

Investor Presentation

Portland General Electric
March 2017



Cautionary Statement

Information Current as of February 17, 2017

Except as expressly noted, the information in this presentation is current as of February 17, 2017 — the date on which PGE filed its Annual Report on Form 10-K for the year ended December 31, 2016 — and should not be relied upon as being current as of any subsequent date. PGE undertakes no duty to update the presentation, except as may be required by law.

Forward-Looking Statements

Statements in this news release that relate to future plans, objectives, expectations, performance, events and the like may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements regarding earnings guidance; statements regarding the expected capital costs for the Carty Generating Station and the recovery of those costs; statements regarding future load, hydro conditions and operating and maintenance costs; statements concerning implementation of the company’s integrated resource plan; statements concerning future compliance with regulations limiting emissions from generation facilities and the costs to achieve such compliance; as well as other statements containing words such as “anticipates,” “believes,” “intends,” “estimates,” “promises,” “expects,” “should,” “conditioned upon,” and similar expressions. Investors are cautioned that any such forward-looking statements are subject to risks and uncertainties, including reductions in demand for electricity; the sale of excess energy during periods of low demand or low wholesale market prices; operational risks relating to the company’s generation facilities, including hydro conditions, wind conditions, disruption of fuel supply, and unscheduled plant outages, which may result in unanticipated operating, maintenance and repair costs, as well as replacement power costs; failure to complete capital projects on schedule or within budget, or the abandonment of capital projects, which could result in the company’s inability to recover project costs; the costs of compliance with environmental laws and regulations, including those that govern emissions from thermal power plants; changes in weather, hydroelectric and energy markets conditions, which could affect the availability and cost of purchased power and fuel; changes in capital market conditions, which could affect the availability and cost of capital and result in delay or cancellation of capital projects; the outcome of various legal and regulatory proceedings; and general economic and financial market conditions. As a result, actual results may differ materially from those projected in the forward-looking statements. All forward-looking statements included in this news release are based on information available to the company on the date hereof and such statements speak only as of the date hereof. The company assumes no obligation to update any such forward-looking statement. Prospective investors should also review the risks and uncertainties listed in the company’s most recent annual report on form 10-K and the company’s reports on forms 8-K and 10-Q filed with the United States Securities and Exchange Commission, including management’s discussion and analysis of financial condition and results of operations and the risks described therein from time to time.

PGE Value Drivers

Clear focus: 100%
regulated utility

Attractive service
area

Progressive
environmental and
renewable position

Focus on
operational
effectiveness and
efficiency

Strong financial
position

Generation, T&D
and IT resiliency
initiatives
strengthen
infrastructure

The Company

**Strong
Platform for
Stakeholder
Value**



PGE at a Glance

Quick Facts:

- Vertically integrated energy company encompassing generation, transmission and distribution
- ~863,000 customers⁽¹⁾
- 46 percent of Oregonians, 51 incorporated cities
- Service area covers majority of Oregon's commercial and industrial activity

Financial Snapshot⁽¹⁾:

- Revenue: \$1.9 billion
- Earnings per share: \$2.16
- Net Utility Plant Assets: \$6.4 billion



(1) As of 12/31/2016

Strategic Direction

Mission: To be a company our customers and communities can depend upon to provide electric service in a safe, sustainable and reliable manner, with excellent customer service, at a reasonable price.

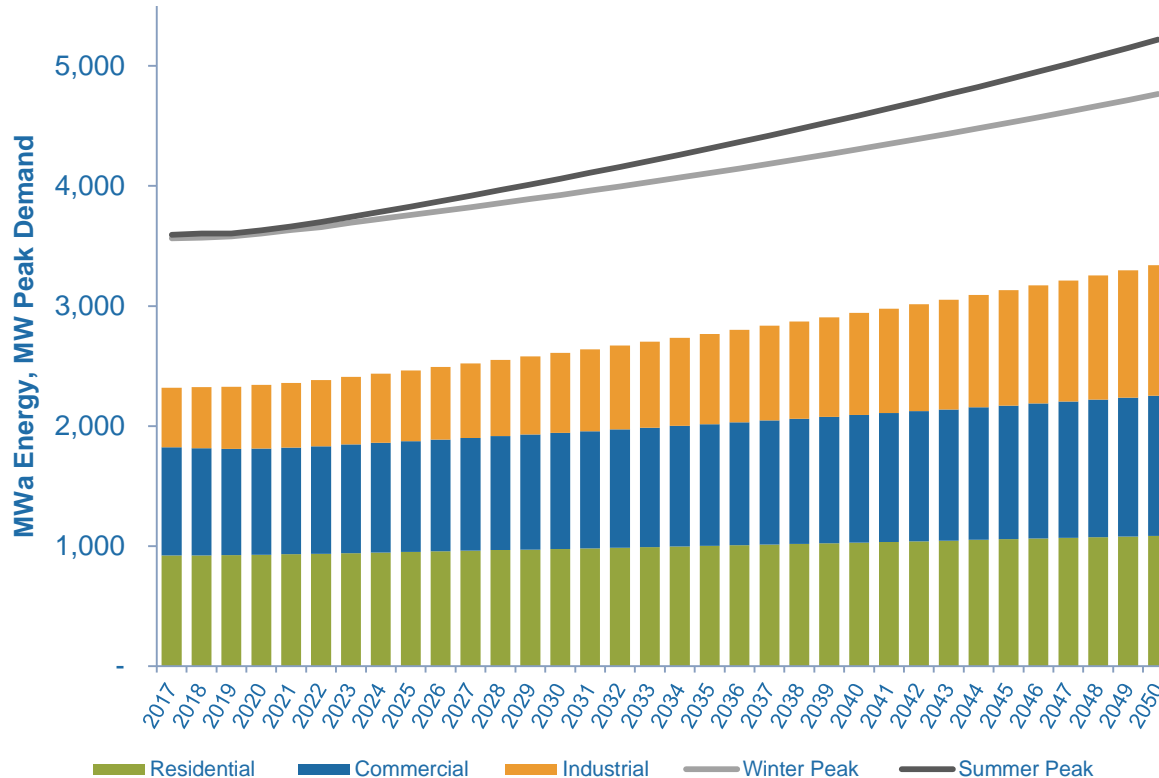
The path forward is guided by:

- Strong relationships with customers and community
- Empowering employees
- Opportunity to grow the business
- Delivering value to all stakeholders



Attractive, Growing Service Area

Long-Term Load Growth



- Long-term forecast ~1% annually through 2050
- Driven by:
 - Industrial deliveries growth
 - Residential customer growth
 - Energy efficiency

Constructive Regulatory Environment

Regulatory Construct

- Oregon Public Utility Commission
- 9.6% allowed return on equity
- 50% debt and 50% equity capital structure
- Forward test year
- Integrated Resource Planning (IRP)
- Renewable Portfolio Standard (RPS)

Regulatory Mechanisms

- Net variable power cost recovery
 - Annual Power Cost Update Tariff (AUT)
 - Power Cost Adjustment Mechanism (PCAM)
- Decoupling through 2019
- Renewable Adjustment Clause

Governor-appointed three-member commission

Chair: Lisa Hardie [D]⁽¹⁾ May 2020

Megan Decker [D]⁽²⁾ Mar 2021

Stephen Bloom [R] Nov 2019



(1) Newly appointed at the end of May 2016

(2) Newly appointed, replacing outgoing commissioner John Savage.

2018 General Rate Case

Seeking Approval from the Oregon Public Utility Commission

For investments in the system to keep it safe, reliable and secure

- Filed Feb. 28, 2017
- 2018 Forward Test Year
- Expected Commission order by Dec. 2017
- Customer Prices will be effective Jan. 1, 2018
- Return on Equity: 9.75%
- Rate Base: \$4.6 billion
- Capital Structure: 50% debt, 50% equity
- Cost of Capital: 7.46%
- Annual revenue requirement increase: \$100 million
- Overall increase in customer prices: 5.6%



The Strengths

**Strong
Platform for
Stakeholder
Value**



Key Strengths

- 1 Our focus on customers
- 2 Diverse generation and customer base
- 3 High quality utility operations
- 4 Solid financial performance
- 5 Strong financial position

Focus on customers



Top Quartile System Reliability

Edison Electric Institute



Top Quartile Customer Satisfaction

TQS Research, Inc.



Most Trusted Brand & No. 1 for Dedication to the Environment

Market Strategies International



Top Ranked Renewable Energy Program

National Renewables Energy Laboratory

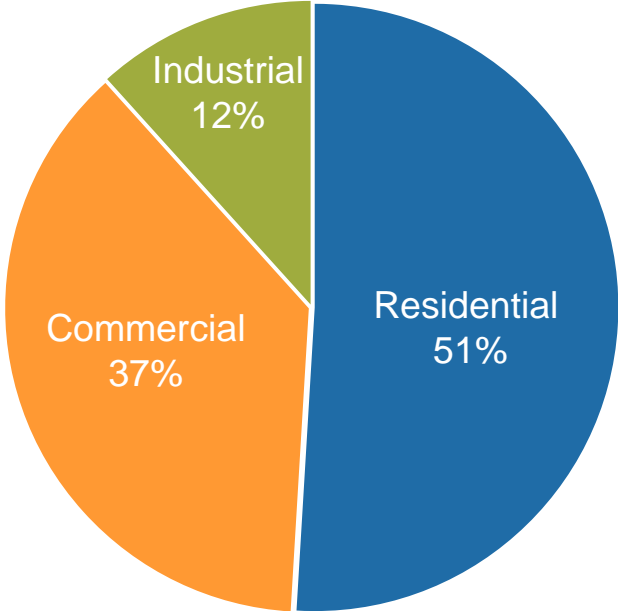
All customer satisfaction and reliability measures consistently top quartile

Diverse Generation & Customer Base

Retail Revenues by Customer Class

(2016)

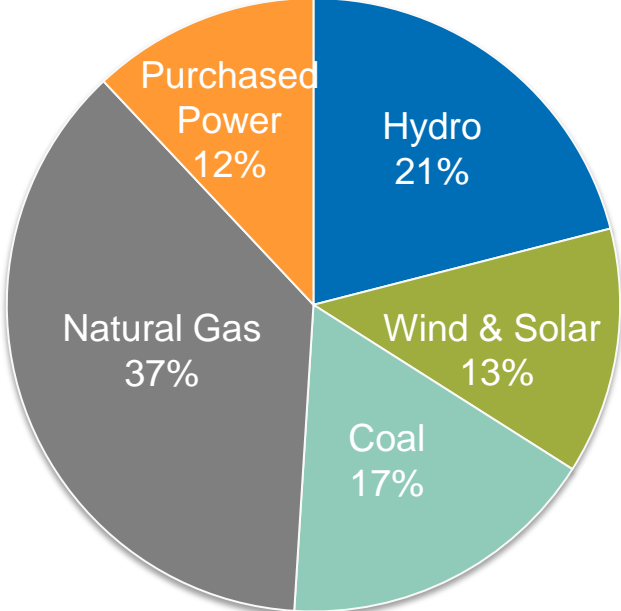
Total = \$1.78B



Power Sources as a Percent of Retail Load

(2016 AUT)⁽¹⁾

Total = 2,120 MWa



(1) Hydro and wind/solar include PGE owned and contracted resources; purchased power includes long-term contracts

High Quality Utility Operations

- Highly dependable PGE generation portfolio with five-year average availability of 92 percent⁽¹⁾
- Strong power supply operations to stabilize and optimize power costs
- Progressive approach to reduce coal generation – Boardman 2020 Plan and Colstrip 2035 Plan
- Generation, T&D and IT initiative focused on improving efficiency, reliability and resiliency to meet customer needs and expectations
- Ongoing investment in technology to improve service and capture efficiencies



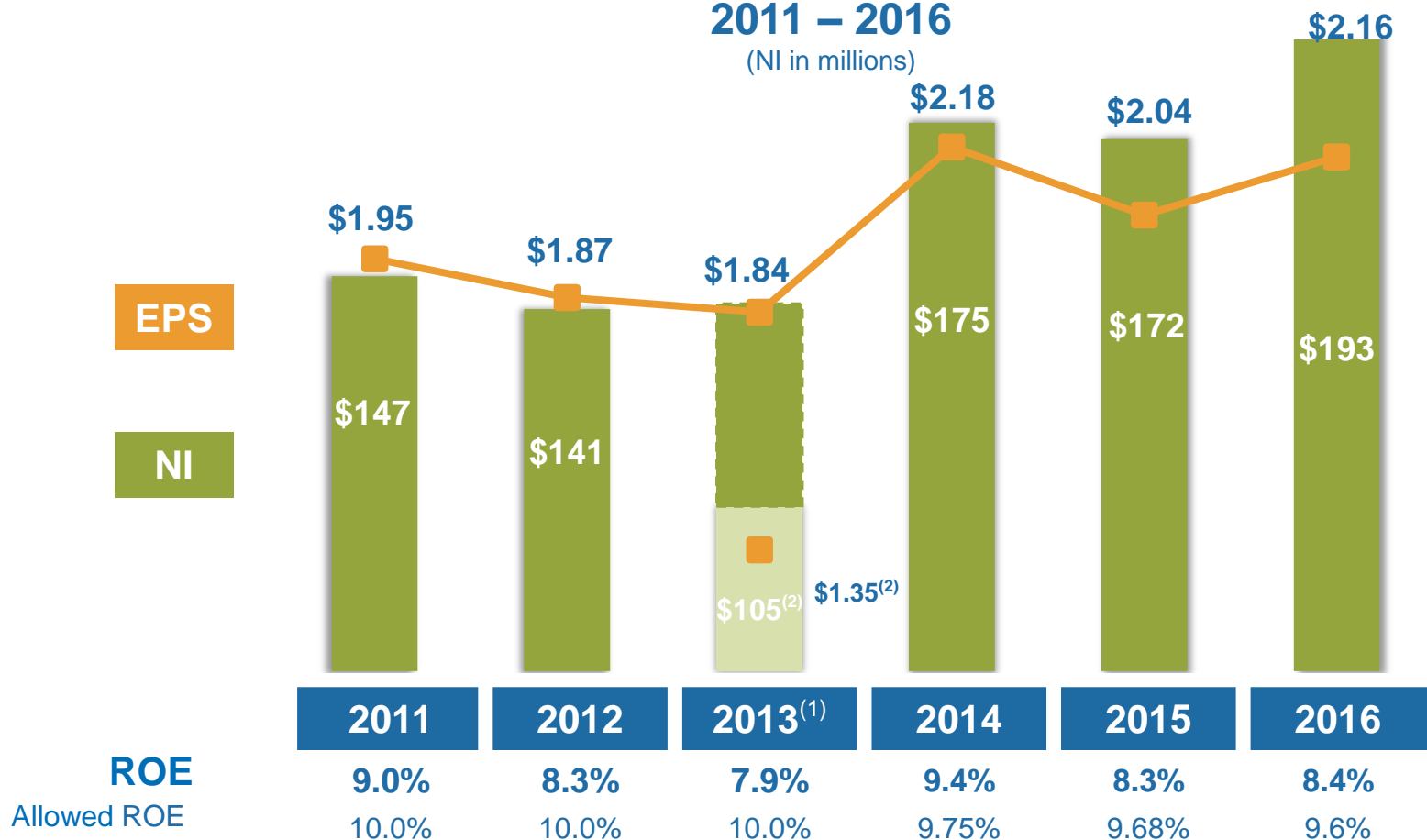
(1) Represents 2012 through 2016

Solid Financial Performance

Net Income, Earnings per Share, and ROE

2011 – 2016

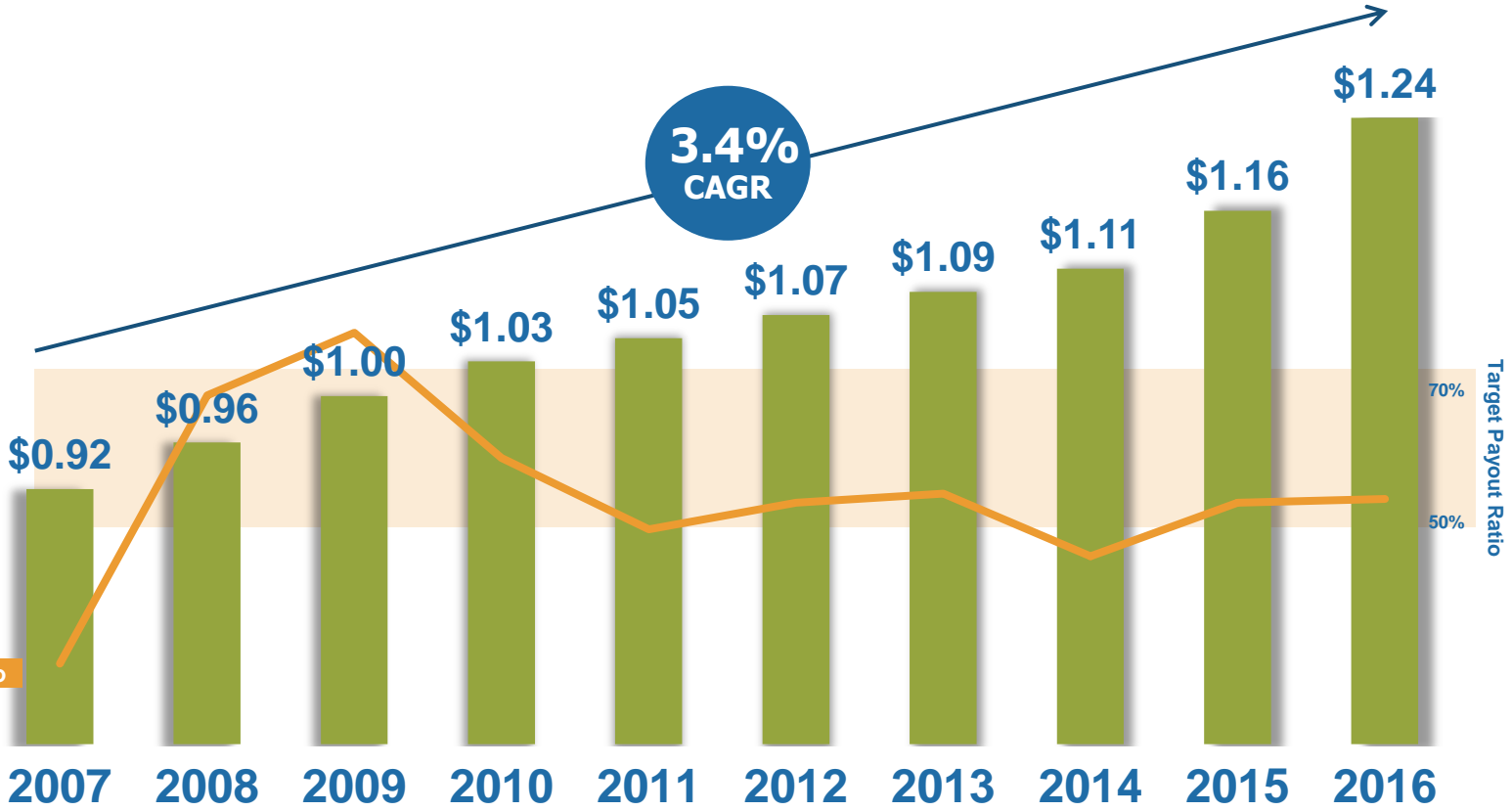
(NI in millions)



(1) 2013 displays full-year non-GAAP adjusted operating earnings, which excludes the negative impact of the Cascade Crossing expense (\$0.42 EPS) and the customer billing refund (\$0.07 EPS)

(2) GAAP earnings for year-end 2013 were \$105 million or \$1.35 per diluted share

Consistent Dividend Growth



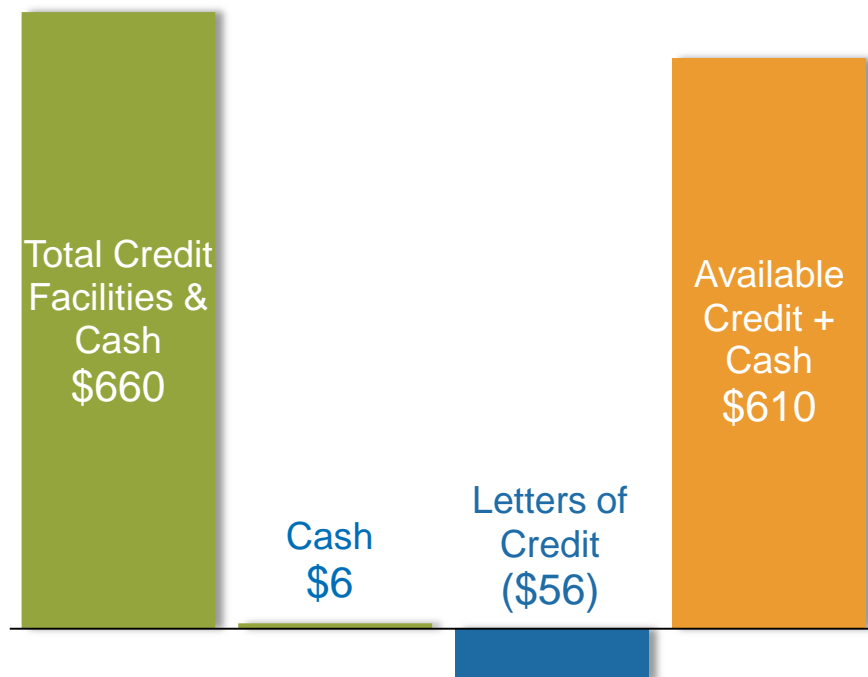
Annual dividend increases expected to be in the 5-7% range⁽¹⁾

Note: Represents annual dividends paid

(1) Based on the company achieving earnings and cash flow estimates and other factors influencing dividends and subject to approval of the Board of Directors

Strong Liquidity Position for Growth

Revolving Credit Facilities ⁽¹⁾ (in millions)



Financial Resources

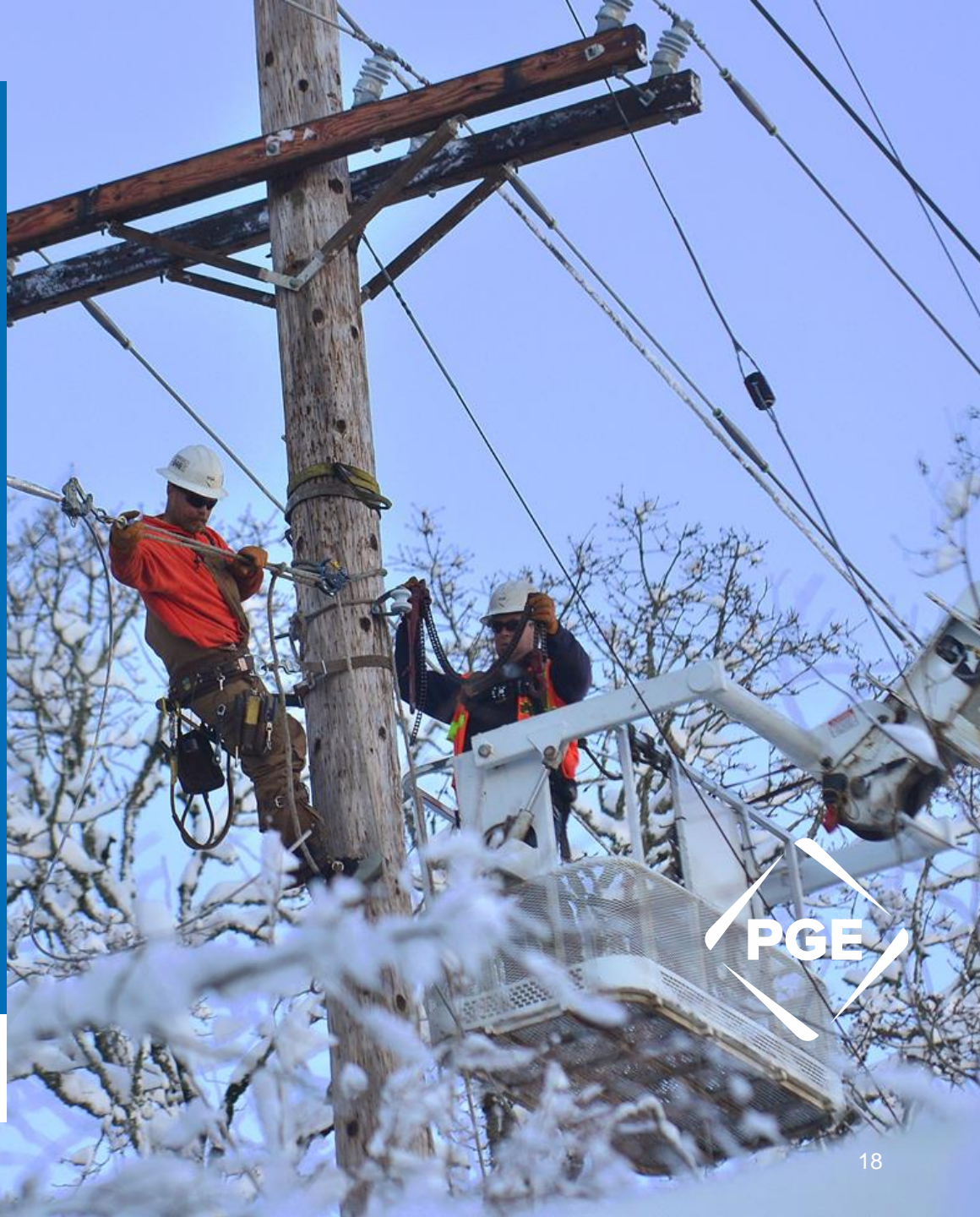
- Investment grade credit ratings
- Manageable debt maturities
- Target capital structure of 50% debt and 50% equity

	S&P	Moody's
Senior Secured	A-	A1
Senior Unsecured	BBB	A3
Outlook	Stable	Stable

(1) All values as of 12/31/2016

The Execution

Strong Platform for Stakeholder Value



New Generation: Baseload Resource

Carty Generating Station: Placed in-service on July 29, 2016



Carty Generating Station, a 440 MW natural gas baseload plant near Boardman, OR

Capital costs, including AFDC, approved in 2016 GRC:	\$514M
Total estimated cost, including AFDC, for completion:	\$640M ⁽¹⁾
Carty plant in-service as of 12/31/2016:	\$634M
Estimated time frame to complete litigation:	2-4 years

(1) Total estimated cost does not reflect any amounts that may be received from sureties under the performance bond, the original contractor, or contractor's parent company

2016 Integrated Resource Plan



- Reflects PGE's shift to more renewables in keeping with Oregon Clean Electricity Plan
- Process includes continuing dialog with OPUC staff and stakeholders
- RFPs will be open to a variety of resource options

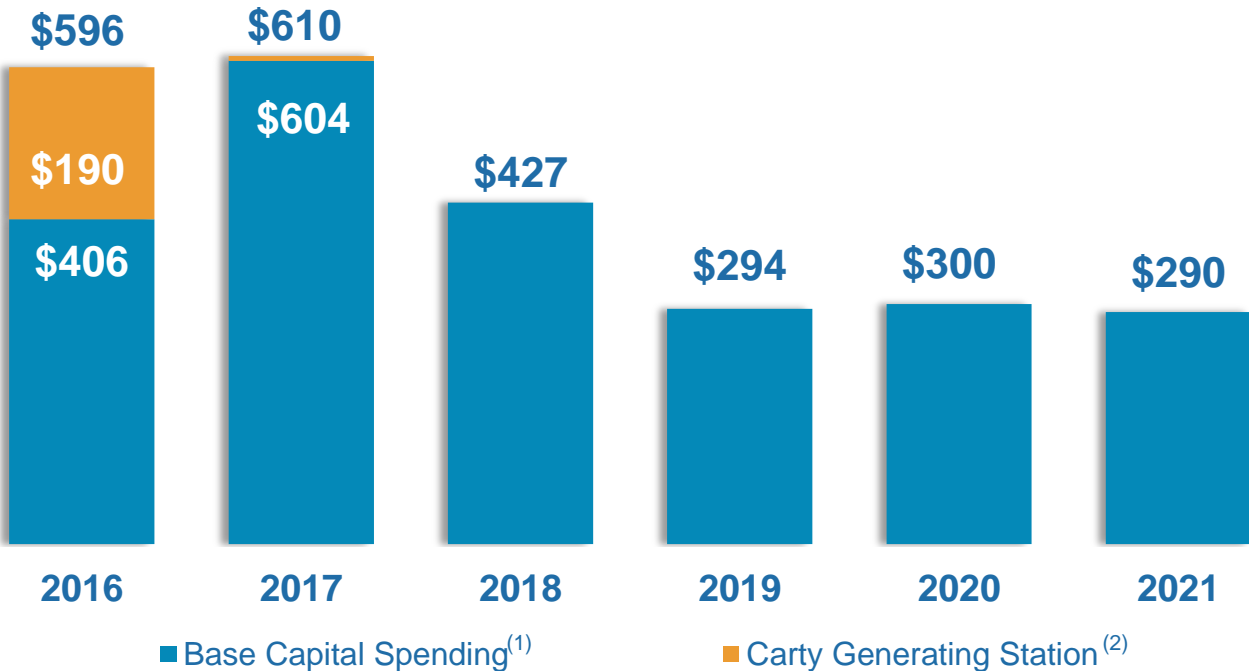
Areas of Focus

- Energy efficiency (135 MWa) and demand-side actions (77 MW)
- Investment / acquisition of renewables (175 MWa) to meet Oregon Clean Electricity Plan: IRP will position PGE to comply with 27% RPS requirement by 2025
- Filling up to 700 MW capacity deficit to ensure reliability¹

¹ On March 31, 2017, PGE executed a 10-year PPA with Douglas County Public Utility District for a share of the output of the Wells Hydroelectric project. Based on average hydro conditions and projected load growth, PGE anticipates approximately 130-160 MW of capacity and 60-70 MWa of energy, beginning Sept. 1st, 2018. PGE is currently evaluating the impact of this PPA on the remaining 2021 capacity shortage and will provide an update when practicable.

Forecasted Capital Expenditures

\$ millions



Outlook

Annually the board of directors will review the need for additional investments focused on improving the efficiency, reliability and resiliency of PGE’s infrastructure to meet customer needs.

Capital additions that could result from the Request For Proposal following acknowledgment of the Integrated Resource Plan have not been estimated and are not shown.

Note: Amounts do not include AFDC

- (1) Consists of board-approved ongoing Cap Ex per the Form 10-K filed on February 17, 2017
- (2) Total estimated cost does not reflect any amounts that may be received from sureties under the performance bond, the original contractor, or contractor’s parent company

PGE Value Proposition

**Strong platform
executing
sustained long-
term growth**



High quality utility operations

Attractive service territory

Strong financial position

Generation and T&D resiliency initiatives

Progressive reduction in carbon footprint & intensity

Future infrastructure investment opportunities

PGE Investor Relations Team



Chris Liddle

Manager, Investor Relations and Corporate Finance

(503) 464-7458

Christopher.Liddle@pgn.com

Adrio Odobasic

Analyst, Investor Relations

(503) 464-8586

Adrio.Odobasic@pgn.com

Portland General Electric

Investors.PortlandGeneral.com

121 S.W. Salmon Street

Suite 1WTC0506

Portland, OR 97204

Portland General Electric Appendices



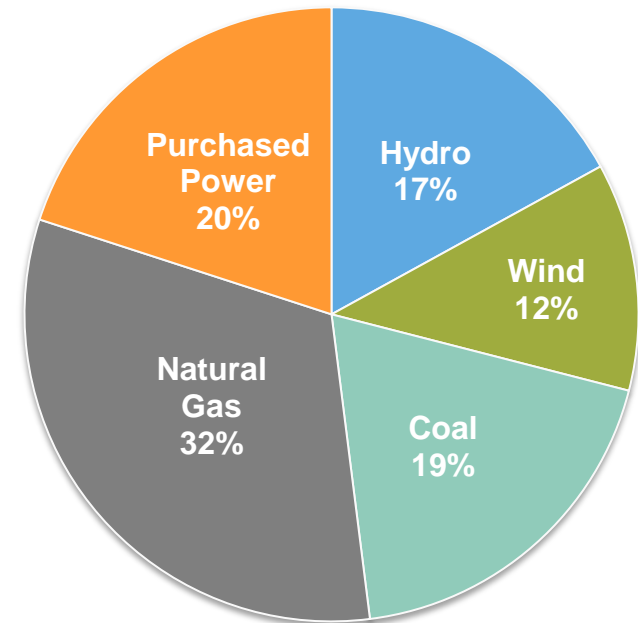
Diversified Resource Mix

Resource Capacity as of 12/31/2016

	Capacity in MW	% of Total Capacity
Hydro⁽¹⁾		
Deschutes River Projects	303	6%
Clackamas/Willamette River Projects	192	4%
Hydro Contracts	534	11%
	1,029	22%
Natural Gas/Oil⁽¹⁾		
Beaver Units 1-8	508	11%
Coyote Springs	243	5%
Port Westward Unit 1	395	8%
Port Westward Unit 2	225	5%
Carty	434	9%
	1,805	38%
Coal⁽¹⁾		
Boardman	518	11%
Colstrip	296	6%
	814	17%
Wind		
Biglow Canyon ⁽²⁾	450	10%
Tucannon River ⁽³⁾	267	6%
Wind and Solar Contracts	52	1%
	769	17%
Additional Purchased Power	313	7%
Total	4,730	100%

Power Sources as a Percent of Retail Load (2016 Actuals)

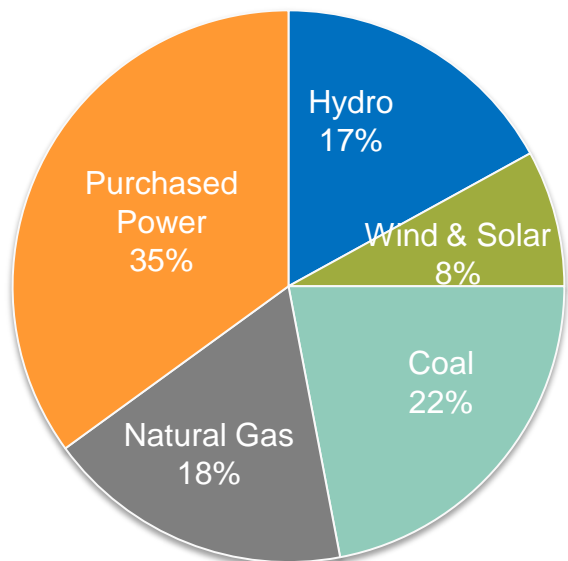
Total = 18,295,000 MWh



- (1) Capacity of a given plant represents the megawatts the plant is capable of generating under normal operating conditions, net of electricity used in the operation of the plant.
 (2) With respect to Biglow Canyon, capacity represents nameplate and differs from expected energy to be generated, which was a 23% capacity factor in 2016.
 (3) With respect to Tucannon River Wind Farm, capacity represents nameplate and differs from expected energy to be generated, which was a 28% capacity factor in 2016.

Changing Generation Portfolio

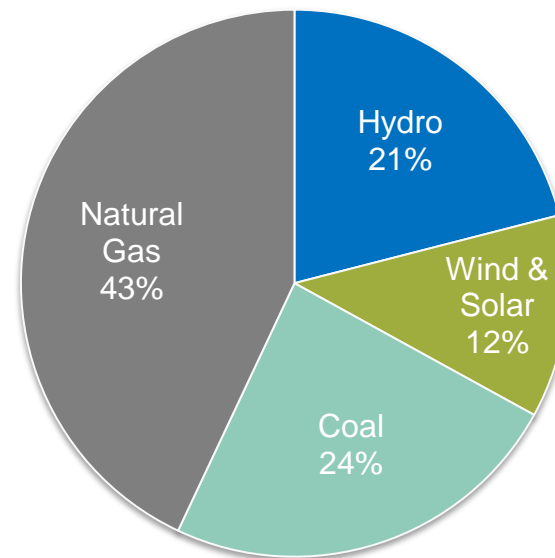
2013 Power Sources as a Percent of Retail Load
(2013 Actuals)



4 years later



2017 Power Sources as a Percent of Retail Load
(2017 Estimate)⁽¹⁾



Changes driven by:

- New generation: Port Westward Unit 2 (natural gas, Q4 2014), Tucannon River (wind, Q4 2014), and Carty (natural gas, July 2016)
- Next requirements under Oregon's RPS (requiring a portion of PGE's retail load to be serviced by renewable resources): 20% by 2020, 27% by 2025, 35% by 2030, 45% by 2035 and 50% by 2040

Note: For both charts, hydro and wind/solar include PGE owned and contracted resources

(1) Based on an estimated forecast which includes new generation from Carty

Financing Activity

Equity Issuances

	Date	Shares	Net Proceeds
Equity Forward Sale Agreement	June 2013	11.1 million	--
Draw pursuant to forward	August 2013	0.7 million	\$20 million
Draw pursuant to forward	June 2015	10.4 million	\$271 million
Net remaining shares available for issuance:		0	
Equity Over-Allotment	June 2013	1.7 million	\$46 million

Long-term Debt (\$ in millions)

Issued:

Amount	Issuance Date	Coupon	Maturity
\$100	8/15/14	4.39%	2045
\$100	10/15/14	4.44%	2046
\$80	11/17/14	3.51%	2024
\$75	1/15/15	3.55%	2030
\$70	5/19/15	3.50%	2035
\$140	1/6/16	2.51%	2021
\$50	5/4/16	~1.4%	Nov 2017
\$75	6/15/16	~1.4%	Nov 2017
\$25	10/31/16	~1.4%	Nov 2017

Matured/Redeemed:

Amount	Date
\$70	Matured – Jan 2015
\$67	Redeemed – May 2015
\$75	Redeemed – Jan 2016
\$58	Redeemed – Jan 2016

Generation Plant Operations

- Track record of high availability

	2011	2012	2013	2014	2015	2016
PGE Thermal Plants	90%	92%	84%	89%	89%	92%
PGE Hydro Plants	100%	99%	100%	100%	99%	99%
PGE Wind Farm	97%	98%	98%	94%	97%	95%
PGE Wtd. Average	93%	94%	89%	92%	93%	93%
Colstrip Unit 3 & 4	84%	93%	66%	83%	93%	85%

- **Generation Reliability and Maintenance Excellence Program**

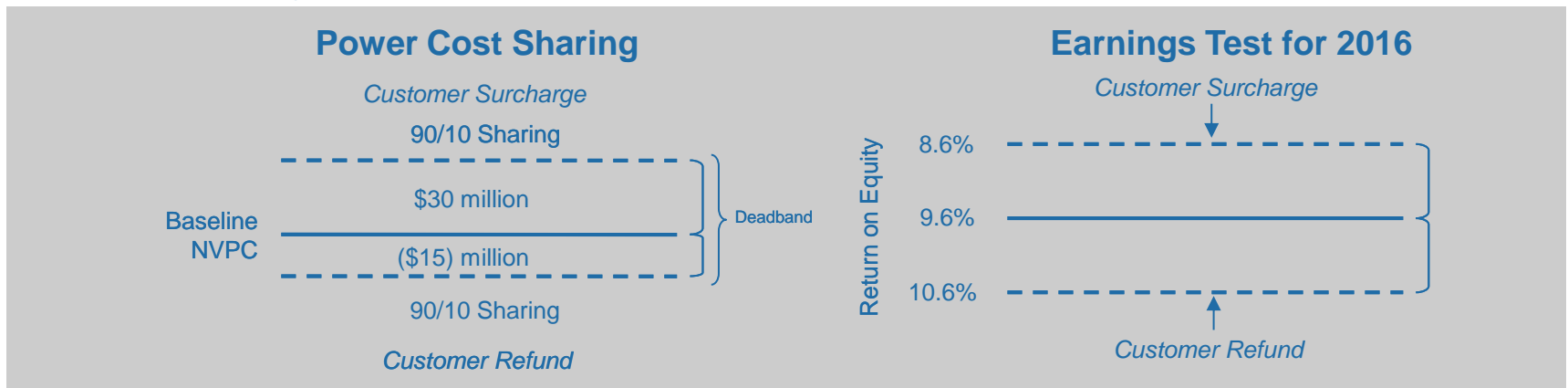
- Corporate strategy started in 2007 to increase availability of PGE's generation plants and increase predictability of plant dispatch costs for power operations
- Key Elements
 - Reliability Centered Maintenance (RCM) modeling for PGE's generating plants and incorporation of models into PGE's maintenance management system (Maximo)
 - Root Cause Analysis (RCA) for unplanned generation outages, which expedites communication across PGE's fleet on both resolution and prevention actions
 - Internal training on technical skills, including inspection, welding and metallurgy – supporting both RCM and RCA efforts

Recovery of Power Costs

Annual Power Cost Update Tariff

- Annual reset of prices based on forecast of net variable power costs (NVPC) for the coming year
- Subject to OPUC prudence review and approval, new prices go into effect on or around January 1 of the following year

Power Cost Adjustment Mechanism (PCAM)



- PGE absorbs 100% of the costs/benefits within the deadband, and amounts outside the deadband are shared 90% with customers and 10% with PGE
- An annual earnings test is applied, using the regulated ROE as a threshold
- Customer surcharge occurs to the extent it results in PGE's actual regulated ROE being no greater than 8.6%; customer refund occurs to the extent it results in PGE's actual regulated ROE being no less than 10.6%

2018 General Rate Case - Key Dates

Date	Event
April 7 th	Deadline to file petitions to Intervene
May 5 th	Staff Workshop
June 16 th	Staff and Intervenors file opening testimony
July 18 th	PGE files Reply Testimony
August 3 rd - 4 th	Settlement Conferences
August 17 th	Staff and Intervenors file Cross-Answering and Rebuttal Testimony
September 5 th	PGE files Surrebuttal Testimony
September 12 th	All Parties file Joint Issues List, Cross-examination settlement, and Exhibit lists
October 24 th (tentative)	Oral arguments
December 21 st	Target date for Commission Order
January 1 st , 2018	Effective Date

2016 General Rate Case

Oregon Public Utility Commission Order

- Overall increase in customer prices: 0%
- Return on Equity: 9.6%
- Capital Structure: 50% debt, 50% equity
- Cost of Capital: 7.51%
- Rate Base: \$4.4 billion⁽¹⁾
- Annual revenue requirement increase: \$12 million

Customer Prices

- Base Business: January 1, 2016
- Carty: August 1, 2016

Customer price changes:

- Base business reduction of 2.5%
- Carty increase of 2.5%

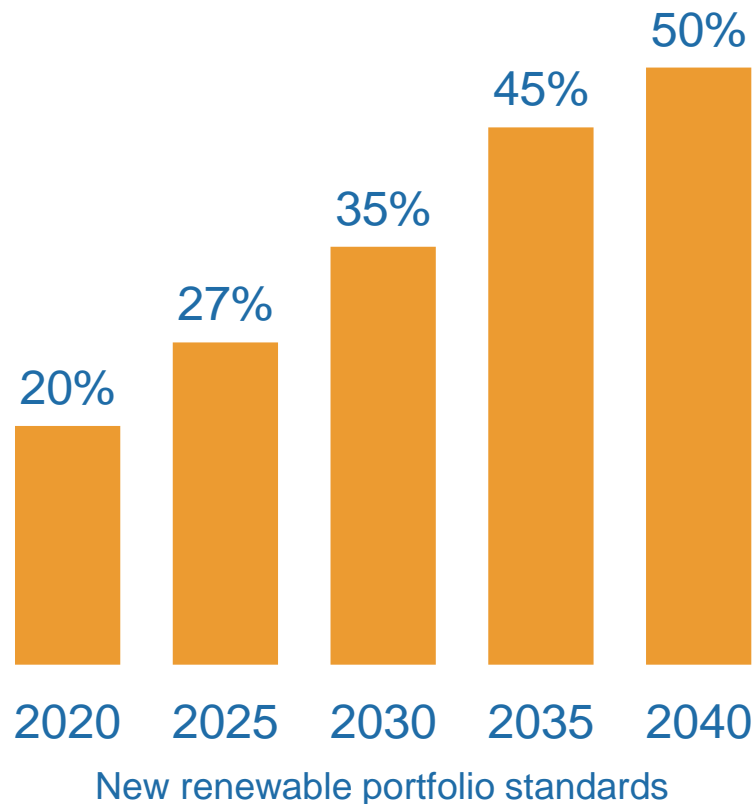
(1) Includes Carty at \$514 million

Oregon Clean Electricity Plan

Oregon Senate Bill 1547

Key Elements of Plan

- Increase the renewable portfolio standard to 50 percent in 2040
- Transitions Oregon off coal-fired generation by 2035
- Includes PTCs in power costs, beginning with AUT filing for 2017
- Reaffirms state's commitment to energy-efficiency programs
- Encourages transportation electrification
- Increases access to solar energy for more Oregonians
- Flexibility to achieve goals while working with the Oregon Public Utility Commission



Renewable Portfolio Standard

Additional Renewable Resources

- PGE's 2009 Integrated Resource Plan addressed procurement of renewable resources to meet the 2015 requirement of Oregon's Renewable Portfolio Standard (RPS). As of 2016, PGE had the following qualifying renewable resources:

Type of Resource	% of Retail Load
Wind	11.6%
Low Impact Hydro	3%
Solar & Other	0.3%

Renewable Portfolio Standard:

2011	2015	2020	2025	2030	2035	2040
5%	15%	20%	27%	35%	45%	50%

- Renewable Portfolio Standard qualifying resources supplied approximately 10 percent of PGE's retail load in 2012, 2013, & 2014, and approximately 15 percent of retail load in 2015 and 2016.

Renewable Adjustment Clause (RAC)

- Renewable resources can be tracked into prices, through an automatic adjustment clause, without a general rate case. A filing must be made to the OPUC by the sooner of the online date or April 1 in order to be included in prices the following Jan. 1. Costs are deferred from the online date until inclusion in prices and are then recovered through an amortization methodology.

Executing on New Generation

Tucannon River Wind Farm

Capacity: 267 MW

In-service date: Dec. 2014

Project cost: \$525 M



On time
On budget



Port Westward Unit 2

Capacity: 220 MW

Fuel: Natural Gas
Reciprocating Engines

In-service date: Dec. 2014

Project cost: \$311 M

Decoupling Mechanism

The decoupling mechanism is intended to allow recovery of margin lost due to a reduction in sales of electricity resulting from customers' energy efficiency and conservation efforts.

This includes a Sales Normalization Adjustment (SNA) mechanism for residential and small nonresidential customers (≤ 30 kW) and a Lost Revenue Recovery Adjustment (LRRRA), for large nonresidential customers (between 31 kW and 1 MWh).

- The SNA is based on the difference between actual, weather-adjusted usage per customer and that projected in PGE's 2016 general rate case. The SNA mechanism applies to approximately 61% of 2016 base revenues.
- The LRRRA is based on the difference between actual energy-efficiency savings (as reported by the ETO) and those incorporated in the applicable load forecast. The LRRRA mechanism applies to approximately 27% of 2016 base revenues.

In PGE's 2016 rate case, PGE and parties stipulated to the extension of the decoupling mechanism for three years, through the end of 2019. In addition, the use-per-customer baseline was adjusted for new connects with lower energy usage.

Recent Decoupling Results

(in millions)	2014	2015	2016
Sales Normalization Adjustment	\$(6.6)	\$(8.8)	\$1.9
Lost Revenue Recovery Adjustment	\$1.4	\$(0.5)	\$(0.8)
Total adjustment	\$(5.2)	\$(9.3)	\$1.1

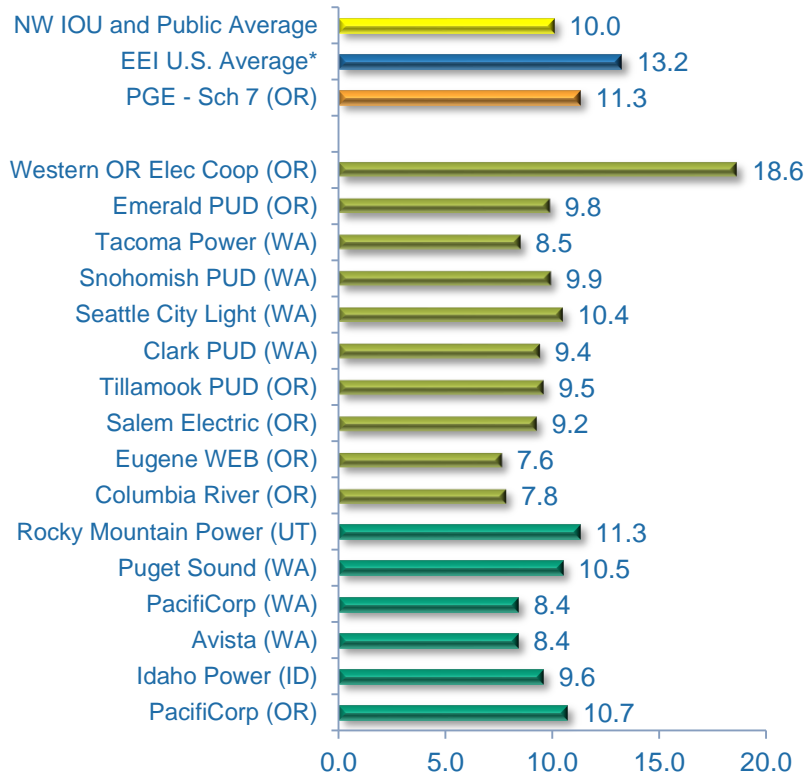
Note: refund = (negative) / collection = positive

Average Retail Price Comparison

Residential and Commercial – Winter 2016

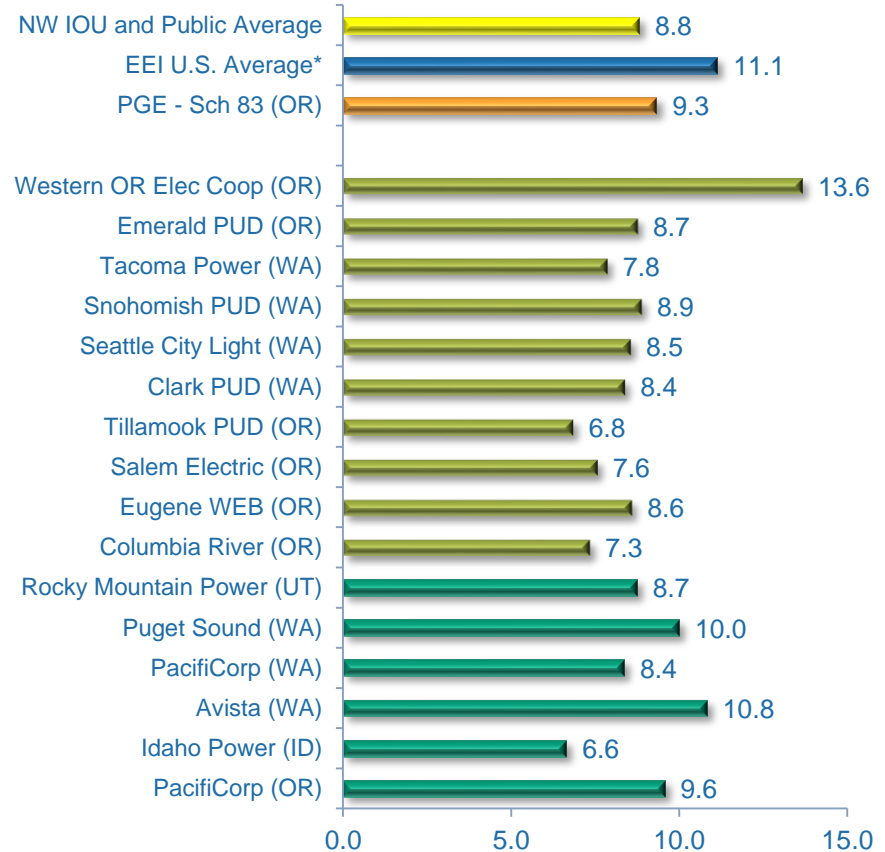
Residential Electric Service Costs
Northwestern Investor-Owned and Public Utilities

1,000 kWh per Month
(cents per kWh)



Commercial Electric Service Prices
Northwestern Investor-Owned and Public Utilities

40 kW Demand - 14,000 kWh per Month
(cents per kWh)



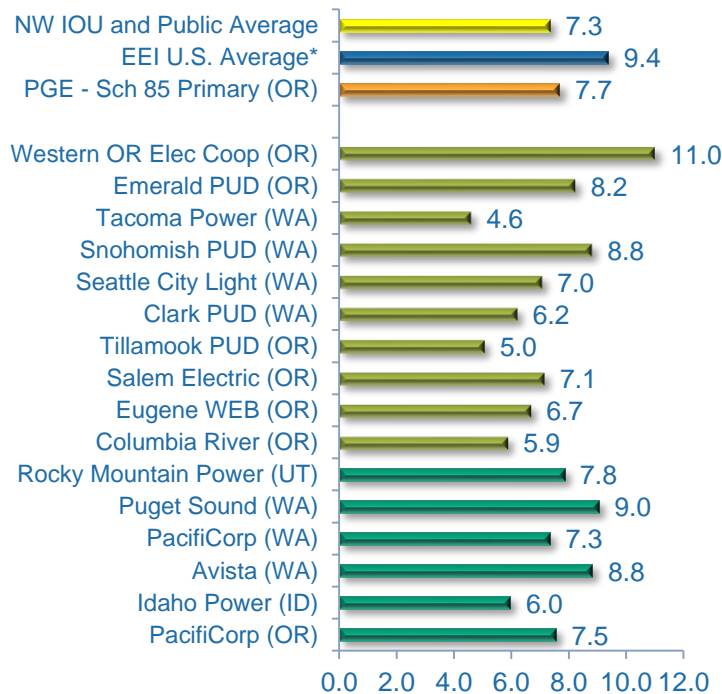
* This average is based on Investor-owned utilities only.

Average Retail Price Comparison

Small and Large Industrial – Winter 2016

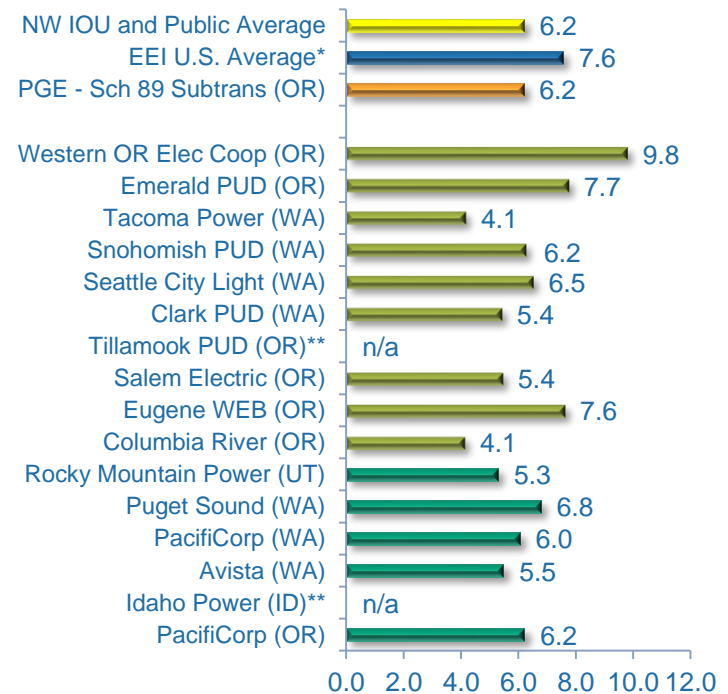
Small Industrial Electric Service Prices Northwestern Investor-Owned and Public Utilities

1,000 kW Demand - 400,000 kWh per Month, Primary
Voltage
(cents per kWh)



Large Industrial Electric Service Prices Northwestern Investor-Owned and Public Utilities

50,000 kW Demand - 32,500,000 kWh per Month,
Subtransmission Voltage
(cents per kWh)



* This average is based on Investor-owned utilities only.

** Idaho Power does not report a price to EEI for large industrial customers at this usage and demand level.

**Tillamook PUD does not offer a large general service tariff on their web site.