



## **PGE Asks DEQ to Allow Early Closure of Boardman Plant**

### ***Proposal Includes Major Emissions Reductions for Remainder of Plant Operations***

PORTLAND, Ore., Apr 02, 2010 (BUSINESS WIRE) -- Portland General Electric Company (NYSE: POR) today submitted a proposal asking the Oregon Department of Environmental Quality for rule revisions to allow the utility to meet new environmental standards by closing the Boardman Power Plant in 2020, at least 20 years ahead of schedule. As part of the proposal, PGE also will achieve major emissions reductions with new controls and operational changes during the remaining years that the plant is in service.

"We believe this is the best plan for our customers and for Oregon," said Jim Piro, PGE's president and CEO. "It's a major emissions-reduction proposal that will be good for the environment while saving our customers as much as \$600 million over the next decade compared to earlier shutdown options available under current rules."

PGE's proposal calls for changes to the state's Regional Haze Plan. Under the proposal, PGE will cut haze-causing emissions of sulfur dioxide and nitrogen oxides from the Boardman plant by:

- Installing new, state-of-the-art burners by July 1, 2011. The new burners are expected to reduce nitrogen oxides emitted by the plant by nearly 50 percent.
- Using coal with a lower sulfur content to fire the plant's boiler. This will be completed in two stages as PGE's current coal supply contracts expire. An initial 20 percent drop in permitted sulfur dioxide emissions will take effect in 2011. A further reduction in 2014 will bring allowed sulfur dioxide emissions down by a total of 50 percent from current permit levels.
- Closing the plant in 2020, ending all coal-related emissions at least 20 years ahead of schedule and significantly reducing Oregon's contribution to global warming.

Under a separate rulemaking procedure with DEQ, PGE already has agreed to install controls that are expected to eliminate 90 percent of the plant's mercury emissions by 2012. Current construction schedules should allow PGE to meet this deadline a year early, in 2011.

The DEQ now will review PGE's proposal, and is expected to submit a recommendation to the state's Environmental Quality Commission for action later this year.

PGE expects to also file an addendum to its most recent integrated resource plan with the Oregon Public Utility Commission later this month, requesting commission acknowledgement of a 2020 closure date for Boardman contingent on DEQ approval of the new haze rule. Certain other regulatory and legal issues must also be resolved for PGE to move forward with the 2020 plan. The original resource plan, filed in November 2009, recommended installation of extensive emissions control retrofits on the Boardman Plant, at an estimated cost of \$520 million to \$560 million. These controls would allow continued operation of the plant in compliance with existing DEQ rules, through at least 2040.

PGE announced in January that it intended to pursue an alternative operating plan with a 2020 closure date and began extensive discussions with stakeholders to seek further input and gauge support. Detailed economic and risk analysis PGE conducted as part of the resource planning process has confirmed the original plan to install all controls and operate until 2040 is still the best choice available under current rules if the 2020 option is not approved.

If the 2020 plan is allowed to proceed, PGE will evaluate replacement resources for Boardman, including natural gas, biomass, and other renewable technologies and submit recommendations to the OPUC as part of a future resource plan.

"In addition to the environmental and cost benefits of the 2020 plan, this option will give PGE a reasonable amount of time to find a cost-effective, reliable, and environmentally-sound replacement power source," Piro said. "It will also give our employees at Boardman and the Morrow County community time to fully prepare for the transition to new resources."

### **About Portland General Electric Company**

Portland General Electric Company is a vertically integrated electric utility that serves approximately 816,000 residential, commercial and industrial customers in the Portland/Salem metropolitan area of Oregon. The Company's headquarters are located at 121 SW Salmon Street, Portland, Oregon 97204. Visit our website at [www.PortlandGeneral.com](http://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. Forward-looking statements include statements regarding PGE's implementation of an alternative operating plans for the Boardman Power Plant, statements regarding the future operation of the Boardman Power Plant, statements regarding expected emissions reductions in the future, statements regarding PGE's future recommendations concerning the operating plan for the Boardman Power Plant, statements regarding expected cost savings to customers under the 2020 proposal, statements regarding estimated costs of emissions controls, as well as other statements containing words such as "anticipates," "believes," "intends," "estimates," "will," "promises," "expects," "should," "conditioned upon," and similar expressions. Investors are cautioned that any such forward-looking statements are subject to risks and uncertainties, including final regulatory review and acknowledgement of the Company's proposed haze rule revision and integrated resource plan, and the successful installation, cost and effectiveness of future emissions controls. 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.

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**Source: Portland General Electric Company**

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Portland General Electric Company  
Steve Corson, 503-464-8444  
[steven.corson@pgn.com](mailto:steven.corson@pgn.com)  
[twitter.com/pgemedia](https://twitter.com/pgemedia)

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