



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

September 25, 2008

Via Electronic Filing and U.S. Mail

Public Utility Commission of Oregon
550 Capitol St NE #215
Salem OR 97301-2551

Re: **OPUC Docket No. UM 1347**
In the Matter of the Application of Portland General Electric Company for an Order
Approving Reauthorization to Defer Certain Expenses Associated with an Independent
Evaluator (IE) for a Request For Proposal

Attention Filing Center:

Enclosed for filing is the original and one copy of Portland General Electric Company's (PGE) Application for Reauthorization to Defer Certain Expenses Associated with an Independent Evaluator (IE) for a Request For Proposal and Notice of Application with Certificate of Service.

We have provided copies of a Notice of Application to the UE-188 service list. PGE waives paper service of documents in this proceeding and has E-filed a copy on this date.

PGE received approval of this deferral through OPUC Order 08-010 on January 14, 2008, with an effective date of September 27, 2008.

Sincerely,

Patrick G. Hager
Manager, Regulatory Affairs

cc: UE 188 Service List

Encls.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1347

In the Matter of the Application of Portland General Electric Company for an Order Approving the Deferral of Certain Costs Associated with an Independent Evaluator for a Request For Proposal

Application for Reauthorization to Defer Certain Expenses Associated with an Independent Evaluator for a Request For Proposal

Pursuant to ORS 757.259 and OAR 860-027-0300, Portland General Electric Company (“PGE”) hereby requests reauthorization to continue to defer for later rate-making treatment certain incremental expenses associated with an Independent Evaluator (“IE”) required for a Request for Proposal (“RFP”). PGE seeks reauthorization of the Independent Evaluation deferral (“IE Deferral”) to defer certain expenses collected as described below, for the 12-month period commencing September 27, 2008.

I. Deferral History:

The Commission updated its Integrated Resource Plan (“IRP”) planning principles and analysis guidelines in Order 07-002. Consistent with the Order, the objective of PGE’s IRP process is to identify new electric generation, demand-side, and transmission resources which, when considered with our existing portfolio, provide the best combination of expected cost and associated risks for PGE and our customers.

All major resource acquisitions – those with durations greater than five years and quantities greater than 100 MW – must undergo a bidding process to ensure acquisition of least-cost resources for customers according to the adopted Competitive Bidding Guidelines (“Guidelines”) in Commission Order No. 06-446. An Independent Evaluator must be used in each Request for Proposal (“RFP”) process to ensure that all bids are treated fairly.

In Order No. 06-446, the Commission stated “that if an IE is useful to the process, then the cost of the IE should be included in rates.” PGE requested use of an IE Deferral to account for ease of tracking costs of IE expenses and for later prudency review and inclusion in rates. Order No. 06-446 further states that an IE must be used in each RFP to help ensure that all offers are treated fairly.

PGE is consulting with the IE in completing its Request for Proposals for Renewable Energy Resources. An initial short list has been reviewed by the IE and bidders were notified on September 10, 2008. Over the next several weeks following the initial short list, PGE will work on selecting the final short list, which will be reviewed by the IE. Within three weeks following the final short list selection, the IE will submit its assessment of the RFP process. We anticipate that the IE will be involved with PGE’s RFP for Renewable Energy Resources until December 31, 2008, absent unforeseen delays.

PGE received approval to defer the costs associated with the IE on January 14, 2008, per OPUC Order No. 08-010, with an effective date of September 27, 2007. With this reauthorization application, PGE seeks to continue the IE Deferral commencing September 27, 2008, to and including September 26, 2009.

The IE Deferral will continue to earn interest at the authorized cost of capital currently (8.290%) until amortization begins.

II. OAR 860-027-0300 Requirements

The following is provided pursuant to OAR 860-027-0300(3).

a. Description

For the 12-month period of September 27, 2008, through September 26, 2009, PGE seeks reauthorization to continue recording, in a deferred account, all costs associated with the IE to assist in designing, implementing, evaluating and reporting on the Request for Proposals (RFP)

submitted during its Integrated Resource Planning (IRP) process.

b. Reasons for Deferral

PGE seeks reauthorization of the IE Deferral pursuant to ORS 757.259(2)(e) and OPUC Order No. 08-010 issued January 14, 2008.

PGE expects to incur additional costs to pay for an IE and requests continuation of deferred accounting. PGE will continue to track these costs for later prudency review and potential inclusion in rates. The granting of this reauthorization application will minimize the frequency of rate changes and match appropriately the costs borne by and benefits received by customers. Approving this reauthorization application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

c. Proposed Accounting

The current account balances will continue to accrue interest at the rate of PGE's authorized cost of capital currently (8.290%) and will be recorded as a regulatory asset in FERC account 182.3, Other Regulatory Assets, with a credit to FERC account 407.4, Regulatory Credits. In the absence of a renewal order from the Commission, PGE would record costs associated with the IE to FERC account 923, Outside Services Employed.

d. Estimate of Amounts

PGE estimates the balance of the IE deferral as of September 27, 2008, to be approximately \$154,000.

PGE's IE expenses will cease as of December 31, 2008, absent unforeseen delays. The maximum amount to be deferred over the next four months would be is approximately \$100,000.

e. Notice

A copy of the Notice of Application for reauthorization to defer IE expenses is attached to

the Application as Attachment A. In compliance with the provisions of 860-027-0300(6), PGE is serving the Notice of Application on the UE 188 Service List, PGE's last general rate case.

III. The following is provided pursuant to OAR 860-027-033(4):

a. Description of deferred account entries:

Please see Section II (a) and (d) above.

b. The reason for continuing the deferred accounting:

PGE is seeking approval to continue the approved IE Deferral pursuant to Commission Order No. 08-010 as described in Section II (b) above.

IV. PGE Contacts:

This authorized address to receive notices and communications in respect to this reauthorization application is:

PGE-OPUC Filings
Rates and Regulatory Affairs
Portland General Electric, 1WTC0702
121 SW Salmon Street
Portland, OR 97204
(503) 464-7857 (telephone)
(503) 464-7651 (facsimile)
pge.opuc.filings@pgn.com (e-mail)

Douglas C. Tingey
Assistant General Counsel
Portland General Electric, 1WTC13
121 SW Salmon Street
Portland, OR 97204
(503) 464-8926 (telephone)
(503) 464-2200 (facsimile)
doug.tingey@pgn.com (e-mail)

PGE waives paper service in this proceeding. In addition to the names and addresses above the following are to receive notices and communications via the email service list:

Patrick G. Hager, Manager Regulatory Affairs
E-mail: Patrick.Hager@pgn.com

Richard George, Assistant General Counsel
E-Mail: Richard.George@pgn.com

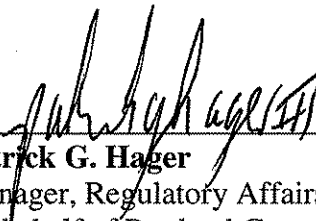
Brian Kuehne, Manager Integrated Resource Planning
E-mail: Brian.Kuehne@pgn.com

Rebecca Brown, Analyst
E-mail: rebecca.brown@pgn.com

V. Conclusion:

For the reasons stated above, PGE requests permission to continue to defer certain expenses associated with an IE as described herein from the date of this Application.

DATED this 25th day of September, 2008.



Patrick G. Hager
Manager, Regulatory Affairs
On behalf of Portland General Electric
E-Mail: patrick.hager@pgn.com

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**UM 1347
Attachment A**

**Notice Of Application for Reauthorization
To Defer Certain Expenses Associated
With an Independent Evaluator for
a Request for Proposal**

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1347

In the Matter of the Application of Portland General Electric Company for an Order Approving the Deferral of Certain Costs Associated with an Independent Evaluator for a Request for Proposal

Notice of Application for Reauthorization to Defer Certain Expenses Associated with an Independent Evaluator for a Request For Proposal

On September 25, 2008, Portland General Electric Company ("PGE") filed an application with the Oregon Public Utility Commission (the "Commission") for an Order reauthorizing deferral of certain expenses associated with an Independent Evaluator for a Request for Proposal.

Approval of PGE's Application will not authorize a change in PGE's rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

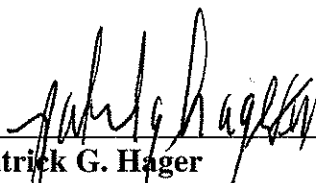
Persons who wish to obtain a hard copy of PGE's application should contact the following:

PGE-OPUC Filings
Rates and Regulatory Affairs
Portland General Electric, 1WTC0702
121 SW Salmon Street
Portland, OR 97204
(503) 464-7857 (telephone)
(503) 464-7651 (facsimile)
pge.opuc.filings@pgn.com (e-mail)

Douglas C. Tingey
Assistant General Counsel
Portland General Electric, 1WTC13
121 SW Salmon Street
Portland, OR 97204
(503) 464-8926 (telephone)
(503) 464-2200 (facsimile)
doug.tingey@pgn.com (e-mail)

Any person who wishes to submit written comments to the Commission on PGE's application must do so no later than October 24, 2008.

Dated: September 25, 2008.

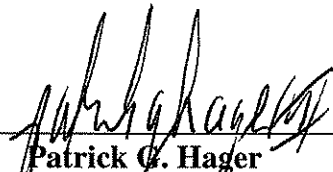


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CERTIFICATE OF SERVICE

I certify that this day I have served the foregoing Application for Reauthorization to Defer Certain Expenses Associated with an Independent Evaluator for a Request For Proposal upon all parties of record by delivering a copy in person or by mailing a copy properly addressed with first class postage, or by electronic mail pursuant to ORS 860-013-0070, to the following parties or attorneys of parties listed on the attached service list from OPUC Docket No. UE 188, the utility's last general rate case.

DATED this 25th day of September, 2008.



Patrick G. Hager
Manager, Regulatory Affairs
On Behalf of Portland General Electric
Patrick.hager@pgn.com

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UE 188 Service List

Summary Report

UE 188 PORTLAND GENERAL ELECTRIC

Category: Electric Rate Case

Filed By: PORTLAND GENERAL ELECTRIC

This filing requests a rate increase in the company's Oregon annual revenues of \$13,000,000 for Biglow Canyon.

Filing Date: 3/2/2007 **Advice No:** 07-07

Effective Date: 1/1/2008 **Expiration Date:** 12/31/2007 **Status:** PERM SUSPEND

See also: 07-33

Final Order: **Signed:** 3/2/2007

SERVICE LIST:

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