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October 10, 2008

Via Hand Delivery

Public Utility Commission
Attn: Filing Center
550 Capitol St. NE #215
P.O. Box 2148
Salem OR 97308-2148

Re: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY's
Request for a General Rate Revision
Docket No. UE 197

Dear Filing Center:

Enclosed please find the original and five (5) copies of the Cross Examination Exhibit List and Cross Examination Exhibits 114-130 on behalf of the Industrial Customers of Northwest Utilities in the above-referenced docket. Thank you for your attention to this matter.

Thank you for your assistance.

Sincerely yours,

/s/ S. Bradley Van Cleve
S. Bradley Van Cleve

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Cross Examination Exhibit on behalf of the Industrial Customers of Northwest Utilities upon the parties, on the service list, by causing the same to be deposited in the U.S. Mail, postage-prepaid, where paper service has not been waived, and via electronic mail, or by hand delivery at the Hearing on October 10, 2008.

Dated at Portland, Oregon, this 10th day of October, 2008.

/s/ S. Bradley Van Cleve
S. Bradley Van Cleve

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ICNU Cross Examination Exhibit List

UE 197 Hearing

NUMBER	WITNESS	A/R	DATE	DESCRIPTION
Cross Examination Exhibits				
ICNU/114	Blumenthal			PGE Response to OPUC DR No. 203
ICNU/115	Blumenthal			PGE Response to ICNU DR No. 242
ICNU/116	Blumenthal			PGE Response to ICNU DR No. 300
ICNU/117	Blumenthal			PGE Response to OPUC DR No. 175
ICNU/118	Blumenthal			PGE Response to CUB DR No. 088
ICNU/119	Blumenthal			PGE Response to ICNU DR No. 311
ICNU/120	Blumenthal			PGE Response to CUB DR No. 035
ICNU/121	Blumenthal			PGE Response to ICNU DR No. 237
ICNU/122	Blumenthal			Reconciliation of Incremental FTEs in UE 197 General Rate Case
ICNU/123	Blumenthal			May 7, 2008 PGE Proxy Statement
ICNU/124	Blumenthal			February 26, 2008: OPUC Staff Report PGE: Accept 2008 Budget of Expenditures
ICNU/125	Blumenthal			July 30, 2008: OPUC Staff Report PacifiCorp: Accept 2008 Budget of Expenditures
ICNU/126	Blumenthal			May 29, 2008: OPUC Staff Report Northwest Natural: Accept 2008 Budget of Expenditures
ICNU/127	Blumenthal			PGE Exhibit 800: Compensation Workpapers (UE 197)
ICNU/128	Blumenthal			PGE Response to ICNU DR No. 310
ICNU/129	Blumenthal			UE 197 Errata Attachment 2: Pages 4-5 of 13
ICNU/130	Blumenthal			PGE Response to ICNU DR No. 332

July 17, 2008

TO: Vikie Bailey-Goggins
Oregon Public Utility Commission

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE *Supplemental* Response to OPUC Data Request
Dated April 10, 2008
Question No. 203**

Request:

Please provide worksheets in both hard copy and electronically that show the following utility labor-related information for the twelve months ending December 2002, December 2003, December 2006 and December 2007:

- a. Actual Wages and salaries, annualized and as well as end-of-period, separated by employee category (officer, exempt, non-exempt and union). Please include paid time off and exclude overtime, bonuses and incentive pay.**
- b. Actual end-of-period employee counts for full-time, part-time FTEs as well as temporary employees for each calendar year of 2002, 2003, 2006, 2007 as well as forecasts for 2008 and 2009.**
- c. Overtime data for calendar years 2002, 2003, 2006, 2007 as well as forecasted amounts for 2008 and 2009.**
- d. Actual union wage escalation rates for 2002 through 2007 as well as forecasted amounts for 2008 and 2009.**
- e. Percentage of total wages and salaries booked to OMAG as well as percentage booked to capital by year for 2002, 2003, 2006 and 2007.**

Response:

PGE objects to this request on the basis that it is overly burdensome. Subject to and without waiving its objection, PGE responds as follows:

PGE Supplemental Response to OPUC Data Request No. 203
July 17, 2008
Page 2

First, PGE does not forecast end-of-period employee counts. Instead, managers forecast required FTEs by estimating the amount of labor hours needed to fulfill their responsibilities. Second, PGE does not have 2008 and 2009 budgeted FTEs broken out by employee category. PGE budgets wages and salaries by escalating at the responsibility center (RC) level based on the employee classes within the RC. Consequently, detail for specific employee classes is not retained within the system.

a) Attachment 175-A provides wages and salaries for 2002, 2003, 2006, and 2007, separated by employee category, omitting overtime, bonus, and incentive pay. Total forecasted wages and salaries for 2008 and 2009 are provided because PGE does not forecast these values by employee category.

b) PGE does not forecast end-of-period employee counts and has not budgeted 2008 and 2009 FTEs by employee category. Subject to and without waiving its objection, Attachment 175-B provides actual FTEs for 2002, 2003, 2006, and 2007, separated by employee category, as well as total FTEs for 2008 and 2009.

c) Attachment 175-C provides overtime expense for 2002, 2003, 2006, and 2007 as well as forecasted overtime expense for 2008 and 2009.

d) Attachment 175-D contains union wage escalation rates for 2002 through 2008 for the main bargaining unit as well as the Coyote Springs/Port Westward. 2009 actual union wage escalation rates are not known at this time. The 2009 IBEW Main Agreement is not yet signed and annual wage increases for Coyote Spring and Port Westward are based on changes in the IPP market per the IPP wage survey and will not be known until the end of the year.

e) Attachment 175-E provides the percentage of total wages and salaries booked to O&M and A&G as well as percentage booked to capital by year, for 2002, 2003, 2006, and 2007.

Supplemental Response (July XX, 2008):

Attachment 203-F provides an updated listing of actual and forecasted FTEs for 2002, 2003, 2006, 2007, 2008, and 2009. Specifically, this attachment adjusts the 2007 actual FTEs to the correct levels as listed on PGE's 2007 Results of Operations Report (see pages 28 and 30 of Report work papers). This correction states 2007 FTEs in the same manner as 2002, 2003, and 2006 actuals and makes them comparable to the 2008 budgeted and 2009 forecasted FTEs (i.e., they represent a comparable level of effort and hours needed to perform PGE's regulated activities).

UE 197

PGE's Response to OPUC Data Request No. 203

Attachment 203-A

Wages and Salaries by Employee Class

	<u>Exempt</u>	<u>Hourly</u>	<u>Officer</u>	<u>Union</u>	<u>Grand Total</u>
2002 Actual	85,364,000	19,818,741	2,634,000	49,312,370	157,129,111
2003 Actual	83,665,772	20,887,774	2,480,666	49,780,966	156,815,178
2006 Actual	94,529,364	22,682,115	2,817,048	53,066,886	173,095,413
2007 Actual	100,248,092	23,790,819	3,174,109	54,466,831	181,679,851
2008 Budget	n/a	n/a	n/a	n/a	198,409,900
2009 Forecast	n/a	n/a	n/a	n/a	209,609,741

UE 197

PGE's Response to OPUC Data Request No. 203

Attachment 203-B

FTE by Employee Class

	<u>Exempt</u>	<u>Hourly</u>	<u>Officer</u>	<u>Union</u>	<u>Grand Total</u>
2002 Actual	1,165	564	15	852	2,596
2003 Actual	1,124	574	14	826	2,538
2006 Actual	1,169	573	14	798	2,554
2007 Actual	1,153	584	13	809	2,560
2008 Budget	n/a	n/a	n/a	n/a	2,692
2009 Forecast	n/a	n/a	n/a	n/a	2,733

UE 197

PGE's Response to OPUC Data Request No. 203-C

Overtime Wages and Salaries (\$000)

<u>Year</u>	<u>Overtime Expense</u>
2002 Actual	11,789,849
2003 Actual	11,228,772
2006 Actual	15,598,144
2007 Actual	14,745,517
2008 Budget	11,994,410
2009 Forecast	12,909,269

IBEW Main Agreement

Date of Change	Percent Increase
03/01/2002	4.00%
3/1/2003	2.00%
9/1/2003	2.00%
3/1/2004	1.00%
3/1/2005	3.00%
3/1/2006	3.00%
3/1/2007	3.00%
3/1/2008	2.00%
9/1/2008	2.00%
03/01/2009 *	N/A

Coyote Springs and Port Westward

Date of Change	Percent Increase
12/18/2002	3.00%
12/17/2003	3.00%
12/29/2004	3.20%
12/28/2005	4.00%
12/21/2006	3.00%
07/23/2007 **	12.80%
12/10/2007 **	5.62%
Dec 2008 ***	N/A

* Changes to Union wages are a negotiated benefit. The 2009 IBEW Main Agreement is not yet signed. Negotiations are on-going and thus, for purposes of forecasting, PGE has assumed that the 2009 increase in union wages and benefits will be in line with non-union escalation.

** The contract shifted incentives into wages and incentives went down by 10% as on off-set to the wage increase

*** Annual wage increases for Coyote Spring and Port Westward are based on changes in the IPP market per the IPP wage survey. The contract specifies that PGE will provide at least the same percentage increase as the surveyed "Operations/Maintenance Technician I."

**UE 197
PGE's Response to OPUC Data Request No. 203
Attachment 203-E**

OMAG and Capital Labor

Year	Labor Expense	
	% OMAG	% Capital
2002 Actual	68.43%	31.57%
2003 Actual	69.86%	30.14%
2006 Actual	72.68%	27.32%
2007 Actual	71.75%	28.25%

**PGE Supplemental Response to OPUC Data Request No. 203
Attachment 203-F**

FTE by Employee Class

	<u>Exempt</u>	<u>Hourly</u>	<u>Officer</u>	<u>Union</u>	<u>Grand Total</u>
2002 Actual	1,165	564	15	852	2,596
2003 Actual	1,124	574	14	826	2,538
2006 Actual	1,169	573	14	798	2,554
2007 Actual	1,205	581	15	811	2,612
2008 Budget	n/a	n/a	n/a	n/a	2,692
2009 Forecast	n/a	n/a	n/a	n/a	2,733

May 20, 2008

TO: Brad Van Cleve
Industrial Customers of NW Utilities

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to ICNU Data Request 5.242
Dated May 7, 2008
Question No. 242**

Request:

For each of the calendar years 2001 through 2007, provide a list of the positions authorized to be filled at the end of each year. Provide by job title the number of positions authorized, the number filled, the number vacant, and the approved salary range.

Response:

PGE objects to this request on the basis that it is overly burdensome. Without waiving objection, PGE replies as follows:

PGE's Human Resources system maintains a master list of vacancies that includes authorized and non-authorized positions. The HR electronic system does not specify which positions are authorized. PGE's budgets reflect authorized positions only. Reviewing many budget spreadsheets for each of the past seven years to isolate all vacant authorized positions is overly burdensome. Attachment 242-A provides a comparison of actual and budgeted FTEs for calendar years 2002 through 2007, summarized by functional area. This comparison was also provided in the UE 197 FTE Workshop on May 08, 2008.

Actual and Budget FTE 2000 - 2009

Actual Straight-Time FTE	2002	2003	2004	2005	2006	2007
Administrative and General	596	586	585	594	635	650
Customer Accounts	473	478	495	502	503	506
Customer Service	74	68	72	70	73	80
Generation	465	438	411	387	391	405
Transmission and Distribution	<u>972</u>	<u>947</u>	<u>946</u>	<u>951</u>	<u>937</u>	<u>957</u>
Total	2,579	2,517	2,509	2,504	2,540	2,597

Budget Straight-Time FTE	2002	2003	2004	2005	2006	2007	2008	2009	UE 180 2007
Administrative and General	586	580	584	591	609	643	656	665	611
Customer Accounts	484	480	489	508	512	524	526	535	520
Customer Service	68	69	70	63	69	68	76	81	67
Generation	469	456	422	399	415	423	431	437	428
Transmission and Distribution	<u>1,036</u>	<u>985</u>	<u>984</u>	<u>1,001</u>	<u>998</u>	<u>994</u>	<u>1,003</u>	<u>1,007</u>	<u>1,003</u>
Total	2,643	2,570	2,549	2,562	2,603	2,652	2,692	2,725	2,629

2006 actuals include 4 FTE for RC 929, 2007 Actuals include 6 FTE for RC 929, and 2007 Budget includes 1 FTE for RC 929
RC 929 is Advanced Metering Infrastructure, which is included in the category 'Customer Service'.

Actual Overtime FTE	2002	2003	2004	2005	2006	2007
Administrative and General	3	2	2	2	2	2
Customer Accounts	20	14	17	9	13	11
Customer Service	0	0	0	0	0	0
Generation	17	17	16	14	16	21
Transmission and Distribution	<u>68</u>	<u>66</u>	<u>79</u>	<u>72</u>	<u>95</u>	<u>82</u>
Total	108	99	113	97	126	116

Budget Overtime FTE	2002	2003	2004	2005	2006	2007	2008	2009	UE 180 2007
Administrative and General	3	3	3	2	2	2	2	2	2
Customer Accounts	11	9	10	10	9	10	10	10	9
Customer Service	0	0	0	0	0	0	0	0	0
Generation	23	24	21	20	20	24	24	24	23
Transmission and Distribution	<u>58</u>	<u>63</u>	<u>56</u>	<u>57</u>	<u>61</u>	<u>59</u>	<u>57</u>	<u>58</u>	<u>58</u>
Total	95	100	90	90	93	95	92	93	92

Total Actual FTE	2002	2003	2004	2005	2006	2007
Administrative and General	599	588	587	595	637	652
Customer Accounts	492	492	512	511	517	517
Customer Service	74	68	72	70	73	80
Generation	482	455	427	402	407	426
Transmission and Distribution	<u>1,040</u>	<u>1,013</u>	<u>1,025</u>	<u>1,023</u>	<u>1,032</u>	<u>1,038</u>
Total	2,687	2,616	2,623	2,602	2,666	2,713

Total Budgeted FTE	2002	2003	2004	2005	2006	2007	2008	2009
Administrative and General	589	583	587	593	611	645	658	667
Customer Accounts	495	489	499	518	522	534	535	544
Customer Service	68	69	70	63	69	68	76	81
Generation	492	480	443	419	435	447	455	461
Transmission and Distribution	<u>1,094</u>	<u>1,048</u>	<u>1,040</u>	<u>1,058</u>	<u>1,060</u>	<u>1,054</u>	<u>1,059</u>	<u>1,066</u>
Total	2,739	2,669	2,639	2,652	2,696	2,747	2,784	2,818

Variations Between Actual and Budget (Budget - Actual)

Straight-Time FTE	2002	2003	2004	2005	2006	2007	2004 - 2007
							Average
Administrative and General	-10	-5	-1	-3	-26	-7	-9
Customer Accounts	11	2	-6	6	9	18	7
Customer Service	-6	0	-2	-7	-4	-12	-6
Generation	5	18	11	12	23	18	16
Transmission and Distribution	<u>64</u>	<u>38</u>	<u>38</u>	<u>50</u>	<u>61</u>	<u>38</u>	<u>47</u>
Total	64	53	40	58	63	55	54

Overtime FTE	2002	2003	2004	2005	2006	2007	04-07 Ave
Administrative and General	0	1	1	1	0	0	0
Customer Accounts	-8	-5	-6	1	-4	-1	-3
Customer Service	0	0	0	0	0	0	0
Generation	5	7	5	6	4	3	4
Transmission and Distribution	<u>-10</u>	<u>-3</u>	<u>-23</u>	<u>-15</u>	<u>-33</u>	<u>-22</u>	<u>-23</u>
Total	-13	1	-23	-8	-33	-21	-21

Total FTE	2002	2003	2004	2005	2006	2007	04-07 Ave
Administrative and General	-10	-4	0	-2	-26	-7	-9
Customer Accounts	3	-3	-12	7	5	17	4
Customer Service	-6	0	-2	-7	-4	-12	-6
Generation	10	25	16	17	27	20	20
Transmission and Distribution	<u>54</u>	<u>35</u>	<u>15</u>	<u>35</u>	<u>28</u>	<u>16</u>	<u>23</u>
Total	51	54	17	50	30	34	33

September 5, 2008

TO: Brad Van Cleve
Industrial Customers of NW Utilities

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to ICNU Data Request 11.300
Dated August 21, 2008
Question No. 300**

Request:

Refer to Table 3, PGE/1400. Please reconcile the 2518 FTEs shown for 2005 in this table with the number of FTEs provided in DR 175 from Docket UE 180.

Response:

For this response, PGE assumes that ICNU is referring to OPUC Data Request No. 175 from UE 180.

PGE's Response to OPUC Data Request No. 175 inadvertently included 11 FTEs from responsibility centers (RCs) that relate to PGE subsidiaries. These RCs were excluded from PGE's FTE totals in the 2005 Results of Operations Report and are excluded from PGE's analyses in UE 197.

May 4, 2006

TO: Vikie Bailey-Goggins
Oregon Public Utility Commission

FROM: Patrick G. Hager
Manager, Regulatory Affairs

**PORTLAND GENERAL ELECTRIC
UE 180
PGE Response to OPUC Data Request
Dated March 31, 2006
Question No. 175**

Request:

Please provide worksheets in both hard copy and electronically that show the following utility labor-related information for the twelve months ending December 2004 and December 2007, respectively:

- a. Wages and salaries, annualized as of the end-of-period, separated by employee category (officer, exempt, non-exempt and union). Please include paid time off and exclude overtime, bonuses and incentive pay.**
- b. End-of-period employee counts for full-time, part-time FTEs as well as temporary employees for each calendar year of 2004 and 2005 as well as forecasts for 2006 and 2007.**
- c. Overtime data for calendar years 2004 and 2005 as well as forecasted amounts for 2006 and 2007.**
- d. Weighted average union wage escalation rates for 2005, 2006 and 2007.**
- e. Percentage of total wages and salaries booked to OMAG as well as percentage booked to capital.**

Response:

PGE objects to this request on the basis that it is overly burdensome. First, PGE does not forecast end-of-period employee counts. Instead, managers forecast required FTEs by estimating the amount of employee work needed to fulfill their responsibilities. Second, PGE does not have 2006 and 2007 budgeted FTEs broken out by employee category. Subject to and without waiving its objection, PGE responds as follows:

PGE's Response to OPUC Data Request No. 175

May 4, 2006

Page 2

- a. Attachment 175-A provides wages and salaries for 2004 and 2005, separated by employee category. Total forecasted wages and salaries for 2006 and 2007 are provided because PGE does not forecast these values by employee category.
- b. PGE does not forecast end-of-period employee counts and has not budgeted 2006 and 2007 FTEs by employee category. Subject to and without waiving its objection, Attachment 175-B contains actual FTEs for 2004 and 2005, separated by employee category, as well as total forecasted FTEs for 2006 and 2007.
- c. Attachment 175-C provides overtime expense for 2004 and 2005 as well as forecasted overtime expense for 2006 and 2007.
- d. Attachment 175-D contains weighted average union wage escalation rates for the 2005 budget and estimates for 2006 and 2007 for the primary bargaining group.
- e. Values from 2004 and 2005 reflect percentages calculated from data in FERC Form 1. FERC Form 1 data are not available for 2006 and 2007. Creating an analysis to forecast how the 2006 and 2007 labor would be reflected in FERC Form 1 is an overly burdensome task. Therefore, for 2006 and 2007, PGE isolated utility ledgers in the budget and classified them as O&M or A&G expenses. Attachment 175-E provides the percentage of total wages and salaries recorded to OMAG and percentage recorded to capital for 2004 and 2005, calculated using FERC Form 1 data, and a calculation of forecasted percentages for 2006 and 2007, calculated from the individual ledgers.

UE 180

PGE's Response to OPUC Data Request No. 175

Attachment 175-A

Wages and Salaries by Employee Class

Class	2004 Actual	2005 Actual	2006 Budget	2007 Test Year
Exempt	86,090,647	90,924,612	n/a	n/a
Hourly	21,367,530	21,900,039	n/a	n/a
Officer	2,235,628	2,322,978	n/a	n/a
Union	<u>50,555,786</u>	<u>50,623,547</u>	<u>n/a</u>	<u>n/a</u>
Grand Total	160,249,591	165,771,176	180,673,140	189,855,782

UE 180
PGE's Response to OPUC Data Request No. 175
Attachment 175-B

FTE by Employee Class

<u>Class</u>	<u>2004 Actual</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>2007 Test Year</u>
Exempt	1,134	1,150	n/a	n/a
Hourly	574	570	n/a	n/a
Officer	13	13	n/a	n/a
Union	<u>810</u>	<u>795</u>	<u>n/a</u>	<u>n/a</u>
Grand Total	2,531	2,529	2,603	2,629

UE 180
PGE's Response to OPUC Data Request No. 175
Attachment 175-C

Overtime Data

<u>Year</u>	<u>Overtime Expense</u>
2004 Actual	13,168,305
2005 Actual	11,763,162
2006 Budgeted	11,359,974
2007 Forecast	11,486,362

UE 180
PGE's Response to OPUC Data Request No. 175
Attachment 175-D

Union Wage Increase

Union Wage Increase
Avg % Annual Increase

Budget		
2005	2006	2007
3.84%	3.00%	3.00%

UE 180
PGE's Response to OPUC Data Request No. 175
Attachment 175-E

OMAG and Capital Labor

Year	Labor Expense	
	% OMAG	% Capital
2004 Actual *	71.89%	28.11%
2005 Actual *	71.23%	28.77%
2006 Forecast *	76.59%	23.41%
2007 Forecast *	77.45%	22.55%

* Values from 2004 and 2005 reflect percentages calculated from data in FERC Form 1. FERC Form 1 data are not available for 2006 and 2007. Creating an analysis to forecast how the 2006 and 2007 labor would be reflected in FERC Form 1 is an overly burdensome task. Therefore, for 2006 and 2007, PGE isolated utility ledgers in the budget and classified them as O&M or A&G expenses. This attachment provides the percentage of total wages and salaries recorded to OMAG and percentage recorded to capital for 2004 and 2005, calculated using FERC Form 1 data, and a calculation of forecasted percentages for 2006 and 2007, calculated from the individual ledgers.

July 7, 2008

TO: Lowrey Brown
Citizens' Utility Board

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to CUB Data Request
Dated June 25, 2008
Question No. 088**

Request:

What is the average annual salary of a full-time PGE employee?

Response:

Attachment 088-A is a calculation of average annual salary per FTE. The calculation is based on data available in PGE's original workpapers identifying straight-time wages and salaries, and in PGE's Supplemental Response to ICNU Data Request No. 267, confidential Attachment 267-A, where PGE calculates 2009 officer salaries to be deducted. The information provided to ICNU is included as Attachment 088-B. Attachment 088-B is confidential and subject to Protective Order No. 08-133.

**PGE Response to CUB Data Request No. 088
Attachment 088-A**

Average Annual Salary per FTE

	<u>2009</u>	<u>Source</u>
Utility Straight-Time Wages & Salaries	\$ 209,609,741	Exhibit 800, Workpaper 2
Less: 2009 Officer Salaries	\$ 3,445,416	PGE Supplemental Response to ICNU Data Request No. 267, Attachment 267-A
Total	\$ 206,164,325	
Total Utility Straight-Time FTE	2,733	Exhibit 800, Workpaper 1
Less: Officer FTEs	12	
Total	<u>2,721</u>	
	<u>\$ 75,764</u>	Average annual salary per FTE

September 5, 2008

TO: Brad Van Cleve
Industrial Customers of NW Utilities

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to ICNU Data Request 11.311
Dated August 21, 2008
Question No. 311**

Request:

Refer to ICNU-CUB/Blumenthal/1. Does PGE disagree with the values in the column headed "PGE"? If PGE disagrees with any of these values, provide the "PGE" value and support for each of these.

Response:

Attachment 311-A contains a more explicit version of the column headed "PGE" with references to supporting data.

<u>Line #</u>	<u>PGE</u>
1 # of FTEs	2,706
2 Wage per (non-officer) employee	\$ 75,764
2a <i>Officer wages</i>	\$ 3,445,416
3 Adjusted base wages	\$ 208,462,800
4 OT wages	\$ 12,909,269
5 Total wages	<u>\$ 221,372,069</u>
6 Portion to expense	71.75%
7 Payroll expense	\$ 158,834,460
8 Payroll capitalized	\$ 62,537,610
9 Total wages	<u><u>\$ 221,372,069</u></u>

Support

PGE Exhibit 1400, Page 10, Table 4
 PGE Response to CUB Data Request No. 088
 PGE Response to CUB Data Request No. 088
 (Line 1 x Line 2) + Line 2a

PGE Response to OPUC Data Request No. 203, Attachment 203-E

July 7, 2008

TO: Lowrey Brown
Citizens' Utility Board

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

PORTLAND GENERAL ELECTRIC
UE 197
PGE Supplemental Response to CUB Data Request
Dated April 23, 2008
Question No. 035

Request:

In response to CUB data request 6, the Company states that it has not estimated the first-year revenue requirement of Biglow II, Biglow III, or the Boardman Clean Air upgrades.

Response:

PGE objects to this request because it significantly mischaracterizes PGE's response to CUB Data Request No. 006 and on the basis of relevance. Docket UE 197 does not relate to the referenced projects. Without waiving this objection PGE responds as follows:

In PGE's response to CUB Data Request No. 006, PGE stated that it "has not completed the analyses for Biglow 2 and 3 and Boardman air quality improvements" (emphasis added). Since that response, PGE has prepared a preliminary estimate of rate impacts for Biglow Canyon, Phases 2 and 3. The rate-impact estimates are prepared at a high level based on the number of uncertainties associated with projecting rate levels three to five years in the future, including the power cost component. These estimates are provided in Attachment 035-A. Given the very early stage of development for a project that is beyond the three-to-five-year planning period, PGE has not completed the analysis of the Boardman air quality improvements at this time. PGE intends to evaluate the costs of Boardman improvements in light of other options as part of its IRP process. See also PGE's response to Part e., below.

PGE *Supplemental* Response to CUB Data Request No. 035
July 7, 2008
Page 2

Attachment 035-A is proprietary and confidential and subject to Protective Order No. 08-133.

Request:

- a. Does PGE have any internal process through which the Company examines the relationship between its forecast costs, planned investments, revenues, and rate impacts over a 3 to 5 year planning horizon? If so, please describe the process and who is involved.

Response:

Yes. PGE's Business Decision Support (BDS) group maintains a five-year forecast that includes a general rate change. As noted in PGE's response to CUB Data Request No. 030, these forecasts assume annual regulation, which normally include our currently authorized return on equity and capital structure. These forecasts are used externally as the basis for:

- Investments listed in the Capital Requirements table of the Liquidity and Capital Resources section of PGE's 10-K and 10-Q Reports.
- Projections for earnings growth as stated in our earnings guidance as part of PGE's earnings release.

The forecasts are used internally to develop long-term and short-term cash plans, capital requirements, financing plans, investing programs, etc.

Request:

- b. With or without such a process, how does PGE set the Company's investment priorities, and does it consider the rate impact when it sets those priorities?

Response:

See PGE's response to CUB Data Request No. 036.

Request:

- c. If the Company does not have a process to consider the rate impact of its projects, please describe how rate impacts are taken into account.

Response:

See PGE's response to Parts a. and b., above.

Request:

PGE *Supplemental* Response to CUB Data Request No. 035
July 7, 2008
Page 3

- d. How does PGE know that its customers can afford the 130 new staff positions that the Company proposes in this budget and the new capital projects that the Company is pursuing if it has not projected the rate impact of these costs?**

Response:

PGE objects to this request on the basis that it is in error regarding the number of incremental FTEs and the lack of PGE's estimates regarding rate impact, and because it calls for speculation regarding what customers can or cannot afford. Without waiving this objection, PGE responds as follows:

As discussed in the UE 197 workshop held on May 8, 2008 and as listed in Attachment 035-B, PGE is not requesting an increase of 130 FTEs. The increase compared to the 2007 forecast is 87 FTEs, after adjusting for 16 FTEs that are already covered in rates through Commission Order Nos. 07-015 and 07-573. For information regarding PGE's estimates of rate impacts, see PGE's first response above and confidential Attachment 035-A. Ultimately, PGE believes our requests are reasonable and we make every effort to keep costs down. In addition, PGE provides lifeline rates and other mechanisms for those who have difficulty making payments.

Request:

- e. The Company's answer to CUB data request 6 suggests that PGE commits to major capital projects without considering the rate impact of those projects, and that the Company files major rate cases without considering the context of how that rate increase will fit into the Company's overall plan to maintain reasonable rates. Is this a fair description of PGE's approach? If not, please demonstrate that it is not.**

Response:

PGE rejects the premise of this request. As stated in our first response above, PGE does consider the rate impact of our major capital projects. PGE's analyses, however, are primarily concerned with the cost-effectiveness over the life of the projects and the necessity of pursuing them in order to meet our requirements to provide safe, reliable service. While rate impacts will be a factor in those determinations, PGE does not have the option of doing nothing (and thus not providing service) so as to minimize rate impacts.

PGE *Supplemental* Response to CUB Data Request No. 035
July 7, 2008
Page 4

Supplemental Response No. 1 (7-7-08)

Attachment 035-C provides an updated analysis that PGE recently completed and provided as Attachment 407-A in PGE's response to OPUC Data Request No. 407. PGE's non-confidential response to OPUC Data Request No. 407 can be found at the following website:

http://www.portlandgeneral.com/about_pge/regulatory_affairs/filings/data_requests/UE197

Attachment 035-C is confidential and subject to Protective Order No. 08-133.

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Reconciliation of Incremental FTEs in UE 197 General rate Case

	FTEs	Sources			
		Exhibits	Staff DRs	CUB DRs	Other
Incremental FTEs per UE 197 Work Papers	130	800/5, Table 2		2, 3, 4	
FTE Adjustments:					
Heat pumps moved "below the line" (Outboard and Errata)	-4	200 WP and Errata			
Unfilled distribution (Outboard)	-20	200 WP		4	
Unfilled customer service (Outboard)	-10	200 WP		4	
FERC 890-A (Outboard)	7.5	400/15-16	103, 104, 167		
Remove FERC 890-A	-7.5				
Additional FERC/NERC/WECC compliance costs (Errata)	7	500/24-25	103, 104		
Less annualized impact of previously authorized generating plants					
Port Westward - Partial year 2007 to full year 2009 (from 12 FTEs to 23 FTEs)	-11				UE 180, Order 07-015
Biglow Canyon	-5		164		UE 188, Order 07-573
Adjusted Incremental FTEs	87				
Drivers of FTE Increase:					
System growth - distribution	12	600/9-10	177		
Customer growth - customer services (in line with customer growth)	14	700/4			
Business growth					
Legal	3	501	224		
Governmental Affairs	1	501	224		
Contract Services/Purchasing	1	501	224		
Human Resources	1	501	224		
Finance and Accounting	1	501	224		
Other A&G	2	501	224		
Customer services	1	-			
Generation project managers - Boardman emission controls, Biglow 2 and 3	3	400/19			
Generator simulator at Boardman	2	400/18			
Power Operations	1	400/15	165		
IT	5	500/20			
Cost savings and efficiency - IT (CIS and WebSphere)	7	500/20	101, 264, 271, 273		
Compliance					
FERC 890-A	7.5	400/15-16	103, 104, 167		
Remove FERC 890-A	-7.5				
Additional FERC/NERC/WECC compliance costs	7	500/24-25	103, 104		
Business Continuity and Emergency Management	4	500/13-14	103, 104, 172		
Environmental Services	3.5	501			
Transmission engineers	2	600/4	174		
Succession planning					
Transmission	1	600/4-5	175		
Boardman	1	400/18			
Generation Support					
Boardman Support	4	400/18	169		
Additional thermal, hydro, and wind generation support	11	400/18-19			
Total	87.5				

May 19, 2008

TO: Brad Van Cleve
Industrial Customers of NW Utilities

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to ICNU Data Request 5.237
Dated May 7, 2008
Question No. 237**

Request:

Please provide the following information for each calendar year from 2001 through 2007:

- a. **Total payroll**
- b. **Total payroll charged to expense by FERC account number.**
- c. **Total payroll capitalized by account number.**
- d. **Total payroll charged to other accounts by FERC account number.**
- e. **Total number of employees.**

Response:

Attachment 237-A contains actual payroll data for 2002 through 2007.

Regarding part (b), FERC account numbers are identified in column B. Refer to ledgers beginning with 'N,' which includes FERC accounts 500 through 935.

Regarding part (c), ledgers beginning with beginning with 'A' are capitalized. This includes FERC accounts 107, 108, and 111.

Regarding part (d), please refer to any ledgers not beginning with 'A' or 'N.' This includes FERC accounts 151, 163, 182.2, 182.3, 183, 184, 185, 186, 228.2, 230, and 232.

Regarding part (e), please refer to PGE's Response to OPUC Data Request No. 225 and Attachment 225-A. The attachment provides employee counts for years ending 2003 through 2007. PGE budgets and forecasts FTEs but does not budget or forecast employee counts. PGE's responses to OPUC data requests are available online:

http://www.portlandgeneral.com/about_pge/regulatory_affairs/filings/data_requests/UE197

UE 197
Attachment 237-A

Payroll Data 2002-2007

Provided Electronically (CD) Only

FERC	2003 ACT FTE	2004 ACT FTE	2005 ACT FTE	2006 ACT FTE	2007 ACT FTE
111 Total	-	-	-	-	-
108 Total	3.95	3.99	3.25	4.42	5.91
107 Total	336.13	312.65	327.73	324.89	336.36
151 Total	1.64	1.65	1.55	0.83	1.36
163 Total	52.96	53.18	53.05	50.52	50.16
183 Total	3.95	7.23	0.34	0.22	1.76
182.2 Total	-	0.02	0.03	0.03	-
182.3 Total	-	-	-	-	-
184 Total	182.60	190.09	182.57	184.53	190.27
185 Total	6.73	6.14	3.46	3.31	3.46
186 Total	12.43	10.36	10.25	10.12	10.87
232 Total	-	-	-	-	0.49
228.2 Total	-	-	-	-	-
230 Total	38.68	43.48	18.82	12.60	12.64
500 Total	67.02	67.12	66.38	65.90	78.00
501 Total	7.50	8.79	8.29	7.67	8.53
506 Total	59.88	58.11	69.81	63.16	63.77
517 Total	20.13	-	-	-	-
524 Total	9.87	0.37	0.24	0.29	0.31
537 Total	1.76	1.93	3.73	4.00	7.61
539 Total	0.63	0.43	0.49	0.38	0.25
556 Total	25.37	25.68	20.32	21.12	19.89
557 Total	59.81	57.87	50.58	60.02	62.02
560 Total	9.85	10.10	20.33	17.87	18.19
573 Total	5.18	5.04	3.58	1.04	-
569.2 Total	-	-	-	5.28	8.15
561 Total	-	-	5.80	1.48	-
561.2 Total	-	-	-	3.44	4.04
561.3 Total	-	-	-	4.21	5.66
561.6 Total	-	-	-	-	-
561.7 Total	-	-	-	-	0.14
562 Total	0.28	0.21	0.20	0.29	0.29
580 Total	267.57	274.45	281.71	280.46	301.34
588 Total	12.37	12.46	6.83	8.51	9.18
580 Total	20.31	19.94	17.99	17.31	18.78
582 Total	2.27	3.26	2.72	2.90	2.43
584 Total	0.98	1.28	1.33	1.79	2.13
585 Total	12.72	12.35	10.47	10.74	10.56
586 Total	11.89	11.19	11.13	12.09	12.40
587 Total	11.07	10.94	12.26	11.03	12.49
902 Total	85.96	88.24	91.77	91.50	93.71
903 Total	237.47	251.14	268.25	277.72	281.01
905 Total	88.69	97.58	89.87	94.08	90.13
908 Total	26.76	31.58	31.67	32.29	36.71
909 Total	2.53	2.15	2.70	2.47	2.66
908 Total	0.38	0.24	0.09	0.07	0.34

PGE Response to ICNU Data Request No. 237
Attachment 237-A

FERC	2003 ACT FTE	2004 ACT FTE	2005 ACT FTE	2006 ACT FTE	2007 ACT FTE
911 Total	0.00	-	-	-	-
912 Total	-	-	-	-	-
913 Total	0.00	0.00	-	-	-
921 Total	261.50	264.57	269.15	278.05	285.73
924 Total	0.68	0.68	1.05	1.10	1.45
925 Total	7.18	7.26	8.32	10.16	11.43
926 Total	403.52	395.45	378.51	390.98	391.06
928 Total	5.57	7.85	6.55	11.84	8.31
930.1 Total	0.11	0.36	0.52	0.45	0.11
930.2 Total	-	0.01	0.41	1.88	1.97
514 Total	2.68	2.53	2.15	1.59	1.41
532 Total	2.43	-	-	-	-
545 Total	6.52	7.33	6.88	8.63	7.35
553 Total	78.83	80.00	82.33	78.70	77.22
554 Total	1.95	1.55	1.64	1.48	1.52
571 Total	-	0.00	0.01	0.39	1.11
570 Total	5.89	8.22	7.51	5.99	6.23
571 Total	1.84	3.71	4.00	2.42	3.09
590 Total	21.64	17.86	16.91	16.25	15.41
591 Total	-	-	-	-	0.75
592 Total	19.44	18.97	24.15	22.74	18.08
593 Total	77.95	95.84	79.92	114.38	88.84
594 Total	19.81	19.09	21.03	17.31	18.42
597 Total	0.84	0.61	0.63	0.87	0.87
935 Total	10.15	9.46	10.61	9.96	8.59
Grand Total	2,615.85	2,622.60	2,601.83	2,665.69	2,712.97

FERC	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$	2007 Act \$
111 Total	1,113	-	-	-	-	-
108 Total	254,314	270,690	282,699	229,089	351,359	435,913
107 Total	25,123,396	22,568,629	21,639,641	23,419,222	24,053,888	25,648,297
151 Total	105,130	106,838	118,453	112,263	61,664	102,166
163 Total	2,858,514	2,844,126	3,044,813	3,096,375	3,019,449	2,991,996
183 Total	213,865	324,183	635,026	29,847	17,946	164,818
182.2 Total	484	-	1,601	1,891	2,554	-
182.3 Total	7,145	-	-	-	-	-
184 Total	12,002,145	11,732,852	12,700,952	12,424,356	13,089,531	13,976,588
185 Total	467,623	445,162	416,694	243,648	241,439	260,363
186 Total	1,213,618	1,003,056	853,154	769,506	789,094	903,752
232 Total	-	-	-	-	-	36,683
228.2 Total	2,002	334	229	-	1,236	-
230 Total	2,374,431	2,955,717	3,192,035	1,382,820	848,930	841,190
500 Total	4,707,284	4,397,784	4,727,850	4,767,023	4,900,826	5,919,173
501 Total	475,123	486,084	639,350	582,106	522,022	625,929
506 Total	4,632,268	4,265,607	4,317,262	5,400,116	5,102,506	5,329,220
517 Total	1,816,206	1,249,004	-	-	-	-
524 Total	805,939	619,300	10,444	7,905	9,500	10,633
537 Total	111,543	88,165	93,154	181,279	197,608	371,111
539 Total	276,139	45,923	33,009	41,125	31,264	22,470
556 Total	2,244,166	2,208,121	2,355,978	1,904,040	1,968,125	1,837,781
557 Total	4,945,236	5,241,916	5,099,799	4,585,728	5,496,596	5,767,754
560 Total	767,055	699,640	732,467	1,616,540	1,329,988	1,491,969
573 Total	213,166	362,138	358,701	282,843	119	-
569.2 Total	-	-	-	-	498,546	659,025
561 Total	-	-	-	577,562	5,395	-
561.2 Total	-	-	-	-	416,512	400,385
561.3 Total	-	-	-	-	548,210	528,504
561.6 Total	-	-	-	-	6,694	-
561.7 Total	-	-	-	-	7,594	12,208
562 Total	19,337	19,377	14,403	13,653	22,115	21,732
580 Total	17,885,508	17,657,274	18,580,899	19,966,019	20,261,459	22,219,727
598 Total	1,055,530	945,444	965,228	586,388	718,999	791,149
580 Total	1,392,336	1,238,719	1,294,659	1,172,277	1,141,199	1,253,621
582 Total	179,830	174,018	266,188	225,114	259,727	217,640
584 Total	41,238	69,883	96,046	104,266	160,443	196,487
585 Total	788,546	841,898	878,052	760,425	785,129	802,340
586 Total	573,273	742,815	688,483	694,959	774,211	814,485
587 Total	740,379	732,431	737,847	842,380	799,303	924,264
902 Total	3,057,587	3,180,829	3,402,589	3,520,331	3,537,235	3,754,872
903 Total	10,835,816	12,627,689	13,377,819	15,250,022	16,592,010	17,398,413
905 Total	2,840,423	3,213,499	3,600,716	3,330,931	3,753,419	3,571,306
908 Total	2,117,189	1,945,845	2,420,233	2,511,659	2,617,891	3,020,521
909 Total	171,028	168,889	143,209	191,642	177,902	200,983
908 Total	356,127	23,674	11,011	4,124	3,212	26,276

PGE Response to ICNU Data Request No. 237
Attachment 237-A

FERC	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$	2007 Act \$
911 Total	2,022	123	-	-	-	-
912 Total	852	-	-	-	-	-
913 Total	1,448	120	158	-	-	-
921 Total	18,666,928	17,919,684	18,411,485	19,710,971	20,809,082	21,959,649
924 Total	59,758	61,861	63,803	86,431	92,852	137,610
925 Total	470,122	475,153	481,989	604,703	789,703	846,830
926 Total	25,453,704	24,959,672	25,225,177	25,082,437	27,140,617	27,688,737
928 Total	254,292	458,016	640,012	528,241	968,405	677,640
930.1 Total	31,082	9,217	28,026	44,490	37,159	19,222
930.2 Total	-	-	496	45,423	163,396	176,321
514 Total	161,292	171,845	168,854	159,758	118,659	108,029
532 Total	266,037	168,360	-	-	-	-
545 Total	256,631	234,558	260,446	244,638	325,585	285,948
553 Total	5,297,332	5,127,963	5,440,352	5,669,759	5,593,857	5,694,571
554 Total	117,587	114,178	92,557	100,657	91,942	100,491
571 Total	4,210	-	200	377	35,602	126,955
570 Total	519,130	388,173	611,661	579,226	496,740	585,064
571 Total	240,691	134,001	328,078	347,766	216,223	257,960
590 Total	1,288,357	1,330,346	1,075,891	1,076,516	1,060,996	1,035,547
591 Total	-	-	-	-	-	59,514
592 Total	1,313,266	1,334,253	1,349,874	1,765,535	1,703,835	1,434,790
593 Total	6,449,785	6,783,806	8,725,895	7,410,264	11,430,501	8,535,850
594 Total	1,305,142	1,453,256	1,428,518	1,664,930	1,430,642	1,573,282
597 Total	39,479	39,841	43,636	42,594	59,815	59,914
935 Total	711,483	666,272	632,561	746,419	727,329	607,057
Grand Total	170,582,680	167,328,252	172,740,363	176,740,608	188,415,789	195,522,726

Reconciliation of Incremental FTEs in UE 197 General rate Case

Incremental FTEs per UE 197 Work Papers	FTEs	Sources			
		Exhibits	Staff DRs	CUB DRs	Other
	130	800/5, Table 2		2, 3, 4	
					Staff 177
FTE Adjustments:					
Heat pumps moved "below the line" (Outboard and Errata)	-4	200 WP and Errata			
Unfilled distribution (Outboard)	-20	200 WP		4	
Unfilled customer service (Outboard)	-10	200 WP		4	
FERC 890-A (Outboard)	7.5	400/15-16	103, 104, 167		
Additional FERC/NERC/WECC compliance costs (Errata)	7	500/24-25	103, 104		
Subtotal	-19.5				
Adjusted Incremental FTEs	110.5				
Drivers of FTE Increase:					
Covered in prior rate cases:					
Partial year 2007 to full year 2009 (from 12 FTEs to 23 FTEs) - Port Westward	11				UE 180, Order 07-015
Biglow Canyon	5	16	164		UE 188, Order 07-573
System growth - distribution	12	600/9-10	177		
Customer growth - customer services (in line with customer growth)	14	700/4			
Business growth					
Legal	3	501	224		
Governmental Affairs	1	501	224		
Contract Services/Purchasing	1	501	224		
Human Resources	1	501	224		
Finance and Accounting	1	501	224		
Other A&G	2	501	224		
Customer services	1	-			
Generation project managers - Boardman emission controls, Biglow 2	3	400/19			
Generator simulator at Boardman	2	400/18			
Power Operations	1	400/15	165		
IT	5	500/20			
Cost savings and efficiency - IT (CIS and WebSphere)	7	500/20	101, 264, 271, 273		
Compliance					
FERC 890-A	7.5	400/15-16	103, 104, 167		
Additional FERC/NERC/WECC compliance costs	7	500/24-25	103, 104		
Business Continuity and Emergency Management	4	500/13-14	103, 104, 172		
Environmental Services	3.5	501			
Transmission engineers	2	600/4	174		
Succession planning					
Transmission	1	600/4-5	175		
Boardman	1	400/18			
Generation Support					
Boardman Support	4	400/18	169		
Additional thermal, hydro, and wind generation support	11	400/18-19			
Total	111				

Portland General Electric Company

121 SW Salmon Street
Portland, Oregon 97204

PROXY STATEMENT

FOR THE ANNUAL MEETING OF SHAREHOLDERS To Be Held On MAY 7, 2008

This proxy statement is being furnished to you by the Board of Directors of Portland General Electric Company ("PGE" or the "company") to solicit your proxy to vote your shares at our 2008 Annual Meeting of Shareholders. The meeting will be held at the Conference Center Auditorium located at Two World Trade Center, 25 SW Salmon Street, Portland, Oregon at 10:00 a.m. Pacific Time on Wednesday, May 7, 2008. This proxy statement and the enclosed proxy card and 2007 Annual Report are being mailed to shareholders, or made available electronically, on or about March 24, 2008.

Questions and Answers about the Annual Meeting

Why did I receive a notice in the mail regarding the Internet availability of proxy materials this year instead of a full set of proxy materials?

Pursuant to new rules recently adopted by the Securities and Exchange Commission, we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability") to our shareholders of record and beneficial owners. All shareholders will have the ability to access the proxy materials on a website referred to in the Notice of Internet Availability or request to receive a printed set of the proxy materials, at no charge. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found on the Notice of Internet Availability. In addition, shareholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis by following the instructions on the website referred to in the Notice of Internet Availability.

Why am I receiving these materials?

Our Board of Directors has made these materials available to you on the Internet, or, upon your request, will deliver printed versions of these materials to you by mail, in connection with the board's solicitation of proxies for use at our 2008 Annual Meeting of Shareholders. You are invited to attend the annual meeting and are requested to vote on the proposals described in this proxy statement.

What is included in these materials?

These materials include:

- Our proxy statement for the 2008 annual meeting; and
- Our 2007 Annual Report to Shareholders, which includes our audited consolidated financial statements.

If you request printed versions of these materials by mail, these materials will also include the proxy card for the 2008 annual meeting.

How can I get electronic access to the proxy materials?

The Notice of Internet Availability provides you with instructions regarding how to:

- View our proxy materials for the 2008 annual meeting on the Internet; and
- Instruct us to send our future proxy materials to you electronically by email.

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Corporate Governance Committee, a shareholder must submit the recommendation in writing and must include the following information:

- The shareholder’s name and evidence of ownership of PGE common stock, including the number of shares owned and the length of time of ownership; and
- The candidate’s name, resume or listing of qualifications to be a director and consent to be named as a director if selected by the Nominating and Corporate Governance Committee and nominated by the board.

The shareholder recommendation and information described above must be sent to our Corporate Secretary at Portland General Electric Company, 121 SW Salmon Street, 1WTC1301, Portland, Oregon 97204 and must be received by our Corporate Secretary not less than 120 days prior to the anniversary date of our most recent annual meeting of shareholders.

The Nominating and Corporate Governance Committee retains a third party search firm to assist the committee members in identifying and evaluating potential nominees for the board. The committee also identifies potential nominees by asking current directors and executive officers to notify the committee if they become aware of persons meeting the criteria described above who might be available to serve on the board, especially business and civic leaders in the communities in our service area. As described above, the committee will also consider candidates recommended by shareholders.

Once a person has been identified by the Nominating and Corporate Governance Committee as a potential candidate, the committee may collect and review publicly available information to assess whether the person should be considered further. If the committee determines that the person warrants further consideration, the committee chair or another member of the committee contacts the person. Generally, if the person expresses a willingness to be a candidate and to serve on the board, the Nominating and Corporate Governance Committee requests information from the candidate, reviews the candidate’s accomplishments and qualifications, including in light of any other candidates that the committee might be considering, and conducts one or more interviews with the candidate. In certain instances, committee members may contact references provided by the candidate or may contact other members of the business community or other persons who may have greater first-hand knowledge of the candidate’s accomplishments. The committee’s evaluation process does not vary based on whether a candidate is recommended by a shareholder.

Non-Employee Director Compensation

The following table describes the compensation earned by persons who served as non-employee directors during any part of 2007.

2007 Director Compensation

<u>Name</u>	<u>Fees Earned or Paid in Cash (1) (\$)</u>	<u>Stock Awards (2) (\$)</u>	<u>Change in Pension Value and Nonqualified Deferred Compensation Earnings (3) (\$)</u>	<u>All Other Compensation (4) (\$)</u>	<u>Total (5)</u>
John W. Ballantine	92,500	30,600	284	910	124,294
Rodney L. Brown, Jr.	53,000	30,600	25	884	84,509
David A. Dietzler	79,000	30,600	232	910	110,742
Mark B. Ganz	56,000	30,600	0	910	87,510
Corbin A. McNeill, Jr.	141,500	30,600	0	910	173,010
Neil J. Nelson	72,000	30,600	0	887	103,487
M. Lee Pelton	74,000	30,600	0	910	105,510
Maria M. Pope	78,000	30,600	0	910	109,510
Robert T. F. Reid	71,500	30,600	0	910	103,010

(1) Amounts in this column include retainers, meeting fees and chair fees.

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- (2) Amounts in this column represent the financial accounting cost to us in 2007 that was attributable to restricted stock unit grants made in 2007 and 2006, the terms of which are discussed further below under the section entitled "Restricted Stock Unit Grants." The grant date fair value of the common stock underlying the restricted stock units granted to each of the directors in 2007, other than Mr. Brown, was \$30,000. These grants were made to all directors on June 13, 2007 in respect of services to be performed during the ensuing 12-month period. The grant date fair value of the common stock underlying the restricted stock units granted to Mr. Brown in 2007 was \$45,000. Mr. Brown joined our board in February 2007. The additional \$15,000 grant to Mr. Brown was made to compensate Mr. Brown for the first half of 2007. For a discussion of the assumptions underlying our determination of the fair value, see "Note 5 — Stock-Based Compensation" in the Notes to the Consolidated Financials Statements in our Annual Report on Form 10-K for the year ended December 31, 2007.
- (3) Amounts in this column constitute above-market interest earned on deferred compensation balances under the Portland General Electric Company 2006 Outside Directors' Deferred Compensation Plan.
- (4) This column shows amounts earned in respect of dividend equivalent rights under restricted stock unit awards. See the discussion below under "Restricted Stock Unit Grants." The value of the dividend equivalent rights was not incorporated into the "Stock Award" column.

Current Compensation Arrangements for Non-Employee Directors

On July 13, 2006, the Board of Directors, acting upon recommendations of an outside compensation consultant retained by the board, approved changes to the compensation arrangements for the company's non-employee directors. The changes in compensation were designed to bring the compensation of our directors in line with that of comparable publicly traded electric utilities. The following table describes the current compensation arrangements with our non-employee directors:

Annual Cash Retainer Fee	\$30,000
Additional Annual Cash Retainer for Chairman of the Board	\$75,000
Additional Annual Cash Retainer Fee for Audit Committee Chair	\$15,000
Additional Annual Cash Retainer for Other Committee Chairs	\$ 7,500
Board and Committee Meeting Fees	
Attendance in person	\$ 3,000
Telephone attendance	\$ 1,000
Value of Annual Grant of Restricted Stock Units	\$30,000

The annual cash retainers and board and committee meeting fees are paid quarterly in arrears. We will also reimburse certain expenses related to the directors' service on the board, including expenses in connection with attendance at board and committee meetings.

Our non-employee directors are required to hold at least 3,300 shares of PGE common stock while serving as a director. They have three years from appointment or election to meet this requirement.

Restricted Stock Unit Grants

Each non-employee director received a grant of restricted stock units on June 13, 2007. The number of restricted stock units each director received was determined by dividing \$30,000 by the closing price of PGE common stock on the date of grant. We intend to make additional grants of \$30,000 worth of restricted stock units to each director each year on or about the date of our annual meeting of shareholders. Each restricted stock unit represents the right to receive one share of common stock at a future date. Provided that the director remains a non-employee member of the board, the restricted stock units will vest over a one-year vesting period in equal installments on the last day of each calendar quarter and will be settled exclusively in shares of common stock. Restricted stock units do not have voting rights with respect to the underlying common stock until the units vest and the common stock is issued.

Each director also was granted one dividend equivalent right with respect to each restricted stock unit. Each dividend equivalent right represents the right to receive an amount equal to dividends paid on one share of common

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reserves the right to make awards that do not qualify for this exemption. One of the requirements for qualifying performance-based awards is that the material terms of a performance goal under which the compensation is paid must be approved by the company's shareholders. For that reason, we are seeking approval of our amended and restated 2006 Stock Incentive Plan and our 2008 Annual Cash Incentive Master Plan for Executive Officers at the 2008 Annual Meeting of Shareholders. For additional details, see "Proposal 3: Approval of the Portland General Electric Company Amended and Restated 2006 Stock Incentive Plan" and "Proposal 4: Approval of the Portland General Electric Company 2008 Annual Cash Incentive Master Plan for Executive Officers."

Executive Compensation

I. 2007 Summary Compensation Table

The table below shows the compensation that the company's named executive officers (the CEO, CFO and three most highly compensated officers other than the CEO and CFO) earned during the year ended December 31, 2007. Information on director compensation is included under the heading "Non-Employee Director Compensation" on pages 10 to 12.

Name and Principal Position	Year	Salary (1) (\$)	Stock Awards (2) (\$)	Non-Equity Incentive Plan Compensation (3) (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (4) (\$)	All Other Compensation (5) (\$)	Total (6)
Peggy Y. Fowler, Chief Executive Officer and President	2007	622,208	682,110	913,478	510,220	42,453	2,770,468
	2006	537,340	172,833	483,355	979,735	345,619	2,518,882
James J. Piro, Executive Vice President, Finance, Chief Financial Officer and Treasurer	2007	333,949	178,914	319,479	0	35,953	868,295
	2006	301,461	45,333	213,430	70,669	34,385	665,278
Stephen M. Quennoz, Vice President, Nuclear and Power Supply/Generation(6)	2007	229,587	102,875	191,206	20,139	21,833	565,640
	2006	222,073	102,875	191,206	0	25,194	541,348
Arleen N. Barnett, Vice President, Administration	2007	211,973	26,067	136,913	71,610	23,407	469,970
	2006	217,064	102,875	191,206	0	24,472	535,617
Stephen R. Hawke, Senior Vice President, Customer Service and Delivery	2007	209,072	26,067	137,429	67,621	23,175	463,364

(1) Amounts in the Salary column include base salary earned and, in the case of Messrs. Piro and Quennoz and Ms. Barnett, \$7,533, \$12,523 and \$5,009 respectively, which is the value of the paid time off they deferred under the company's 2005 Management Deferred Compensation Plan. The amounts reflect salary increases that went into effect on May 1, 2006 and May 1, 2007.

(2) The Stock Awards column shows the amount recognized in our financial statements for fiscal years 2006 and 2007 with respect to awards of restricted stock units with performance-based vesting conditions ("performance shares") and restricted stock units with time-based vesting conditions ("time restricted shares").

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The amounts recognized with respect to performance shares were as follows:

<u>Name</u>	<u>Year</u>	<u>Amount Recognized</u>
Peggy Y. Fowler	2007	\$ 580,443
	2006	\$ 122,000
James J. Piro	2007	\$ 152,247
	2006	\$ 32,000
Stephen M. Quennoz	2007	\$ 87,542
	2006	\$ 87,542
Arleen N. Barnett	2007	\$ 18,400
	2006	\$ 18,400
Stephen R. Hawke	2007	\$ 87,542
	2006	\$ 18,400

The amounts recognized with respect to performance shares assume the achievement of performance goals that would allow the vesting of 131% and 128% of awarded performance shares for 2007 and 2006, respectively. Amounts recognized with respect to performance shares also assume that the named executive officers will continue in the employment of the company throughout the performance period. See "Note 5 — Stock Based Compensation" in the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2007 for a discussion of certain assumptions underlying our determination of these amounts.

The amounts recognized with respect to time restricted shares in 2006 and 2007 were as follows:

<u>Name</u>	<u>Year</u>	<u>Amount Recognized</u>
Peggy Y. Fowler	2007	\$ 101,667
	2006	\$ 50,833
James J. Piro	2007	\$ 26,667
	2006	\$ 13,333
Stephen M. Quennoz	2007	\$ 15,333
	2006	\$ 15,333
Arleen N. Barnett	2007	\$ 7,667
	2006	\$ 7,667
Stephen R. Hawke	2007	\$ 15,333
	2006	\$ 7,667

The 2007 awards are discussed in greater detail below in the section entitled "— 2007 Grants of Plan-Based Awards."

- (3) Amounts shown in the Non-Equity Incentive Plan Compensation column represent cash awards under the company's 2006 Annual Cash Incentive Master Plan. The terms of these awards are discussed below in the section entitled "— 2007 Grants of Plan-Based Awards."
- (4) See below under "A. Change in Pension Value and Nonqualified Deferred Compensation Earnings" for an explanation of the amounts reflected in this column. The amount shown for Mr. Piro, Ms. Barnett and Mr. Hawke is 0, in accordance with applicable disclosure rules. As reflected in the figures below, however, the net effect of the amounts reflected in this column were decreases of \$7,361 for Mr. Piro, \$2,936 for Ms. Barnett and \$5,687 for Mr. Hawke.
- (5) The amounts shown for fiscal year 2006 in the "All Other Compensation" and "Total" columns differ from the amounts reported in last year's proxy statement because amounts erroneously reported as earned by the named executive officers with respect to dividend equivalent rights in 2006 are not reflected in the 2006 figures reported in this proxy statement. See below under "B. Perquisites and Other Compensation" for additional information about amounts reported in this column.
- (6) Information regarding compensation earned by Mr. Quennoz in 2006 is not included because he was not one of the named executive officers (the CEO, CFO or one of the three most highly compensated officers other than the CEO and CFO) in 2006.

ITEM NO. CA7

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 11, 2008

REGULAR CONSENT EFFECTIVE DATE N/A

DATE: February 26, 2008

TO: Public Utility Commission

FROM: Paul Rossow

THROUGH: Lee Sparling, Ed Busch and Judy Johnson

SUBJECT: PORTLAND GENERAL ELECTRIC: Accept 2008 Budget of
Expenditures.

STAFF RECOMMENDATION:

I recommend Portland General Electric's 2008 Budget of Expenditures be accepted for accounting purposes only. Ratemaking treatment should be reserved for a ratemaking proceeding.

DISCUSSION:

Officers' Compensation

Attachment 1 compares budgeted 2008 officers' salaries and other compensation with 2007 levels for Portland General Electric (PGE or Company). Officers' salaries show an increase of 1.0 percent while pensions and other fringe benefits indicate an increase of 239.2 percent, due to performance and restricted stock grants being amortized. Overall compensation increases by 41.9 percent.

For comparable positions, salaries reveal an increase of 3.7 percent. Pensions and other fringe benefits increased 255.7 percent, which directly relates to performance and restricted stock grants being amortized, resulting in an overall change of 23.5 percent.

Attachment 2 shows salary history for the years 2003 through 2008. For comparable positions, annual average salaries increased by an average of 7.7 percent per year over the five year period.

PGE Budget of Expenditures
February 26, 2008
Page 2

Attachments 3.1 and 3.2 show officers' cash compensation, including bonuses, for 2003 through 2007. Bonuses are attributed to the year they are paid. For example, a bonus earned in 2006 is paid by the Company in 2007, and attributed (in Attachments 3.1 and 3.2) to the 2007 salary. Attachment 3.2 shows that for comparable positions, cash compensation for the period 2003 through 2007 increases 10.1 percent annually.

Attachment 4 shows officer's salary changes compared to Consumer Price Index (CPI) changes for the years 2003 through 2007. Since budgets present values at the beginning of the budget year, the 2007 budget increase, for example, is shown on this table as 2006. As of the end of the period, salaries for comparable positions are 22.4 percent higher than they would have been if CPI percentage increases had been granted during the period. When bonuses are included, comparable positions increase by 33.8 percent more than the CPI average. In a general rate case, staff typically proposes to exclude all officers' bonuses, and salary changes are limited to a percentage increase measuring cost changes, such as CPI.

Memberships and Dues

"Above-the-line" memberships and dues for utility industry, technical and professional organizations, as assigned to Oregon electric operations, are budgeted to increase from \$1,312,289 in 2007 to \$1,820,048 for 2008.

Pensions

The Company's pension expense for 2008 is expected to be approximately \$1.8 million. Cash contributions of \$13.9 million are expected to be made to the Employee Retirement Savings Plan in 2008 for matching employee contributions and for direct contributions to certain union employee accounts. This is an increase of roughly \$600,000 compared to the 2007 contribution.

Political Activities

The budget shows \$148,775 for political contributions for 2008, and as prescribed by the Uniform System of Accounts, all amounts are to be charged to "below-the-line" nonutility accounts.

PGE Budget of Expenditures
February 26, 2008
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PROPOSED COMMISSION MOTION:

Portland General Electric's 2008 Budget of Expenditures be accepted for accounting purposes only and that ratemaking treatment be reserved for a ratemaking proceeding.

**PORTLAND GENERAL ELECTRIC
2007 AND 2008 BUDGETED OFFICERS COMPENSATION
TOTAL COMPANY AMOUNT
EXCLUDING INCENTIVE (BONUS) PAYMENTS**

POSITION	NAME	SALARY			PENSIONS AND OTHER FRINGE BENEFITS			TOTAL COMPENSATION		
		2008 BUDGET	2007 BUDGET	% CHG	2008 BUDGET	2007 BUDGET	% CHG	2008 BUDGET	2007 BUDGET	% CHG
President & CEO	Fowler	666,006	646,608	3.0%	749,775	64,424	1083.8%	1,415,781	711,032	99.1%
Exec. V.P., CFO & Treasurer	Piro	349,393	339,217	3.0%	244,595	58,185	320.4%	593,988	397,402	49.5%
V.P. - Administration	Barnett	232,344	225,576	3.0%	156,890	52,372	199.6%	389,234	277,948	40.0%
V.P. - Customer Svc. Delivery	Hawke	232,344	225,576	3.0%	160,278	55,485	188.9%	392,622	281,061	39.7%
V.P. - Customer Service - Distribution	Macarthur	232,344	204,156	13.8%	123,618	55,439	123.0%	355,962	259,595	37.1%
V.P. - Reg Affairs & Strat. Planning	Lesh	208,239	204,156	2.0%	117,346	49,227	138.4%	325,585	253,383	28.5%
V.P. - Power Supply/Generation	Quennoz	232,344	225,576	3.0%	160,278	55,485	188.9%	392,622	281,061	39.7%
V.P. - Bus & Gov't Cust and Eco Develop	Johnson	-	204,156	N/A	-	53,060	N/A	-	257,216	N/A
V.P. - Power Oper & Resource Plan'g	Lobdell	219,166	214,866	2.0%	144,069	59,351	142.7%	363,235	274,217	32.5%
V.P. - General Cnsl & Sec'y	Nichols	-	291,517	N/A	-	53,424	N/A	-	344,941	N/A
V.P. - Public Policy	Dillin	211,815	204,156	3.8%	118,768	49,587	139.5%	330,683	253,743	30.3%
V.P. - Chief Information Officer	Henderson	197,211	193,344	2.0%	120,035	51,616	132.6%	317,246	244,960	29.5%
V.P. - General Cnsl & Corp. Comp.	Dudley	237,652	-	N/A	75,194	-	N/A	312,846	-	N/A
V.P. - Customer & Econ. Development	Nicholson	192,924	-	N/A	60,082	-	N/A	253,006	-	N/A
Totals		3,211,882	3,178,904	1.0%	2,230,928	657,655	239.2%	5,442,810	3,836,559	41.9%
Total Comparable Positions		2,781,306	2,683,231	3.7%	1,960,376	551,171	255.7%	3,993,660	3,234,402	23.5%

**PORTLAND GENERAL ELECTRIC
OFFICERS' BUDGETED SALARY HISTORY - 2003 THROUGH 2008**

Attachment 2

POSITION	NAME	2003			2004			2005			2006			2007			2008			AVERAGE ANNUAL CHANGE 2003 - 2008
				PERCENT CHANGE			PERCENT CHANGE			PERCENT CHANGE			PERCENT CHANGE			PERCENT CHANGE			PERCENT CHANGE	
President & CEO	Fowler	350,000	350,000	0.0%	350,000	0.0%	392,000	12.0%	646,608	65.0%	666,006	3.0%	13.7%							
Exec. V.P. - Retail & Distribution	Miller	225,000	225,000	0.0%	0	N/A	0	N/A	0	N/A	0	N/A	N/A							
Exec. V.P. - CFO & Treasurer	Piro	210,000	210,000	0.0%	218,000	3.8%	244,165	12.0%	339,217	38.9%	349,393	3.0%	10.7%							
V.P. - Power Supply/Power Oper	Turina	121,800	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	N/A							
V.P. - Distribution	Macarthur	175,000	175,000	0.0%	175,000	0.0%	189,000	8.0%	204,156	8.0%	232,344	13.8%	5.8%							
V.P. - Customer Svc. Delivery	Hawke	175,000	175,000	0.0%	180,000	2.9%	201,600	12.0%	225,576	11.9%	232,344	3.0%	5.8%							
V.P. - Customer Svc. Delivery	Ryder	170,000	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	N/A							
V.P. - Administration	Barnett	190,000	190,000	0.0%	190,000	0.0%	199,510	5.0%	225,576	13.1%	232,344	3.0%	4.1%							
V.P. - Power Supply/Generation	Quennoz	181,000	181,000	0.0%	181,000	0.0%	201,650	11.4%	225,576	11.9%	232,344	3.0%	5.1%							
V.P. - Reg Affairs & Strat. Planning	Lesh	181,000	181,000	0.0%	181,000	0.0%	190,055	5.0%	204,156	7.4%	208,239	2.0%	2.8%							
V.P. - Gov't Affairs & Econ. Develop	Talton	22,000	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	N/A							
V.P. - Power Oper & Resource Plan'g	Lobdell	170,000	181,000	6.5%	181,000	0.0%	191,870	6.0%	214,866	12.0%	219,166	2.0%	5.2%							
V.P. - Bus & Gov't Cust and Eco Develop	Johnson	181,000	181,000	0.0%	181,000	0.0%	190,055	5.0%	204,156	7.4%	0	N/A	3.1%							
V.P. - General Cnsl & Sec'y	Nichols	181,000	190,000	5.0%	195,000	2.6%	218,400	12.0%	291,517	33.5%	0	N/A	12.7%							
V.P. - Public Policy	Dillian	0	0	N/A	175,000	N/A	183,770	5.0%	204,156	11.1%	211,915	3.8%	6.6%							
V.P. - Chief Information Officer	Henderson	0	0	N/A	0	N/A	0	N/A	193,344	N/A	197,211	2.0%	N/A							
V.P. - General Cnsl & Corp. Comp.	Dudley	0	0	N/A	0	N/A	0	N/A	0	N/A	237,652	N/A	N/A							
V.P. - Customer & Econ. Development	Nicholson	0	0	N/A	0	N/A	0	N/A	0	N/A	192,924	N/A	N/A							
TOTALS		2,532,800	2,239,000	-11.6%	2,207,000	-1.4%	2,402,075	8.8%	3,178,904	32.3%	3,211,882	1.0%	4.9%							
Number of Officers		14	11		11		11		12		12									
TOTALS-Comparable Positions 03/04		2,218,000	2,239,000	1.0%																
TOTALS-Comparable Positions 04/05			2,014,000		2,032,000	1.4%														
TOTALS-Comparable Positions 05/06					2,207,000		2,402,075	8.8%												
TOTALS-Comparable Positions 06/07							2,402,075		2,985,580	24.5%										
TOTALS-Comparable Positions 07/08									2,883,231		2,781,306	-3.5%	-3.5%							

**PORTLAND GENERAL ELECTRIC
OFFICERS' CASH COMPENSATION HISTORY
2003 THROUGH 2007
TOTAL COMPANY AMOUNTS INCLUDE INCENTIVE (BONUS) PAYMENTS**

POSITION	NAME	2003		2004		2005		BENEFITS BONUS & SAVINGS PLAN	TOTAL	% CHANGE
		TOTAL	% CHANGE	TOTAL	% CHANGE	BUDGETED SALARY	TOTAL			
President & CEO	Fowler	550,000	7.3%	590,000	7.3%	350,000	378,745	728,745	23.2%	
Exec V.P. - Retail & Distribution	McIver	325,000	12.3%	365,000	12.3%	0	0	365,000	-100.0%	
Exec V.P. - CFO & Treasurer	Piro	330,000	12.1%	370,000	12.1%	218,000	138,850	359,850	-3.6%	
V.P. - Power Supply/Power Oper	Turna	181,800	-100.0%	0	-100.0%	0	0	0	N/A	
V.P. - Distribution	MacArthur	245,000	8.1%	260,000	6.1%	175,000	79,120	254,120	-2.3%	
V.P. - Customer Svc. Delivery	Hawke	245,000	10.2%	270,000	10.2%	180,000	115,040	295,040	9.3%	
V.P. - Customer Svc. Delivery	Ryder	240,000	-64.6%	65,000	-64.6%	0	0	65,000	-100.0%	
V.P. - Administration	Burnett	265,000	7.5%	285,000	7.5%	190,000	85,900	275,900	-3.2%	
V.P. - Power Supply/Generation	Quarroz	271,000	14.8%	311,000	14.8%	181,000	115,815	296,815	-4.6%	
V.P. - Reg Affairs & Strat. Planning	Lesh	251,000	8.0%	268,000	6.0%	181,000	81,830	262,830	-1.2%	
V.P. - Govt Affairs & Econ. Develop	Tilton	57,000	-100.0%	0	-100.0%	0	0	0	N/A	
V.P. - Power Oper & Resource Planng	Lebbell	295,000	5.5%	269,000	5.5%	181,000	81,830	262,830	-2.3%	
V.P. - Bus & Govt Cust and Eco Develop	Johnson	251,000	8.0%	268,000	8.0%	181,000	81,830	262,830	-1.2%	
V.P. - General Cnsl & Socy	Nichols	271,000	21.0%	328,000	21.0%	195,000	124,730	319,730	-2.5%	
V.P. - Public Policy	Dilsen					175,000	75,295	250,295	N/A	
V.P. - Chief Information Officer	Henderson									
V.P. - General Cnsl & Corp. Comp.	Dudley									
V.P. - Customer & Econ. Development	Noronha									
		3,747,800	-2.2%	3,663,000	-2.2%	2,207,000	1,355,955	3,562,955	-2.8%	

Number of Officers	2003	2004	2005
Number of Officers	14	12	11
TOTALS-Comparable Positions 03/04	3,499,000	3,655,000	3,313,760
TOTALS-Comparable Positions 04/05		3,215,000	3,643,895
TOTALS-Comparable Positions 05/06			
TOTALS-Comparable Positions 06/07			

**PORTLAND GENERAL ELECTRIC
OFFICERS' CASH COMPENSATION HISTORY
2003 THROUGH 2007
TOTAL COMPANY AMOUNTS INCLUDE INCENTIVE (BONUS) PAYMENTS**

POSITION	NAME	2006				2007				AVERAGE ANNUAL GROWTH 2003 - 2007
		BUDGETED SALARY	BENEFITS BONUS & SAVINGS PLAN	TOTAL	% CHANGE	BUDGETED SALARY	BENEFITS BONUS & SAVINGS PLAN	TOTAL	% CHANGE	
President & CEO	Fowler	392,000	370,759	762,759	5.0%	646,608	601,583	1,248,171	63.6%	22.7%
Exec. V.P. - Retail & Distribution	Miller	0	0	-	N/A	0	0	-	N/A	N/A
Exec. V.P. - CFO & Treasurer	Piro	244,165	115,468	359,631	0.8%	339,217	244,432	583,649	62.3%	15.3%
V.P. - Power Supply/Power Oper	Turina	0	0	-	N/A	0	0	-	N/A	N/A
V.P. - Distribution	Macarthur	169,000	52,890	241,890	-4.8%	204,156	93,278	297,434	23.0%	5.0%
V.P. - Customer Svc. Delivery	Hawke	201,600	79,448	281,048	-4.7%	225,576	155,243	380,819	35.5%	11.7%
V.P. - Customer Svc. Delivery	Ryder	0	0	-	N/A	0	0	-	N/A	N/A
V.P. - Administration	Barnett	199,510	58,465	255,975	-7.2%	225,576	155,243	380,819	48.8%	9.5%
V.P. - Power Supply/Generation	Quennoz	201,650	80,319	281,969	-5.0%	225,576	132,348	357,924	26.9%	7.2%
V.P. - Reg Affairs & Strat. Planning	Lesh	190,055	64,548	254,603	-3.1%	204,156	109,813	313,969	23.3%	5.8%
V.P. - Gov't Affairs & Econ. Develop	Tatton	0	0	-	N/A	0	0	-	N/A	N/A
V.P. - Power Oper & Resource Plan'g	Lobdell	191,870	64,914	256,784	-2.3%	214,866	116,113	330,979	28.9%	6.7%
V.P. - Bus & Gov't Cust and Eco Develop	Johnson ⁽¹⁾	190,055	53,790	243,845	-7.2%	204,156	0	204,156	-18.3%	-5.0%
V.P. - General Cnsl & Sec'y	Nichols ⁽¹⁾	218,400	88,068	304,468	-4.6%	291,517	0	291,517	-4.3%	1.8%
V.P. - Public Policy	Dillon	183,770	67,501	251,271	0.4%	204,156	108,605	312,761	24.5%	11.8%
V.P. - Chief Information Officer	Henderscn		10,583	10,583	N/A	183,344	89,115	282,459	2569.0%	N/A
V.P. - General Cnsl & Corp. Comp.	Dudley ⁽²⁾					0	64,502	64,502	N/A	N/A
V.P. - Customer & Econ. Development	Nicholson ⁽²⁾					0	55,423	55,423	N/A	N/A
		2,402,076	1,102,761	3,504,836	-1.7%	3,178,904	1,925,678	5,104,682	45.6%	6.9%
Number of Officers		12				14				
TOTALS-Comparable Positions 03/04										
TOTALS-Comparable Positions 04/05										
TOTALS-Comparable Positions 05/06										
TOTALS-Comparable Positions 06/07										
TOTALS-Comparable Positions 07/08										

1 - When preparing the 2007 Budget Ron Johnson and Douglas Nichols were included in the Budget. However, by the time the 2008 Budget was distributed both officers were no longer with PGE.

2 - Jay Dudley and William Nicholson did receive salaries in 2007, but were not budgeted at the executive officer salary level. Both received bonuses during this time period.

**PORTLAND GENERAL ELECTRIC
OFFICERS' SALARY CHANGES COMPARED WITH CPI CHANGES
2003 THROUGH 2007**

	PERCENT CHANGE FROM PRIOR YEAR		PERCENT CHANGE FROM PRIOR YEAR	
	AVERAGE OFFICER'S SALARY ⁽¹⁾	ANNUAL AVERAGE CPI ⁽²⁾	AVE. OFFICER'S CASH COMPENSATION ⁽³⁾	ANNUAL AVERAGE CPI
2003	0.9%	2.8%	4.7%	2.8%
2004	0.9%	1.6%	3.1%	1.6%
2005	0.9%	2.3%	-2.0%	2.3%
2006	8.8%	2.7%	38.8%	2.7%
2007	24.3%	3.4%	N/A	N/A

Average	6.8%	2.6%	10.1%	2.3%
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Index Value	138.92	113.46	146.83	109.73
(January 1, 2003 = 100)				

% Difference from CPI	22.4%	33.8%
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Notes:

1 - Officers' salary and cash compensation changes are for comparable positions. Changes have been shifted back one year from budget since budgets show amounts in effect as of the end of the prior year.

2 - CPI changes are from Bureau of Labor Statistics, Labor Market Information Home Page, U.S. City average, base period 1982-84, All Urban Consumers.

3 - 2008 bonus information for the year 2007 is not yet available. Therefore, for cash compensation comparison, average and index value are based on change from 2003 through 2007.

ITEM NO. CA12

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 26, 2008**

REGULAR CONSENT EFFECTIVE DATE _____ N/A

DATE: July 30, 2008

TO: Public Utility Commission

FROM: Paul Rossow

THROUGH: Lee Sparling, Ed Busch and Judy Johnson

SUBJECT: PACIFIC POWER & LIGHT: Accept 2008 Budget of Expenditures.

STAFF RECOMMENDATION:

I recommend Pacific Power & Light's 2008 Budget of Expenditures be accepted for accounting purposes only. Ratemaking treatment should be reserved for a ratemaking proceeding.

DISCUSSION:

Officers' Compensation

Attachment 1 compares budgeted 2008 officers' salaries and other compensation with 2007 levels for Pacific Power & Light (Company or Pacific). Officers' salaries show a decrease of 3.3 percent while pensions and other fringe benefits indicate an increase of 0.6 percent. Overall compensation decreases by 2.4 percent.

For comparable positions, salaries reveal an increase of 2.9 percent. Pensions and other fringe benefits increased 1.3 percent, resulting in an overall change of 2.5 percent.

Starting with 2007, Attachments 2 and 3 show a reduction in the number of Executive Officers due to the Company changing designation of Officers to be consistent with the SEC reporting.

Attachment 2 shows salary history for the years 2003 through 2008. For comparable positions, salaries increased by an average of 6.7 percent per year over the five year period.

Pacific 2008 Budget of Expenditures
July 30, 2008
Page 2

Attachment 3 shows officers' cash compensation, including bonuses, for 2003 through 2007. Bonuses are attributed to the year they are paid. For example, a bonus earned in 2006 is paid by the Company in 2007, and attributed in Attachment 3 to the 2007 compensation. Attachment 3 shows that for comparable positions, cash compensation for the period 2003 through 2007 increases by an average of 8.4 percent annually.

Attachment 4 shows officer's salary changes compared to Consumer Price Index (CPI) changes for the years 2003 through 2007. Since budgets present values at the beginning of the budget year, the 2007 budget increase is shown on this table as 2006. As of the end of the period, salaries for comparable positions are 18.6 percent higher than they would have been if CPI percentage increases had been granted during the period. When bonuses are included, comparable positions increase by 21.6 percent more than the CPI average. In a general rate case, staff typically proposes to exclude all officers' bonuses, and salary changes are limited to a percentage increase measuring cost changes, such as CPI.

Memberships and Dues

"Above-the-Line" memberships and dues for utility industry, technical and professional organizations, as assigned to Oregon electric operations, are budgeted to increase from \$1,117,444 in 2007 to \$1,392,701 for 2008.

Pensions

Total pension charges in 2008 are budgeted at \$99,842,853 system wide, of which \$20,672,721 is allocated to Oregon. Last year, the amount allocated to Oregon was \$16,812,540. This represents an increase of \$3,860,181 compared to the 2007 contribution.

Political Activities

Pacific's 2008 budget proposes no expenditures for political activities.

PROPOSED COMMISSION MOTION:

Pacific Power & Light's 2008 Annual Budget of Expenditures be accepted for accounting purposes only, reserving ratemaking treatment for a ratemaking proceeding.

**PACIFIC POWER
2007 AND 2008 BUDGETED OFFICERS' COMPENSATION
TOTAL COMPANY AMOUNT
EXCLUDING INCENTIVE (BONUS) PAYMENTS**

POSITION	NAME	SALARY			PENSIONS AND OTHER FRINGE BENEFITS			TOTAL COMPENSATION		
		2007	2008	PERCENT	2007	2008	PERCENT	2007	2008	PERCENT
		BUDGET	BUDGET	CHANGE	BUDGET	BUDGET	CHANGE	BUDGET	BUDGET	CHANGE
President, PacifiCorp Energy	Fehrman	\$300,000	\$0	NA	\$69,339	\$0	NA	\$369,339	\$0	NA
President, PacifiCorp Energy	Lasich	0	230,000		0	67,742		0	297,742	NA
President, Pacific Energy	Reiten	250,000	258,000	3.2%	69,292	69,949	0.9%	319,292	327,949	2.7%
President, Rocky Mountain Power	Walje	335,811	345,000	2.7%	79,367	80,624	1.6%	415,178	425,624	2.5%
SVP. CFO	Mendez	214,200	219,555	2.5%	74,242	75,150	1.2%	288,442	294,705	2.2%
V.P. Treasurer	Williams	182,900	188,387	3.0%	68,093	69,052	1.4%	250,993	257,439	2.6%
TOTALS		\$1,282,911	\$1,240,942	-3.3%	\$360,333	\$362,517	0.6%	\$1,643,244	\$1,603,459	-2.4%
TOTALS - Comparable Positions		\$982,911	\$1,010,942	2.9%	\$290,994	\$294,775	1.3%	\$1,273,905	\$1,305,717	2.5%

**PACIFIC POWER
OFFICERS' BUDGETED SALARY HISTORY - 2003 THROUGH 2008**

POSITION	NAME	PERCENT CHANGE					PERCENT CHANGE					AVERAGE ANNUAL CHANGE	
		2003	2004	2005	2006	2007	2008	2003-2008	2003-2008				
President, PacifiCorp Energy	Lasich	\$0	\$0	N/A	\$0	N/A	\$0	\$0	\$0	\$230,000	N/A	N/A	
President & CEO	Johansen	364,000	500,000	37.4%	700,000	40.0%	0	N/A	0	0	N/A	N/A	
Executive V.P.	MacRitchie	193,170	224,769	16.4%	260,000	15.7%	0	N/A	0	0	N/A	N/A	
Executive V.P.	Wright	135,360	227,650	68.2%	285,000	25.2%	0	N/A	0	0	N/A	N/A	
S.V.P. Reg and Leg PacifiCorp	Gale	0	0	N/A	0	N/A	213,575	N/A	0	0	N/A	N/A	
President, PacifiCorp Energy	Fehrman	0	0	N/A	0	N/A	275,000	N/A	300,000	9.1%	0	N/A	
President, Pacific Power	Reiten	0	0	N/A	250,000	N/A	267,800	7.1%	250,000	-2.9%	258,000	3.2%	
President, Rocky Mountain Power	Walje	235,500	275,000	16.8%	311,850	13.4%	330,811	6.1%	335,811	1.5%	345,000	2.7%	
S.V.P. CFO	Mendez	0	0	N/A	264,320	N/A	410,000	55.1%	214,200	-34.4%	219,555	2.5%	
V.P. Treasurer	Williams	140,400	147,420	5.0%	183,297	10.8%	173,242	6.1%	182,900	5.6%	188,367	3.0%	
Senior VP	Furman	235,000	244,400	4.0%	254,176	4.0%	0	N/A	0	N/A	0	N/A	
V.P. Gen Counsel, Pacific Power	Haller	300,000	312,936	4.3%	330,147	5.5%	348,503	5.6%	0	N/A	0	N/A	
Senior V.P.	Klein	220,000	265,000	20.5%	265,000	0.0%	0	N/A	0	N/A	0	N/A	
Senior V.P.	Moir	150,870	175,549	16.4%	0	N/A	0	N/A	0	N/A	0	N/A	
Senior V.P.	Pittman	300,000	300,000	0.0%	315,000	5.0%	0	N/A	0	N/A	0	N/A	
Senior V.P.	Cunningham	191,100	200,655	5.0%	220,721	10.0%	245,618	11.3%	0	N/A	0	N/A	
V.P. RMP	Larson	152,100	175,000	15.1%	182,875	4.5%	197,798	8.2%	0	N/A	0	N/A	
V.P.	Wessman	156,000	163,800	5.0%	170,352	4.0%	180,727	6.1%	0	N/A	0	N/A	
V.P.	Larsen	0	140,000	N/A	145,600	4.0%	0	N/A	0	N/A	0	N/A	
CFO	Peach	0	251,200	N/A	264,320	5.2%	326,410	23.5%	0	N/A	0	N/A	
Executive V.P.	Landels	271,425	337,550	24.4%	0	N/A	0	N/A	0	N/A	0	N/A	
V.P.	Watters	200,000	208,000	4.0%	250,000	20.2%	257,500	3.0%	0	N/A	0	N/A	
TOTALS		3,244,925	4,148,929	27.9%	4,632,658	11.7%	3,226,884	-30.3%	\$1,282,911	-60.2%	\$1,240,942	-3.3%	N/A
Number of Officers		15	17		14		11		5		5		
TOTALS - Comparable Positions 03-04		\$3,244,925	\$3,757,729	15.8%									
TOTALS - Comparable Positions 04-05			\$3,635,830		\$4,118,338	13.3%							
TOTALS - Comparable Positions 05-06					\$2,407,882		\$2,738,409	13.7%					
TOTALS - Comparable Positions 06-07							\$1,456,853		\$1,282,911	-11.9%			
TOTALS - Comparable Positions 07-08									\$982,911		\$1,010,942	2.9%	6.7%

Note:
After MidAmerica Energy's acquisition, the company changed designation of Officers to be consistent with the SEC reporting.

**PACIFIC POWER
OFFICERS' CASH COMPENSATION HISTORY
2003 THROUGH 2007
TOTAL COMPANY AMOUNTS INCLUDE INCENTIVE (BONUS) PAYMENTS**

POSITION	NAME	2003				2004				2005				2006				2007				AVERAGE ANNUAL GROWTH 2003 - 2007
		BUDGET SALARY	BONUS	TOTAL	PERCENT CHANGE	BUDGET SALARY	BONUS	TOTAL	PERCENT CHANGE	BUDGET SALARY	BONUS	TOTAL	PERCENT CHANGE	BUDGET SALARY	BONUS	TOTAL	PERCENT CHANGE					
President & CEO	Johansen	\$472,211	\$500,000	\$337,500	\$637,500	77.4%	\$700,000	\$337,500	\$1,037,500	23.9%	\$0	\$0	\$0	N/A	\$0	\$0	\$0	N/A	N/A			
Executive V.P.	MacRitche	247,453	224,769	120,947	345,716	39.7%	260,000	120,947	380,947	10.2%	0	0	0	N/A	0	0	0	N/A	N/A			
Executive V.P.	Wright	162,450	227,650	122,707	350,357	115.7%	285,000	122,707	407,707	16.4%	0	0	0	N/A	0	0	0	N/A	N/A			
S.V.P. Reg and Leg PacifiCorp	Gale	0	0	0	0	N/A	0	0	0	N/A	213,575	127,000	340,575	N/A	0	0	0	N/A	N/A			
President, PacifiCorp Energy	Fehlman	0	0	0	0	N/A	0	0	0	N/A	275,000	250,000	525,000	N/A	300,000	250,000	550,000	4.8%	N/A			
President, Pacific Power	Reifen	0	0	0	0	N/A	250,000	130,728	380,728	N/A	287,800	80,000	347,800	-6.6%	250,000	170,000	420,000	20.6%	N/A			
President, Rocky Mountain Power	Waite	331,050	275,000	82,590	357,590	6.0%	311,850	127,724	439,574	22.0%	330,811	150,000	480,811	9.4%	335,811	170,000	505,811	5.2%	11.4%			
S.V.P. CFO	Mendez	0	0	0	0	N/A	264,320	130,443	394,763	N/A	410,000	60,000	470,000	19.1%	214,200	75,000	289,200	-38.5%	N/A			
V.P. Treasurer	Williams	180,785	147,420	62,654	210,074	16.2%	163,297	62,654	225,951	7.6%	173,242	55,000	228,242	1.0%	182,900	60,000	242,900	6.4%	7.6%			
Senior VP	Furman	315,075	244,400	127,724	372,124	17.7%	254,176	127,724	381,900	2.6%	0	0	0	N/A	0	0	0	N/A	N/A			
V.P. Gen Counsel, Pacific Power	Haber	432,920	312,936	190,109	503,045	16.2%	330,147	190,109	520,256	3.4%	348,503	75,000	423,503	-18.6%	0	0	0	N/A	N/A			
Senior V.P.	Idem	295,075	265,000	143,100	408,100	38.3%	265,000	143,100	408,100	0.0%	0	0	0	N/A	0	0	0	N/A	N/A			
Senior V.P.	Mor	172,010	175,549	68,591	244,140	41.4%	0	0	0	N/A	0	0	0	N/A	0	0	0	N/A	N/A			
Senior V.P.	Pittman	347,057	300,000	187,500	487,500	40.5%	315,000	187,500	502,500	3.1%	0	0	0	N/A	0	0	0	N/A	N/A			
Senior V.P.	Curryingham	264,196	200,635	46,800	247,435	-6.3%	220,721	96,555	317,276	28.2%	245,618	11,723	257,341	-18.9%	0	0	0	N/A	N/A			
V.P. RMP	Larson	200,012	175,000	68,591	243,591	21.6%	182,875	68,591	251,466	3.2%	197,789	40,000	237,789	-5.4%	0	0	0	N/A	N/A			
V.P.	Weissman	202,800	163,800	52,334	216,134	6.6%	170,352	52,334	222,686	3.0%	180,727	8,017	188,744	-15.2%	0	0	0	N/A	N/A			
V.P.	Larsen	0	140,000	51,576	191,576	N/A	145,600	51,576	197,176	2.9%	0	0	0	N/A	0	0	0	N/A	N/A			
Executive V.P.	Landa	337,875	337,550	0	337,550	-0.1%	0	0	0	N/A	0	0	0	N/A	0	0	0	N/A	N/A			
V.P.	Watters	282,590	208,000	130,728	338,728	19.9%	250,000	130,728	380,728	12.4%	257,500	80,000	337,500	-11.4%	0	0	0	N/A	N/A			
CFO	Peach	0	261,200	130,443	391,643	N/A	264,320	130,443	394,763	3.4%	326,410	80,974	407,384	3.2%	0	0	0	N/A	N/A			
TOTALS		\$4,245,139	\$4,148,920	\$1,823,894	\$6,072,823	43.1%	\$4,632,856	\$2,211,363	\$6,844,221	12.7%	\$3,226,084	\$1,017,714	\$4,244,698	-38.0%	\$1,282,011	\$725,000	\$2,007,011	-52.7%	N/A			
Number of Officers		15			17				17			10				5						
TOTALS - Comparable Positions 03-04		\$4,245,139			\$5,489,604	29.6%																
TOTALS - Comparable Positions 04-05					\$5,491,133				\$6,068,530	10.5%												
TOTALS - Comparable Positions 05-06									\$3,526,161				\$3,379,123	-4.2%								
TOTALS - Comparable Positions 06-07													\$2,051,653			\$2,007,011	-2.1%	8.4%				

Note:
After MidAmerica Energy's acquisition, the company changed designation of Officers to be consistent with the SEC reporting

**PACIFIC POWER
OFFICERS' SALARY CHANGES COMPARED WITH CPI CHANGES
2003 THROUGH 2007**

	PERCENT CHANGE FROM PRIOR YEAR		PERCENT CHANGE FROM PRIOR YEAR	
	AVERAGE OFFICER'S SALARY ⁽¹⁾	ANNUAL AVERAGE CPI ⁽²⁾	AVE. OFFICER'S SALARY + BONUSES ⁽¹⁾	ANNUAL AVERAGE CPI
2003	15.8%	1.6%	29.6%	1.6%
2004	13.3%	2.3%	10.5%	2.3%
2005	13.7%	2.7%	-4.2%	2.7%
2006	-11.9%	3.4%	-2.1%	3.4%
2007	2.9%	3.2%	N/A	N/A
Average	6.2%	2.6%	7.6%	2.5%
Index Value (January 1, 2003 = 100)	135.1	113.9	134.2	110.4
% Difference from CPI	18.6%		21.6%	

1 - Officers' salary and cash compensation changes are for comparable positions. Changes have been shifted back one year from budget since budgets show amounts in effect as of the beginning of the year.

2 - CPI changes are from Bureau of Labor Statistics, Labor Market Information Home Page, U.S. City average, base period 1982-84, All Urban Consumers.

3 - 2008 bonus information for the year 2007 is not yet available. Therefore, for cash compensation comparison, average and index value based on change from 2003 through 2007.

ITEM NO. CA6

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 10, 2008**

REGULAR CONSENT EFFECTIVE DATE N/A

DATE: May 29, 2008

TO: Public Utility Commission

FROM: Paul Rossow

THROUGH: Lee Sparling, Ed Busch and Judy Johnson

SUBJECT: NORTHWEST NATURAL: Accept the Annual Budget of Expenditures for 2008.

STAFF RECOMMENDATION:

I recommend that Northwest Natural's (NW Natural or Company) 2008 Annual Budget of Expenditures be accepted for accounting purposes only. Ratemaking treatment should be reserved for a ratemaking proceeding.

DISCUSSION:

On March 20, 2008, NW Natural filed its Budget of Expenditures Report for the year 2008 pursuant to ORS 757.105. Originally the filing contained officer's compensation amounts for 2007 and staff requested the Company include the amount budgeted for 2008. This report details budgeted expenditures for officers' compensation for 2008, bonus amounts earned in 2007 and paid in 2008, and membership dues, pensions and political activities for the upcoming year.

Officers' Compensation

Attachment 1 compares the 2008 officers' salaries and other compensation with the 2007 levels for NW Natural. Officers' salaries show an increase of 8.9 percent while pensions and other fringe benefits indicate a decrease of 27.4 percent. Overall compensation increases by 3.0 percent.

For comparable positions, salaries reveal an increase of 15.4 percent. Pensions and other fringe benefits decreased by 22.7 percent, resulting in an overall increase of 9.3 percent.

NW Natural's 2008 Budget
May 29, 2008
Page 2

Attachment 2 shows salary for the years 2003 through 2008. For comparable positions, annual average salaries increased by an average of 17.8 percent per year over the six-year period.

Attachments 3.1 and 3.2 show officers' cash compensation, including bonuses, for 2003 through 2007. Bonuses are attributed to the year they are paid. For example, a bonus earned in 2006 is paid by the Company in 2007, and attributed (in Attachments 3.1 and 3.2) to the 2007 salary. Attachment 3.2 shows that for comparable positions, cash compensation for the period 2003 through 2007 increased 21.9 percent annually.

Attachment 4 shows officer's salary changes compared to Consumer Price Index (CPI) changes for the years 2003 and 2007. Since budgets present values at the beginning of the budget year, the 2007 budget increase, for example, is shown on this table as 2006. As of the end of the period, salaries for comparable positions are 99.1 percent higher than they would have been if CPI percentage increases had been granted during the period. When bonuses are included, comparable positions increase 100.1 percent more than the CPI average. In a general rate case, Staff typically proposes to exclude all officers' bonuses and limit salary changes to a percentage increase measuring cost changes, such as the CPI.

Memberships and Dues

"Above-the-line" memberships and dues for utility industry, technical and professional organizations, as assigned to Oregon electric operations, are budgeted at \$760,000 for 2007 and 2008.

Pensions

Total pension charges in 2008 are budgeted at \$8,271,049, down from \$10,986,300 budgeted last year. This reverses a trend of increasing pension costs each year over the last few years.

Political Activities

The company did not report any contributions to non-utility political activities such as ballot measures and opinion research this year. Budgeted contributions to NW Natural's Political Action Committees are \$126,000, which is the same as last year.

NW Natural's 2008 Budget
May 29, 2008
Page 3

PROPOSED COMMISSION MOTION:

NW Natural's 2008 Annual Budget of Expenditures be accepted for accounting purposes only. Ratemaking treatment of these expenses should be reserved for a ratemaking proceeding.

**NORTHWEST NATURAL GAS COMPANY
2007 AND 2008 BUDGETED OFFICERS COMPENSATION**

Attachment 1

POSITION	NAME	SALARY			PENSIONS AND OTHER FRINGE BENEFITS			TOTAL COMPENSATION		
		2008 BUDGET	2007 BUDGET	% CHG	2008 BUDGET	2007 BUDGET	% CHG	2008 BUDGET	2007 BUDGET	% CHG
President & CEO	Dodson	550,000	515,000	6.8%	59,690	80,122	-25.5%	609,690	595,122	2.4%
Senior V.P. - Finance & CFO	Anderson	305,000	287,000	6.3%	40,872	53,089	-23.4%	345,672	340,089	1.6%
Executive V.P.	Kantor	325,000	184,000	76.6%	33,814	41,549	-18.6%	358,814	225,549	59.1%
V.P. - Human Resources	Doolittle	205,000	182,000	12.6%	31,288	40,801	-23.5%	236,288	222,901	6.0%
Treasurer & Controller	Feltz	180,000	170,000	5.9%	30,639	42,077	-27.2%	210,639	212,077	-0.7%
V.P. - General Counsel	Kirkpatrick	230,000	217,000	6.0%	24,280	38,486	-36.9%	254,280	255,486	-0.5%
Dir. of Pension Admin.	Rue	170,000	162,000	4.9%	23,248	35,438	-34.4%	193,248	197,438	-2.1%
V.P. - Bus. Dev. & Energy Supply	White	175,000	155,000	12.9%	26,352	31,718	-16.9%	201,352	186,718	7.8%
V.P. - Utility Service	Williams	175,000	135,000	29.6%	20,742	19,097	8.6%	195,742	154,097	27.0%
V.P. - Utility Operations	Yoshihara	175,000	150,000	16.7%	29,794	32,257	-7.6%	204,794	182,257	12.4%
Assistant Corporate Secretary	Luther	-	130,000	-100.0%	-	26,540	-100.0%	-	156,540	-100.0%
Total		\$2,490,000	\$2,287,000	8.9%	\$320,517	\$441,274	-27.4%	\$2,810,517	\$2,728,274	3.0%
Total Comparable Positions		\$2,490,000	\$2,157,000	15.4%	\$320,517	\$414,734	-22.7%	\$2,810,517	\$2,571,734	9.3%

**NORTHWEST NATURAL GAS COMPANY
OFFICERS' BUDGETED SALARY HISTORY - 2003 THROUGH 2008**

POSITION	NAME	2003	2004	PERCENT CHANGE	2005	PERCENT CHANGE	2006	PERCENT CHANGE	2007	PERCENT CHANGE	2008	PERCENT CHANGE	AVERAGE ANNUAL CHANGE 2003-2008
Chairman	Reiten*	80,000	0	-100.0%	0	N/A	0	N/A	0	N/A	0	N/A	N/A
President & CEO	Dodson	250,000	390,000	56.0%	502,645	28.9%	515,000	2.5%	515,000	0.0%	550,000	6.8%	17.1%
Senior V.P. - Finance & CFO	Anderson	0	0	N/A	260,000	N/A	287,000	10.4%	287,000	0.0%	305,000	6.3%	5.5%
Senior V.P. - Gen Counsel	Ugoratz	0	200,004	N/A	0	-100.0%	0	N/A	0	N/A	0	N/A	N/A
Executive V.P.	Kantor	142,000	157,500	10.9%	162,312	3.1%	184,000	13.4%	184,000	0.0%	325,000	76.6%	18.0%
Executive V.P. -Customer & Util. Oper.	McCoy***	233,000	238,833	2.5%	345,671	44.7%	288,000	-22.5%	0	-100.0%	0	N/A	3.8%
V.P. - Human Resources	Doornik	152,000	156,167	2.7%	161,312	3.3%	182,000	12.8%	182,000	0.0%	205,000	12.6%	6.2%
Treasurer & Controller	Feltz	140,000	155,321	10.9%	152,410	-1.9%	170,000	11.5%	170,000	0.0%	180,000	5.9%	5.2%
V.P. - General Counsel	Kirkpatrick	0	0	N/A	0	N/A	217,000	N/A	217,000	0.0%	230,000	6.0%	3.0%
Dir. of Pension Admin.	Rue	142,000	146,167	2.9%	151,312	3.5%	162,000	7.1%	162,000	0.0%	170,000	4.9%	3.7%
V.P. - Bus. Dev. & Energy Supply	White	0	0	N/A	0	N/A	0	N/A	155,000	N/A	175,000	12.9%	N/A
V.P. - Utility Service	Williams	0	0	N/A	0	N/A	0	N/A	135,000	N/A	175,000	29.6%	N/A
V.P. - Utility Operations	Yoshihara	0	0	N/A	0	N/A	0	N/A	150,000	N/A	175,000	16.7%	N/A
Assistant Corporate Secretary	Luther	80,784	81,696	1.1%	99,093	21.3%	129,000	30.2%	130,000	0.8%	0	-100.0%	12.6%
	DeBoit	233,000	238,833	2.5%	0	-100.0%	0	N/A	0	N/A	0	N/A	-100.0%
TOTALS		1,452,784	1,764,521	21.5%	1,834,755	4.0%	2,114,000	15.2%	2,287,000	8.2%	2,490,000	8.9%	6.7%
Number of Officers		8	9		8		8		11		10		
TOTALS-Comparable Positions 03/04		979,000	1,564,517	59.8%									
TOTALS-Comparable Positions 04/05			1,325,684		1,574,755	18.5%							
TOTALS-Comparable Positions 05/06					1,834,755		1,897,000	3.4%					
TOTALS-Comparable Positions 06/07							1,848,000		1,847,000	0.1%			
TOTALS-Comparable Positions 07/08									2,157,000		2,490,000	15.4%	17.8%

NORTHWEST NATURAL GAS COMPANY
OFFICERS' CASH COMPENSATION HISTORY
2003 THROUGH 2007
TOTAL COMPANY AMOUNTS INCLUDE INCENTIVE (BONUS) PAYMENTS

POSITION	Name	2003	2004		2004	% CHANGE	2005	2005		% CHANGE
		TOTAL	BUDGETED SALARY	BENEFITS BONUS & SAVINGS PLAN	TOTAL		BUDGETED SALARY	BENEFITS BONUS & SAVINGS PLAN	TOTAL	
Chairman	Reiten*	\$333,625	0	0	-	-100.0%	0	0	-	N/A
President & CEO	Dodson	341,100	406,836	260,000	666,836	95.5%	502,645	300,000	802,645	20.4%
Senior V.P. - Finance & CFO	Anderson	309,347	249,839	26,000	275,839	-10.8%	280,000	126,000	386,000	39.9%
Senior V.P. - Gen Counsel	Ugoretz	0	207,204	66,000	273,204	N/A	0	0	-	N/A
Executive V.P.	Kantor	176,540	164,221	63,000	227,221	28.7%	162,312	74,000	236,312	4.0%
Executive V.P. -Customer & Util. Oper.	McCoy***	310,979	247,431	101,000	348,431	12.0%	345,671	120,000	465,671	33.6%
V.P. - Human Resources	Doolittle	189,234	162,919	55,000	217,919	15.2%	161,312	64,000	225,312	3.4%
Treasurer & Controller	Feltz	174,257	161,960	51,000	212,960	22.2%	152,410	58,000	210,410	-1.2%
V.P. - General Counsel	Kirkpatrick	-	0	0	-	N/A	-	41,000	41,000	N/A
Dir. of Pension Admin.	Rue	171,400	153,098	39,000	192,098	12.1%	158,388	48,000	208,388	7.4%
V.P. - Bus. Dev. & Energy Supply	White	-	0	0	-	N/A	0	0	-	N/A
V.P. - Utility Service	Williams	-	0	0	-	N/A	0	0	-	N/A
V.P. - Utility Operations	Yoshihara	-	0	0	-	N/A	0	0	-	N/A
Assistant Corporate Secretary	Luther	80,784	84,923	20,000	104,923	29.9%	99,093	0	99,093	-5.6%
Totals		<u>2,087,266</u>	<u>1,838,431</u>	<u>681,000</u>	<u>2,519,431</u>	<u>20.7%</u>	<u>1,841,831</u>	<u>831,000</u>	<u>2,672,831</u>	<u>6.1%</u>
Number of Officers		9			9				9	
TOTALS-Comparable Positions 03/04		<u>1,753,641</u>			<u>2,246,227</u>	<u>28.1%</u>				
TOTALS-Comparable Positions 04/05					<u>2,246,227</u>				<u>2,631,831</u>	<u>17.2%</u>
TOTALS-Comparable Positions 05/06									<u>2,672,831</u>	

**NORTHWEST NATURAL GAS COMPANY
OFFICERS' CASH COMPENSATION HISTORY
2003 THROUGH 2007
TOTAL COMPANY AMOUNTS INCLUDE INCENTIVE (BONUS) PAYMENTS**

POSITION	Name	2006				2007				AVERAGE ANNUAL GROWTH 2003 - 2007
		BUDGETED SALARY	BENEFITS BONUS & SAVINGS PLAN	TOTAL	% CHANGE	BUDGETED SALARY	BENEFITS BONUS & SAVINGS PLAN	TOTAL	% CHANGE	
Chairman	Reiten*	0	0	-	N/A	0	0	-	N/A	N/A
President & CEO	Dodson	515,000	373,000	888,000	10.6%	515,000	384,000	899,000	1.2%	27.4%
Senior V.P. - Finance & CFO	Anderson	287,000	164,000	451,000	16.8%	287,000	170,000	457,000	1.3%	10.2%
Senior V.P.- Gen Counsel	Ugoretz	0	0	-	N/A	0	0	-	N/A	N/A
Executive V.P.	Kantor	184,000	92,000	276,000	16.8%	184,000	204,000	388,000	40.8%	21.8%
Executive V.P. -Customer & Util. Oper.	McCoy***	268,000	151,000	419,000	-10.0%	0	0	-	N/A	10.4%
V.P. - Human Resources	Doolittle	182,000	79,000	261,000	15.8%	182,000	86,000	268,000	2.7%	9.1%
Treasurer & Controller	Feltz	170,000	73,000	243,000	15.5%	170,000	75,000	245,000	0.8%	8.9%
V.P. - General Counsel	Kirkpatrick	217,000	92,000	309,000	653.7%	217,000	93,000	310,000	0.3%	175.0%
Dir. of Pension Admn.	Rue	162,000	58,000	220,000	6.6%	162,000	60,000	222,000	0.9%	6.7%
V.P. - Bus. Dev. & Energy Supply	White	0	55,000	55,000	N/A	155,000	61,000	216,000	292.7%	N/A
V.P. - Utility Service	Williams	0	32,000	32,000	N/A	135,000	60,000	195,000	509.4%	N/A
V.P. - Utility Operations	Yoshihara	0	54,000	54,000	N/A	150,000	60,000	210,000	288.9%	N/A
Assistant Corporate Secretary	Luther	129,000	0	129,000	30.2%	130,000	50,000	180,000	39.5%	22.2%
Totals		2,114,000	1,223,000	3,337,000	24.8%	2,287,000	1,303,000	3,590,000	7.6%	38.0%
Number of Officers				12				11		
TOTALS-Comparable Positions 03/04										
TOTALS-Comparable Positions 04/05										
TOTALS-Comparable Positions 05/06				3,186,000	19.6%					
TOTALS-Comparable Positions 06/07				2,918,000				3,590,000	23.0%	21.9%

**NORTHWEST NATURAL GAS COMPANY
OFFICERS' SALARY CHANGES COMPARED WITH CPI CHANGES
2003 THROUGH 2007**

Attachment 4

	PERCENT CHANGE FROM PRIOR YEAR		PERCENT CHANGE FROM PRIOR YEAR	
	AVERAGE OFFICER'S SALARY ¹	ANNUAL AVERAGE CPI ²	AVERAGE OFFICER'S CASH COMPENSATION ³	ANNUAL AVERAGE CPI
2003	59.8%	1.6%	28.1% ⁴	1.6%
2004	18.8%	2.3%	17.2%	2.3%
2005	3.4%	2.7%	19.6%	2.7%
2006	0.1%	3.4%	23.0%	3.4%
2007	15.4%	3.2%	N/A	N/A
Average	17.8%	2.6%	21.9%	2.5%
Index Value (January 1, 2003 = 100)	226.75	113.90	220.86	110.37
% Difference from CPI	99.1%		100.1%	

Notes:

- 1 - Officers' salary and cash compensation changes are for comparable positions. Changes have been shifted back one year from budget since budgets show amounts in effect as of the end of the prior year.
- 2 - CPI changes are from Bureau of Labor Statistics, Labor Market Information Home Page, U.S. City average, base period 1982-84, All Urban Consumers.
- 3 - 2008 bonus information for the year 2007 is not yet available. Therefore, for cash compensation comparison, average and index value are based on change from 2003 through 2007.
- 4 - The amount of increase reflected for 2003 does not appear in previous years' reports due to bonuses earned in 2003 and paid in 2004 that were not previously reported by the Company.

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COMPENSATION

WORK PAPERS

**PGE Utility Full-Time Equivalents (FTE)
by Year, by Division**

Utility Straight-Time Division	2005 Actual	2006 Actual	2007 Forecast	2008 Budget	2009 Test Year
Administrative and General	612	635	639	656	665
Customer Accounts	498	503	510	526	535
Customer Service	70	73	75	76	81
Generating - Beaver	64	57	53	54	54
Generating - Biglow	0	0	0	5	5
Generating - Boardman	69	70	74	77	81
Generating - Coyote	12	12	13	14	14
Generating - Other	221	238	244	248	260
Generating - Port Westward	0	0	10	19	19
Generating - Trojan	22	15	14	13	12
Transmission and Distribution	<u>937</u>	<u>937</u>	<u>962</u>	<u>1,003</u>	<u>1,007</u>
Total Utility Straight-Time	2,504	2,540	2,594	2,692	2,733

Utility Over Time Division	2005 Actual	2006 Actual	2007 Forecast	2008 Budget	2009 Test Year
Administrative and General	2	2	2	2	2
Customer Accounts	10	13	10	10	10
Customer Service	0	0	0	0	0
Generating - Beaver	2	3	3	3	3
Generating - Biglow	0	0	0	0	0
Generating - Boardman	8	8	10	10	10
Generating - Coyote	2	1	2	4	4
Generating - Other	2	4	5	2	2
Generating - Port Westward	0	0	2	4	4
Generating - Trojan	1	1	1	0	0
Transmission and Distribution	<u>72</u>	<u>95</u>	<u>68</u>	<u>57</u>	<u>58</u>
Total Utility Over Time	97	126	103	92	93

Total Utility FTE **2,602** **2,666** **2,697** **2,784** **2,827**

**PGE Utility Wages and Salaries
by Division, by Year**

Utility Straight-Time Division	2005 Actual	2006 Actual	2007 Forecast	2008 Budget	2009 Test Year
Administrative and General	45,044,855	48,348,169	50,692,525	55,400,073	58,504,897
Customer Accounts	22,651,199	23,794,865	25,239,434	27,226,072	28,883,011
Customer Service	5,571,521	5,943,238	6,352,479	6,730,958	7,328,944
Generating - Beaver	4,663,299	4,297,291	4,087,778	4,287,685	4,460,566
Generating - Biglow	0	0	0	360,844	376,279
Generating - Boardman	4,789,689	4,929,700	5,260,024	5,655,761	6,076,747
Generating - Coyote	729,405	737,903	884,291	1,041,517	1,098,513
Generating - Other	16,423,103	18,250,849	19,328,859	20,999,076	22,934,231
Generating - Port Westward	0	0	722,103	1,483,100	1,553,414
Generating - Trojan	1,803,152	1,129,021	1,034,855	899,163	808,167
Transmission and Distribution	<u>63,313,254</u>	<u>65,386,608</u>	<u>68,162,655</u>	<u>74,325,651</u>	<u>77,584,973</u>
Total Utility Straight-Time	164,989,278	172,817,645	181,765,002	198,409,900	209,609,741

Utility Over Time Division	2005 Actual	2006 Actual	2007 Forecast	2008 Budget	2009 Test Year
Administrative and General	165,643	233,403	218,680	184,935	178,620
Customer Accounts	822,477	1,178,798	932,394	885,432	924,349
Customer Service	573	2,110	807	0	0
Generating - Beaver	222,215	340,654	457,950	480,817	500,152
Generating - Biglow	0	0	0	3,053	3,184
Generating - Boardman	1,025,472	1,009,690	1,277,448	1,270,968	1,494,385
Generating - Coyote	172,637	128,762	213,943	369,292	384,121
Generating - Other	237,851	422,551	493,864	227,950	234,619
Generating - Port Westward	0	0	183,914	412,567	439,940
Generating - Trojan	60,605	54,106	51,006	52,238	54,589
Transmission and Distribution	<u>9,043,857</u>	<u>12,228,071</u>	<u>9,215,272</u>	<u>8,107,157</u>	<u>8,695,310</u>
Total Utility Over Time	11,751,331	15,598,144	13,045,279	11,994,410	12,909,269

Total Utility Wages and Salaries	176,740,608	188,415,789	194,810,281	210,404,309	222,519,010
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/ PGE 800
Work Papers 2

Non-Exempt Market Reference Points

<u>Non-Exempt</u> <u>Level</u>	<u>2007</u> <u>Guide</u>	<u>2008</u> <u>Forecast</u>	<u>2009</u> <u>Forecast</u>
NE-03	\$26,021	\$26,802	\$27,606
NE-04	\$27,144	\$27,958	\$28,797
NE-05	\$28,538	\$29,394	\$30,276
NE-06	\$30,743	\$31,665	\$32,615
NE-07	\$32,511	\$33,486	\$34,491
NE-08	\$34,757	\$35,800	\$36,874
NE-09	\$37,981	\$39,120	\$40,294
NE-10	\$41,372	\$42,613	\$43,892
NE-11	\$43,868	\$45,184	\$46,540
NE-12	\$47,632	\$49,061	\$50,533
NE-13	\$51,938	\$53,496	\$55,101
NE-14	\$56,847	\$58,552	\$60,309
Expected Increases		3.00%	3.00%

Effective April 4, 2007

Exempt Market Reference Points

<u>Exempt Level</u>	<u>2007 Guide</u>	<u>2008 Forecast</u>	<u>2009 Forecast</u>
EX-01	\$46,296	\$47,695	\$49,115
EX-02	\$48,024	\$49,465	\$50,949
EX-03	\$50,016	\$51,516	\$53,062
EX-04	\$52,296	\$53,865	\$55,481
EX-05	\$55,896	\$57,573	\$59,300
EX-06	\$58,560	\$60,317	\$62,126
EX-07	\$62,040	\$63,901	\$65,818
EX-08	\$66,552	\$68,549	\$70,605
EX-09	\$71,304	\$73,443	\$75,646
EX-10	\$76,800	\$79,104	\$81,477
EX-11	\$83,160	\$85,655	\$88,224
EX-12	\$90,480	\$93,194	\$95,990
EX-13	\$98,640	\$101,599	\$104,647
EX-14	\$108,432	\$111,685	\$115,036
EX-15	\$119,496	\$123,081	\$126,773
EX-16	\$133,080	\$137,072	\$141,185
EX-17	\$141,360	\$145,601	\$149,969
		3.00%	3.00%

Expected Increases:

Effective April 4, 2007

**Market Compensation
for PGE employee counts EOY 2007**

<u>Exempt</u>	<u>Number of Employees*</u>	<u>Market Pay</u>	<u>Total Market Pay Exempt</u>	<u>Non-Exempt</u>	<u>Number of Employees*</u>	<u>Market Pay</u>	<u>Total Market Pay Non-Exempt</u>
01	0	46,296	n/a	03	0	26,021	n/a
02	2	48,024	n/a	04	0	27,144	n/a
03	0	50,016	n/a	05	0	28,538	n/a
04	12	52,296	627,552	06	0	30,743	0
05	1	55,896	55,896	07	12	32,511	390,132
06	101	58,560	5,914,560	08	92	34,757	3,197,644
07	13	62,040	806,520	09	3	37,981	113,943
08	181	66,552	12,045,912	10	340	41,372	14,066,480
09	13	71,304	926,952	11	0	43,868	0
10	237	76,800	18,201,600	12	108	47,632	5,144,256
11	208	83,160	17,297,280	13	38	51,938	1,973,644
12	297	90,480	26,872,560	14	21	56,847	1,193,787
13	53	98,640	5,227,920	Total	614		\$26,079,886
14	29	108,432	3,144,528				
15	29	119,496	3,465,384				
16	13	133,080	1,730,040				
17	5	141,360	706,800				
Total**	1,194		\$97,023,504				

<u>Total Union</u>	<u>Number of Employees*</u>	<u>Ave. per Union Employee</u>	<u>Total</u>
	868	65,073	\$56,483,003

<u>Total Officers @ Market Reference</u>		
<u>Number of Employees*</u>	<u>Average per Officer</u>	<u>Total</u>
12	257,225	\$3,086,700

	<u>Employees</u>	<u>wages/salaries</u>
Exempt	1,194	97,023,504
Non-Exempt	614	26,079,886
Union	868	56,483,003
Officer	12	3,086,700
	2,688	\$182,673,093

* As of December 31, 2007

** EX-02 salaries removed from total b/c no market comparison exists

**PGE 2007 Wages and Salaries
for PGE employee counts EOY 2007**

<u>Exempt</u>	<u>Number of Employees*</u>	<u>Total Exempt</u>
01	0	0
02	2	80,868
03	0	0
04	12	688,632
05	1	38,868
06	101	5,632,932
07	13	783,936
08	181	11,970,648
09	13	911,832
10	237	19,182,540
11	208	18,798,132
12	297	29,387,484
13	53	5,972,700
14	29	3,522,084
15	29	3,865,512
16	13	1,954,320
17	5	854,748
Total*	1,194	\$103,645,236

<u>Non-Exempt</u>	<u>Number of Employees*</u>	<u>Total Non-Exempt</u>
03	0	0
04	0	0
05	0	0
06	0	0
07	12	353,397
08	92	3,161,391
09	3	127,837
10	340	13,186,970
11	0	0
12	108	4,995,927
13	38	2,016,747
14	21	1,163,698
Total	614	\$25,005,967

<u>Total Union</u>	<u>Ave. per Union</u>
<u>Number of Employees*</u>	<u>Employee</u>
868	65,073

Total
\$56,483,003

<u>Total Officers</u>	<u>Average per</u>	<u>Total</u>
<u>Number of Employees*</u>	<u>Officer</u>	
12	250,612	\$3,007,344

* As of December 31, 2007

	<u>Employees</u>	<u>wages/salaries</u>
<u>Exempt</u>	1,194	103,645,236
<u>Non-Exempt</u>	614	25,005,967
<u>Union</u>	868	56,483,003
<u>Officer</u>	12	3,007,344
<u>Total</u>	2,688	\$188,141,550

Market Incentives 2007

Exempt Market Reference Points

<u>Exempt Level</u>	<u>Incentive Percent</u>	<u>Avg \$</u>	<u>Number of Employees*</u>	<u>Market for Exempt</u>
01	6.0%	\$2,778	0	0
02	6.0%	\$2,881	2	5,763
03	6.0%	\$3,001	0	0
04	6.0%	\$3,138	12	37,653
05	6.0%	\$3,354	1	3,354
06	6.0%	\$3,514	101	354,874
07	7.0%	\$4,343	13	56,456
08	7.0%	\$4,659	181	843,214
09	8.0%	\$5,704	13	74,156
10	8.0%	\$6,144	237	1,456,128
11	12.0%	\$9,979	208	2,075,674
12	12.0%	\$10,858	297	3,224,707
13	14.0%	\$13,810	53	731,909
14	16.0%	\$17,349	29	503,124
15	18.0%	\$21,509	29	623,769
16	25.0%	\$33,270	13	432,510
17	25.0%	\$35,340	5	176,700
Total*			1,194	\$10,599,991

Non-Exempt Market Reference Points

<u>Non-Exempt</u>	<u>Incentive Percent</u>	<u>Avg \$</u>	<u>Number of Employees*</u>	<u>Market for Non-Exempt</u>
03	7.0%	\$1,821	0	0
04	7.0%	\$1,900	0	0
05	7.0%	\$1,998	0	0
06	7.0%	\$2,152	0	0
07	7.0%	\$2,276	12	27,309
08	7.0%	\$2,433	92	223,835
09	8.0%	\$3,038	3	9,115
10	9.0%	\$3,723	340	1,265,983
11	9.0%	\$3,948	0	0
12	9.0%	\$4,287	108	462,983
13	9.0%	\$4,674	38	177,628
14	9.0%	\$5,116	21	107,441
Total			614	\$2,274,295

Union

<u>Incentive Percent</u>	<u>Ave \$</u>	<u>Number of Employees*</u>	<u>Market for Union Level</u>
0.97%	\$629	868	\$546,026

Officer Market Reference Points

<u>Incentive Percent</u>	<u>Ave \$</u>	<u>Number of Employees*</u>	<u>Market for Officer Level</u>
47.8%	\$123,018	12	\$1,476,220

* As of December 31, 2007

	<u>Employees</u>	<u>Incentives</u>
Exempt	1,194	10,599,991
Non-Exempt	614	2,274,295
Union	868	546,026
Officer	12	1,476,220
	2,688	\$14,896,532

PGE Target Incentives 2007

Exempt PGE Pay At-Risk

Exempt Level	Incentive Percent	Avg \$	Number of Employees*	Target for Exempt
01	6.25%	n/a	0	0
02	6.25%	\$2,527	2	5,054
03	6.25%	n/a	0	0
04	6.25%	\$3,587	12	43,040
05	6.25%	\$2,429	1	2,429
06	6.25%	\$3,486	101	352,058
07	6.25%	\$3,769	13	48,996
08	6.25%	\$4,134	181	748,166
09	6.25%	\$4,384	13	56,990
10	6.25%	\$5,059	237	1,198,909
11	6.25%	\$5,648	208	1,174,883
12	6.25%	\$6,184	297	1,836,718
13	10.80%	\$12,171	53	645,052
14	15.00%	\$18,218	29	528,313
15	18.00%	\$23,993	29	695,792
16	25.00%	\$37,583	13	488,580
17	25.00%	\$42,737	5	213,687
Total*			1,194	\$8,038,665

Non-Exempt PGE Pay At-Risk

Non-Exempt	Incentive Percent	Avg \$	Number of Employees*	Target for Non-Exempt
03	6.25%	n/a	0	0
04	6.25%	n/a	0	0
05	6.25%	n/a	0	0
06	6.25%	n/a	0	0
07	6.25%	\$1,841	12	22,087
08	6.25%	\$2,148	92	197,587
09	6.25%	\$2,663	3	7,990
10	6.25%	\$2,424	340	824,186
11	6.25%	n/a	0	0
12	6.25%	\$2,891	108	312,245
13	6.25%	\$3,317	38	126,047
14	6.25%	\$3,463	21	72,731
Total			614	\$1,562,873

Union

Incentive Percent	Ave \$	Number of Employees*	Target for Union Level
0.97%	\$629	868	\$546,026

Officers

Incentive Percent	Ave \$	Number of Employees*	Target for Officer Level
48.5%	\$121,619	12	\$1,459,423

* As of December 31, 2007

	Employees	Incentives
Exempt	1,194	\$8,038,665
Non-Exempt	614	\$1,562,873
Union	868	\$546,026
Officers	12	\$1,459,423
	2,688	\$11,606,988

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**PGE 2007 Compensation Compared to Market
Summary Sheet**

	<u>Number of Employees*</u>	<u>PGE 2007 (\$000)</u>	<u>Market 2007 (\$000)</u>	<u>Difference from Market</u>	<u>% Difference from Market</u>
<u>Base Pay</u>					
Exempt	1,194	103,645	97,024	6,622	
Non-Exempt	614	25,006	26,080	(1,074)	
Union	868	56,483	56,483	0	
Officers	12	3,007	3,087	(79)	
subtotal	2,688	188,142	182,673	5,468	3.0%
<u>Incentives</u>					
Exempt	1,194	8,039	10,600	(2,561)	
Non-Exempt	614	1,563	2,274	(711)	
Union	868	546	546	0	
Officers	12	1,459	1,476	(17)	
subtotal	2,688	11,607	14,897	(3,290)	-22.1%
Total Cash Compensation		199,749	197,570	2,179	1.1%

* As of December 31, 2005

Corporate Incentive Program (CIP) Adjustment

<u>CIP Subgroup</u>	2007 Forecast	2008 Budget	2009 Rate Case
Boardman	127,052	108,248	108,248
Coyote	141,320	168,479	173,533
Port Westward	348,919	276,759	285,062
Pelton	2,463	2,266	2,266
Trojan	0	0	0
PGE	10,768,976	8,587,083	9,823,214
Offset for Capitalized Incentives	<u>(4,163,205)</u>	<u>(3,437,085)</u>	<u>(3,839,913)</u>
Total CIP in testimony	\$7,225,524	\$5,705,750	\$6,552,410

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SUMMARY OF COMPENSATION COST (\$000)

Compensation category / program	2005 Actual	2006 Actual	2007 Forecast	2008 FOM	2009 Rate Cs
Benefit Compensation					
Health & Dental Plan	26,867	25,930	27,809	28,705	31,555
Employee Wellness Program	138	237	275	273	397
Health Reimbursement Account	1,203	1,454	1,615	1,815	1,531
Short Term Disability Insurance	227	314	404	478	634
Long Term Disability Benefits	1,487	(202)	1,505	1,355	1,358
Group Life Insurance	1,131	1,153	1,131	794	828
Employee Assistance Program	53	48	51	62	64
Retirement Savings Plan	14,593	12,224	13,620	14,228	14,656
Pension Plan	a 2	3,915	2,203	-	-
Education Plan	459	495	464	453	485
Recreation Program	23	19	13	25	26
Misc. Employee Benefits	191	163	319	395	544
Benefits Administration	347	409	497	341	427
Supp. Exec. Pension (SERP)	b -	-	-	-	-
MDCP Pens/Savings Makeup	b -	-	-	-	-
Benefit Compensation Total	46,722	46,158	49,904	48,923	52,505
Wages & Salaries					
Straight Time	164,989	172,818	181,765	198,410	209,610
Overtime	11,751	15,598	13,045	11,994	12,909
Wages & Salaries Total	176,741	188,416	194,810	210,404	222,519
Incentive Compensation					
Boardman Tmwrks (PGE share)	98	53	127	108	108
Coyote Springs (PGE Share)	193	286	141	168	174
Port Westward	-	-	349	277	285
Pelton CIP (PGE Share)	2	2	2	2	2
Trojan (PGE share of PGE O&M)	-	-	-	-	-
PGE CIP	3,563	3,720	6,606	5,150	5,983
Boardman ACI (PGE share)	55	36	69	60	60
Pelton ACI	21	54	(9)	17	17
Wholesale Marketing	588	751	1,583	906	933
PGE ACI	1,741	2,236	2,464	2,365	2,434
Officer ACI	1,357	1,087	4,260	1,688	1,737
Stock Incentive Plan	-	717	2,449	3,211	2,813
Notable Achievement Awards	193	256	314	200	200
Retention/Signing Awards	37	-	-	-	-
Miscellaneous Awards	-	-	365	27	27
Total Incentives	7,847	9,199	18,720	14,178	14,773
Total Compensation	231,310	243,774	263,435	273,506	289,797

a credits set to zero
b omitted

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**REMAINING WORK PAPERS
TO BE PROVIDED
ELECTRONICALLY**

September 5, 2008

TO: Brad Van Cleve
Industrial Customers of NW Utilities

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to ICNU Data Request 11.310
Dated August 21, 2008
Question No. 310**

Request:

Provide the employee support loading rate for each of the calendar years 2002 through 2006. Also provide the dollars charged to expense for employee support in each of these years.

Response:

Employee support loading rates and gross amounts charged to expense before loading to capital for 2002 through 2006 are as follows:

**2002: 3.23%; \$5,796,459.93
2003: 3.32%; \$6,909,074.46
2004: 3.44%; \$4,998,485.57
2005: 3.55%; \$5,296,885.30
2006: 3.64%; \$5,589,160.87**

() = Credit

Calculation of Labor loading moved below the line for TY 2009-2

181	X79142	11	532	KA504	\$	42,865	Errata
181	X79201	11	516	KA502	\$	68,044	GRC Feb 27
181	X79201	11	532	KA502	\$	41,019	GRC Feb 27
					\$	<u>151,928</u>	
Employee Benefits Rates		N44458				28.88%	
Pension Cost		N44458				6.90%	
Payroll Taxes		N82599				10.50%	
Incentives		N44392				5.99%	
Employee Support		N44395				3.13%	
						<u>55.40%</u>	
					\$	<u>84,168</u>	

Allocation of Labor Loading to ledgers for TY 2009 Errata #3

181	N25603	11	891	00000	(82,813)
181	N25603	12	891	00000	(44,850)
181	N25603	41	891	00000	(102,687)
181	N30201	11	595	00000	89,499
181	N30298	11	593	00000	155,275
181	N44253	11	883	00000	170,371
181	N25517	11	015	00000	98,125
					<u>282,919</u>
					204,063
					<u>486,982</u>
					Labor Loading
					Total Amount of Increase

Amount to be allocated

181	N30201	11	595	00000	89,499	17.4%	35,583
181	N30298	11	593	00000	155,275	30.3%	61,733
181	N44253	11	883	00000	170,371	33.2%	67,735
181	N25517	11	015	00000	98,125	19.1%	39,012
					<u>513,270</u>	100.0%	204,063

October 09, 2008

TO: Brad Van Cleve
Industrial Customers of NW Utilities

FROM: Randy Dahlgren
Director, Regulatory Policy & Affairs

**PORTLAND GENERAL ELECTRIC
UE 197
PGE Response to ICNU Data Request
Dated October 02, 2008
Question No. 332**

Request:

Please provide a list of all current officers of PGE with their title and start date.

Response:

Listed below are Officers holding positions of Vice President or above.

Name	Position	Date Appointed to Current Position
Arleen Barnett	Vice President	July 2004
Carol Dillin	Vice President	February 2004
Jay Dudley	Vice President, General Counsel, Corporate Compliance Officer and Assistant Secretary	August 2007
Peggy Fowler	Chief Executive Officer and President	April 2000
Stephen Hawke	Senior Vice President	August 2006
Campbell Henderson	Vice President and Chief Information Officer	August 2006
Pamela Lesh	Vice President	August 2004
James Lobdell	Vice President	August 2004
Joe McArthur	Vice President	July 1997
William Nicholson	Vice President	May 2007
James Piro	Executive Vice President, Finance, Chief Financial Officer and Treasurer	July 2002
Stephen Quennoz	Vice President, Nuclear and Power Supply/Generation	August 2004