



**Portland General Electric Company**  
121 SW Salmon Street • 1WTC0306 • Portland, OR 97204  
portlandgeneral.com

December 08, 2023

***Via Electronic Filing***

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street, SE  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: UE 427 PGE Clearwater Renewable Resource Automatic Adjustment Clause – Net Variable Power Cost Update**

Enclosed is a revised revenue requirement estimate for Docket No. UE 427 that incorporates an updated 2024 annualized net variable power cost (NVPC) forecast for Clearwater. The updated 2024 annualized NVPC forecast incorporates all forecasted NVPC costs and benefits for Clearwater into PGE's final November 2023 MONET update for Docket No. UE 416. Including Clearwater into the final MONET update results in a 2024 NVPC forecast of \$866.4 million, which is a decrease of approximately \$92.6 million (annualized) from the final November 2023 power cost update filing in UE 416 and a decrease of approximately \$17.7 million from the forecasted NVPC included in PGE's initial filing for Clearwater. The impact of incorporating this update results in a forecast annual revenue requirement credit amount of approximately \$28.3 million.

- Attachment 1 provides PGE's revised revenue requirement as described above.
- Attachment 2 contains (1) ZIP file containing highly confidential NVPC workpapers (i.e., MFRs).

Attachment 2 contains Highly Confidential Information Subject to Modified Protective Order No. 23-431.

If you have any questions, please contact Greg Batzler at (503) 464-864. Please direct all formal correspondence and requests to the following e-mail address: [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com).

Sincerely,

*Jaki Ferchland*

Jaki Ferchland  
Senior Manager, Revenue Requirement

*Enclosures*

CC: UE 427 Service List

**UE 427**

**Net Variable Power Cost Update**

**Attachment 1**

**Provided in Electronic Format Only**

Revised Revenue Requirement

**UE 427**

**Net Variable Power Cost Update**

**Attachment 2**

**Provided in Electronic Format ZIP File only**

**Highly Confidential Information Subject to Modified Protective  
Order No. 23-431**

Net Variable Power Cost - Minimum Filing Requirements  
Highly Confidential Supporting Documents and Work Papers

**Portland General Electric Company**  
**2024 Clearwater Revenue Requirement**

**Dollars in \$000s**

Updated NVPC with UE 416 Final MONET Model

	RevReq
1 Sales to Consumers	(28,334)
2 Sales for Resale	
3 Other Revenues	
4 Total Operating Revenues	(28,334)
5 Net Variable Power Costs	(92,628)
6 Production O&M (excludes Trojan)	3,500
7 Trojan O&M	
8 Transmission O&M	
9 Distribution O&M	
10 Customer & MBC O&M	
11 Uncollectibles Expense	(113)
12 OPUC Fees	(134)
13 A&G, Ins/Bene., & Gen. Plant	289
14 Total Operating & Maintenance	(89,087)
15 Depreciation	16,845
16 Amortization	
17 Property Tax	6,462
18 Payroll Tax	
19 Other Taxes	271
20 Franchise Fees	(727)
21 Utility Income Tax	7,652
22 Total Operating Expenses & Taxes	(58,585)
23 <b>Utility Operating Income</b>	30,250
24 <b>Rate Base</b>	
25 Gross Plant	432,662
26 Accum. Deprec. / Amort	(16,845)
27 Accum. Def Tax	19,269
28 Accum. Def ITC	
29 <b>Net Utility Plant</b>	435,086
30 Misc. Deferred Debits	
31 Operating Materials & Fuel	

32 Misc. Deferred Credits	
33 Working Cash	(2,473)
34 <b>Rate Base</b>	<u>432,613</u>
35 <b>Rate of Return</b>	6.993%
36 <b>Implied Return on Equity</b>	9.500%
37 Effective Cost of Debt	4.485%
38 Effective Cost of Preferred	0.000%
39 Debt Share of Cap Structure	50.000%
40 Preferred Share of Cap Structure	0.000%
41 Weighted Cost of Debt	2.243%
42 Weighted Cost of Preferred	0.000%
43 Equity Share of Cap Structure	50.000%
44 State Tax Rate	7.562%
45 Federal Tax Rate	21.000%
46 Composite Tax Rate	26.974%
47 Bad Debt Rate	0.400%
48 Franchise Fee Rate	2.565%
49 Working Cash Factor	4.222%
50 Gross-Up Factor	1.369
51 ROE Target	9.500%
52 Grossed-Up COC	8.747%
53 OPUC Fee Rate	0.473%
Utility Income Taxes	
54 Book Revenues	(28,334)
55 Book Expenses	(66,236)
56 Interest Deduction	9,701
57 Production Deduction	
58 Permanent/Flow Through Ms	(166)
59 Deferred Ms	(1,505)
60 Taxable Income	<u>29,872</u>
61 Current State Tax	2,259
62 State Tax Credits	
63 Net State Taxes	<u>2,259</u>
64 Federal Taxable Income	27,613
65 Current Federal Tax	5,799
66 Federal Tax Credits	
67 ITC Amort	
68 Deferred Taxes	(406)
69 Total Income Tax Expense	<u>7,652</u>
70 Regulated Net Income	20,549
71 Check Regulated NI	20,549