

e-FILING REPORT COVER SHEET

REPORT NAME: **RE – 18-2** 2013 New Construction Budget Report

COMPANY NAME: **PORTLAND GENERAL ELECTRIC COMPANY**

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically.

Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable PROTECTIVE ORDER.

If known, please select designation: RE (Electric)

Report is required by: OAR

Statute **ORS 757.105 and ORS 759.100**

Order **Send to Melanie Forsyth**

Other **Utility Program**

Is this report associated with a specific docket/case? No Yes

If Yes, enter docket number: Not Applicable

Key words: Electric Utility Annual New Construction Report

If known, please select the PUC Section to which the report should be directed:

Economic and Policy Analysis

Electric and Natural Gas Revenue Requirements



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

January 15, 2013

E-Filed only

Oregon Public Utility Commission
Attention: Filing Center
550 Capitol Street, N.E., Ste 215
Salem, OR 97301-2551

RE: Report 18-2 – New Construction Budget Report – PGE

Enclosed for filing is Portland General Electric Company's New Construction Budget Report for the 2013 calendar year. This report is being provided per OAR 860-027-0015 and the October 1, 2011, OPUC E-Report Filing requirements. No hardcopy will be submitted.

Should you have any questions, please call Greg Rife, Manager - Business Decision Support, at 503.464.7439 or Patrick Hager, Manager – Regulatory Affairs, at 503.464.7580.

Sincerely,

Patrick G. Hager
Manager, Regulatory Affairs

Encls.

Includes E-File Report Cover Sheet

cc: Greg Rife



PUBLIC UTILITY COMMISSION OF OREGON
 550 CAPITOL ST NE SUITE 215, SALEM OR 97301-2551
 PO BOX 2148, SALEM OR 97308-2148

ELECTRIC COMPANY NEW CONSTRUCTION BUDGET FOR 2013

GENERAL INSTRUCTIONS

1. EACH ENERGY AND LARGE TELECOMMUNICATIONS UTILITY OPERATING WITHIN THE STATE OF OREGON AND HAVING GROSS OPERATING REVENUES OF \$50,000 OR MORE PER YEAR IS REQUIRED TO FILE A NEW CONSTRUCTION BUDGET ANNUALLY ON OR BEFORE DECEMBER 31ST, AND REPORT INFORMATION ON NEW CONSTRUCTION, EXTENSION, AND NEW ADDITIONS TO PROPERTY OF THE UTILITY IN ACCORDANCE WITH OREGON ADMINISTRATIVE RULE 860-027-0015.
2. THE CONSTRUCTION BUDGET SHOULD BE RETURNED TO THE PUBLIC UTILITY COMMISSION OF OREGON, 555 CAPITOL ST NE, PO BOX 2148, SALEM, OR 97308-1248, NO LATER THAN DECEMBER 31ST OF THE YEAR PRECEDING THAT FOR WHICH THE BUDGET IS MADE.

PROJECT NARRATIVE

FOR MAJOR PROJECTS (THE THREE LARGEST PROJECTS IN TERMS OF COST AND ALL PROJECTS GREATER THAN \$10 MILLION) A NARRATIVE SUPPLYING THE FOLLOWING INFORMATION IS REQUIRED:

1. PROJECT DESCRIPTION: INCLUDE A BRIEF TECHNICAL SPECIFICATION OF THE PROJECT, OWNERSHIP, IF JOINTLY OWNED, OPERATING DATE, STAGE OF CONSTRUCTION, AND OTHER RELEVANT INFORMATION.
2. NEED FOR THE PROJECT: PROVIDE ALL PREPARED INFORMATION DOCUMENTING THE NEED FOR THE PROJECT, INCLUDING THE SPECIFIC NEED THE PROJECT IS INTENDED TO FILL. ECONOMIC COMPARISONS WITH ALTERNATIVES ARE TO BE PROVIDED. ALL THE UNDERLYING ASSUMPTIONS OF THE ECONOMIC ANALYSES ARE TO BE SPECIFIED.
3. CONTINGENCIES: PROVIDE A LISTING OF EXISTING OR POTENTIAL FUTURE PROBLEMS WHICH MIGHT IMPACT THE FINAL COST OR SUCCESSFUL COMPLETION AND OPERATION OF THE PROJECT, SUCH AS LICENSING PROBLEMS, LABOR DIFFICULTIES, LITIGATION, ETC.
4. RECONCILIATION WITH PRIOR BUDGET: EACH SUCCESSIVE YEAR'S BUDGET CAN BE EXPECTED TO REFLECT DIFFERING ESTIMATES OF PROJECT COSTS AS THE PROJECT PROGRESSES. FOR EACH MAJOR PROJECT, PREPARE A RECONCILIATION WITH THE PRIOR BUDGET'S ESTIMATES AND PROVIDE SPECIFIC REASONS FOR THE CHANGES.

IN ADDITION, PLEASE PROVIDE COPIES OF PREPARED DOCUMENTATION OR PLANS DESCRIBING GENERATION TRANSMISSION, AND GENERAL PLANT PROJECTS EXCEEDING \$1,000,000 IN TOTAL COST AND FOR WHICH CONSTRUCTION WILL COMMENCE IN THE BUDGET YEAR. INFORMATION SUBMITTED SHOULD CONTAIN:

1. A BRIEF PROJECT DESCRIPTION: INCLUDE THE PROJECT FUNCTION (E.G., PRODUCTION, TRANSMISSION, DISTRIBUTION, GENERAL PLANT, THERMAL, HYDRO, OR OTHER), PROJECT IDENTIFICATION.
2. LOCATION: INCLUDE A STARTING AND ENDING DATE.
3. TOTAL BUDGETED COST.

FULL NAME OF ELECTRIC COMPANY			
Portland General Electric			
ADDRESS: PO BOX OR STREET NUMBER	CITY	STATE	ZIP CODE
121 S.W. Salmon St.	Portland	OR	97204
CERTIFICATION: I CERTIFY THAT THE INFORMATION REPORTED IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.			
SIGNATURE	TITLE	DATE	
	SUD, CFO & Treasurer	1/14/2013	

SCHEDULE B: ELECTRIC COMPANY NEW CONSTRUCTION BUDGET (SYSTEM) INSTRUCTIONS COMPANY: Portland General Electric BUDGET YEAR: 2013

1. REPORT SIZE OF MAJOR PRODUCTION PROJECTS ONLY, AND PERCENT OWNERSHIP, SCHEDULED OPERATING DATES, AND EXPENDITURES REQUIRED TO COMPLETE PROJECT FOR MAJOR PRODUCTION, TRANSMISSION, AND GENERAL PLANT PROJECTS.
2. MAJOR PROJECTS ARE DEFINED AS THOSE PROJECTS HAVING A TOTAL ESTIMATED COST TO COMPLETION EXCEEDING \$10 MILLION.
3. UNDER DISTRIBUTION, REPORT SPECIFIC LINE ITEM EXPENDITURES FOR THE BUDGET YEAR ONLY. ALL EXPENDITURES FOR DISTRIBUTION FOLLOWING THE BUDGET YEAR SHOULD BE AGGREGATED FOR THE YEAR AND ONLY TOTAL DISTRIBUTION EXPENDITURES REPORTED FOR THE PERIOD.
4. NON-MAJOR PROJECT EXPENDITURES WITHIN EACH CATEGORY SHOULD BE AGGREGATED AND ONLY THE TOTALS REPORTED.
5. REPORT ALL EXPENDITURES IN THOUSANDS OF DOLLARS.

DESCRIPTION	SIZE	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO/YR)	PRIOR TO B.Y. (1)	B.Y. (2)	B.Y. + 1 (3)	B.Y. + 2 (3)	B.Y. + 3 (3)	B.Y. + 4 (3)	REQUIRED TO COMPLETE	TOTAL (4)
MAJOR PRODUCTION PROJECTS:											
River Mill - Down Stream Migrant Surface Collector		100%	Dec-12	4,394	148	23					4,394
Bull Run - Engineering/Decommissioning		100%	Dec-15	272	1,736	19,239	25,789				443
North Fork - Down Stream Migrant Surface Collector		100%	Dec-15	1,042	1,736	19,239	25,789				47,806
Boardman Emissions Controls (5)		65%	Aug-14	10,972	13,198	306					24,476
Round Butte Rewind Generators 2 & 3		66.67%	Dec-14		5,325	5,600	46,685	49,873	51,140		10,925
TOTAL MAJOR PRODUCTION PROJECTS				44,559	53,629	47,586	74,474	49,873	51,140	0	295,472
MAJOR TRANSMISSION PROJECTS:				61,239	74,035	72,754					388,516
Horizon 230KV Substation (formerly Sunset 230 KV Substation)		100%	Dec-12	9,586	4,305	4,329	4,429	4,537	4,652		9,586
Cascade Crossing Project (7)			Dec-17	16,700	4,269	4,329	4,429	4,537	4,652		21,005
NON-MAJOR TRANSMISSION PROJECTS				1,897	8,574	4,329	4,429	4,537	4,652	0	24,113
TOTAL TRANSMISSION PROJECTS				28,183	8,574	4,329	4,429	4,537	4,652	0	54,704
DISTRIBUTION (SEE INSTRUCTION 3):											
STATION EQUIPMENT					27,140						
POLES, TOWERS AND FIXTURES					23,563						
OVERHEAD CONDUCTORS AND DEVICES					41,871						
UNDERGROUND CONDUCTORS AND DEVICES					43,083						
UNDERGROUND CONDUIT					185						
LINE TRANSFORMERS					5,530						
SERVICES					12,758						
METERS					1,918						
STREET LIGHTING AND SIGNAL SYSTEMS					2,163						
OTHER:					14,422						
TOTAL DISTRIBUTION				145,308	172,634	175,050	179,094	183,464	186,124		1,043,874
MAJOR GENERAL PLANT PROJECTS:											
2020 Vision Enterprise Program Phase I			Dec-11	14,471	19,418	47,340	24,046	5,280			14,471
2020 Vision Enterprise Program Phases II & III			Dec-16	9,270	15,479						105,354
Readiness Center			Dec-13	6,391	11,389						21,870
Avery Project			Dec-13	6,450	45,466	46,102	47,167	48,318	49,545		17,839
NON-MAJOR GENERAL PLANT PROJECTS				42,719	91,752	93,442	71,213	53,598	49,545	0	279,317
TOTAL GENERAL PLANT PROJECTS				79,201	346,995	345,575	329,210	291,472	298,461	0	438,851
TOTAL NEW CONSTRUCTION BUDGET				314,031							1,606,713

- 1) Based on 2012 OPUC Construction Budget Schedule B report.
- 3) Based on 2013 forecast with 2014, 2015, 2016, 2017 trended for inflation by Global Insight Chained Price Index - Public Utilities - Nov 2012 with the exception of Major Projects which are current estimates.
- 4) Total does not necessarily equal total project cost due to timing and expenditures prior to 2012.
- 5) Total includes costs associated with the installation of nitrogen oxide (NOx), mercury controls, and sulfur oxide (SO2) controls.
- 6) PGE's ownership in Boardman is 65% as a result of a 1985 sale transaction in which PGE sold an undivided 15% interest to a third party financial institution (Purchaser). Under various agreements associated with the sale in regards to capital expenditures, the Purchaser has certain rights to participate in the financing of the total cost attributable to its interest. PGE's share of the total cost for the Boardman emission controls is expected to be 80% if the Purchaser does not exercise these rights. Therefore, costs for this project are reported at 80%.
- 7) Budget only includes the amount approved by the Board of Directors for the Budget Year. Future year budget amounts to be determined by circuit configuration and path. Total project estimates are summarized in the IFP Update filed on November 22, 2011.
- 8) Total 'Prior to B.Y.' differs from last year's submittal due to the removal of Marquam project. This project is not budgeted for in 2013.

SCHEDULE B: ELECTRIC COMPANY NEW CONSTRUCTION BUDGET (SYSTEM)		COMPANY: Portland General Electric										BUDGET YEAR: 2013	
DESCRIPTION	SIZE	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO/YR)	EXPENDITURES (B.Y. = BUDGET YEAR; B.Y. + 1 = THE FIRST YEAR AFTER THE BUDGET YEAR, ETC.)							REQUIRED TO COMPLETE		TOTAL ⁽⁴⁾
				PRIOR TO B.Y. (1)	B.Y. (2)	B.Y. + 1 (3)	B.Y. + 2 (3)	B.Y. + 3 (3)	B.Y. + 4 (3)	REQUIRED TO COMPLETE	TOTAL ⁽⁴⁾		
2013 OPUC Construction Budget B	-	-	-	2,402	2,546	2,596	2,718	2,917	2,973	2,973	86,067	102,219	
Trojan Decommissioning	-	67.50%	-	0	103	1,298	0	0	0	0	2,684	4,095	
Independent Spent Fuel Storage Installation	-	67.50%	-	2,402	2,649	3,894	2,718	2,917	2,973	2,973	88,751	106,304	
Non-Major Decommissioning Projects	-	-	-	0	0	0	0	0	0	0	0	0	
Total Decommissioning Projects	-	-	-	2,402	2,649	3,894	2,718	2,917	2,973	2,973	88,751	106,304	

(1) Based on 2012 OPUC Construction Budget Report - Schedule B.

(2) Budget includes costs that are subject to future Board of Directors approval.

(3) Based on 2014-2017 capital forecast.

(4) Total does not necessarily equal total project cost due to timing and expenditures prior to 2012.

**Project Narrative
Projects Greater Than \$10 Million**

Title	Start	End	Amount	Notes
Round Butte Rewind Generators #2 and #3 (P35157)	01/01/2012	12/31/2014	\$11,242,000	<p>This project will purchase coils for Round Butte #3 in 2012 and installs the coils in 2013. In addition, this project will rewind the rotor poles. Examination of coils removed from Round Butte generator #1 during its rewind showed them to be in a state of significant deterioration which also indicates that the coils of generators #2 and #3 are likely to be deteriorated. All three generators are made by the same vendor. The current state of the generator coils in generators #2 and #3 leaves the company exposed to higher than acceptable risk of an extended outage. Rewinding Round Butte Generator #3 will increase the reliability of the generator by lowering the chances of generator winding failure. The value of Round Butte generation for load management has increased, as have the negative consequences of a failure due to the introduction of large wind power sites in the region.</p>
Readiness Center (P35200)	06/01/2011	12/31/2013	22,500,000	<p>This project will construct a seismically engineered back-up facility on Carver Substation property in order to relocate critical/essential back-up functions currently located at Portland Service Center (PSC). Those back-up functions include Data Center, System Control Center, Corporate Security Operations, and Power Operations.</p> <p>Critical/essential back-up functions currently reside in the basement of the PSC. These functions and site were recognized as being "at risk" in the event of a disaster based on the 2008 Risk Assessment and Business Impact Analysis conducted by the Business Continuity Emergency Management department. PSC is a brick building constructed in 1956 without benefit of seismic retrofits and suffers from a number of resiliency risks including:</p> <ul style="list-style-type: none"> - Proximity to primary functions at the World Trade Center (WTC) - Residing on the same seismic fault as WTC (Portland Hills Fault) - Constructed on soil which is prone to liquefaction and ground amplification hazards - Impacts from light rail implementation <p>Additionally, it is anticipated that the back-up data center will exceed available capacity in 2014 and other critical/essential functions are provisioned with inadequate space for effective extended operations.</p> <p>This combined back-up facility will provide the following benefits:</p> <ul style="list-style-type: none"> - Mitigate the risk of critical business function loss due to common

**Project Narrative
Projects Greater Than \$10 Million**

Title	Start	End	Amount	Notes
Avery Project (P27256 & P35340)	10/01/2010	12/31/2013	\$25,750,000	<p>failures to both primary and back-up facilities; - Addresses an Enterprise Risk Management top operational resiliency risk; - Replaces aging and limited disaster recovery capacity at the Portland Service Center; - Supports regulatory and OPUC direction for improved energy company resiliency; - Maximizes the value of existing property.</p> <p>Cost estimates have been updated due to completion of detailed design activities.</p> <p>In 2007, PGE was notified by Metro Regional Government of a plan to construct a new light rail line between downtown Portland and Milwaukie. A portion of this new line will run along SE 17th Avenue in the vicinity of PGE's Portland Service Center facility. This will require PGE to reorganize the storage yard and parking areas on the east side of SE 17th, and sell 58,000 square feet of land and PGE's Corporate Shop building to TriMet. PGE anticipates receiving approximately \$2.2 million from TriMet for the property on the west side of SE 17th. Negotiations were completed in the first quarter of 2011 with affected areas vacating in 2012 and light rail construction slated to begin in 2013.</p> <p>As part of the evaluation of the impact of the new light rail line, PGE completed an assessment of the impact of the project on PGE's operations. From this assessment it was determined that the Corporate Shops provide an important business function and should be relocated. PGE's existing facilities were considered, but it was determined that a replacement facility is required since the only plausible facilities with available land (i.e. Salem Line Center and Trojan) are impractical due to their location on the outskirts of PGE's service territory.</p> <p>For this reason, a facility search was completed within the Tigard-Tualatin-Wilsonville area due to its proximity to major thoroughfares required by these business units. One of the identified properties was a former Coca-Cola Distribution Facility (Avery) and features a large yard, warehouse, office space and garage.</p> <p>This project purchases land and existing facilities at the Avery site and</p>

**Project Narrative
Projects Greater Than \$10 Million**

Title	Start	End	Amount	Notes
Cascade Crossing Transmission Project (P25311)	10/15/2008	12/31/2017	\$54,500,000	<p>constructs a new office building. Several workgroups will be relocated including Metal Works, Fleet Major Maintenance Services, Electrical Maintenance and Construction and other services. The building will be designed and constructed sustainably and efficiently for approximately 150 employees.</p> <p>The total dollar amount approved by PGE's Board of Directors in February 2012 has not changed, but costs are shifting between years due to updated cash flows and other contingencies.</p> <p>This project provides for the development work to construct a new transmission line from Eastern Oregon to PGE's service territory.</p> <p>The development work includes:</p> <ul style="list-style-type: none"> - System planning studies required to design the project to meet FERC, NERC, and WECC reliability standards; - Coordinate the project with other regional transmission plans; - Conduct preliminary engineering and environmental analysis to prepare permit applications to the Oregon Energy Facility Siting Council (EFSC) and other required siting and permitting bodies. <p>An extensive public process and stakeholder outreach process is also expected to be required for this project.</p> <p>The cost estimate of \$54,500,000 includes the total amount that will be approved by PGE's Board for spending through 2013.</p>
Boardman Emission Controls (P35229) Project costs represent 100% share of direct cost.	06/01/2008	08/01/2013	Estimated 50,000,000 to 60,000,000	<p>This project will install equipment to satisfy Oregon Department of Environmental Quality (DEQ) requirements regarding haze-causing emissions.</p> <p>On June 19, 2009, the Oregon Environmental Quality Commission (OEQC) adopted a rule that would require the installation of emission controls in three phases. The first two phases would meet federal requirements for installing emissions controls. The third phase, which would require the installation of Selective Catalytic Reduction for additional nitrogen oxides (NOx) control, would meet requirements for reasonable progress towards haze emissions reduction goals.</p>

**Project Narrative
Projects Greater Than \$10 Million**

Title	Start	End	Amount	Notes
				<p>On December 9, 2010, the OEQC approved new rules that allow Boardman to meet state and federal environmental requirements with NOx and sulfur dioxide (SO2) emission control retrofits, as well as Mercury emissions, over the next ten years with the discontinuance of coal-fired operations at Boardman in 2020. The new rules will be implemented as follows:</p> <ul style="list-style-type: none"> - Installation of new low-NOx burners and modified overfire air ports in July 2011; - Installation of a Dry Sorbent Injection (DSI) system in July 2014; - Pilot studies for the DSI system to verify that SO2 limits for 2014 and 2018 are achievable; - Repeal of the DEQ's 2009 BART rule, which allowed the Boardman Plant to operate with the installation of another suite of emissions controls until 2040; and, - Permanent cessation of coal-fired operations in 2020. <p>The new OEQC rules were submitted to the Environmental Protection Agency (EPA) for approval as part of the Oregon Regional Haze State Implementation Plan (SIP) and became effective August 4, 2011.</p> <p>The total estimated capital costs remain at \$50-60 million (100% of project costs). The installation of the new low-NOx burners and mercury control system was complete in 2011.</p> <p>PGE's ownership in Boardman is 65% as a result of a 1985 sale transaction in which PGE sold an undivided 15% interest to a third party financial institution (Purchaser). Under various agreements associated with the sale in regards to capital expenditures, the Purchaser has certain rights to participate in the financing of the portion of the total cost attributable to its interest. PGE's share of the total cost for the Boardman emission controls is expected to be 80%, if the Purchaser does not exercise its rights under the agreements to finance the portion of the total cost attributable to its interest.</p>
North Fork – Install Down Stream Migrant Surface Collector. (P26389/Job 23579 & Job 21069)	01/01/2004	12/31/2015	42,485,000	This job constructs and installs a floating fish collector facility, fish transport pipe and a tertiary dewatering facility at North Fork Dam. The floating surface collector will be installed to attract and collect juvenile migrating fish. The existing fish facilities do not meet current regulatory criteria. As part of relicensing and PGE's response to the Endangered Species Act, we will be

**Project Narrative
Projects Greater Than \$10 Million**

Title	Start	End	Amount	Notes
2020 Vision Enterprise Program	10/15/2009	12/31/2016	Estimated \$140,000,000 to \$160,000,000 ¹	<p>required to upgrade our facilities. Migrating fish will pass through the surface collector to a new fish transport pipe. The fish pipe will be provided to transport the juvenile fish through the dam and along the backside of the dam to a new tertiary dewatering facility to be constructed on the right bank adjacent to the spillway. Fish exiting this facility will bypass the three Clackamas River dams through the migrant fish by-pass pipe that is to be provided by another job.</p> <p>This job calls for significant design effort beginning about 5 years before the start of construction. This modification is expected to significantly improve the downstream migrant by-pass efficiency at the North Fork Dam in a cost-effective manner.</p>
				<p>The 2020 Vision Enterprise Program modernizes and consolidates Portland General Electric's technology infrastructure to ensure that the future technology path will accommodate the changing needs of PGE and its customers. The 2020 Vision program, comprised of a number of individual projects, represents the transformation of PGE's current Enterprise Technology landscape into a flexible and integrated technology platform that supports PGE's business from end to end.</p> <p>Phase I of the 2020 Vision establishes the foundation that underpins all future work and consists of two main components: modernizing PGE's financial systems and creating the foundation for a single enterprise-wide work and asset management system. These two components, along with the Infrastructure and Project Office project, comprise the projects necessary to complete Phase I of the 2020 Vision Program. Current actuals-to-date for this portion of the program are approximately \$73,000,000.</p> <p>The remaining 2020 Vision projects will upgrade or replace the following PGE systems:</p> <p>Maximo Mobile and Scheduling Wave II, Geographic Information Systems and Graphic Work Design, Wave II Infrastructure, Outage Management System, and myTime - Time and Attendance System.</p> <p>¹ This project estimate does not include an emerging Customer Engagement Transformation project which is still under development.</p>

**Project Narrative
Projects Greater Than \$1.0 Million Starting in 2013**

Title	Start	End	Amount	Notes
Shute/Sewell – Easements (P35476)	1/01/2013	12/31/2014	5,788,000	This project will acquire transmission and distribution easements for the future Shute and Sewell substations. There are several wetlands and significant environmental overlays on the future substation site. In order to better determine the impact PGE will have on the property, PGE will need to obtain a mitigation study to evaluate full time and cost impacts that building a substation on this site will create. Additionally, PGE will need to perform a full wetland delineation study to determine the extent of jurisdictional wetlands that are located on-site. There are also a large number of trees that will need to be removed on this site to accommodate a substation in the future. Shute substation is scheduled to be built in 2014; Sewell substation is scheduled to be built in 2017.
Beaver Plant – Replace HRSG Superheaters (P35150)	1/01/2013	12/15/2015	5,688,000	This project will replace the superheaters in all six Heat Recovery Steam Generators (HRSG) at the Beaver plant. Two will be replaced in 2013, two in 2014, and the remaining two in 2015. The Beaver Generation Plant has six HRSGs that were installed in 1978. Due to the age of the HRSGs, major components including the evaporators, economizers, and outlet stack dampers have been replaced over the past 8 years. The replacement of these components has increased their life expectancy by at least 20 years.
Beaver Plant – Replace 4.16 kV Switchgear (P35553)	1/02/2013	9/30/2014	4,300,000	This project will remove and replace the Beaver plant main 4.16 kV switchgear and associated cabling, with new arc resistant switchgear. The switchgear replacement includes new arc-resistant metal clad switchgear, circuit breakers, enclosure building, foundation, protection and control systems, and a majority of the power and control cables that interface with the switchgear. The primary justification to replace the switchgear is the age of the equipment, unavailability of spare parts, and operational safety. The ancillary systems supporting the switchgear have also been included, as they are integral to its operation.
Voice Replacement with Cisco Voip (P35554)	1/01/2013	12/31/2013	3,774,000	This project will begin the process of replacing PGE's aging telephone systems, which are no longer supported by the manufacturer. The Business Telephone system will be the cornerstone for non-contact center business units while integrating with the existing telephone system recently installed in support of the TCC-Contact Center, ERC, 3WTC01, and Coyote Springs. This project is in alignment with the strategic direction of PGE's Telephony roadmap.
Port Westward: Reconfigure Low Pressure Section of Heat Recovery Steam Generator (P35548)	1/01/2013	7/30/2014	2,366,000	This project will modify the Low Pressure (LP) section of the Heat Recovery Steam Generator (HRSG) to provide cleaning access lanes between boiler tube harps (bundles) to remove ammonium bisulfate (ABS) fouling on the surface of the boiler tubes and improve the overall plant performance. A total of 8 tube harps will be removed in the Low Pressure (LP) economizer section. Other work will include removal and relocation of exhaust gas baffle plates and crossover piping.

**Project Narrative
Projects Greater Than \$1.0 Million Starting in 2013**

Title	Start	End	Amount	Notes
Oak Grove - Build Harriet Power House (P35514)	1/01/2013	12/31/2014	2,225,000	modification to the LP drum distribution feedwater header, the creation of an LP economizer section bypass, and the addition of seismic restraints and sky climber ports in each new access lane. This project will design and construct a new Harriet Powerhouse. PGE is currently working on amending the existing Clackamas River License to allow a Powerhouse to be constructed in 2014 instead of an Energy Dissipation Structure. The new Powerhouse will be designed to accommodate flows ranging from 70 to 150 cfs and generate approximately 1 MW. The Powerhouse will be controlled remotely from PGE's Faraday Control Center.
N. Bethany - Purchase Substation Property (P35488)	1/01/2013	12/31/2013	1,516,000	This project will purchase property in the North Bethany area to build a new substation. Washington County has developed a North Bethany Concept Plan document, finalized in 2012. T&D Planning projects a load of 17 MVA in this area. Bethany substation cannot accommodate additional load with the current infrastructure. A new substation will provide service to existing and future load in the Bethany area. If property is not purchased in 2013, the new substation will be deferred, resulting in potential reliability concerns to existing and future customers in the Bethany area.
Contact Center Automation Opportunities (P35382)	1/01/2013	12/31/2013	1,125,000	This project will focus on automating several components of current work processes that are time intensive and / or non-value add work for TCC Customer Service Reps. The objective is to alleviate work done by CSRs to allow them to work on more valuable activities. In addition, this project supports the channel strategy of moving more customers to self-service channels, at a lower cost.
Risk Management Software Consolidation (P35414)	1/02/2013	7/15/2013	1,123,000	This project will consolidate Risk Management IT solutions into an integrated solution to reduce IT support and infrastructure costs as well as improve data reliability and quality. The project will replace the current functionality of Book Runner, Corporate Credit Manager, and OS Confirms as well as integrate with Power Operations trading software, OATI webTrader. Without migration off BookRunner, there is a risk of software failure because it is no longer supported by the vendor.
External Web Refactoring (P35464)	1/01/2013	12/31/2013	1,023,000	This project will improve the performance, reliability, and maintainability of PGE's external web site channel. In 2011, PGE received \$218M in revenue through PortlandGeneral.com. PGE also had 3.2M unique visits on PortlandGeneral.com in 2011 (of which 1.9M were for payment) and 911K visits from January to the end of March 2012. Corporate external web sites are a primary channel to communicate and interact with customers.

e-FILING REPORT COVER SHEET

REPORT NAME: **RE – 18-2** 2013 New Construction Budget Report

COMPANY NAME: **PORTLAND GENERAL ELECTRIC COMPANY**

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically.

Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable PROTECTIVE ORDER.

If known, please select designation: RE (Electric)

Report is required by: OAR

Statute **ORS 757.105 and ORS 759.100**

Order **Send to Melanie Forsyth**

Other **Utility Program**

Is this report associated with a specific docket/case? No Yes

If Yes, enter docket number: Not Applicable

Key words: Electric Utility Annual New Construction Report

If known, please select the PUC Section to which the report should be directed:

Economic and Policy Analysis

Electric and Natural Gas Revenue Requirements