



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

July 29, 2010

Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention: Filing Center
550 Capitol Street NE, #215
PO Box 2148
Salem OR 97308-2148

Re: UE 215

Attention Filing Center:

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

- **ANNUAL POWER COST UPDATE TARIFF STIPULATION**
- **ANNUAL POWER COST UPDATE TARIFF JOINT TESTIMONY & EXHIBIT(UE 215/Staff-CUB-PGE/400-401)**

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

An extra copy of the cover letter is enclosed. Please date stamp the extra copy and return to me in the envelope provided. Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas C. Tingey".

DOUGLAS C. TINGEY
Assistant General Counsel

DCT:cbm
Enclosures
cc: UE 215 Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 215

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC COMPANY)	ANNUAL POWER COST UPDATE TARIFF STIPULATION
)	
Request for a General Rate Revision)	

This Stipulation (“Stipulation”) is between Portland General Electric Company (“PGE”), Staff of the Public Utility Commission of Oregon (“Staff”), the Citizens’ Utility Board of Oregon (“CUB”), and the Industrial Customers of Northwest Utilities (“ICNU”)(collectively, the “Stipulating Parties”).

On February 16, 2010, PGE filed this general rate case. On March 8, 2010, a prehearing conference was held. A procedural schedule was entered with separate schedules for the annual net variable power cost portion of the PGE’s request and the other issues relating to the general rate revision. The docket has proceeded pursuant to those schedules. PGE has responded to numerous data requests in this docket from Staff and intervenors. Three prior Stipulations, two regarding revenue requirement issues and one regarding rate spread and rate design issues, have been submitted to the Commission.

On June 21, 2010, the Stipulating Parties other than PGE filed their respective direct testimony regarding net variable power cost (“NVPC”) issues. On June 30, 2010, the Stipulating Parties participated in Settlement Conferences which resulted in a compromise settlement of the Stipulating Parties regarding net variable power cost issues described in detail below.

TERMS OF STIPULATION

I. This Stipulation is entered to settle all issues regarding net variable power costs and PGE's annual power cost update as filed in the April 2010 Monet run.

II. BPA Charges. The Stipulating Parties agree that for calculating NVPC PGE will reduce the BPA integration rate from \$1.58/kw-month to the current BPA tariff rate of \$1.29/kw-month. PGE will also remove the modeled escalation for the BPA wind integration rate. With respect to BPA imbalance charges, the parties agree that the resulting forecast used in the April Monet power cost run is appropriate for use in this docket, however PGE agrees to work with the other Stipulating Parties on refinements to the modeling forecast methodology for BPA imbalance charges, including the use of historical data, prior to PGE's next AUT docket. These changes will reduce forecast 2011 NVPC by about \$1.62 million.

III. Reclassification of Costs.

1. Consistent with the second partial stipulation entered into in this docket, Boardman mercury control chemical costs will be removed from NVPC calculations and will be included as part of the future deferral filing that will also include the capital costs of the planned Boardman emissions control upgrade. This change reduces NVPC by approximately \$1.87 million.
2. The costs included in PGE's NVPC filing for Port Westward ammonia, Coyote Springs ammonia, Colstrip lime, broker fees, revolving credit facility fees, and margin interest will all be removed from NVPC calculations and reclassified and included in O&M and A&G costs as appropriate.

3. With the exception of item 1 above, these reclassifications will reduce the forecast of 2011 NVPC by about \$5.36 million, and cause a corresponding increase in O&M and A&G expenses. These reclassified expenses have been included, with associated work papers, as part of the GRC in PGE's recent update to revenue requirement.

IV. Boardman fly ash. Pursuant to the first partial stipulation filed in this docket, costs for Boardman fly ash disposal have been removed from this case. This has no power cost effect because Boardman fly ash was not a component of PGE's NVPC forecast.

V. Harriet Lake flow changes. PGE's schedule for work affecting the Harriet Lake base flow requirement has changed such that there will be no impact on NVPC for 2011. Accordingly, the changes included in PGE's original filing will be removed. This reduces the forecast of 2011 NVPC by about \$0.8 million.

VI. AMI benefits. The Stipulating Parties agree that the energy benefits identified in PGE's testimony and in the first partial stipulation in this docket will be incorporated in future load forecasts in this docket.

VII. UM 1355 Order. The Stipulating Parties agree that PGE will include in NVPC calculations in this docket the impacts of any forced outage rate methodology changes ordered by the Commission in Docket UM 1355 if such an order is received by October 22, 2010. The Stipulating Parties further agree that PGE will have until its November 15, 2010, NVPC update to incorporate any such changes in its Monet NVPC forecast. In its September 20, 2010, NVPC update PGE will provide an estimate of the impact of adopting the forced outage rate methodology suggested by the Commission in its previous orders in UM 1355.

VIII. WECC Operating Reserves. PGE removed the impacts of the proposed WECC

operating reserve requirements in its April 1 NVPC update, and future updates in this docket will also have this impact removed. If the proposed operating reserve requirement change is approved before the September NVPC update in this docket, PGE may include the impact in the 2011 power cost update.

IX. Variable O&M. The Stipulating Parties agree that PGE will not update variable O&M between rate cases. The Stipulating Parties also agree that for the purpose of Colstrip and Port Westward dispatch modeling, the estimated costs due to transmission losses will be allowed to change dynamically with coal and gas cost updates.

X. Other Issues. The Stipulating Parties agree that the NVPC forecast in this docket for 2011 will be reduced by \$930,000 as settlement of all issues regarding the following five items: BPA transmission rate escalation, Boardman rail car maintenance, Boardman capacity modeling, Selective Water Withdrawal hydro output impact and the Port Westward forced outage rate. The Stipulating Parties have not collectively ascribed any particular portion of this settlement amount to any particular issue or subset of issues.

XI. All of the changes listed above to NVPC calculations, except any impacts resulting from an order in Docket UM 1355, will be included in PGE's next NVPC update filing scheduled for July 30, 2010.

XII. The Stipulating Parties recommend and request that the Commission approve the adjustments described above to PGE's 2011 power costs as appropriate and reasonable resolutions of the issues in this docket.

XIII. The Stipulating Parties agree that this Stipulation is in the public interest and will result in rates that are fair, just, and reasonable.

XIV. The Stipulating Parties agree that this Stipulation represents a compromise in the

positions of the Stipulating Parties. Without the written consent of all parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in settlement conferences in this docket, are confidential and not admissible in the instant or any subsequent proceeding, unless independently discoverable or offered for other purposes allowed under ORS 40.190.

XV. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order which is not contemplated by this Stipulation, each Stipulating Party disadvantaged by such action shall have the rights provided in OAR 860-014-0085 and OAR 860-014-0095 including the right to withdraw from the stipulation and to seek reconsideration of the Commission's order. Nothing in this paragraph provides any Stipulating Party the right to withdraw from this Stipulation as a result of the Commission's resolution of issues that this Stipulation does not resolve.

XVI. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR § 860-14-0085. The Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal, provide witnesses to sponsor this Stipulation at the hearing (if necessary), and recommend that the Commission issue an order adopting the settlements contained herein. The Stipulating Parties also agree to cooperate in drafting and submitting written testimony required by OAR § 860-14-0085(4).

XVII. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation, other than those specifically identified in the Stipulation. Except as provided in this Stipulation, no Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in

any other proceeding.

XVIII. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 29th day of July, 2010.



PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

CITIZENS' UTILITY BOARD
OF OREGON

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

any other proceeding.

XVIII. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this ^{28th} day of July, 2010.

PORTLAND GENERAL ELECTRIC
COMPANY



STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

CITIZENS' UTILITY BOARD
OF OREGON

INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

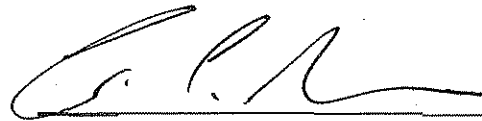
any other proceeding.

XVIII. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 28th day of July, 2010.

PORTLAND GENERAL ELECTRIC
COMPANY

STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON



CITIZENS' UTILITY BOARD
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STAFF OF THE PUBLIC UTILITY
COMMISSION OF OREGON

CITIZENS' UTILITY BOARD
OF OREGON




INDUSTRIAL CUSTOMERS OF
NORTHWEST UTILITIES

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **ANNUAL POWER COST UPDATE TARIFF STIPULATION, and ANNUAL POWER COST UPDATE TARIFF JOINT TESTIMONY AND EXHIBIT (UE 215/Staff-CUB-PGE/400-401)** to be served by electronic mail to those parties whose email addresses appear on the attached service list and by method specified, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service from OPUC Docket No. UE 215.

Dated at Portland, Oregon, this 29th day of July, 2010.



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**BEFORE THE PUBLIC UTILITY COMMISSION
OF THE STATE OF OREGON**

UE 215

Request for a General Rate Revision

PORTLAND GENERAL ELECTRIC COMPANY

**Annual Power Cost Update Tariff Stipulation
Joint Testimony & Exhibit**

July 29, 2010

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I. Introduction

1 **Q. Please state your names and positions.**

2 A. My name is Ed Durrenberger. I am a Senior Utility Analyst for the Public Utility
3 Commission of Oregon. My qualifications appear in Staff Exhibit 105.

4 My name is Bob Jenks. I am the Executive Director of the Citizens' Utility Board of
5 Oregon (CUB). My qualifications appear in CUB Exhibit 101.

6 My name is Mike Niman. My position at Portland General Electric (PGE) is Manager,
7 Financial Analysis. My qualifications appear in PGE Exhibit 400.

8 **Q. What is the purpose of your testimony?**

9 A. Our purpose is to describe the stipulation reached regarding net variable power costs
10 (NVPC) among the OPUC Staff (Staff), CUB, Industrial Customers of Northwest Utilities
11 (ICNU), and PGE (the Stipulating Parties) regarding certain revenue requirement issues in
12 this docket (UE 215). While there are other parties to this case, we are not aware of any
13 who oppose this stipulation.

14 **Q. What is the basis for the NVPC Stipulation?**

15 A. PGE filed its initial forecast of NVPC in its February 16, 2010 general rate case filing. PGE
16 updated its NVPC forecast on April 1 in accordance with Schedule 125. During the four
17 months since the initial filing, Staff, CUB, ICNU, and other parties submitted data requests
18 regarding PGE's filing and reviewed approximately 1,500 supporting documents provided in
19 PGE's minimum filing requirements (MFRs) for power costs. On May 24, the Parties held a
20 first round of settlement discussions but were not able to reach a collective agreement.
21 Stipulating Parties, except PGE, submitted reply testimony on June 21. On June 30,
22 Stipulating Parties participated in a second round of settlement discussions, which resulted
23 in a settlement agreement.

1 **Q. Please summarize the agreement contained in the NVPC stipulation.**

2 A. Exhibit 401 is a copy of the stipulation. This stipulation resolves all NVPC issues including
3 the reclassification of certain chemical control and power operations costs from NVPC to
4 O&M and A&G, and the removal of certain other costs from PGE's NVPC forecast due to
5 schedule changes or uncertainty. This stipulation also results in agreement that PGE will
6 modify certain modeling assumptions, and that settling certain issues in aggregate results in
7 a reasonable settlement. The dollar impacts of the stipulated items are provided in Section II
8 and are relative to PGE's April 1 Monet update filing except as noted.

9 **Q. How does the Stipulation resolve the revenue requirement effects of settled issues since**
10 **not all of the issues in the case have been resolved?**

11 A. Because the Stipulating Parties have not stipulated to all of the factors necessary to derive
12 the revenue requirement effects of each settled issue, the final revenue requirement cannot
13 be calculated until decisions are reached on those factors. In particular, PGE's capital
14 structure and cost of capital, which will affect all adjusted amounts, have not been resolved.

II. Resolved Power Cost Issues

1 **Q. Please describe the stipulation regarding the BPA wind integration rate.**

2 A. The Stipulating Parties agree that PGE will reduce the BPA wind integration rate in Monet
3 from \$1.58/kw-month to the current BPA tariff rate of \$1.29/kw-month. This change
4 reduces NVPC by approximately \$1.58 million.

5 **Q. What is the basis for the stipulation regarding the BPA wind integration rate?**

6 A. In their filed testimony (Staff/1300, Durrenberger/3 and ICNU/100, Falkenberg/7), Staff and
7 ICNU present an adjustment to PGE's forecast of the BPA wind integration rate based on
8 the use of the current BPA tariff rate of \$1.29/kw-month.

9 **Q. Please describe the stipulation regarding the BPA wind integration rate escalation.**

10 A. The Stipulating Parties agree that PGE will remove the escalation applied to the BPA tariff
11 rate for the last three months of 2011. This change reduces NVPC by approximately \$0.04
12 million.

13 **Q. What is the basis for the stipulation regarding the BPA wind integration rate
14 escalation?**

15 A. In its filed testimony (ICNU/100, Falkenberg/7), ICNU presents an adjustment to remove
16 the escalation to the BPA wind integration rate for the last three months of 2011 as too
17 speculative.

18 **Q. Please describe the stipulation regarding BPA imbalance charges.**

19 A. The Stipulating Parties agree that PGE's estimate of BPA imbalance charges is reasonable in
20 this case. Parties agree that PGE should re-evaluate its methodology for determining these
21 charges. This agreement has no effect on NVPC.

22 **Q. What is the basis for the stipulation regarding BPA imbalance charges?**

1 A. In their filed testimony (ICNU/100, Falkenberg/8-9 and Staff/1300, Durrenberger/7), ICNU
2 and Staff present adjustments based on a determination that PGE is overstating imbalance
3 charges due to the simplicity of its modeling. Specifically, ICNU demonstrated that PGE is
4 overstating the amount of imbalance energy. PGE provided information that the forecast of
5 the BPA imbalance charge per MWh is understated such that the value of the energy
6 variance identified by ICNU and the price variance offset and yield a reasonable result.
7 Parties agreed, but requested that PGE re-evaluate its modeling in the next AUT case.

8 **Q. Please describe the stipulation regarding Boardman mercury control chemicals.**

9 A. Consistent with the second partial stipulation, the Stipulating Parties agree that mercury
10 control chemical costs at Boardman may be deferred along with the capital costs associated
11 with the upgrade. The Stipulating Parties agree that this cost should be removed from
12 PGE's NVPC forecast. This change reduces NVPC by approximately \$1.87 million.

13 **Q. Please describe the stipulation regarding Port Westward ammonia, Coyote Springs
14 ammonia, Colstrip lime, broker fees, revolving credit facility fees, and margin interest.**

15 A. The Stipulating Parties agree that these costs should be reclassified from NVPC to O&M or
16 A&G, as appropriate. This change reduces NVPC by approximately \$5.36 million.

17 **Q. What is the basis for the stipulation regarding Port Westward ammonia, Coyote
18 Springs ammonia, Colstrip lime, broker fees, revolving credit facility fees, and margin
19 interest?**

20 A. In their filed testimony (ICNU/100, Falkenberg/4 and Staff/1300, Durrenberger/9), ICNU
21 and Staff discuss their concerns regarding expanding the scope of the Annual Update Tariff.
22 These parties express a desire to keep the scope narrow by reclassifying these costs from
23 NVPC to O&M or A&G, as appropriate. For purposes of settlement, PGE has agreed to the
24 reclassification.

1 **Q. Please describe the stipulation regarding Boardman fly ash.**

2 A. The Stipulating Parties agree that PGE has removed this cost from UE 215 in accordance
3 with the second partial stipulation. This agreement has no effect on NVPC as Boardman fly
4 ash is not a component of PGE's power cost forecast.

5 **Q. Please describe the stipulation regarding the Harriet Lake base flow.**

6 A. PGE's schedule for this item has changed, and as a result the Stipulating Parties agree that
7 PGE will remove the cost associated with this item from the 2011 power cost forecast. This
8 change reduces NVPC by approximately \$0.80 million¹.

9 **Q. Please describe the stipulation regarding inclusion of AMI energy benefits in PGE's**
10 **load forecast.**

11 A. The Stipulating Parties agree that PGE will incorporate the energy benefits (as identified in
12 PGE Exhibit 300 and included in the first partial stipulation) in the load forecast for the July
13 NVPC update.

14 **Q. What is the basis for the stipulation regarding inclusion of AMI energy benefits in**
15 **PGE's load forecast?**

16 A. In its filed testimony (Staff/1300, Durrenberger/5-6), Staff expressed concern that PGE had
17 not yet incorporated the load benefits of the AMI project. PGE provided in its opening
18 testimony an explanation of what had been included at that time and a commitment to
19 include the remainder of the AMI energy benefits in a future update. PGE will incorporate
20 the energy benefits in the July 30 Monet update.

21 **Q. Please describe the stipulation regarding UM 1355.**

22 A. The Stipulating Parties agree that PGE will incorporate the impact of a Commission Order
23 in UM 1355 if the Order is issued by October 22, 2010. If so, PGE will have until the

¹ Relative to curves and contracts updated as of June 30, 2010, which will be reflected in PGE's July 30 Monet update filing.

1 November 15, 2010 NVPC update to incorporate the Order. Additionally, PGE will provide
2 an estimate of the impact of the Commission's UM 1355 proposal in the September 20,
3 2010 NVPC update. The NVPC effect of this change is yet to be determined.

4 **Q. What is the basis for the stipulation regarding an Order in UM 1355?**

5 A. In their filed testimony (Staff/1300, Durrenberger/8 and ICNU/100, Falkeberg/12), Staff and
6 ICNU expressed a desire for PGE's power cost forecast to reflect the outcome of the Forced
7 Outage Rate Investigation, Docket No. UM 1355. This stipulation is consistent with that
8 desire and allows adequate time for PGE to implement the Order.

9 **Q. Please describe the stipulation regarding WECC operating reserves.**

10 A. The Stipulating Parties agree that PGE has removed the cost of WECC operating reserves
11 effective as of the April 1 NVPC update. This change previously reduced NVPC by
12 approximately \$0.65 million.

13 **Q. What is the basis for the stipulation regarding WECC operating reserves?**

14 A. In its filed testimony (Staff/1300, Durrenberger/10), Staff proposes removing the WECC
15 operating reserves because the Federal Energy Regulatory Commission has not yet approved
16 WECC's proposal. PGE provided information demonstrating that the WECC operating
17 reserves had been removed effective as of the April 1 NVPC update.

18 **Q. Please describe the stipulation regarding variable O&M.**

19 A. The Stipulating Parties agree that PGE will continue to freeze variable O&M between
20 general rate cases. However, for the purpose of Colstrip Units 3&4 and Port Westward
21 dispatch decisions, the estimated costs due to transmission losses are allowed to change
22 dynamically with coal and gas price updates.

23 **Q. What is the basis for the stipulation regarding variable O&M?**

1 A. In its filed testimony (Staff/1300, Durrenberger/10), Staff proposed freezing variable O&M
2 between rate cases to avoid potentially errant dispatch outcomes. PGE agreed to freeze
3 variable O&M between rate cases and provided information regarding the issues caused by
4 freezing transmission losses.

5 **Q. Please describe the stipulation regarding the BPA transmission rate escalation,
6 Boardman rail car maintenance, Boardman capacity, SWW hydro output impact, and
7 Port Westward forced outage rate.**

8 A. The Stipulating Parties agree that PGE will reduce NVPC by \$0.93 million. Stipulating
9 Parties did not agree to specific adjustments for any of these issues, instead opting to
10 settlement them in aggregate.

11 **Q. What are the bases for the stipulation regarding the BPA transmission rate escalation,
12 Boardman rail car maintenance, Boardman capacity, SWW hydro output impact, and
13 Port Westward forced outage rate?**

14 A. Stipulating Parties may not necessarily agree on the individual bases for this adjustment, but
15 believe the amount represents a reasonable financial settlement of these issues.

16 **Q. What is your recommendation to the Commission regarding all of these adjustments?**

17 A. The Stipulating Parties recommend and request that the Commission approve these
18 adjustments. Based on careful review of PGE's and Parties' filings, consideration of PGE's
19 responses to data requests and MFRs, and thorough analysis of the issues during the May 24
20 and June 30 settlement conferences, we believe the proposed adjustments represent
21 appropriate and reasonable resolutions of the respective issues in this docket. Rates
22 reflecting these adjustments will be fair, just, and reasonable.

23 **Q. Does this complete your testimony?**

24 A. Yes.

List of Exhibits

Exhibit

Description

401

Annual Power Cost Update Tariff Stipulation

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 215

In the Matter of)	
)	
PORTLAND GENERAL ELECTRIC COMPANY)	ANNUAL POWER COST UPDATE TARIFF STIPULATION
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1. Consistent with the second partial stipulation entered into in this docket, Boardman mercury control chemical costs will be removed from NVPC calculations and will be included as part of the future deferral filing that will also include the capital costs of the planned Boardman emissions control upgrade. This change reduces NVPC by approximately \$1.87 million.
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3. With the exception of item 1 above, these reclassifications will reduce the forecast of 2011 NVPC by about \$5.36 million, and cause a corresponding increase in O&M and A&G expenses. These reclassified expenses have been included, with associated work papers, as part of the GRC in PGE's recent update to revenue requirement.

IV. Boardman fly ash. Pursuant to the first partial stipulation filed in this docket, costs for Boardman fly ash disposal have been removed from this case. This has no power cost effect because Boardman fly ash was not a component of PGE's NVPC forecast.

V. Harriet Lake flow changes. PGE's schedule for work affecting the Harriet Lake base flow requirement has changed such that there will be no impact on NVPC for 2011. Accordingly, the changes included in PGE's original filing will be removed. This reduces the forecast of 2011 NVPC by about \$0.8 million.

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VIII. WECC Operating Reserves. PGE removed the impacts of the proposed WECC

operating reserve requirements in its April 1 NVPC update, and future updates in this docket will also have this impact removed. If the proposed operating reserve requirement change is approved before the September NVPC update in this docket, PGE may include the impact in the 2011 power cost update.

IX. Variable O&M. The Stipulating Parties agree that PGE will not update variable O&M between rate cases. The Stipulating Parties also agree that for the purpose of Colstrip and Port Westward dispatch modeling, the estimated costs due to transmission losses will be allowed to change dynamically with coal and gas cost updates.

X. Other Issues. The Stipulating Parties agree that the NVPC forecast in this docket for 2011 will be reduced by \$930,000 as settlement of all issues regarding the following five items: BPA transmission rate escalation, Boardman rail car maintenance, Boardman capacity modeling, Selective Water Withdrawal hydro output impact and the Port Westward forced outage rate. The Stipulating Parties have not collectively ascribed any particular portion of this settlement amount to any particular issue or subset of issues.

XI. All of the changes listed above to NVPC calculations, except any impacts resulting from an order in Docket UM 1355, will be included in PGE's next NVPC update filing scheduled for July 30, 2010.

XII. The Stipulating Parties recommend and request that the Commission approve the adjustments described above to PGE's 2011 power costs as appropriate and reasonable resolutions of the issues in this docket.

XIII. The Stipulating Parties agree that this Stipulation is in the public interest and will result in rates that are fair, just, and reasonable.

XIV. The Stipulating Parties agree that this Stipulation represents a compromise in the

positions of the Stipulating Parties. Without the written consent of all parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in settlement conferences in this docket, are confidential and not admissible in the instant or any subsequent proceeding, unless independently discoverable or offered for other purposes allowed under ORS 40.190.

XV. If the Commission rejects all or any material part of this Stipulation, or adds any material condition to any final order which is not contemplated by this Stipulation, each Stipulating Party disadvantaged by such action shall have the rights provided in OAR 860-014-0085 and OAR 860-014-0095 including the right to withdraw from the stipulation and to seek reconsideration of the Commission's order. Nothing in this paragraph provides any Stipulating Party the right to withdraw from this Stipulation as a result of the Commission's resolution of issues that this Stipulation does not resolve.

XVI. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR § 860-14-0085. The Stipulating Parties agree to support this Stipulation throughout this proceeding and in any appeal, provide witnesses to sponsor this Stipulation at the hearing (if necessary), and recommend that the Commission issue an order adopting the settlements contained herein. The Stipulating Parties also agree to cooperate in drafting and submitting written testimony required by OAR § 860-14-0085(4).

XVII. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, admitted or consented to the facts, principles, methods or theories employed by any other Stipulating Party in arriving at the terms of this Stipulation, other than those specifically identified in the Stipulation. Except as provided in this Stipulation, no Stipulating Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving issues in

any other proceeding.

XVIII. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 29th day of July, 2010.



PORTLAND GENERAL ELECTRIC
COMPANY

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CITIZENS' UTILITY BOARD
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any other proceeding.

XVIII. This Stipulation may be signed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this ^{28th} day of July, 2010.

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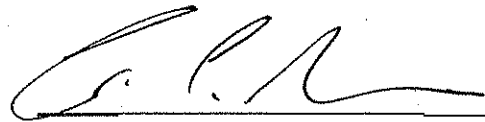
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DATED this ^{28th} day of July, 2010.

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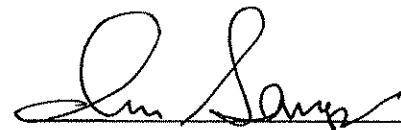
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DATED this day of July, 2010.

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