



OPUC Approves PGE Investment in Smart Meter Technology

PORTLAND, Ore., May 06, 2008 (BUSINESS WIRE) -- Portland General Electric Company (PGE) (NYSE:POR) today received approval from the Oregon Public Utility Commission (OPUC) to install more than 850,000 next-generation electrical meters to help the utility and its customers manage energy use, enhance customer service and reduce operating expenses. The advanced metering infrastructure, more commonly referred to as smart meters, will be installed in a two-year process slated for completion by the end of 2010.

"We're pleased the OPUC agreed that smart meters deliver long-term benefits for our customers," said Peggy Fowler, CEO and president of PGE. "This technology is a key part of the foundation we're laying to meet Oregon's future energy needs."

The mechanical meters currently in place measure electricity use and must be read manually -- basic technology in use for decades. The new smart meters' technology will provide PGE with two-way communications to its residential and commercial meters, enabling many benefits, including new billing options such as customer-selected bill due date and remote activation and de-activation for customers who are moving their home or business.

Other anticipated benefits include quicker and more accurate outage and restoration response, as well as lower labor costs due to the use of wireless data transfer rather than manual meter reading.

Upon roll out, smart meters will provide immediate environmental benefits. "With this innovative technology, PGE will take 114 cars and trucks off the road, saving approximately 80,000 gallons of gas each year and reducing emissions of about 1.4 million pounds of carbon dioxide," Fowler added.

The new system is also expected to support the future development of demand response and direct load control programs that will improve energy efficiency and reduce the need for new power plants.

Eventually, smart meters will enable PGE to provide customers with access to their daily energy use information via the Web. PGE believes demand-response programs could help reduce peak demand and shift customer usage to off-peak periods of the day when power costs less.

The capital cost of the project is expected to be \$130-135 million, with annual operating savings projected to be \$18 million as of 2011, the first full year of operation of the new system. PGE signed contracts in September 2007 to purchase and install the new meters. Installation will begin with systems testing this summer, which should be completed in late 2008. The utility will then proceed with large-scale installation of the new meters in 2009 and 2010.

Beginning June 1, 2008, the smart meter project costs will be reflected in customers' bills, resulting in an increase of less than one percent. An income tax refund to customers previously announced by PGE, which also begins in June, will offset this increase resulting in a net zero increase to customers.

About Portland General Electric Company

Portland General Electric, headquartered in Portland, Ore., is a vertically integrated electric utility that serves approximately 808,000 residential, commercial and industrial customers in Oregon. Visit our Web site at www.PortlandGeneral.com.

Safe Harbor Statement

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. Such forward-looking statements include statements concerning the future installation, deployment and operation of the smart meter system, the expected performance and benefits of the system, the expected capital cost of the system, as well as other statements identified by words including, but not limited to, "will," "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 regulatory, operational and legal matters, as well as other factors that could affect the deployment and successful operation of AMI. 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 statements. 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 Operation and the risks described therein from time to time.

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