-	120,165
10 Customer & MBC O&M	75,298			75,298	(803)	-	74,495
11 Uncollectibles Expense	6,599		370	6,968	(177)	(24)	6,261
12 OPUC Fees	6,688		375	7,062	(166)	(22)	5,859
13 A&G, Ins/Bene., & Gen. Plant	164,970			164,970	(11,821)	-	153,149
14 Total Operating & Maintenance	901,459		744	902,203	(12,809)	(6,768)	881,105
15 Depreciation	317,424			317,424	(15,531)	-	301,893
16 Amortization	59,854			59,854	(1,399)	-	58,455
17 Property Tax	60,743			60,743	-	-	60,743
18 Payroll Tax	16,109			16,109	(31)	-	16,078
19 Other Taxes	2,434			2,434	-	-	2,434
20 Franchise Fees	45,397		2,543	47,939	(1,314)	(177)	46,448
21 Utility Income Tax	121,190		38,559	159,749	(6,894)	(8)	153,153
22 Total Operating Expenses & Taxes	1,524,610		41,846	1,566,457	(37,977)	(6,953)	1,520,310
23 <b>Utility Operating Income</b>	284,665		58,051	342,716	(12,654)	(19)	331,261
				342,716			331,261
24 <b>Average Rate Base</b>							
25 Avg. Gross Plant	9,879,272			9,879,272	(62,746)	-	9,816,526
26 Avg. Accum. Deprec. / Amort	(4,735,925)			(4,735,925)	8,172	-	(4,727,753)
27 Avg. Accum. Def Tax	(634,410)			(634,410)	(27,861)	-	(662,272)
28 Avg. Accum. Def ITC	-			-	-	-	-
29 <b>Avg. Net Utility Plant</b>	4,508,938		-	4,508,938	(82,435)	-	4,426,502
30 Misc. Deferred Debits	20,863			20,863	(3,923)	-	16,940
31 Operating Materials & Fuel	80,737			80,737	-	-	80,737
32 Misc. Deferred Credits	(73,318)			(73,318)	-	-	(73,318)
33 Working Cash	55,314		1,518	56,833	(1,378)	(252)	55,158
34 <b>Average Rate Base</b>	4,592,534		1,518	4,594,052	(87,736)	(252)	4,506,020
35 <b>Rate of Return</b>	6.198%			7.460%		7.351%	7.352%
36 <b>Implied Return on Equity</b>	7.227%			9.750%		9.500%	9.500%

Total Increase:	Rev Req 20,430	Percent 1.15%
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Non-NVPC Adjustment Detail

	All Revenue Sensitive	S-3 / S-13 ROE	Cost of Debt	S-1 / S-2 OPUC Fee and Uncollectibles	Revenue Sensitives	Amortize Cyber Security S-4	See IN 8-13 ADIT S-5	Major Storm Accrual S-7	Non-Labor Escalation S-8	Bundled with S-28 FTEs S-9	Contractor Costs S-9	W&S (non-FTEs and Incentives S-9	Bundled: Other Revenue Low Services S-18 / 30
	(10,688)	(9,901)	784	(1,579)									
1 Sales to Consumers	1,872,644	1,873,431	1,884,116	1,881,754	(10,688)	-	-	622	-	(6,006)	(104)	(2,630)	(1,552)
2 Sales for Resale	-	-	-	-									
3 Other Revenues	25,841	25,841	25,841	25,841									1,000
4 Total Operating Revenues	1,898,485	1,899,272	1,909,957	1,907,594	(10,688)	-	-	622	-	(6,006)	(104)	(2,630)	(552)
5 Net Variable Power Costs	353,586	353,586	353,586	353,586									
6 Production O&M (Excludes Trojan)	159,768	159,768	159,768	159,768									
7 Trojan O&M	84	84	84	84									
8 Transmission O&M	14,306	14,306	14,306	14,306									
9 Distribution O&M	120,162	120,162	120,162	120,162				600				-	(500)
10 Customer & MBC O&M	75,298	75,298	75,298	75,298									
11 Uncollectibles Expense	6,425	6,932	6,971	6,456	(37)	-	-	2	-	(21)	(0)	(9)	(5)
12 OPUC Fees	6,013	7,025	7,065	6,042	(34)	-	-	2	-	(19)	(0)	(8)	(5)
13 A&G, Ins/Bene., & Gen. Plant	164,970	164,970	164,970	164,970						(5,370)	(100)	(2,361)	
14 Total Operating & Maintenance	900,611	902,130	902,209	900,671	(71)	-	-	604	-	(5,410)	(101)	(2,378)	(510)
15 Depreciation	317,424	317,424	317,424	317,424								(34)	
16 Amortization	59,854	59,854	59,854	59,854		-							
17 Property Tax	60,743	60,743	60,743	60,743									
18 Payroll Tax	16,109	16,109	16,109	16,109								(31)	
19 Other Taxes	2,434	2,434	2,434	2,434									
20 Franchise Fees	47,667	47,687	47,959	47,899	(272)	-	-	16	-	(153)	(3)	(67)	(40)
21 Utility Income Tax	155,926	155,928	159,749	159,747	(4,129)	-	-	1	-	(133)	(0)	(36)	(1)
22 Total Operating Expenses & Taxes	1,560,768	1,562,309	1,566,482	1,564,882	(4,472)	-	-	621	-	(5,696)	(103)	(2,546)	(550)
23 Utility Operating Income	337,717	336,963	343,474	342,712	(6,216)	-	-	2	-	(310)	(0)	(84)	(1)
24 Average Rate Base	337,717	336,963	343,474	342,712									
25 Avg. Gross Plant	9,879,272	9,879,272	9,879,272	9,879,272						(4,010)		(1,052)	
26 Avg. Accum. Deprec. / Amort	(4,735,925)	(4,735,925)	(4,735,925)	(4,735,925)									
27 Avg. Accum. Def Tax	(634,410)	(634,410)	(634,410)	(634,410)									
28 Avg. Accum. Def ITC	-	-	-	-									
29 Avg. Net Utility Plant	4,508,938	4,508,938	4,508,938	4,508,938	-	-	-	-	-	(4,010)	-	(1,052)	-
30 Misc. Deferred Debits	20,863	20,863	20,863	20,863									
31 Operating Materials & Fuel	80,737	80,737	80,737	80,737									
32 Misc. Deferred Credits	(73,318)	(73,318)	(73,318)	(73,318)									
33 Working Cash	56,626	56,682	56,834	56,776	(162)	-	-	23	-	(207)	(4)	(92)	(20)
34 Average Rate Base	4,593,846	4,593,902	4,594,053	4,593,995	(162)	-	-	23	-	(4,216)	(4)	(1,144)	(20)
35 Rate of Return	7.352%	7.335%	7.477%	7.460%		#DIV/0!	#DIV/0!	7.351%	#DIV/0!	7.352%	7.352%	7.352%	7.352%
36 Implied Return on Equity	9.500%	9.500%	9.750%	9.750%		#DIV/0!	#DIV/0!	9.500%	#DIV/0!	9.500%	9.500%	9.500%	9.500%

37 Effective Cost of Debt	5.203%	5.170%	5.203%	5.170%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%
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%	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%	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%	0.000%	0.000%
41 Weighted Cost of Debt	2.602%	2.585%	2.602%	2.585%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%
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%	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%	50.000%	50.000%
44 State Tax Rate	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%
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%	35.000%	35.000%
46 Composite Tax Rate	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%
47 Bad Debt Rate	0.3431%	0.3700%	0.370%	0.3431%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%
48 Franchise Fee Rate	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%
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%	3.628%	3.628%
50 Gross-Up Factor	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665
51 ROE Target	9.500%	9.500%	9.750%	9.750%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%
52 Grossed-Up COC	10.509%	10.492%	10.717%	10.700%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%
53 OPUC Fee Rate	0.3211%	0.3750%	0.3750%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%
Utility Income Taxes													
54 Book Revenues	1,898,485	1,899,272	1,909,957	1,907,594	(10,688)	-	-	622	-	(6,006)	(104)	(2,630)	(552)
55 Book Expenses	1,404,843	1,406,382	1,406,733	1,405,135	(343)	-	-	620	-	(5,563)	(103)	(2,509)	(550)
56 Interest Deduction	119,509	118,752	119,514	118,755	(4)	-	-	1	-	(110)	(0)	(30)	(1)
57 Production Deduction	9,000	9,000	9,000	9,000									
58 Permanent Ms	(24,268)	(24,268)	(24,268)	(24,268)									
59 Deferred Ms	45,835	45,835	45,835	45,835									
60 Taxable Income	343,567	343,571	353,143	353,138	(10,341)	-	-	2	-	(333)	(0)	(90)	(2)
61 Current State Tax	26,733	26,733	27,459	27,458	(784)	-	-	0	-	(25)	(0)	(7)	(0)
62 State Tax Credits	-	-	-	-									
63 Net State Taxes	26,733	26,733	27,459	27,458	(784)	-	-	0	-	(25)	(0)	(7)	(0)
64 Federal Taxable Income	316,834	316,838	325,684	325,680	(9,557)	-	-	2	-	(308)	(0)	(84)	(1)
65 Current Federal Tax	110,892	110,893	113,989	113,988	(3,345)	-	-	1	-	(108)	(0)	(29)	(1)
66 Federal Tax Credits	-	-	-	-									
67 ITC Amort	-	-	-	-									
68 Deferred Taxes	18,301	18,301	18,301	18,301									
69 Total Income Tax Expense	155,926	155,928	159,749	159,747	(4,129)	-	-	1	-	(133)	(0)	(36)	(1)
73 Regulated Net Income	218,208	218,210	223,960	223,957	(6,212)	-	-	1	-	(200)	(0)	(54)	(1)

Non-NVPC Adjustment Detail

	Insurance S-10	Bundled with S-27 Distribution O&M (Placeholder) S-12	Pensions S-14	FFBC S-16	Carty S-19	MMA's S-20	Generation O&M S-21	Customer Service O&M S-23	Environmental and Licensing Svcs S-24	R&D, Dues and Memberships S-25	Bundled with S-12 and IN-7 Plant S-27	Bundled with S-9 CET Deferral Mechanism S-28	Depreciation IN-4
1 Sales to Consumers	(282)	-	(1,613)	(522)	(722)	253	(93)	(311)	-	(946)	(5,436)	(1,878)	(7,598)
2 Sales for Resale													
3 Other Revenues													
4 Total Operating Revenues	(282)	-	(1,613)	(522)	(722)	253	(93)	(311)	-	(946)	(5,436)	(1,878)	(7,598)
5 Net Variable Power Costs													
6 Production O&M (Excludes Trojan)						244	(90)						
7 Trojan O&M													
8 Transmission O&M													
9 Distribution O&M		-											
10 Customer & MBC O&M				(503)				(300)					
11 Uncollectibles Expense	(1)	-	(6)	(2)	(2)	1	(0)	(1)	-	(3)	(19)	(6)	(26)
12 OPUC Fees	(1)	-	(5)	(2)	(2)	1	(0)	(1)	-	(3)	(17)	(6)	(24)
13 A&G, Ins/Bene., & Gen. Plant	(272)		(1,555)							(912)			
14 Total Operating & Maintenance	(274)	-	(1,565)	(506)	(5)	246	(91)	(302)	-	(918)	(36)	(12)	(50)
15 Depreciation													(7,325)
16 Amortization												(1,399)	
17 Property Tax													
18 Payroll Tax													
19 Other Taxes													
20 Franchise Fees	(7)	-	(41)	(13)	(18)	6	(2)	(8)	-	(24)	(138)	(48)	(193)
21 Utility Income Tax	(0)	-	(2)	(1)	(210)	0	(0)	(0)	-	(1)	(1,581)	(126)	(9)
22 Total Operating Expenses & Taxes	(281)	-	(1,608)	(520)	(233)	252	(93)	(310)	-	(943)	(1,755)	(1,585)	(7,578)
23 Utility Operating Income	(1)	-	(4)	(1)	(489)	1	(0)	(1)	-	(3)	(3,680)	(293)	(20)
24 Average Rate Base													
25 Avg. Gross Plant					(7,685)						(50,000)		
26 Avg. Accum. Deprec. / Amort					-								
27 Avg. Accum. Def Tax					1,045								
28 Avg. Accum. Def ITC													
29 Avg. Net Utility Plant	-	-	-	-	(6,639)	-	-	-	-	-	(50,000)	-	-
30 Misc. Deferred Debits												(3,923)	
31 Operating Materials & Fuel													
32 Misc. Deferred Credits													
33 Working Cash	(10)	-	(58)	(19)	(8)	9	(3)	(11)	-	(34)	(64)	(58)	(275)
34 Average Rate Base	(10)	-	(58)	(19)	(6,648)	9	(3)	(11)	-	(34)	(50,064)	(3,981)	(275)
35 Rate of Return	7.352%	#DIV/0!	7.352%	7.351%	7.352%	7.351%	7.351%	7.351%	#DIV/0!	7.352%	7.352%	7.352%	7.351%
36 Implied Return on Equity	9.500%	#DIV/0!	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	#DIV/0!	9.500%	9.500%	9.500%	9.500%

37 Effective Cost of Debt	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%
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%	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%	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%	0.000%	0.000%
41 Weighted Cost of Debt	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%
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%	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%	50.000%	50.000%
44 State Tax Rate	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%
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%	35.000%	35.000%
46 Composite Tax Rate	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%
47 Bad Debt Rate	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%
48 Franchise Fee Rate	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%
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%	3.628%	3.628%
50 Gross-Up Factor	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665
51 ROE Target	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%
52 Grossed-Up COC	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%
53 OPUC Fee Rate	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%
Utility Income Taxes													
54 Book Revenues	(282)	-	(1,613)	(522)	(722)	253	(93)	(311)	-	(946)	(5,436)	(1,878)	(7,598)
55 Book Expenses	(281)	-	(1,606)	(520)	(23)	252	(93)	(310)	-	(942)	(174)	(1,459)	(7,569)
56 Interest Deduction	(0)	-	(2)	(0)	(173)	0	(0)	(0)	-	(1)	(1,302)	(104)	(7)
57 Production Deduction													
58 Permanent Ms													
59 Deferred Ms													
60 Taxable Income	(1)	-	(5)	(1)	(526)	1	(0)	(1)	-	(3)	(3,959)	(315)	(22)
61 Current State Tax	(0)	-	(0)	(0)	(40)	0	(0)	(0)	-	(0)	(300)	(24)	(2)
62 State Tax Credits													
63 Net State Taxes	(0)	-	(0)	(0)	(40)	0	(0)	(0)	-	(0)	(300)	(24)	(2)
64 Federal Taxable Income	(1)	-	(4)	(1)	(486)	1	(0)	(1)	-	(3)	(3,658)	(291)	(20)
65 Current Federal Tax	(0)	-	(1)	(0)	(170)	0	(0)	(0)	-	(1)	(1,280)	(102)	(7)
66 Federal Tax Credits													
67 ITC Amort													
68 Deferred Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
69 Total Income Tax Expense	(0)	-	(2)	(1)	(210)	0	(0)	(0)	-	(1)	(1,581)	(126)	(9)
73 Regulated Net Income	(0)	-	(3)	(1)	(316)	0	(0)	(1)	-	(2)	(2,378)	(189)	(13)



37 Effective Cost of Debt	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%
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%	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%	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%	0.000%
41 Weighted Cost of Debt	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%
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%	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%	50.000%
44 State Tax Rate	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%
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%	35.000%
46 Composite Tax Rate	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%
47 Bad Debt Rate	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%
48 Franchise Fee Rate	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%
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%	3.628%
50 Gross-Up Factor	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665	1.665
51 ROE Target	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%
52 Grossed-Up COC	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%
53 OPUC Fee Rate	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%	0.3211%
Utility Income Taxes												
54 Book Revenues	(7,709)	(1,293)	-	(787)	(507)	(382)	(488)	(737)	(120)	(4)	(100)	-
55 Book Expenses	(8,419)	(1,289)	-	(25)	(16)	(12)	(16)	(24)	(4)	(4)	(100)	-
56 Interest Deduction	176	(1)	-	(189)	(122)	(92)	(117)	(177)	(29)	(0)	(0)	-
57 Production Deduction												
58 Permanent Ms												
59 Deferred Ms												
60 Taxable Income	535	(4)	-	(573)	(369)	(278)	(355)	(537)	(87)	(0)	(0)	-
61 Current State Tax	41	(0)	-	(43)	(28)	(21)	(27)	(41)	(7)	(0)	(0)	-
62 State Tax Credits												
63 Net State Taxes	41	(0)	-	(43)	(28)	(21)	(27)	(41)	(7)	(0)	(0)	-
64 Federal Taxable Income	494	(3)	-	(530)	(341)	(257)	(328)	(496)	(81)	(0)	(0)	-
65 Current Federal Tax	173	(1)	-	(185)	(119)	(90)	(115)	(174)	(28)	(0)	(0)	-
66 Federal Tax Credits												
67 ITC Amort	-	-	-	-	-	-	-	-	-	-	-	-
68 Deferred Taxes												
69 Total Income Tax Expense	214	(1)	-	(229)	(148)	(111)	(142)	(214)	(35)	(0)	(0)	-
73 Regulated Net Income	321	(2)	-	(344)	(222)	(167)	(213)	(323)	(52)	(0)	(0)	-

Non-NVPC Adjustment Detail

	Blank-43	Blank-44	Total Non-NVPC Adjustments
1 Sales to Consumers	-	-	(51,631)
2 Sales for Resale			-
3 Other Revenues			1,000
4 Total Operating Revenues	-	-	(50,631)
5 Net Variable Power Costs			-
6 Production O&M (Excludes Trojan)			154
7 Trojan O&M			-
8 Transmission O&M			-
9 Distribution O&M			4
10 Customer & MBC O&M			(803)
11 Uncollectibles Expense	-	-	(177)
12 OPUC Fees	-	-	(166)
13 A&G, Ins/Bene., & Gen. Plant			(11,821)
14 Total Operating & Maintenance	-	-	(12,809)
15 Depreciation			(15,531)
16 Amortization			(1,399)
17 Property Tax			-
18 Payroll Tax			(31)
19 Other Taxes			-
20 Franchise Fees	-	-	(1,314)
21 Utility Income Tax	-	-	(7,032)
22 Total Operating Expenses & Taxes	-	-	(38,116)
23 <b>Utility Operating Income</b>	-	-	(12,515)
24 <b>Average Rate Base</b>			
25 Avg. Gross Plant			(62,746)
26 Avg. Accum. Deprec. / Amort			8,172
27 Avg. Accum. Def Tax			(27,861)
28 Avg. Accum. Def ITC			-
29 <b>Avg. Net Utility Plant</b>	-	-	(82,435)
30 Misc. Deferred Debits			(3,923)
31 Operating Materials & Fuel			-
32 Misc. Deferred Credits			-
33 Working Cash	-	-	(1,383)
34 <b>Average Rate Base</b>	-	-	(87,741)
35 <b>Rate of Return</b>	#DIV/0!	#DIV/0!	
36 <b>Implied Return on Equity</b>	#DIV/0!	#DIV/0!	



37 Effective Cost of Debt	5.203%	5.203%	5.203%
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	2.602%	2.602%	2.602%
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	7.582%	7.582%	7.582%
45 Federal Tax Rate	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.928%	39.928%	39.928%
47 Bad Debt Rate	0.343%	0.343%	0.343%
48 Franchise Fee Rate	2.545%	2.545%	2.545%
49 Working Cash Factor	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.665	1.665	1.665
51 ROE Target	9.500%	9.500%	9.500%
52 Grossed-Up COC	10.509%	10.509%	10.509%
53 OPUC Fee Rate	0.3211%	0.3211%	0.3211%
Utility Income Taxes			
54 Book Revenues	-	-	(50,631)
55 Book Expenses	-	-	(30,740)
56 Interest Deduction	-	-	(2,278)
57 Production Deduction			-
58 Permanent Ms			-
59 Deferred Ms			-
60 Taxable Income	-	-	(17,613)
61 Current State Tax	-	-	(1,335)
62 State Tax Credits			-
63 Net State Taxes	-	-	(1,335)
64 Federal Taxable Income	-	-	(16,277)
65 Current Federal Tax	-	-	(5,697)
66 Federal Tax Credits			-
67 ITC Amort			-
68 Deferred Taxes			-
69 Total Income Tax Expense	-	-	(7,032)
73 Regulated Net Income	-	-	(10,237)

**NVPC Adjustment Detail**

	3/31/2017 NVPC Update (1)	Settlement Impact in 7/10/17 Update (2)	7/10/2017 NVPC Update	9/29/2017 NVPC Update (3)	11/6/2017 NVPC Update (3)	11/15/2017 NVPC Update (3)	<b>Total NVPC Adjustments</b>
1 Sales to Consumers	(977)	(6,357)	(213)	576	-	-	(6,971)
2 Sales for Resale							-
3 Other Revenues							-
4 Total Operating Revenues	(977)	(6,357)	(213)	576	-	-	(6,971)
5 Net Variable Power Costs	(942)	(6,129)	(205)	555	-	-	(6,721)
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	(3)	(22)	(1)	2	-	-	(24)
12 OPUC Fees	(3)	(20)	(1)	2	-	-	(22)
13 A&G, Ins/Bene., & Gen. Plant							-
14 Total Operating & Maintenance	(949)	(6,171)	(206)	559	-	-	(6,768)
15 Depreciation							-
16 Amortization							-
17 Property Tax							-
18 Payroll Tax							-
19 Other Taxes							-
20 Franchise Fees	(25)	(162)	(5)	15	-	-	(177)
21 Utility Income Tax	(1)	(7)	(0)	1	-	-	(8)
22 Total Operating Expenses & Taxes	(975)	(6,340)	(212)	574	-	-	(6,953)
23 <b>Utility Operating Income</b>	(3)	(17)	(1)	2	-	-	(19)
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	(35)	(230)	(8)	21	-	-	(252)
34 <b>Average Rate Base</b>	(35)	(230)	(8)	21	-	-	(252)
35 <b>Rate of Return</b>	7.352%						7.351%
36 <b>Implied Return on Equity</b>	9.500%						9.500%

37 Effective Cost of Debt	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%	5.203%
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	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%	2.602%
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	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%	7.582%
45 Federal Tax Rate	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%	35.000%
46 Composite Tax Rate	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%	39.928%
47 Bad Debt Rate	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%	0.343%
48 Franchise Fee Rate	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%	2.545%
49 Working Cash Ratio	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%	3.628%
50 Gross-Up Factor	1.665	1.665	1.665	1.665	1.665	1.665	1.665
51 ROE Target	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%	9.500%
52 Grossed-Up COC	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%	10.509%
53 OPUC Fee Rate	0.321%	0.321%	0.321%	0.321%	0.321%	0.321%	0.321%
Utility Income Taxes							
54 Book Revenues	(977)	(6,357)	(213)	576	-	-	(6,971)
55 Book Expenses	(974)	(6,333)	(212)	573	-	-	(6,945)
56 Interest Deduction	(1)	(6)	(0)	1	-	-	(7)
57 Production Deduction							-
58 Permanent Ms							-
59 Deferred Ms							-
60 Taxable Income	(3)	(18)	(1)	2	-	-	(20)
61 Current State Tax	(0)	(1)	(0)	0	-	-	(2)
62 State Tax Credits							-
63 Net State Taxes	(0)	(1)	(0)	0	-	-	(2)
64 Federal Taxable Income	(3)	(17)	(1)	2	-	-	(18)
65 Current Federal Tax	(1)	(6)	(0)	1	-	-	(6)
66 Federal Tax Credits							-
67 ITC Amort							-
68 Deferred Taxes	-	-	-	-	-	-	-
69 Total Income Tax Expense	(1)	(7)	(0)	1	-	-	(8)
73 Regulated Net Income	(2)	(11)	(0)	1	-	-	(12)

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

9090001 CustSvc-InformAdvertisingExp	2,034,762
Less: Legally Mandated Advertising	25,777
	2,008,985
2016 Total Revenue Requirement	1,824,729
Factor per OAR	<u>0.125%</u>
Presumed Reasonable Cat A Costs	2,280,912
Total Adjustment	-

Adjust OPUC Fee to exclude gross-up on incremental RevReq  
(\$000)

OPUC Fee rate with gross-up	0.3211%
OPUC Fee rate without gross-up	0.3000%
Delta Fee Rate	-0.0211%
Incremental RevReq	20,430
OPUC Fee Adjustment	(4.311)