



**Portland General Electric Company**  
*Legal Department*  
121 SW Salmon Street • Portland, Oregon 97204  
(503) 464-8926 • facsimile (503) 464-2200

**Douglas C. Tingey**  
*Assistant General Counsel*

November 9, 2006

***Via Electronic Filing and U.S. Mail***

Oregon Public Utility Commission  
Attention: Filing Center  
PO Box 2148  
Salem OR 97308-2148

**Re: UE 180, UE 181 AND UE 184**

Attention Filing Center:

Enclosed for filing in the captioned dockets are an original and five copies of:

- **MOTION TO ADMIT SUPPLEMENT TO EXHIBIT 3109**

This document is being filed by electronic mail with the Filing Center.

An extra copy of this cover letter is enclosed. Please date stamp the extra copy and return it to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

  
DOUGLAS C. TINGEY

DCT:jbf  
Enclosure

cc: Service List – UE 180, 181 and 184



**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UE 180/ UE 181/ UE 184

In the Matter of )  
 )  
PORTLAND GENERAL ELECTRIC )  
COMPANY )  
 )  
Request for a General Rate Revision (UE 180), )  
\_\_\_\_\_ )

In the Matter of )  
PORTLAND GENERAL ELECTRIC )  
COMPANY )  
 )  
Annual Adjustments to Schedule 125 (2007 )  
RVM Filing) (UE 181), )  
\_\_\_\_\_ )

In the Matter of )  
 )  
PORTLAND GENERAL ELECTRIC )  
COMPANY )  
 )  
Request for a General Rate Revision relating to )  
the Port Westward Plant (UE 184). )  
\_\_\_\_\_ )

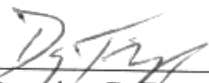
**MOTION TO ADMIT  
SUPPLEMENT TO EXHIBIT  
3109**

One of the hearing exhibits filed by Portland General Electric ("PGE") in this matter was PGE's response to Staff data request 681. The response contained PGE's revenue requirement model for this case, reflecting adjustments for the stipulations entered in this docket and the related depreciation docket, and additional adjustments consistent with PGE's sursurrebuttal testimony. The model also included the update of 2007 net variable power costs ("NVPC") and loads as filed on November 2, 2006. The response also indicated that PGE would file a supplemental response that reflects its expected November 9, 2006, final NVPC update.

Today PGE filed its final update of 2007 NVPC in this docket. PGE also provided a supplemental response to DR 681 containing the updated revenue requirement model incorporating the updated power costs. A copy of that response is attached hereto, with the revenue requirement model printed and marked as exhibit PGE/3109/18-31. PGE requests that the Commission admit this supplemental response to DR 681 as an exhibit in this docket.

DATED this 9<sup>th</sup> day of November 2006.

Respectfully submitted,

  
\_\_\_\_\_  
Douglas C. Tingey, OSB No. 04436  
Assistant General Counsel  
Portland General Electric Company  
121 SW Salmon Street, 1WTC1301  
Portland, Oregon 97204  
(503) 464-8351 phone  
(503) 464-2200 fax  
doug.tingey@pgn.com

November 1, 2006

TO: Vikie Bailey-Goggins  
Oregon Public Utility Commission

FROM: Randy Dahlgren  
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC**  
**UE 180**  
**PGE's First Supplemental Response to OPUC Data Request**  
**Dated October 30, 2006**  
**Question No. 681**

**Request:**

**Please provide all workpapers showing PGE's Revenue Requirement request consistent with the Company's position as presented in Sursurrebuttal Testimony filed on October 25, 2006. Please include a breakout of all adjustments to the model consistent with any stipulated issues in the case to date, with a reference for each adjustment and a narrative description of the adjustments.**

**Response (November 1, 2006):**

Attachment 681-A is a copy of PGE's revenue requirement model for this case, reflecting adjustments for the O&M stipulation, Depreciation stipulation, and additional adjustments consistent with PGE's sursurrebuttal testimony and the update of 2007 net variable power costs (NVPC) and loads as filed on November 2, 2006. The final update of 2007 NVPC will be filed on November 9, 2006. PGE expects to file a supplemental response to this request on November 10, 2006 that reflects this final NVPC update.

**First Supplemental Response (November 9, 2006):**

Attachment 681-A Supp 1 provides PGE's revenue requirement model for this case, updated to reflect the final NVPC update filed on November 9, 2006. It is provided electronically (CD) only.

**Portland General Electric Company**  
**UE-180, UE-181, UE-184 (2007 RVM, General Rate Case, Port Westward)**  
**2007 Revenue Requirement**  
**Dollars in \$000s**  
**PER PGE SURF SUR REBUTTAL INCLUDING STIPULATIONS AND THE NOV 9 FINAL MWPC UPDATE**

**BEFORE PORT WESTWARD**

|                                     | 2007 Results                      |                            |                       |                   |                              |
|-------------------------------------|-----------------------------------|----------------------------|-----------------------|-------------------|------------------------------|
|                                     | B4 Rate Change Per Company Filing | Adjustments to Filled Case | Adjusted 2007 Results | Add'l Rev for ROE | Results at Reasonable Return |
|                                     | (1)                               | (2)                        | (3)                   | (4)               | (5)                          |
| 1 Sales to Consumers                | 1,546,707                         | (90,146)                   | 1,456,561             | 77,547            | 1,534,108                    |
| 2 Sales for Resale                  |                                   |                            |                       |                   |                              |
| 3 Other Revenues                    | 17,728                            | 40                         | 17,768                |                   | 17,768                       |
| 4 Total Operating Revenues          | 1,564,435                         | (90,106)                   | 1,474,329             | 77,547            | 1,551,876                    |
| 5 Net Variable Power Costs          | 856,968                           | (74,959)                   | 782,010               |                   | 782,010                      |
| 6 Production O&M (excludes Trojan)  | 71,970                            | -                          | 71,970                |                   | 71,970                       |
| 7 Trojan O&M                        | 218                               | -                          | 218                   |                   | 218                          |
| 8 Transmission O&M                  | 10,279                            | (34)                       | 10,245                |                   | 10,245                       |
| 9 Distribution O&M                  | 60,336                            | (1,623)                    | 58,713                |                   | 58,713                       |
| 10 Customer & M&BC O&M              | 60,015                            | (1,644)                    | 58,371                |                   | 58,371                       |
| 11 Uncollectibles Expense           | 8,198                             | (478)                      | 7,720                 | 411               | 8,131                        |
| 12 A&G, Ins/Bene., & Gen. Plant     | 109,785                           | (12,876)                   | 96,909                |                   | 96,909                       |
| 13 Total Operating & Maintenance    | 1,177,769                         | (91,614)                   | 1,086,156             | 411               | 1,086,567                    |
| 14 Depreciation                     | 154,384                           | (6,346)                    | 148,038               |                   | 148,038                      |
| 15 Amortization                     | 18,848                            | -                          | 18,848                |                   | 18,848                       |
| 16 Property Tax                     | 34,674                            | -                          | 34,674                |                   | 34,674                       |
| 17 Payroll Tax                      | 11,592                            | -                          | 11,592                |                   | 11,592                       |
| 18 Other Taxes                      | 1,231                             | (2,267)                    | (1,036)               |                   | (1,036)                      |
| 19 Franchise Fees                   | 36,193                            | (2,109)                    | 34,084                | 1,815             | 35,898                       |
| 20 Utility Income Tax               | 30,757                            | 3,533                      | 34,290                | 29,582            | 63,872                       |
| 21 Total Operating Expenses & Taxes | 1,465,448                         | (98,803)                   | 1,366,645             | 31,807            | 1,398,453                    |
| 22 Utility Operating Income         | 98,986                            | 8,697                      | 107,683               | 45,740            | 153,423                      |
| 23 Average Rate Base                |                                   |                            |                       |                   |                              |
| 24 Avg. Gross Plant                 | 4,316,780                         | (16,009)                   | 4,300,771             |                   | 4,300,771                    |
| 25 Avg. Accum. Deprec. / Amort      | (2,463,112)                       | 2,925                      | (2,460,187)           |                   | (2,460,187)                  |
| 26 Avg. Accum. Def Tax              | (205,677)                         | -                          | (205,677)             |                   | (205,677)                    |
| 27 Avg. Accum. Def TTC              | (5,005)                           | -                          | (5,005)               |                   | (5,005)                      |
| 28 Avg. Net Utility Plant           | 1,642,987                         | (13,084)                   | 1,629,902             | -                 | 1,629,902                    |
| 29 Misc. Deferred Debits            | 4,689                             | -                          | 4,689                 |                   | 4,689                        |
| 30 Operating Materials & Fuel       | 50,176                            | -                          | 50,176                |                   | 50,176                       |
| 31 Misc. Deferred Credits           | (28,082)                          | -                          | (28,082)              |                   | (28,082)                     |
| 32 Working Cash                     | 76,203                            | (5,138)                    | 71,066                | 1,654             | 72,720                       |
| 33 Average Rate Base                | 1,745,972                         | (18,222)                   | 1,727,751             | 1,654             | 1,729,404                    |
| 34 Rate of Return                   | 5.67%                             |                            | 6.23%                 |                   | 8.871%                       |
| 35 Implied Return on Equity         | 4.86%                             |                            | 5.80%                 |                   | 10.750%                      |

**BEFORE PORT WESTWARD**

|                                     | 2007 Results                            |                              |                             |                      |                                    |
|-------------------------------------|---|------------------------------|-----------------------------|----------------------|------------------------------------|
|                                     | B4 Rate Change<br>Per Company<br>Filing | Adjustments<br>to Filed Case | Adjusted<br>2007<br>Results | Add'l Rev<br>for ROE | Results at<br>Reasonable<br>Return |
|                                     | (1)                                     | (2)                          | (3)                         | (4)                  | (5)                                |
| 36 Effective Cost of Debt           | 6.689%                                  |                              | 6.730%                      | 6.730%               | 6.730%                             |
| 37 Effective Cost of Preferred      | 8.432%                                  |                              | 0.000%                      | 0.000%               | 0.000%                             |
| 38 Debt Share of Cap Structure      | 43.752%                                 |                              | 46.730%                     | 46.730%              | 46.730%                            |
| 39 Preferred Share of Cap Structure | 0.291%                                  |                              | 0.000%                      | 0.000%               | 0.000%                             |
| 40 Weighted Cost of Debt            | 2.927%                                  |                              | 3.145%                      | 3.145%               | 3.145%                             |
| 41 Weighted Cost of Preferred       | 0.025%                                  |                              | 0.000%                      | 0.000%               | 0.000%                             |
| 42 Equity Share of Cap Structure    | 55.957%                                 |                              | 53.270%                     | 53.270%              | 53.270%                            |
| 43 State Tax Rate                   | 6.617%                                  |                              | 6.617%                      | 6.617%               | 6.617%                             |
| 44 Federal Tax Rate                 | 35.000%                                 |                              | 35.000%                     | 35.000%              | 35.000%                            |
| 45 Composite Tax Rate               | 39.301%                                 |                              | 39.301%                     | 39.301%              | 39.301%                            |
| 46 Bad Debt Rate                    | 0.530%                                  |                              | 0.530%                      | 0.530%               | 0.530%                             |
| 47 Franchise Fee Rate               | 2.340%                                  |                              | 2.340%                      | 2.340%               | 2.340%                             |
| 48 Working Cash Factor              | 5.200%                                  |                              | 5.200%                      | 5.200%               | 5.200%                             |
| 49 Gross-Up Factor                  | 1.6475                                  |                              | 1.647                       | 1.647                | 1.647                              |
| 50 ROE Target                       | 10.750%                                 |                              | 10.750%                     | 10.750%              | 10.750%                            |
| 51 Grossed-Up COC                   | 12.8771%                                |                              | 12.579%                     | 12.579%              | 12.579%                            |
| <b>Utility Income Taxes</b>         |   |                              |                             |                      |                                    |
| 52 Book Revenues                    | 1,564,435                               | (90,106)                     | 1,474,329                   | 77,547               | 1,551,876                          |
| 53 Book Expenses                    | 1,434,691                               | (102,396)                    | 1,332,355                   | 2,226                | 1,334,581                          |
| 54 Interest Deduction               | 51,097                                  | 3,240                        | 54,337                      | 52                   | 54,389                             |
| 55 Production Deduction             | 4,017                                   | -                            | 4,017                       | -                    | 4,017                              |
| 56 Permanent Ms                     | (7,623)                                 | -                            | (7,623)                     | -                    | (7,623)                            |
| 57 Deferred Ms                      | (30,787)                                | -                            | (30,787)                    | -                    | (30,787)                           |
| 58 Taxable Income                   | 113,039                                 | 8,991                        | 122,030                     | 75,270               | 197,299                            |
| 59 State Taxes                      | 7,479                                   | 595                          | 8,074                       | 4,980                | 13,054                             |
| 60 State Tax Credits                | (166)                                   | -                            | (166)                       | -                    | (166)                              |
| 61 Net State Taxes                  | 7,313                                   | 595                          | 7,908                       | 4,980                | 12,888                             |
| 62 Federal Taxable Income           | 105,726                                 | 8,396                        | 114,121                     | 70,290               | 184,411                            |
| 63 Federal Taxes                    | 37,004                                  | 2,938                        | 39,942                      | 24,601               | 64,544                             |
| 64 ITC Amort                        | (1,461)                                 | -                            | (1,461)                     | -                    | (1,461)                            |
| 65 Deferred Taxes                   | (12,099)                                | -                            | (12,099)                    | -                    | (12,099)                           |
| 66 Total Income Tax Expense         | 30,757                                  | 3,533                        | 34,290                      | 29,582               | 63,872                             |
| 67 Effective Tax Rate               | 39.11%                                  | 39.30%                       | 39.13%                      | 39.30%               | 39.21%                             |
| 68 Regulated Net Income             | 42,808                                  | -                            | 53,347                      | 45,688               | 99,035                             |

Portland General Electric Company  
 UE-180, UE-181, UE-184 (2007 RVM, C  
 2007 Revenue Requirement  
 Dollars in \$000s  
 PER PGE SUR SUR REBUTAL INCLUDING STI

PORT WESTWARD IMPACT

|                                     | 2007                            |                            | 2007                         |                       | 2007              |                              | 2007 |  |
|-------------------------------------|---------------------------------|----------------------------|------------------------------|-----------------------|-------------------|------------------------------|------|--|
|                                     | Port Westward Impact per Filing | Results with Port Westward | Adjustments to Port Westward | Adjusted 2007 Results | Add'l Rev for ROE | Results at Reasonable Return |      |  |
| 1 Sales to Consumers                | (6)                             | (7)                        | (8)                          | (9)                   | (10)              | (11)                         |      |  |
| 2 Sales for Resale                  |                                 | 1,534,108                  | -                            | 1,534,108             | 47,046            | 1,581,155                    |      |  |
| 3 Other Revenues                    |                                 | -                          | -                            | -                     | -                 | -                            |      |  |
| 4 Total Operating Revenues          |                                 | 17,768                     | -                            | 17,768                | 47,046            | 17,768                       |      |  |
|                                     |                                 | 1,551,876                  | -                            | 1,551,876             | 47,046            | 1,598,922                    |      |  |
| 5 Net Variable Power Costs          | (11,746)                        | 770,264                    | 4,753                        | 775,017               |                   | 775,017                      |      |  |
| 6 Production O&M (excludes Trojan)  | 8,440                           | 80,410                     | -                            | 80,410                |                   | 80,410                       |      |  |
| 7 Trojan O&M                        |                                 | 218                        | -                            | 218                   |                   | 218                          |      |  |
| 8 Transmission O&M                  |                                 | 10,245                     | -                            | 10,245                |                   | 10,245                       |      |  |
| 9 Distribution O&M                  |                                 | 58,713                     | -                            | 58,713                |                   | 58,713                       |      |  |
| 10 Customer & MBC O&M               |                                 | 58,371                     | -                            | 58,371                |                   | 58,371                       |      |  |
| 11 Uncollectibles Expense           |                                 | 8,131                      | -                            | 8,131                 | 249               | 8,380                        |      |  |
| 12 A&G, Ins/Bene., & Gen. Plant     |                                 | 97,224                     | -                            | 97,224                |                   | 97,224                       |      |  |
| 13 Total Operating & Maintenance    | (2,991)                         | 1,083,576                  | 4,753                        | 1,088,329             | 249               | 1,088,579                    |      |  |
| 14 Depreciation                     | 10,667                          | 158,705                    | (1,988)                      | 156,717               |                   | 156,717                      |      |  |
| 15 Amortization                     |                                 | 18,948                     | -                            | 18,948                |                   | 18,948                       |      |  |
| 16 Property Tax                     |                                 | 34,674                     | -                            | 34,674                |                   | 34,674                       |      |  |
| 17 Payroll Tax                      |                                 | 11,592                     | -                            | 11,592                |                   | 11,592                       |      |  |
| 18 Other Taxes                      |                                 | (1,036)                    | -                            | (1,036)               |                   | (1,036)                      |      |  |
| 19 Franchise Fees                   |                                 | 35,898                     | -                            | 35,898                | 1,101             | 36,999                       |      |  |
| 20 Utility Income Tax               | (6,216)                         | 57,655                     | (1,339)                      | 56,317                | 17,947            | 74,263                       |      |  |
| 21 Total Operating Expenses & Taxes | 1,460                           | 1,399,912                  | 1,427                        | 1,401,339             | 19,297            | 1,420,636                    |      |  |
| 22 Utility Operating Income         | (1,460)                         | 151,964                    | (1,427)                      | 150,537               | 27,750            | 178,287                      |      |  |
| 23 Average Rate Base                |                                 |                            |                              |                       |                   |                              |      |  |
| 24 Avg. Gross Plant                 | 285,205                         | 4,585,976                  | -                            | 4,585,976             |                   | 4,585,976                    |      |  |
| 25 Avg. Accum. Deprec. / Amort      | (5,333)                         | (2,465,520)                | 994                          | (2,464,526)           |                   | (2,464,526)                  |      |  |
| 26 Avg. Accum. Def Tax              | (1,758)                         | (207,435)                  | -                            | (207,435)             |                   | (207,435)                    |      |  |
| 27 Avg. Accum. Def TTC              |                                 | (5,005)                    | -                            | (5,005)               |                   | (5,005)                      |      |  |
| 28 Avg. Net Utility Plant           | 278,114                         | 1,908,016                  | 994                          | 1,909,010             |                   | 1,909,010                    |      |  |
| 29 Misc. Deferred Debts             |                                 | 4,689                      | -                            | 4,689                 |                   | 4,689                        |      |  |
| 30 Operating Materials & Fuel       |                                 | 50,176                     | -                            | 50,176                |                   | 50,176                       |      |  |
| 31 Misc. Deferred Credits           |                                 | (28,082)                   | -                            | (28,082)              |                   | (28,082)                     |      |  |
| 32 Working Cash                     | 76                              | 72,795                     | 74                           | 72,870                | 1,003             | 73,873                       |      |  |
| 33 Average Rate Base                | 278,190                         | 2,007,594                  | 1,068                        | 2,008,663             | 1,003             | 2,009,566                    |      |  |
| 34 Rate of Return                   |                                 | 7.569%                     |                              | 7.49%                 |                   | 8.871%                       |      |  |
| 35 Implied Return on Equity         |                                 | 8.306%                     |                              | 8.16%                 |                   | 10.750%                      |      |  |

PORT WESTWARD IMPACT

|                                     | 2007                            |                            |                              |                       |                   |                              |
|-------------------------------------|---------------------------------|----------------------------|------------------------------|-----------------------|-------------------|------------------------------|
|                                     | Port Westward Impact per Filing | Results with Port Westward | Adjustments to Port Westward | Adjusted 2007 Results | Add'l Rev for ROE | Results at Reasonable Return |
|                                     | (6)                             | (7)                        | (8)                          | (9)                   | (10)              | (11)                         |
| 36 Effective Cost of Debt           | 6.730%                          | 6.730%                     | 6.730%                       | 6.730%                | 6.730%            | 6.730%                       |
| 37 Effective Cost of Preferred      | 0.000%                          | 0.000%                     | 0.000%                       | 0.000%                | 0.000%            | 0.000%                       |
| 38 Debt Share of Cap Structure      | 46.730%                         | 46.730%                    | 46.730%                      | 46.730%               | 46.730%           | 46.730%                      |
| 39 Preferred Share of Cap Structure | 0.000%                          | 0.000%                     | 0.000%                       | 0.000%                | 0.000%            | 0.000%                       |
| 40 Weighted Cost of Debt            | 3.145%                          | 3.145%                     | 3.145%                       | 3.145%                | 3.145%            | 3.145%                       |
| 41 Weighted Cost of Preferred       | 0.000%                          | 0.000%                     | 0.000%                       | 0.000%                | 0.000%            | 0.000%                       |
| 42 Equity Share of Cap Structure    | 53.270%                         | 53.270%                    | 53.270%                      | 53.270%               | 53.270%           | 53.270%                      |
| 43 State Tax Rate                   | 6.617%                          | 6.617%                     | 6.617%                       | 6.617%                | 6.617%            | 6.617%                       |
| 44 Federal Tax Rate                 | 35.000%                         | 35.000%                    | 35.000%                      | 35.000%               | 35.000%           | 35.000%                      |
| 45 Composite Tax Rate               | 39.301%                         | 39.301%                    | 39.301%                      | 39.301%               | 39.301%           | 39.301%                      |
| 46 Bad Debt Rate                    | 0.530%                          | 0.530%                     | 0.530%                       | 0.530%                | 0.530%            | 0.530%                       |
| 47 Franchise Fee Rate               | 2.340%                          | 2.340%                     | 2.340%                       | 2.340%                | 2.340%            | 2.340%                       |
| 48 Working Cash Factor              | 5.200%                          | 5.200%                     | 5.200%                       | 5.200%                | 5.200%            | 5.200%                       |
| 49 Gross-Up Factor                  | 1.647                           | 1.647                      | 1.647                        | 1.647                 | 1.647             | 1.647                        |
| 50 ROE Target                       | 10.750%                         | 10.750%                    | 10.750%                      | 10.750%               | 10.750%           | 10.750%                      |
| 51 Grossed-Up COC                   | 12.579%                         | 12.579%                    | 12.579%                      | 12.579%               | 12.579%           | 12.579%                      |
| Utility Income Taxes                |                                 |                            |                              |                       |                   |                              |
| 52 Book Revenues                    | 7,676                           | 1,551,876                  | -                            | 1,551,876             | 47,046            | 1,598,922                    |
| 53 Book Expenses                    | 8,141                           | 1,342,257                  | 2,765                        | 1,345,022             | 1,350             | 1,346,373                    |
| 54 Interest Deduction               | 4,017                           | 4,017                      | 641                          | 63,171                | 32                | 63,203                       |
| 55 Production Deduction             | (7,623)                         | (7,623)                    | -                            | 4,017                 |                   | 4,017                        |
| 56 Permanent Ms                     | 8,947                           | (21,840)                   | -                            | (21,840)              |                   | (7,623)                      |
| 57 Deferred Ms                      | (24,764)                        | 172,535                    | (3,407)                      | 169,128               | 45,665            | (21,840)                     |
| 58 Taxable Income                   | (1,639)                         | 11,416                     | (225)                        | 11,190                | 3,021             | 14,212                       |
| 59 State Taxes                      | (1,639)                         | (166)                      | (225)                        | (166)                 |                   | (166)                        |
| 60 State Tax Credits                | (1,639)                         | 11,250                     | (225)                        | 11,024                | 3,021             | 14,046                       |
| 61 Net State Taxes                  | (23,126)                        | 161,285                    | (3,181)                      | 158,104               | 42,643            | 200,747                      |
| 62 Federal Taxable Income           | (8,094)                         | 56,450                     | (1,113)                      | 55,336                | 14,925            | 70,261                       |
| 63 Federal Taxes                    | (8,094)                         | (1,461)                    | -                            | (1,461)               |                   | (1,461)                      |
| 64 LTC Amort                        | 3,516                           | (8,583)                    | -                            | (8,583)               |                   | (8,583)                      |
| 65 Deferred Taxes                   | (6,216)                         | 57,655                     | (1,339)                      | 56,317                | 17,947            | 74,263                       |
| 66 Total Income Tax Expense         | 39.30%                          | 39.20%                     | 39.30%                       | 39.20%                | 39.30%            | 39.22%                       |
| 67 Effective Tax Rate               | (9,601)                         | 89,434                     | (2,068)                      | 87,366                | 27,718            | 115,084                      |
| 68 Regulated Net Income             |                                 |                            |                              |                       |                   | 115,084                      |



Portland General Electric Company  
 UE-180, UE-181, UE-184 (2007 RVM, General Rate Case, Port Westward)  
 2007 Revenue Requirement (Change from Filed Case)  
 Dollars in \$000s

**Before Port Westward:**  
 Change in Revenue Requirement Filed by PGE: \$ 97,917

Adjustments:

|                             |         |
|-----------------------------|---------|
| <u>O&amp;M Stipulation:</u> |         |
| S-1 Taxes Other Than Income | (2,349) |
| S-3 A&G / O&M               | (6,789) |
| S-5 Incentives              | (4,689) |
| S-6 Wages and Salaries      | (3,796) |
| S-8 Other Revenue           | (41)    |
| S-9 Cap Ex                  | (908)   |
| S-12 Memberships            | (85)    |
| S-14 Weatherization         | (72)    |
| S-15 Customer Service       | (1,632) |

Other:

|  |         |
|--|---------|
| PGE-1 Beaver 8                                       | (1,386) |
| PGE-2 Other NVPC Adjustments                         |         |
| PGE-3 Interest Ded from Weighted Cost of Debt Change | (2,558) |
| PGE-4 Depreciation Stipulation                       | (5,682) |
| PGE-5 Updated Revenue and NVPC                       | 12,449  |

Impact of Weighted Cost of Equity Change  
 Impact of Higher Interest Cost (Tax Deduction is PGE-3)

|  |          |
|--|----------|
| Net Adjustments                                    | (20,350) |
| Rounding   | (20)     |
| Change in Revenue Requirement before Port Westward | 77,547   |

**Port Westward:**

Change in Revenue Requirement Filed by PGE: 44,911

Adjustments:

|   |         |
|---|---------|
| PGE-PW-1 Interest Ded from Weighted Cost of Debt Change | (408)   |
| PGE-PW-2 PW Life Change                                 | (1,931) |
| PGE-PW-3 Update NVPC                                    | 4,926   |

Impact of Weighted Cost of Equity Change  
 Impact of Higher Interest Cost

|  |        |
|--|--------|
| Net Adjustments                                    | 2,139  |
| Rounding   | (4)    |
| Change in Revenue Requirement before Port Westward | 47,046 |

**Adjustments to Filed Case**  
Dollars in \$000s

|                                     | S-1<br>Taxes OTI | S-3<br>A&G/O&M | S-5<br>Incentives | S-6<br>W&S | S-8<br>Other Rev | S-9<br>Cap Ex | S-12<br>Memberships | S-14<br>Weatherization | S-15<br>Cust Svc | PGE-1<br>Beaver 8 | PGE-2<br>Other NVPC | PGE-3<br>Int Ded |
|-------------------------------------|------------------|----------------|-------------------|------------|------------------|---------------|---------------------|------------------------|------------------|-------------------|---------------------|------------------|
| 1 Sales to Consumers                |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 2 Sales for Resale                  |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 3 Other Revenues                    |                  |                |                   |            | 40               |               |                     |                        |                  |                   |                     |                  |
| 4 Total Operating Revenues          |                  |                |                   |            | 40               |               |                     |                        |                  |                   |                     |                  |
| 5 Net Variable Power Costs          |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 6 Production O&M (excludes Trojan)  |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 7 Trojan O&M                        |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 8 Transmission O&M                  |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 9 Distribution O&M                  |                  | (34)           |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 10 Customer & MBC O&M               |                  | (1,623)        |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 11 Uncollectibles Expense           |                  |                |                   |            |                  |               |                     | (69)                   | (1,575)          |                   |                     |                  |
| 12 A&G, Ins/Bene., & Gen. Plant     |                  | (4,894)        | (4,366)           | (3,534)    |                  |               | (82)                |                        |                  |                   |                     |                  |
| 13 Total Operating & Maintenance    |                  | (6,551)        | (4,366)           | (3,534)    |                  |               | (82)                | (69)                   | (1,575)          |                   |                     |                  |
| 14 Depreciation                     |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 15 Amortization                     |                  |                |                   |            |                  |               |                     |                        |                  | (497)             |                     |                  |
| 16 Property Tax                     |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 17 Payroll Tax                      |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 18 Other Taxes                      |                  | (2,267)        |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 19 Franchise Fees                   |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 20 Utility Income Tax               | 892              | 2,577          | 1,733             | 1,403      | 16               | 86            | 32                  | 27                     | 620              | 278               |                     | (1,497)          |
| 21 Total Operating Expenses & Taxes | (1,375)          | (3,974)        | (2,633)           | (2,131)    | 16               | 86            | (50)                | (42)                   | (355)            | (219)             |                     | (1,497)          |
| 22 Utility Operating Income         | 1,375            | 3,974          | 2,633             | 2,131      | 24               | (86)          | 50                  | 42                     | 955              | 219               |                     | 1,497            |
| 23 Average Rate Base                |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 24 Avg. Gross Plant                 |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 25 Avg. Accum. Deprec. / Amort      |                  |                | (1,271)           | (1,029)    |                  | (7,000)       |                     |                        |                  | (6,709)           |                     |                  |
| 26 Avg. Accum. Def Tax              |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 27 Avg. Accum. Def ITC              |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 28 Avg. Net Utility Plant           |                  |                | (1,271)           | (1,029)    |                  | (7,000)       |                     |                        |                  | (6,709)           |                     |                  |
| 29 Misc. Deferred Debits            |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 30 Operating Materials & Fuel       |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 31 Misc. Deferred Credits           |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 32 Working Cash                     | (72)             | (207)          | (137)             | (111)      | 1                | 4             | (3)                 | (2)                    | (50)             | (11)              |                     | (78)             |
| 33 Average Rate Base                | (72)             | (207)          | (1,408)           | (1,140)    | 1                | (6,996)       | (3)                 | (2)                    | (50)             | (6,720)           |                     | (78)             |
| 34 Rate of Return                   |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 35 Implied Return on Equity         |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 36 Effective Cost of Debt           | 6.730%           | 6.730%         | 6.730%            | 6.730%     | 6.730%           | 6.730%        | 6.730%              | 6.730%                 | 6.730%           | 6.730%            | 6.730%              | 6.730%           |
| 37 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%           |
| 38 Debt Share of Cap Structure      | 46.730%          | 46.730%        | 46.730%           | 46.730%    | 46.730%          | 46.730%       | 46.730%             | 46.730%                | 46.730%          | 46.730%           | 46.730%             | 46.730%          |
| 39 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%           |
| 40 Weighted Cost of Debt            | 3.145%           | 3.145%         | 3.145%            | 3.145%     | 3.145%           | 3.145%        | 3.145%              | 3.145%                 | 3.145%           | 3.145%            | 3.145%              | 3.145%           |
| 41 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%           |
| 42 Equity Share of Cap Structure    | 53.270%          | 53.270%        | 53.270%           | 53.270%    | 53.270%          | 53.270%       | 53.270%             | 53.270%                | 53.270%          | 53.270%           | 53.270%             | 53.270%          |
| 43 State Tax Rate                   | 6.617%           | 6.617%         | 6.617%            | 6.617%     | 6.617%           | 6.617%        | 6.617%              | 6.617%                 | 6.617%           | 6.617%            | 6.617%              | 6.617%           |
| 44 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%          |
| 45 Composite Tax Rate               | 39.301%          | 39.301%        | 39.301%           | 39.301%    | 39.301%          | 39.301%       | 39.301%             | 39.301%                | 39.301%          | 39.301%           | 39.301%             | 39.301%          |
| 46 Bad Debt Rate                    | 0.530%           | 0.530%         | 0.530%            | 0.530%     | 0.530%           | 0.530%        | 0.530%              | 0.530%                 | 0.530%           | 0.530%            | 0.530%              | 0.530%           |
| 47 Franchise Fee Rate               | 2.340%           | 2.340%         | 2.340%            | 2.340%     | 2.340%           | 2.340%        | 2.340%              | 2.340%                 | 2.340%           | 2.340%            | 2.340%              | 2.340%           |
| 48 Working Cash Factor              | 5.200%           | 5.200%         | 5.200%            | 5.200%     | 5.200%           | 5.200%        | 5.200%              | 5.200%                 | 5.200%           | 5.200%            | 5.200%              | 5.200%           |
| 49 Gross-Up Factor                  | 1.647            | 1.647          | 1.647             | 1.647      | 1.647            | 1.647         | 1.647               | 1.647                  | 1.647            | 1.647             | 1.647               | 1.647            |
| 50 ROE Target                       | 10.750%          | 10.750%        | 10.750%           | 10.750%    | 10.750%          | 10.750%       | 10.750%             | 10.750%                | 10.750%          | 10.750%           | 10.750%             | 10.750%          |
| 51 Grossed-Up COC                   | 12.579%          | 12.579%        | 12.579%           | 12.579%    | 12.579%          | 12.579%       | 12.579%             | 12.579%                | 12.579%          | 12.579%           | 12.579%             | 12.579%          |
| Utility Income Taxes                |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 52 Book Revenues                    |                  |                |                   |            | 40               |               |                     |                        |                  |                   |                     |                  |
| 53 Book Expenses                    | (2,267)          | (6,551)        | (4,366)           | (3,534)    |                  |               | (82)                | (69)                   | (1,575)          | (497)             |                     |                  |
| 54 Interest Deduction               | (2)              | (6)            | (44)              | (36)       | 0                | (220)         | (0)                 | (0)                    | (2)              | (211)             |                     | 3,810            |
| 55 Production Deduction             |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 56 Permanent Ms                     |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 57 Deferred Ms                      |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 58 Taxable Income                   | 2,269            | 6,557          | 4,410             | 3,570      | 40               | 220           | 82                  | 69                     | 1,577            | 708               |                     | (3,810)          |
| 59 State Taxes                      | 150              | 434            | 292               | 236        | 3                | 15            | 5                   | 5                      | 104              | 47                |                     | (252)            |
| 60 State Tax Credits                |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 61 Net State Taxes                  | 150              | 434            | 292               | 236        | 3                | 15            | 5                   | 5                      | 104              | 47                |                     | (252)            |
| 62 Federal Taxable Income           | 2,119            | 6,124          | 4,118             | 3,334      | 37               | 205           | 77                  | 64                     | 1,472            | 661               |                     | (3,558)          |
| 63 Federal Taxes                    | 742              | 2,143          | 1,441             | 1,167      | 13               | 72            | 27                  | 23                     | 515              | 232               |                     | (1,245)          |
| 64 ITC Amort                        |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 65 Deferred Taxes                   |                  |                |                   |            |                  |               |                     |                        |                  |                   |                     |                  |
| 66 Total Income Tax Expense         | 892              | 2,577          | 1,733             | 1,403      | 16               | 86            | 32                  | 27                     | 620              | 278               |                     | (1,497)          |
| 67 Effective Tax Rate               | 39.30%           | 39.30%         | 39.30%            | 39.30%     | 39.30%           | 39.30%        | 39.30%              | 39.30%                 | 39.30%           | 39.30%            | NDIV/01             | 39.30%           |
| 68 Revenue Requirement Effect       | (2,349)          | (6,789)        | (4,689)           | (3,796)    | (41)             | (908)         | (85)                | (72)                   | (1,632)          | (1,386)           |                     | (2,558)          |

**Adjustments to Filed Case**  
Dollars in \$000s

|                                     | PGE-4<br>Depr<br>Stipulation | PGE-5<br>Update<br>NVPC/Rev | Adjustments<br>Before<br>Port Westward | PGE-PW-1<br>Int Ded | PGE-PW-2<br>Depr | PGE-PW-3<br>Update NVPC | Port<br>Westward<br>Adjustments |
|-------------------------------------|------------------------------|-----------------------------|--|---------------------|------------------|-------------------------|---------------------------------|
| 1 Sales to Consumers                |                              | (90,146)                    | (90,146)                               |                     |                  |                         |                                 |
| 2 Sales for Resale                  |                              |                             |  |                     |                  |                         |                                 |
| 3 Other Revenues                    |                              |                             | 40                                     |                     |                  |                         |                                 |
| 4 Total Operating Revenues          |                              | (90,146)                    | (90,106)                               |                     |                  |                         |                                 |
| 5 Net Variable Power Costs          |                              | (74,959)                    | (74,959)                               |                     |                  |                         |                                 |
| 6 Production O&M (excludes Trojan)  |                              |                             |  |                     |                  | 4,753                   | 4,753                           |
| 7 Trojan O&M                        |                              |                             |  |                     |                  |                         |                                 |
| 8 Transmission O&M                  |                              |                             | (34)                                   |                     |                  |                         |                                 |
| 9 Distribution O&M                  |                              |                             | (1,623)                                |                     |                  |                         |                                 |
| 10 Customer & MBC O&M               |                              |                             | (1,644)                                |                     |                  |                         |                                 |
| 11 Uncollectibles Expense           |                              | (478)                       | (478)                                  |                     |                  |                         |                                 |
| 12 A&G, Ins/Bene., & Gen. Plant     |                              |                             | (12,876)                               |                     |                  |                         |                                 |
| 13 Total Operating & Maintenance    |                              | (75,437)                    | (91,614)                               |                     |                  | 4,753                   | 4,753                           |
| 14 Depreciation                     | (5,849)                      |                             | (6,346)                                |                     | (1,988)          |                         | (1,988)                         |
| 15 Amortization                     |                              |                             |  |                     |                  |                         |                                 |
| 16 Property Tax                     |                              |                             |  |                     |                  |                         |                                 |
| 17 Payroll Tax                      |                              |                             |  |                     |                  |                         |                                 |
| 18 Other Taxes                      |                              |                             | (2,267)                                |                     |                  |                         |                                 |
| 19 Franchise Fees                   |                              | (2,109)                     | (2,109)                                |                     |                  |                         |                                 |
| 20 Utility Income Tax               | 2,265                        | (4,899)                     | 3,533                                  | (239)               | 770              | (1,870)                 | (1,339)                         |
| 21 Total Operating Expenses & Taxes | (3,584)                      | (82,445)                    | (98,803)                               | (239)               | (1,218)          | 2,883                   | 1,427                           |
| 22 <b>Utility Operating Income</b>  | <b>3,584</b>                 | <b>(7,701)</b>              | <b>8,697</b>                           | <b>239</b>          | <b>1,218</b>     | <b>(2,883)</b>          | <b>(1,427)</b>                  |
| 23 <b>Average Rate Base</b>         |                              |                             |  |                     |                  |                         |                                 |
| 24 Avg. Gross Plant                 |                              |                             | (16,009)                               |                     |                  |                         |                                 |
| 25 Avg. Accum. Deprec. / Amort      | 2,925                        |                             | 2,925                                  |                     | 994              |                         | 994                             |
| 26 Avg. Accum. Def Tax              |                              |                             |  |                     |                  |                         |                                 |
| 27 Avg. Accum. Def ITC              |                              |                             |  |                     |                  |                         |                                 |
| 28 <b>Avg. Net Utility Plant</b>    | <b>2,925</b>                 |                             | <b>(13,084)</b>                        |                     | <b>994</b>       |                         | <b>994</b>                      |
| 29 Misc. Deferred Debits            |                              |                             |  |                     |                  |                         |                                 |
| 30 Operating Materials & Fuel       |                              |                             |  |                     |                  |                         |                                 |
| 31 Misc. Deferred Credits           |                              |                             |  |                     |                  |                         |                                 |
| 32 Working Cash                     | (186)                        | (4,287)                     | (5,138)                                | (12)                | (63)             | 150                     | 74                              |
| 33 <b>Average Rate Base</b>         | <b>2,738</b>                 | <b>(4,287)</b>              | <b>(18,222)</b>                        | <b>(12)</b>         | <b>931</b>       | <b>150</b>              | <b>1,068</b>                    |
| 14 <b>Rate of Return</b>            |                              |                             |  |                     |                  |                         |                                 |
| 35 <b>Implied Return on Equity</b>  |                              |                             |  |                     |                  |                         |                                 |
| 36 Effective Cost of Debt           | 6.730%                       | 6.730%                      | 6.730%                                 | 6.730%              | 6.730%           | 6.730%                  | 6.730%                          |
| 37 Effective Cost of Preferred      | 0.000%                       | 0.000%                      | 0.000%                                 | 0.000%              | 0.000%           | 0.000%                  | 0.000%                          |
| 38 Debt Share of Cap Structure      | 46.730%                      | 46.730%                     | 46.730%                                | 46.730%             | 46.730%          | 46.730%                 | 46.730%                         |
| 39 Preferred Share of Cap Structure | 0.000%                       | 0.000%                      | 0.000%                                 | 0.000%              | 0.000%           | 0.000%                  | 0.000%                          |
| 40 Weighted Cost of Debt            | 3.145%                       | 3.145%                      | 3.145%                                 | 3.145%              | 3.145%           | 3.145%                  | 3.145%                          |
| 41 Weighted Cost of Preferred       | 0.000%                       | 0.000%                      | 0.000%                                 | 0.000%              | 0.000%           | 0.000%                  | 0.000%                          |
| 42 Equity Share of Cap Structure    | 53.270%                      | 53.270%                     | 53.270%                                | 53.270%             | 53.270%          | 53.270%                 | 53.270%                         |
| 43 State Tax Rate                   | 6.617%                       | 6.617%                      | 6.617%                                 | 6.617%              | 6.617%           | 6.617%                  | 6.617%                          |
| 44 Federal Tax Rate                 | 35.000%                      | 35.000%                     | 35.000%                                | 35.000%             | 35.000%          | 35.000%                 | 35.000%                         |
| 45 Composite Tax Rate               | 39.301%                      | 39.301%                     | 39.301%                                | 39.301%             | 39.301%          | 39.301%                 | 39.301%                         |
| 46 Bad Debt Rate                    | 0.530%                       | 0.530%                      | 0.530%                                 | 0.530%              | 0.530%           | 0.530%                  | 0.530%                          |
| 47 Franchise Fee Rate               | 2.340%                       | 2.340%                      | 2.340%                                 | 2.340%              | 2.340%           | 2.340%                  | 2.340%                          |
| 48 Working Cash Factor              | 5.200%                       | 5.200%                      | 5.200%                                 | 5.200%              | 5.200%           | 5.200%                  | 5.200%                          |
| 49 Gross-Up Factor                  | 1.647                        | 1.647                       | 1.647                                  | 1.647               | 1.647            | 1.647                   | 1.647                           |
| 50 ROE Target                       | 10.750%                      | 10.750%                     | 10.750%                                | 10.750%             | 10.750%          | 10.750%                 | 10.750%                         |
| 51 Grossed-Up COC                   | 12.579%                      | 12.579%                     | 12.579%                                | 12.579%             | 12.579%          | 12.579%                 | 12.579%                         |
| Utility Income Taxes                |                              |                             |  |                     |                  |                         |                                 |
| 52 Book Revenues                    |                              | (90,146)                    | (90,106)                               |                     |                  |                         |                                 |
| 53 Book Expenses                    | (5,849)                      | (77,546)                    | (102,336)                              |                     | (1,988)          | 4,753                   | 2,765                           |
| 54 Interest Deduction               | 86                           | (135)                       | 3,240                                  | 607                 | 29               | 5                       | 641                             |
| 55 Production Deduction             |                              |                             |  |                     |                  |                         |                                 |
| 56 Permanent Ms                     |                              |                             |  |                     |                  |                         |                                 |
| 57 Deferred Ms                      |                              |                             |  |                     |                  |                         |                                 |
| 58 Taxable Income                   | 5,763                        | (12,465)                    | 8,991                                  | (607)               | 1,959            | (4,758)                 | (3,407)                         |
| 59 State Taxes                      | 381                          | (825)                       | 595                                    | (40)                | 130              | (315)                   | (225)                           |
| 60 State Tax Credits                |                              |                             |  |                     |                  |                         |                                 |
| 61 Net State Taxes                  | 381                          | (825)                       | 595                                    | (40)                | 130              | (315)                   | (225)                           |
| 62 Federal Taxable Income           | 5,382                        | (11,640)                    | 8,396                                  | (567)               | 1,829            | (4,443)                 | (3,181)                         |
| 63 Federal Taxes                    | 1,884                        | (4,074)                     | 2,938                                  | (198)               | 640              | (1,555)                 | (1,113)                         |
| 64 ITC Amort                        |                              |                             |  |                     |                  |                         |                                 |
| 65 Deferred Taxes                   |                              |                             |  |                     |                  |                         |                                 |
| 66 Total Income Tax Expense         | 2,265                        | (4,899)                     | 3,533                                  | (239)               | 770              | (1,870)                 | (1,339)                         |
| 67 Effective Tax Rate               | 39.30%                       | 39.30%                      | 39.30%                                 | 39.30%              | 39.30%           | 39.30%                  | 39.30%                          |
| 68 Revenue Requirement Effect       | (5,682)                      | 12,449                      | (17,538)                               | (408)               | (1,931)          | 4,926                   | 2,587                           |

**Portland General Electric Company**  
**UE-180, UE-181, UE-184 (2007 RVM, General Rate Case, Port Westward)**  
**2007 Revenue Requirement**

|                  | Updated Cost of Capital |         |          |         | Original Filing |         |          |         |
|------------------|-------------------------|---------|----------|---------|-----------------|---------|----------|---------|
|                  | Share                   | Cost    | Weighted | Pre-Tax | Share           | Cost    | Weighted | Pre-Tax |
| Common Equity    | 53.270%                 | 10.750% | 5.727%   | 9.434%  | 55.957%         | 10.750% | 6.015%   | 9.910%  |
| Preferred Equity | 0.000%                  | 0.000%  | 0.000%   | 0.000%  | 0.291%          | 8.432%  | 0.025%   | 0.040%  |
| Long-Term Debt   | 46.730%                 | 6.730%  | 3.145%   | 3.145%  | 43.752%         | 6.689%  | 2.927%   | 2.927%  |
| Total            | 100.00%                 |         | 8.871%   | 12.579% | 100.000%        |         | 8.966%   | 12.877% |

| Revenue Sensitive Costs:   |         |
|----------------------------|---------|
| Revenues                   | 1.00000 |
| Franchise Fees             | 0.02340 |
| O&M Uncollectibles         | 0.00530 |
| State Taxable Income       | 0.97130 |
| State Tax @ 6.617%         | 0.06427 |
| Federal Taxable Inc.       | 0.90703 |
| Federal Tax @ 35%          | 0.31746 |
| Total Income Taxes         | 0.38173 |
| Total Rev. Sensitive Costs | 0.41043 |
| Utility Operating Income   | 0.58957 |
| Net To Gross Factor        | 1.6961  |

|                               |        |                              |
|-------------------------------|--------|------------------------------|
| NTG (Income Taxes only)       | 1.6475 |                              |
| Revenue Sensitive Cost Factor | 1.0295 | Bad Debt/Franchise Fees only |
| Working Cash Factor           | 0.0026 |                              |
| Revenue Sensitive Cost Factor | 1.0323 | Including WC                 |
| NTG (Including Working Cash)  | 1.7005 |                              |

**Updated Revenue  
Dollars in \$000s**

|                                      |                 |
|--------------------------------------|-----------------|
| 2007 Revenue at 2006 Prices as Filed | 1,546,707       |
| Updated 2007 Revenue at 2006 Prices  | 1,456,561       |
| Adjustment                           | <u>(90,146)</u> |

Reflects the impact of the updated Load Forecast, including the September DA Window

**Updated NVPC  
Dollars in \$000s**

Before Port Westward:

|                          |                |                 |
|--------------------------|----------------|-----------------|
| Monet Case - As Filed    | 856,968        |                 |
| Monet Case - Nov 9 Final | <u>782,010</u> | GRC Case, No PW |
| Adjustment               | (74,959)       |                 |

Port Westward Effect:

|                           |                 |                               |
|---------------------------|-----------------|-------------------------------|
| Monet Case - Nov 9 Final  | 782,010         | GRC Case, No PW               |
| Monet Case - Nov 9 Final  | <u>776,274</u>  | GRC Case, PW on March 1, 2007 |
| Change in NVPC for PW     | (5,736)         | 10-Month Effect               |
| Annualization Factor      | <u>1.22</u>     |                               |
| Annualized Change in NVPC | (6,993)         | Annual Effect                 |
| Annualized Change in NVPC | <u>(11,746)</u> | As Filed                      |
| Adjustment                | 4,753           |                               |
| NVPC w PW                 | 775,017         |                               |

Depreciation Stipulation Adjustment (for Non-PW Assets)  
in Dollars

|                 | <b>Stipulation Adjustment<br/>2007<br/>Depreciation<br/>Expense</b> |
|-----------------|---|
|                 | <hr/>   |
| GENERATION      | (220,079)   |
| DISTRIBUTION    | (5,376,748)   |
| TRANSMISSION    | (252,373)   |
| OTHER BREAKOUT: |   |
| BILLING         | 19  |
| METERING        | 9   |
| OTHER CONSUMER  | 23  |
| RETAIL SERVICES | 1   |
|                 | <hr/>   |
|                 | (5,849,147)   |

Beaver 8 Adjustment  
Remove Beaver 8 (Reg Asset Portion) from 2007 Test Year

|           |  |
|-----------|--|
| 6,957,301 | Reg Asset Estimated Balance at 12/31/06 (See Integrated Model - Reg Asset tab) |
| <u>14</u> | Book Depreciation life for Beaver (Through 2020)                               |
| 496,950   | Book Depreciation Expense included in 2007 Test Year                           |
| 6,708,826 | Estimated Rate Base Balance in 2007 Test Year (Avg 2007 balance)               |





**CERTIFICATE OF SERVICE**

I hereby certify that I have this day caused the following **MOTION TO ADMIT SUPPLEMENT TO EXHIBIT 3109** to be served by electronic mail to those parties<sup>1</sup> whose email addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service.

Dated at Portland, Oregon, this 9th day of November 2006.

  
\_\_\_\_\_  
DOUGLAS C. TINGEY

## SERVICE LIST

UE 180, UE 181, UE 184

KURT J BOEHM, ATTORNEY  
BOEHM KURTZ & LOWRY  
36 E 7<sup>th</sup> ST - STE 1510  
CINCINNATI OH 45202  
kboehm@bkllawfirm.com

MICHAEL L KURTZ  
BOEHM KURTZ & LOWRY  
36 E 7TH ST STE 1510  
CINCINNATI OH 45202-4454  
mkurtz@bkllawfirm.com

GEOFFREY M KRONICK  
BONNEVILLE POWER  
ADMINISTRATION  
PO BOX 3621 LC7  
PORTLAND OR 97208-3621  
gmkronick@bpa.gov

CRAIG SMITH  
BONNEVILLE POWER  
ADMINISTRATION  
PO BOX 3621--L7  
PORTLAND OR 97208-3621  
csmith@bpa.gov

JAMES T SELECKY  
BRUBAKER & ASSOCIATES, INC.  
1215 FERN RIDGE PKWY, SUITE 208  
ST. LOUIS MO 63141  
jtselecky@consultbai.com

TAMARA FAUCETTE  
CABLE HUSTON BENEDICT  
HAAGENSEN & LLOYD LLP  
1001 SW 5TH AVE STE 2000  
PORTLAND OR 97204  
tfaucette@chbh.com

CHAD M STOKES  
CABLE HUSTON BENEDICT  
HAAGENSEN & LLOYD, LLP  
1001 SW 5TH - STE 2000  
PORTLAND OR 97204  
cstokes@chbh.com

LOWREY R BROWN  
CITIZENS' UTILITY BOARD OF  
OREGON  
610 SW BROADWAY - STE 308  
PORTLAND OR 97205  
lowrey@oregoncub.org

JASON EISDORFER  
CITIZENS' UTILITY BOARD OF  
OREGON  
610 SW BROADWAY STE 308  
PORTLAND OR 97205  
dockets@oregoncub.org

JIM ABRAHAMSON, COORDINATOR  
COMMUNITY ACTION DIRECTORS  
OF OREGON  
PO BOX 7964  
SALEM OR 97303-0208  
jim@cado-oregon.org

S BRADLEY VAN CLEVE  
DAVISON VAN CLEVE PC  
333 SW TAYLOR - STE 400  
PORTLAND OR 97204  
mail@dvclaw.com

STEPHANIE S ANDRUS  
ASSISTANT ATTORNEY GENERAL  
DEPARTMENT OF JUSTICE  
REGULATED UTILITY & BUSINESS  
SECTION  
1162 COURT ST NE  
SALEM OR 97301-4096  
[stephanie.andrus@state.or.us](mailto:stephanie.andrus@state.or.us)

LAURA BEANE MANAGER  
PACIFICORP  
825 MULTNOMAH STE 2000  
PORTLAND OR 97232-2153  
[laura.beane@pacificorp.com](mailto:laura.beane@pacificorp.com)

ANN L. FISHER  
AF LEGAL & CONSULTING SERVICES  
PO Box 25302  
PORTLAND, OR 97298-0302  
[energlaw@aol.com](mailto:energlaw@aol.com)

LORNE WHITTLES  
EPCOR MERCHANT CAPITAL  
1161 W. RIVER STREET, SUITE 250  
BOISE, IDAHO 83702  
[lwhittles@epcor.ca](mailto:lwhittles@epcor.ca)

ELISA M. LARSON  
ASSOCIATE COUNSEL  
NORTHWEST NATURAL  
220 NW 2<sup>ND</sup> AVENUE  
PORTLAND, OREGON 97209  
[elisa.larson@nwnatural.com](mailto:elisa.larson@nwnatural.com)

ALEX MILLER  
NORTHWEST NATURAL  
220 NW SECOND AVENUE  
PORTLAND, OREGON 97209-3991  
[alex.miller@nwnatural.com](mailto:alex.miller@nwnatural.com)

BENJAMIN WALTERS  
(waived paper service)  
[bwalters@ci.portland.or.us](mailto:bwalters@ci.portland.or.us)

RICHARD GRAY  
(waived paper service)  
[richard.gray@pdxtrans.org](mailto:richard.gray@pdxtrans.org)

DAVID TOOZE  
(waived paper service)  
[dtooze@ci.portland.or.us](mailto:dtooze@ci.portland.or.us)

SCOTT H. DEBROFF  
RIVER CHASE OFFICE CENTER  
4431 NORTH FRONT STREET  
HARRISBURG, PA 17110  
[sdebroyff@sasllp.com](mailto:sdebroyff@sasllp.com)

WILLIAM H. CHEN  
CONSTELLATION NEWENERGY INC.  
2175 N. CALIFORNIA BLVD.  
SUITE 300  
WALNUT CREEK, CA 94596  
[bill.chen@constellation.com](mailto:bill.chen@constellation.com)

DANIEL W. MEEK  
DANIEL W. MEEK ATTORNEY AT LAW  
10949 SW 4<sup>th</sup> AVENUE  
PORTLAND, OR 97219  
[dan@mEEK.net](mailto:dan@mEEK.net)

THEODORE E ROBERTS  
SEMPRA GLOBAL  
101 ASH ST HQ 13D  
SAN DIEGO CA 92101-3017  
[troberts@sempra.com](mailto:troberts@sempra.com)

LINDA WRAZEN  
SEMPRA GLOBAL  
101 ASH ST, HQ8C  
SAN DIEGO CA 92101-3017  
[lwrazen@sempraglobal.com](mailto:lwrazen@sempraglobal.com)

KATHERINE A MCDOWELL  
MCDOWELL & ASSOCIATES  
520 SW 6<sup>TH</sup> AVENUE  
SUITE 830  
PORTLAND, OREGON 97204  
[katherine@mcd-law.com](mailto:katherine@mcd-law.com)

JIM DEASON  
1 SW COLUMBIA STREET  
SUITE 1600  
PORTLAND, OREGON 97258-2014  
[jimdeason@comcast.net](mailto:jimdeason@comcast.net)

ROBERT VALDEZ  
PO BOX 2148  
SALEM, OR 97308-2148  
[bob.valdez@state.or.us](mailto:bob.valdez@state.or.us)

LINDA K. WILLIAMS  
KAFOURY AND MCDUGAL  
10266 SW LANCASTER ROAD  
PORTLAND, OR 97219-6305  
[Linda@lindawilliams.net](mailto:Linda@lindawilliams.net)

ANDREA FOGUE  
SENIOR STAFF ASSOCIATE  
LEAGUE OF OREGON CITIES  
PO BOX 928  
1201 COURT STREET NE, SUITE 200  
SALEM, OR 97308  
[afogue@orcities.org](mailto:afogue@orcities.org)

LON L. PETERS  
(waived paper service)  
[lpeters@pacifier.com](mailto:lpeters@pacifier.com)

HARVARD P. SPIGAL  
PRESTON GATES AND ELLIS  
222 SW COLUMBIA STREET  
SUITE 1400  
PORTLAND, OREGON 97201-6632  
[hspigal@prestongates.com](mailto:hspigal@prestongates.com)

DAVID R. RIS, SR. ASST CITY  
ATTORNEY  
CITY OF GRESHAM  
1333 NW EASTMAN PARKWAY  
GRESHAM, OR 97030  
[david.ris@ci.gresham.or.us](mailto:david.ris@ci.gresham.or.us)

JOHN HARRIS  
TRANSPORTATION OPERATIONS  
CITY OF GRESHAM  
1333 NW EASTMAN PARKWAY  
GRESHAM, OR 97030  
[john.harris@ci.gresham.or.us](mailto:john.harris@ci.gresham.or.us)