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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**  
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 2, 2013

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**PORTLAND GENERAL ELECTRIC COMPANY**

(Exact name of registrant as specified in its charter)

**Oregon**  
(State or other jurisdiction  
of incorporation)

**001-5532-99**  
(Commission  
File Number)

**93-0256820**  
(I.R.S. Employer  
Identification No.)

**121 SW Salmon Street, Portland, Oregon 97204**  
(Address of principal executive offices, including zip code)

**Registrant's telephone number, including area code: (503) 464-8000**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

The following information is furnished pursuant to both Item 2.02 and Item 7.01.

On August 2, 2013, Portland General Electric Company (the “Company”) issued a press release announcing its financial results for the three and six month periods ended June 30, 2013. The press release is furnished herewith as Exhibit 99.1 to this Report.

**Item 7.01 Regulation FD Disclosure.**

At 11:00 a.m. ET on Friday, August 2, 2013, the Company will hold its quarterly earnings call and webcast, and will utilize a slide presentation in conjunction with the earnings call. A copy of the slide presentation is furnished herewith as Exhibit 99.2.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits.**

99.1 Press Release issued by Portland General Electric Company dated August 2, 2013.

99.2 Portland General Electric Company Second Quarter 2013 Slides dated August 2, 2013.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PORTLAND GENERAL ELECTRIC COMPANY

(Registrant)

Date: August 1, 2013

By: /s/ James F. Lobdell

James F. Lobdell  
*Senior Vice President of Finance,  
Chief Financial Officer and Treasurer*



Portland General Electric  
 One World Trade Center  
 121 S.W. Salmon Street  
 Portland, Oregon 97204

## News Release

### FOR IMMEDIATE RELEASE

Aug. 2, 2013

#### Media Contact:

Steven Corson  
 Corporate Communications  
 Phone: 503-464-8444

#### Investor Contact:

Bill Valach  
 Director, Investor Relations  
 Phone: 503-464-7395

### Portland General Electric announces second quarter results

**PORTLAND, Ore.** — Portland General Electric Company (NYSE: POR) today reported a net loss of \$22 million, or 29 cents per diluted share, for the second quarter of 2013. This compares with net income of \$26 million, or 34 cents per diluted share, for the second quarter of 2012. Results for the quarter were driven by several factors, including the suspension of the Cascade Crossing Transmission Project and increased operating and maintenance expense related to the company's generation plants and distribution system. The increase in operating and maintenance expense is in-line with full-year expectations of \$440 million to \$460 million for 2013.

"Although several factors impacted our operating and financial performance this quarter, our outlook for 2014 and beyond is positive," said Jim Piro, president and chief executive officer. "We are moving forward on our three new generation projects, have reached substantial settlement on our 2014 General Rate Case and have successfully completed debt and equity financings, positioning the company for strong operations and growth over the next few years."

#### Company updates

- **General Rate Case**—PGE filed a 2014 General Rate Case in mid-February and has reached settlement with OPUC staff and interveners on all items except pension expense. Stipulating parties have settled on an allowed ROE of 9.75 percent, a capital structure of 50 percent debt and 50 percent equity, and an average rate base of \$3.1 billion. The stipulated items, along with recently filed updates of power costs and the load forecast, result in a revised increase of \$79 million in annual revenue requirement.
- **Generating Projects**—On June 3, PGE announced the completion of the competitive bidding process for baseload and renewable generation plants. PGE has entered into an agreement for the construction of a new 440 MW natural gas-fired baseload plant called Carty, to be built by a third party next to the Boardman coal plant. On August 1, PGE closed on an agreement to acquire development rights for the construction of a new 267 MW wind farm, which the company will now call Tucannon River Wind Farm. In addition, PGE has begun construction on Port Westward Unit 2, the 220 MW natural gas-fired capacity resource announced earlier this year. Together, these three projects represent an investment of approximately \$1.3 billion (excluding AFDC) and are scheduled to come online in 2015 and 2016.
- **Cascade Crossing**—On June 3, PGE announced a new non-binding memorandum of understanding with Bonneville Power Administration. Under this MOU, the parties will explore a transmission capacity option whereby BPA could provide PGE with ownership of approximately 1,500 MW in transmission capacity, in exchange for certain PGE assets, investments and/or PGE transfer capabilities to BPA. Timing and costs of

potential options under the MOU will need to be clarified through further discussions and are contingent upon reaching a definitive agreement with BPA. As a result of the changed conditions reflected in the MOU, PGE suspended permitting and development of Cascade Crossing and charged \$52 million of capitalized costs related to Cascade Crossing to expense in the second quarter of 2013.

- **Equity Financing**—On June 11, PGE completed a public offering of 12,765,000 shares of common stock at an offering price per share of \$29.50. 11,100,000 shares were offered pursuant to a forward sale transaction and are expected to be issued over a two-year period ending June 11, 2015. The remaining 1,665,000 shares were issued in June. Proceeds from the offering will be used for capital expenditures, debt repayment and general corporate purposes.
- **Debt Financing**—On June 27, PGE agreed to issue \$225 million of 4.47% series First Mortgage Bonds in the private placement market. The bonds consist of \$150 million due in 2044, which were issued in June, and \$75 million due in 2043, which are expected to be issued in August. This financing will support capital expenditures, debt repayment and general corporate purposes.
- **Credit Ratings Upgrade**—On June 28, Moody's Investor Service upgraded the long-term ratings of the company. The issuer rating improved from 'Baa2.' to 'Baa1' and the First Mortgage Bonds improved from 'A3' to 'A2.' The credit rating upgrades reflect a constructive regulatory environment with the timely recovery of prudently incurred costs, and a strong and stable financial profile with adequate liquidity to support a significant construction cycle.
- **Generating Plant Outages**—As disclosed on July 15, the Boardman and Colstrip Unit 4 coal plants went offline at the beginning of July due to specific equipment failures.
  - Boardman, of which PGE owns 65%, experienced a thermal hammer event in the cold reheat line causing structural damage, and came back online July 31, 2013.
  - Colstrip Unit 4, of which PGE owns 20%, experienced vibration and rotor issues. PGE is working closely with PPL Montana, the operator of the facility, to assess the damage and necessary repairs. Colstrip is expected to be offline for the remainder of 2013.

The company estimates 2013 replacement power costs for the two plants combined to be between \$10 and \$12 million. The estimated repair costs are expected to be approximately \$10 million for Boardman and \$30 to \$40 million for Colstrip Unit 4. Insurance recovery of repair costs is subject to a \$2.5 million deductible at each plant; insurance carriers have been notified of potential claims.

## Second quarter operating results

Total revenues decreased \$10 million, or 2 percent, to \$403 million in the second quarter of 2013 from \$413 million in the second quarter of 2012 primarily due to the net effect of the following:

- \$10 million decrease in average retail price primarily driven by lower power costs as established in the 2013 annual power cost update tariff;
- \$9 million decrease related to an industrial customer refund recorded in the second quarter of 2013 for a billing error covering a period of several years; and
- \$2 million decrease related to lower volume of retail energy sold and delivered, with total volume down approximately 1 percent from the second quarter of 2012 largely as a result of warmer weather during the second quarter of 2013. Residential and industrial volumes were down 3 percent and 1 percent, respectively, which were offset by a 2 percent increase in commercial volumes; partially offset by

- \$12 million, or 133 percent, increase in wholesale revenues consisting of a 101 percent increase in the average price of wholesale power and a 10 percent increase in the volume sold.

Purchased power and fuel expense for the second quarter of 2013 was comparable to the second quarter of 2012. A decrease primarily due to more generation from lower-cost coal-fired resources was substantially offset by decreases in the volume of purchased power and energy received from hydro resources.

Production and distribution expense increased \$13 million, or 25 percent, in the second quarter of 2013 compared with the second quarter of 2012, primarily due to higher operating and maintenance costs related to the company's generating plants and distribution system.

Cascade Crossing transmission project consists of \$52 million of costs charged to expense in the second quarter of 2013 that were previously capitalized in connection with this project.

Other income, net increased \$2 million in the second quarter of 2013 compared with the second quarter of 2012, primarily due to higher earnings from non-qualified benefit plan trust assets.

Interest expense decreased \$2 million, or 7 percent, in the second quarter of 2013 compared with the second quarter of 2012, primarily due to the redemption of \$100 million of first mortgage bonds in October 2012 and \$50 million in April 2013.

Income tax benefit was \$11 million in the second quarter of 2013 compared with income tax expense of \$9 million in the second quarter of 2012. The change is primarily due to the decrease in the annual estimated pre-tax income for 2013 compared to 2012, which was driven by costs expensed related to Cascade Crossing and an industrial customer refund recorded in 2013.

### **2013 earnings guidance**

PGE is reducing full-year 2013 earnings guidance to \$1.25 to \$1.40 per diluted share. This is a \$0.10 decrease from the June 3 guidance revision of \$1.35 to \$1.50, driven by \$10-12 million of estimated replacement power costs for the Boardman and Colstrip coal plant outages. This revised guidance also includes the following assumptions:

- Energy deliveries comparable to weather-adjusted 2012;
- Normal hydro conditions and wind conditions in line with expectations;
- Ongoing operating and maintenance costs between \$440 million and \$460 million;
- Depreciation expense between \$240 million and \$250 million; and
- Capital expenditures between \$710 million and \$730 million.

### **Second quarter 2013 earnings call and web cast — August 2, 2013**

PGE will host a conference call with financial analysts and investors on Friday, Aug. 2, at 11 a.m. ET. The conference call will be web cast live on the PGE website at [portlandgeneral.com](http://portlandgeneral.com). A replay of the call will be available beginning at 2 p.m. ET on Friday, Aug. 2 through Friday, Aug. 9.

Jim Piro, president and CEO; Jim Lobdell, senior vice president of finance, CFO, and treasurer; and Bill Valach, director, investor relations, will participate in the call. Management will respond to questions following formal comments.

The attached unaudited condensed consolidated statements of operations, condensed consolidated balance sheets, and condensed consolidated statements of cash flows, as well as the supplemental operating statistics, are an integral part of this earnings release.

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## About Portland General Electric Company

Portland General Electric Company is a vertically integrated electric utility that serves approximately 834,000 residential, commercial and industrial customers in the Portland/Salem metropolitan area of Oregon. The company's headquarters are located at 121 S.W. Salmon Street, Portland, Oregon 97204. Visit PGE's website at [portlandgeneral.com](http://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. Forward-looking statements include statements regarding earnings guidance; 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 and the sale of excess energy during periods of 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; 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; 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 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.

POR-F

Source: Portland General Electric Company

**PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(In millions, except per share amounts)

(Unaudited)

|  | Three Months Ended |              | Six Months Ended |              |
|--|--------------------|--------------|------------------|--------------|
|  | June 30,           |              | June 30,         |              |
|  | 2013               | 2012         | 2013             | 2012         |
| <b>Revenues, net</b>   | \$ 403             | \$ 413       | \$ 876           | \$ 892       |
| <b>Operating expenses:</b>   |                    |              |                  |              |
| Purchased power and fuel   | 156                | 156          | 348              | 351          |
| Production and distribution  | 64                 | 51           | 115              | 104          |
| Cascade Crossing transmission project                                      | 52                 | —            | 52               | —            |
| Administrative and other   | 55                 | 56           | 109              | 110          |
| Depreciation and amortization  | 62                 | 63           | 124              | 125          |
| Taxes other than income taxes  | 25                 | 26           | 52               | 53           |
| Total operating expenses   | 414                | 352          | 800              | 743          |
| Income (loss) from operations  | (11)               | 61           | 76               | 149          |
| <b>Other income (expense):</b>   |                    |              |                  |              |
| Allowance for equity funds used during construction                        | 2                  | 2            | 4                | 3            |
| Miscellaneous income (expense), net  | 1                  | (1)          | 2                | 2            |
| Other income, net  | 3                  | 1            | 6                | 5            |
| <b>Interest expense</b>  | 25                 | 27           | 50               | 55           |
| Income (loss) before income tax expense (benefit)                          | (33)               | 35           | 32               | 99           |
| <b>Income tax expense (benefit)</b>  | (11)               | 9            | 6                | 24           |
| <b>Net income (loss)</b>   | (22)               | 26           | 26               | 75           |
| Less: net loss attributable to noncontrolling interests                    | —                  | —            | (1)              | —            |
| <b>Net income (loss) attributable to Portland General Electric Company</b> | <b>\$ (22)</b>     | <b>\$ 26</b> | <b>\$ 27</b>     | <b>\$ 75</b> |
| Weighted-average shares outstanding (in thousands):                        |                    |              |                  |              |
| Basic  | 75,935             | 75,507       | 75,772           | 75,465       |
| Diluted  | 75,935             | 75,517       | 75,893           | 75,479       |
| Earnings (loss) per share—basic and diluted                                | \$ (0.29)          | \$ 0.34      | \$ 0.36          | \$ 0.99      |
| Dividends declared per common share  | \$ 0.275           | \$ 0.270     | \$ 0.545         | \$ 0.535     |



**PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(In millions)  
(Unaudited)

|  | <b>June 30,<br/>2013</b> | <b>December 31,<br/>2012</b> |
|--|--------------------------|------------------------------|
| <b><u>ASSETS</u></b>   |                          |                              |
| <b>Current assets:</b>                                       |                          |                              |
| Cash and cash equivalents                                    | \$ 119                   | \$ 12                        |
| Accounts receivable, net                                     | 137                      | 152                          |
| Unbilled revenues  | 73                       | 97                           |
| Inventories  | 72                       | 78                           |
| Margin deposits  | 34                       | 46                           |
| Regulatory assets—current                                    | 114                      | 144                          |
| Other current assets   | 78                       | 93                           |
| <b>Total current assets</b>                                  | <b>627</b>               | <b>622</b>                   |
| Electric utility plant, net                                  | 4,532                    | 4,392                        |
| Regulatory assets—noncurrent                                 | 519                      | 524                          |
| Nuclear decommissioning trust                                | 37                       | 38                           |
| Non-qualified benefit plan trust                             | 32                       | 32                           |
| Other noncurrent assets                                      | 49                       | 62                           |
| <b>Total assets</b>  | <b>\$ 5,796</b>          | <b>\$ 5,670</b>              |
| <b><u>LIABILITIES AND EQUITY</u></b>                         |                          |                              |
| <b>Current liabilities:</b>                                  |                          |                              |
| Accounts payable   | \$ 107                   | \$ 98                        |
| Liabilities from price risk management activities - current  | 103                      | 127                          |
| Short-term debt  | —                        | 17                           |
| Current portion of long-term debt                            | 50                       | 100                          |
| Accrued expenses and other current liabilities               | 175                      | 179                          |
| <b>Total current liabilities</b>                             | <b>435</b>               | <b>521</b>                   |
| Long-term debt, net of current portion                       | 1,686                    | 1,536                        |
| Regulatory liabilities—noncurrent                            | 796                      | 765                          |
| Deferred income taxes  | 571                      | 588                          |
| Unfunded status of pension and postretirement plans          | 251                      | 247                          |
| Non-qualified benefit plan liabilities                       | 103                      | 102                          |
| Asset retirement obligations                                 | 96                       | 94                           |
| Liabilities from price risk management activities—noncurrent | 78                       | 73                           |
| Other noncurrent liabilities                                 | 18                       | 14                           |
| <b>Total liabilities</b>                                     | <b>4,034</b>             | <b>3,940</b>                 |
| <b>Total equity</b>  | <b>1,762</b>             | <b>1,730</b>                 |
| <b>Total liabilities and equity</b>                          | <b>\$ 5,796</b>          | <b>\$ 5,670</b>              |

**PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(In millions)  
(Unaudited)

|  | Six Months Ended<br>June 30, |              |
|--|------------------------------|--------------|
|  | 2013                         | 2012         |
| <b>Cash flows from operating activities:</b>                   |                              |              |
| Net income   | \$ 26                        | \$ 75        |
| Depreciation and amortization                                  | 124                          | 125          |
| Capitalized costs expensed related to Cascade Crossing         | 52                           | —            |
| Other non-cash income and expenses, net included in Net income | 30                           | 72           |
| Changes in working capital                                     | 49                           | (4)          |
| Other, net   | (2)                          | (1)          |
| <b>Net cash provided by operating activities</b>               | <b>279</b>                   | <b>267</b>   |
| <b>Cash flows from investing activities:</b>                   |                              |              |
| Capital expenditures   | (260)                        | (137)        |
| Sale of solar power facility                                   | —                            | 10           |
| Other, net   | 1                            | (1)          |
| <b>Net cash used in investing activities</b>                   | <b>(259)</b>                 | <b>(128)</b> |
| <b>Cash flows from financing activities:</b>                   |                              |              |
| Net issuance of long-term debt                                 | 98                           | —            |
| Proceeds from issuance of common stock, net of issuance costs  | 47                           | —            |
| Maturities of commercial paper, net                            | (17)                         | (30)         |
| Dividends paid   | (41)                         | (41)         |
| <b>Net cash provided by (used in) financing activities</b>     | <b>87</b>                    | <b>(71)</b>  |
| <b>Increase in cash and cash equivalents</b>                   | <b>107</b>                   | <b>68</b>    |
| <b>Cash and cash equivalents, beginning of period</b>          | <b>12</b>                    | <b>6</b>     |
| <b>Cash and cash equivalents, end of period</b>                | <b>\$ 119</b>                | <b>\$ 74</b> |

**PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES**  
**SUPPLEMENTAL OPERATING STATISTICS**  
(Unaudited)

|  | Three Months Ended |        | Six Months Ended |         |
|--|--------------------|--------|------------------|---------|
|  | June 30,           |        | June 30,         |         |
|  | 2013               | 2012   | 2013             | 2012    |
| <b>Revenues (dollars in millions):</b>               |                    |        |                  |         |
| Retail:  |                    |        |                  |         |
| Residential  | \$ 179             | \$ 187 | \$ 425           | \$ 443  |
| Commercial   | 150                | 152    | 299              | 308     |
| Industrial   | 54                 | 56     | 105              | 109     |
| Subtotal   | 383                | 395    | 829              | 860     |
| Other retail revenues, net                           | (10)               | (1)    | (6)              | (4)     |
| Total retail revenues                                | 373                | 394    | 823              | 856     |
| Wholesale revenues                                   | 21                 | 9      | 37               | 19      |
| Other operating revenues                             | 9                  | 10     | 16               | 17      |
| Total revenues                                       | \$ 403             | \$ 413 | \$ 876           | \$ 892  |
| <b>Energy sold and delivered (MWh in thousands):</b> |                    |        |                  |         |
| Retail energy sales:                                 |                    |        |                  |         |
| Residential  | 1,580              | 1,621  | 3,809            | 3,880   |
| Commercial   | 1,663              | 1,657  | 3,321            | 3,390   |
| Industrial   | 794                | 877    | 1,555            | 1,687   |
| Total retail energy sales                            | 4,037              | 4,155  | 8,685            | 8,957   |
| Retail energy deliveries:                            |                    |        |                  |         |
| Commercial   | 133                | 107    | 262              | 213     |
| Industrial   | 270                | 201    | 533              | 397     |
| Total retail energy deliveries                       | 403                | 308    | 795              | 610     |
| Total retail energy sales and deliveries             | 4,440              | 4,463  | 9,480            | 9,567   |
| Wholesale energy deliveries                          | 771                | 702    | 1,311            | 1,090   |
| Total energy sold and delivered                      | 5,211              | 5,165  | 10,791           | 10,657  |
| <b>Number of retail customers at end of period:</b>  |                    |        |                  |         |
| Residential  |                    |        | 727,793          | 723,169 |
| Commercial   |                    |        | 105,242          | 104,604 |
| Industrial   |                    |        | 204              | 210     |
| Direct access  |                    |        | 511              | 511     |
| Total retail customers                               |                    |        | 833,750          | 828,494 |

**PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES**  
**SUPPLEMENTAL OPERATING STATISTICS, continued**  
(Unaudited)

|  | Three Months Ended |       | Six Months Ended |         |
|--|--------------------|-------|------------------|---------|
|  | June 30,           |       | June 30,         |         |
|  | 2013               | 2012  | 2013             | 2012    |
| <b>Sources of energy (MWh in thousands):</b> |                    |       |                  |         |
| Generation:                                  |                    |       |                  |         |
| Thermal:                                     |                    |       |                  |         |
| Coal   | 794                | 208   | 2,155            | 1,285   |
| Natural gas                                  | 228                | 7     | 1,204            | 1,137   |
| Total thermal                                | 1,022              | 215   | 3,359            | 2,422   |
| Hydro  | 436                | 547   | 917              | 1,130   |
| Wind   | 384                | 377   | 629              | 623     |
| Total generation                             | 1,842              | 1,139 | 4,905            | 4,175   |
| Purchased power:                             |                    |       |                  |         |
| Term   | 2,571              | 2,931 | 3,881            | 4,147   |
| Hydro  | 508                | 522   | 901              | 936     |
| Wind   | 111                | 103   | 177              | 177     |
| Spot   | 19                 | 398   | 703              | 1,181   |
| Total purchased power                        | 3,209              | 3,954 | 5,662            | 6,441   |
| Total system load                            | 5,051              | 5,093 | 10,567           | 10,616  |
| Less: wholesale sales                        | (771)              | (702) | (1,311)          | (1,090) |
| Retail load requirement                      | 4,280              | 4,391 | 9,256            | 9,526   |

|                             | Heating Degree-days |       | Cooling Degree-days |      |
|-----------------------------|---------------------|-------|---------------------|------|
|                             | 2013                | 2012  | 2013                | 2012 |
| First quarter               | 1,902               | 1,967 | —                   | —    |
| <i>Average</i>              | 1,850               | 1,848 | —                   | —    |
| Second quarter              | 593                 | 709   | 82                  | 40   |
| <i>Average</i>              | 721                 | 714   | 68                  | 68   |
| Year-to-date                | 2,495               | 2,676 | 82                  | 40   |
| <i>Year-to-date average</i> | 2,571               | 2,562 | 68                  | 68   |

\* — “Average” amounts represent the 15-year rolling averages provided by the National Weather Service (Portland Airport).



# Earnings Conference Call

Second Quarter 2013





## Information Current as of August 2, 2013

Except as expressly noted, the information in this presentation is current as of August 2, 2013 — the date on which PGE filed its Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 — 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 presentation 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 future load, hydro conditions and operating and maintenance costs; statements concerning implementation of the Company's Integrated Resource Plan and related future capital expenditures, statements concerning future compliance with regulations limiting emissions from generation facilities and the costs to achieve such compliance; statements regarding the outcome of any legal or regulatory proceeding; 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 the reductions in demand for electricity and the sale of excess energy during periods of 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; 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; failure to complete projects on schedule and within budget, or the abandonment of capital projects, which could result in the Company's inability to recover project costs; 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 presentation 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.





**Jim Piro**  
President & CEO



**Jim Lobdell**  
Senior Vice President, Finance,  
CFO & Treasurer

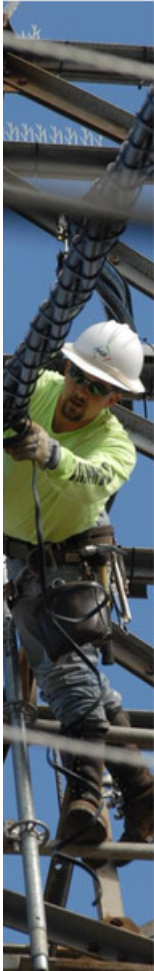


- Strategic Initiatives
- General Rate Case
- Operational Update
- Economy and Customers
- Financial Update
- 2013 Outlook

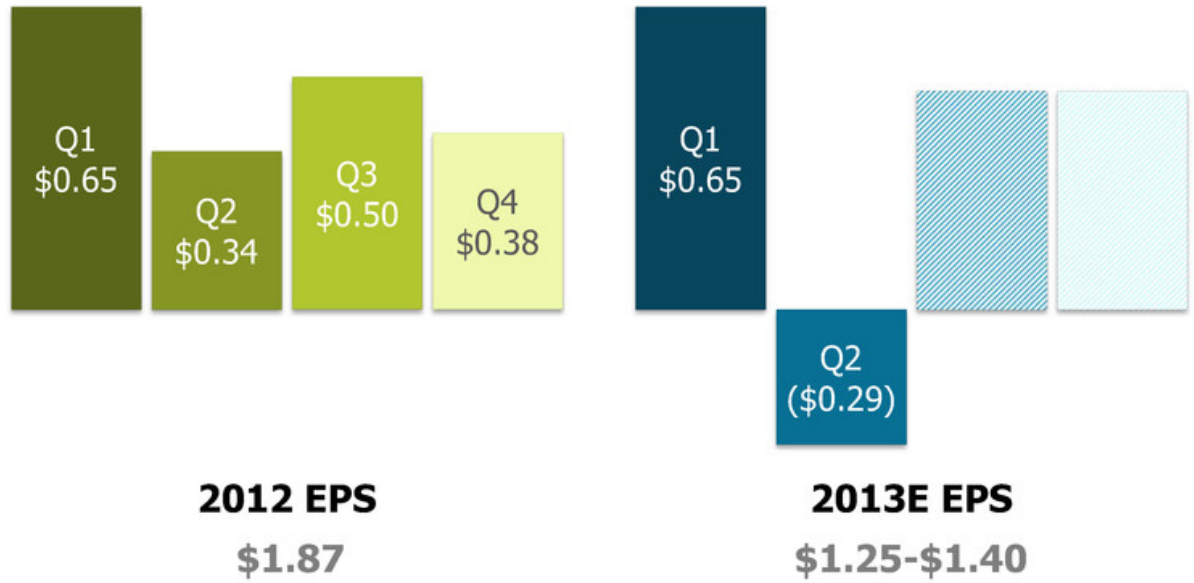




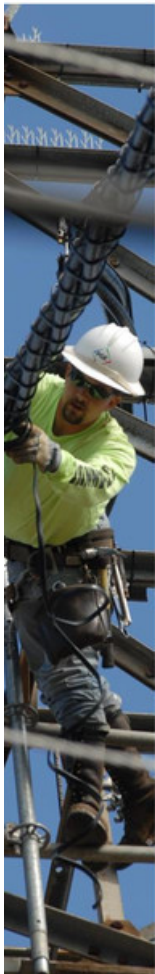
# Q2 2013 Earnings Results



| <i>NI in millions</i> | <b>Q2 2012</b> | <b>Q2 2013</b> | <b>2012 Actuals</b> | <b>2013 Guidance</b> |
|-----------------------|----------------|----------------|---------------------|----------------------|
| Net Income (Loss)     | \$26           | \$(22)         | \$141               | \$96 - \$108         |
| EPS (Loss)            | \$0.34         | \$(0.29)       | \$1.87              | \$1.25 - \$1.40      |



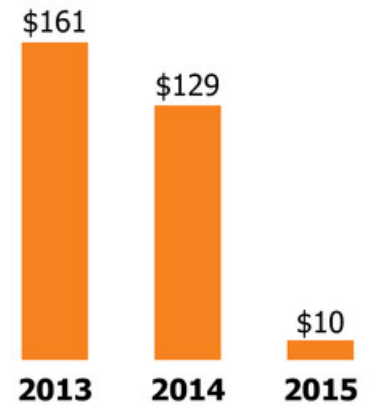
# Strategic Initiatives: Capacity Resources



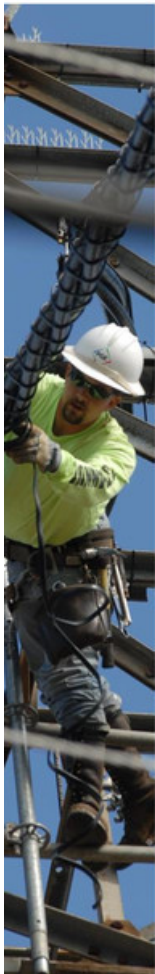
|   | Peaking Capacity  |
|---|---|
| Project Name                            | Port Westward Unit 2                                    |
| Project Location                        | Clatskanie, OR  |
| Project Type                            | PGE's Benchmark Bid                                     |
| Capacity Fuel Technology                | 220 MW<br>Natural Gas Wärtsilä<br>Reciprocating Engines |
| Estimated Capital Cost (excluding AFDC) | \$300 million   |
| Estimated In-Service Date               | Q1 2015   |
| Key Project Counterparty                | --  |
| EPC / Supplier Contractor(s)            | Black & Veatch /<br>Harder Mechanical & Wärtsilä        |
| Regulatory Recovery Method              | 2015 Test Year<br>General Rate Case                     |

| Seasonal Capacity                                      |
|--|
| Purchased Power Agreements with Iberdrola              |
| 100 MW of winter capacity<br>100 MW of summer capacity |

**PW2 CapEx**  
(in millions)

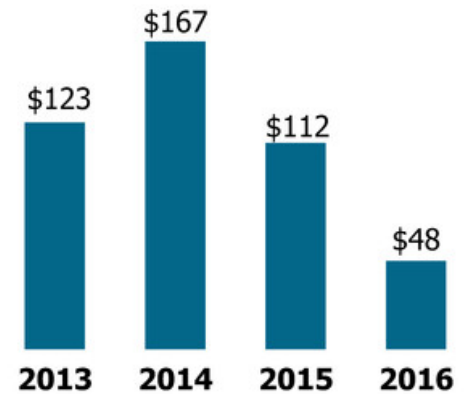


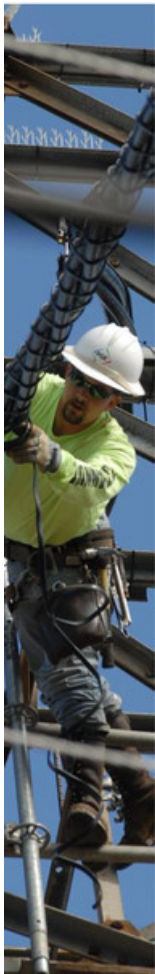
# Strategic Initiatives: Baseload Resources



|   | Baseload Energy                                   |
|---|---|
| Project Name                            | Carty Generating Station                          |
| Project Location                        | Boardman, OR                                      |
| Project Type                            | EPC Contract on Benchmark Site                    |
| Capacity Fuel Technology                | 440 MW Natural Gas Mitsubishi CCGT                |
| Estimated Capital Cost (excluding AFDC) | \$450 million                                     |
| Estimated In-Service Date               | Mid-2016  |
| Key Project Counterparty                | Abengoa, S.A.                                     |
| EPC / Supplier Contractor(s)            | Abener Construction / Mitsubishi, Sargent & Lundy |
| Regulatory Recovery Method              | 2016/2017 Test Year General Rate Case             |

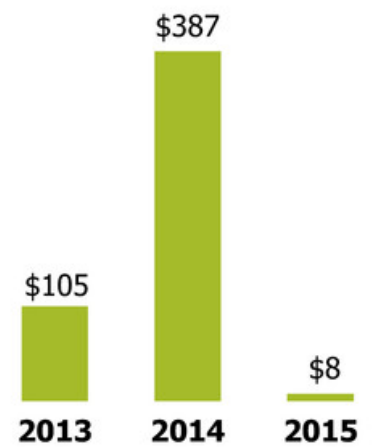
**Carty CapEx**  
(in millions)

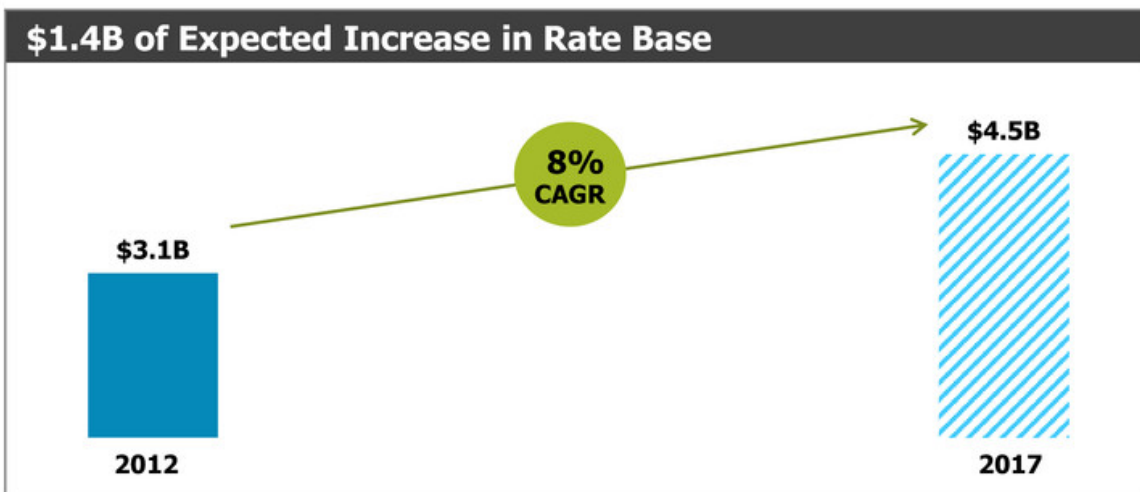
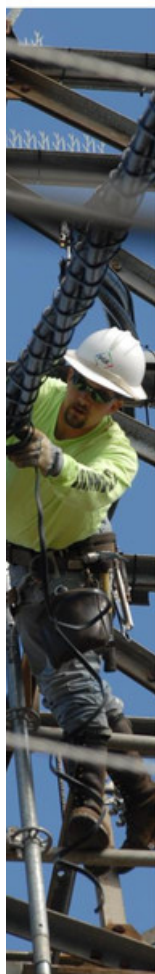




|   | Renewable Energy                         |
|---|--|
| Project Name                            | Tucannon River Wind Farm                 |
| Project Location                        | Columbia County, WA                      |
| Project Type                            | EPC Contract on Third Party Site         |
| Capacity Fuel Technology                | 267 MW Wind Project Siemens Turbines     |
| Estimated Capital Cost (excluding AFDC) | \$500 million                            |
| Estimated In-Service Date               | First half of 2015                       |
| Key Project Counterparty                | Puget Sound Energy                       |
| EPC / Supplier Contractor(s)            | Renewable Energy Service (RES) / Siemens |
| Regulatory Recovery Method              | Renewable Adjustment Clause Filing/GRC   |

**Tucannon River CapEx**  
(in millions)



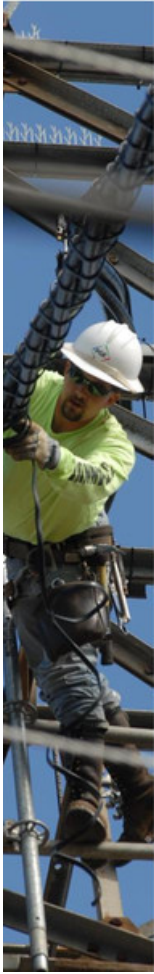


### Expected Capital Expenditures

| (in millions)                        | 2013         | 2014           | 2015         | 2016         | 2017         | TOTAL          |
|--------------------------------------|--------------|----------------|--------------|--------------|--------------|----------------|
| Base Capital Spending <sup>(1)</sup> | \$338        | \$354          | \$284        | \$262        | \$242        | \$1,480        |
| Port Westward Unit 2                 | \$161        | \$129          | \$10         |              |              | \$300          |
| Carty Generating Station             | \$123        | \$167          | \$112        | \$48         |              | \$450          |
| Tucannon River Wind Farm             | \$105        | \$387          | \$8          |              |              | \$500          |
| <b>TOTAL</b>                         | <b>\$727</b> | <b>\$1,037</b> | <b>\$414</b> | <b>\$310</b> | <b>\$242</b> | <b>\$2,730</b> |

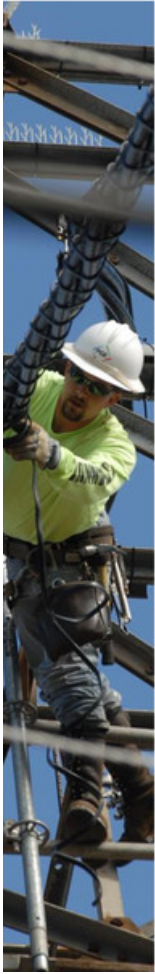
(1) Includes ongoing capex and hydro relicensing as disclosed in the Q2 10-Q filed on August 2, 2013  
 Note: Amounts exclude AFDC debt and equity





- Partial Settlement and Stipulation filed July 10, 2013:
  - Return on Equity (ROE): 9.75%
  - Capital Structure: 50% debt, 50% equity
  - Rate base: \$3.1 billion
- New customer prices effective January 1, 2014

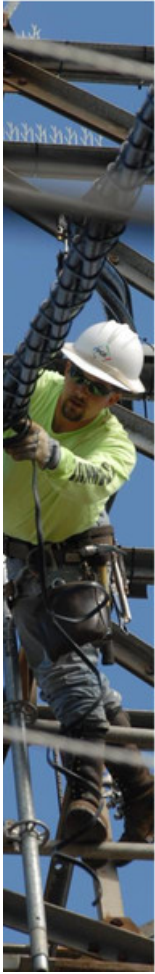
| <b>Original Filing Request (in millions)</b> | <b>\$105</b> |
|--|--------------|
| UE 262 Non-Power Cost Stipulation            | \$(42)       |
| UE 266 Power Cost Update/Stipulation         | \$(8)        |
| Load Forecast Update (Revenue)               | \$24         |
| <b>Revised revenue requirement increase</b>  | <b>\$79</b>  |



| <i>in millions</i>                         | <b>Boardman</b> | <b>Colstrip Unit 4</b> |
|--|-----------------|------------------------|
| <b>Replacement Power Costs (PGE share)</b> | \$3-\$4         | \$7-\$8                |
| <b>Potential Repair Costs (Full Cost)</b>  | \$10            | \$30-\$40              |
| <b>Insurance Deductible (Full Cost)</b>    | \$2.5           | \$2.5                  |

While the split between O&M and capital has not been determined, we estimate that a majority of the repair costs will be capital.





## Growth in Operating Area

- Unemployment rate of 6.8% in core operating area
- Improved housing market, increasing new connects
- Weather-adjusted load growth quarter over quarter

### Top Decile

residential customer satisfaction



Market Strategies International

### Top Decile

general business customer satisfaction



Market Strategies International

### No. 2

large key customer satisfaction



TQS Research, Inc.





| <i>NI in millions</i> | <b>Q2 2012</b> | <b>Q2 2013</b> |
|-----------------------|----------------|----------------|
| Net Income (Loss)     | \$26           | \$(22)         |
| EPS (Loss)            | \$0.34         | \$(0.29)       |

## Quarter over Quarter Drivers of Results

| <i>in millions, pre-tax</i>        | <b>Q2 over Q2</b> |
|------------------------------------|-------------------|
| Cascade Crossing expense           | \$(52)            |
| Customer billing matter            | \$(9)             |
| Generation/delivery system expense | \$(12)            |

# Retail Revenues and Power Costs



| <i>in millions</i> | <b>Q2 2012</b> | <b>Q2 2013</b> | <b>YTD 2012</b> | <b>YTD 2013</b> |
|--------------------|----------------|----------------|-----------------|-----------------|
| Total Revenues     | \$413          | \$403          | \$892           | \$876           |
| Power Costs        | \$156          | \$156          | \$351           | \$348           |

| <b>PCAM Results</b> | <b>2012</b>                        | <b>2013</b>                        |
|---------------------|------------------------------------|------------------------------------|
| Q1                  | \$5 million below baseline         | \$1 million below baseline         |
| Q2                  | \$5 million below baseline         | \$13 million below baseline        |
| <b>YTD</b>          | <b>\$10 million below baseline</b> | <b>\$14 million below baseline</b> |



# Operating Expenses



| in millions                 | Q2<br>2012   | Q2<br>2013   | YTD<br>2012  | YTD<br>2013  |
|-----------------------------|--------------|--------------|--------------|--------------|
| Production & Distribution   | \$51         | \$64         | \$104        | \$115        |
| Administrative & General    | \$56         | \$55         | \$110        | \$109        |
| <b>Total O&amp;M</b>        | <b>\$107</b> | <b>\$119</b> | <b>\$214</b> | <b>\$224</b> |
| Cascade Crossing Expense    | --           | \$52         | --           | \$52         |
| Depreciation & Amortization | \$63         | \$62         | \$125        | \$124        |
| Interest Expense            | \$27         | \$25         | \$55         | \$50         |
| Income Taxes                | \$9          | \$(11)       | \$24         | \$6          |

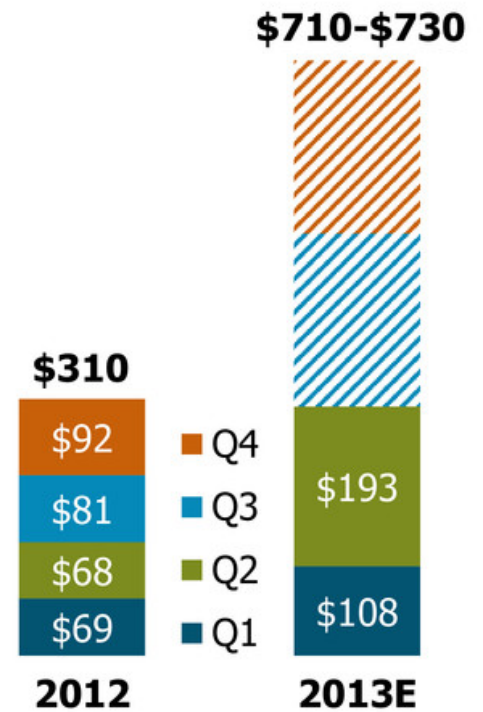


| <b>Total Liquidity</b> | as of 6/30/13<br>(in millions) |
|------------------------|--------------------------------|
| Credit Facilities      | \$722                          |
| Commercial Paper       | --                             |
| Letters of Credit      | \$(54)                         |
| Cash                   | \$119                          |
| <b>Available</b>       | <b>\$787</b>                   |

### Credit Ratings

|                | Senior Secured | Senior Unsecured | Outlook |
|----------------|----------------|------------------|---------|
| <b>S&amp;P</b> | A-             | BBB              | Stable  |
| <b>Moody's</b> | A2             | Baa1             | Stable  |

### Capital Expenditures (in millions)





## 2013 EPS Guidance: \$1.25 - \$1.40 per share

|         |  |                        |
|---------|--|------------------------|
| 2/24/13 | Original 2013 Earnings Guidance                | \$1.85 - \$2.00        |
| 5/1/13  | Q1 2013 Earnings Call                          | no change              |
| 6/3/13  | Cascade Crossing project suspension            | \$(0.42)               |
|         | Customer billing refund                        | \$(0.07)               |
|         | <b>Guidance Revised Downward</b>               | <b>\$1.35 - \$1.50</b> |
| 8/2/13  | Replacement power costs: \$10 - \$12 million   | \$(0.10)               |
|         | <b>Guidance Revised Downward<sup>(1)</sup></b> | <b>\$1.25 - \$1.40</b> |

(1) Excluding the negative impacts of the Cascade Crossing expense and customer billing matter, non-GAAP operating earnings would be roughly between \$1.75 and \$1.90.

## 2013 EPS Guidance: \$1.25 - \$1.40 per share

### Assumptions for FY 2013

- Energy deliveries comparable to weather-adjusted 2012
- Normal hydro conditions, expected wind conditions
- Estimated replacement power costs of \$10-12 million for plant outages
- O&M expense between \$440 and \$460 million
- D&A expense between \$240 and \$250 million
- Capital expenditures between \$710 and \$730 million

