

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UP 438

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY

Sale of Utility Property

APPLICATION

Pursuant to ORS 757.480, and OAR 860-027-0025, Portland General Electric Company (PGE) seeks approval from the Public Utility Commission of Oregon (Commission) for a Commission order no later than December 15, 2025, authorizing the sale by PGE of Investment Tax Credits (ITCs).

I. Background

Commission Order 25-325 in Docket UP 434 approved PGE's request to sell 2025 generated ITCs, estimated at the time of application to total approximately \$130 million, stemming from the completion of PGE's Seaside battery energy storage system project (BESS). However, subsequent to negotiating a Property Sale Agreement with the UP 434 counterparty, PGE received an updated cost segregation study indicating the estimated full value of the ITCs is expected to be approximately \$143 million, which is more ITCs than the UP 434 counterparty can utilize.

ITCs are tax credits that reduce the holder's federal income tax liability by a percentage of the cost of certain renewable energy facilities. The 2022 Inflation Reduction Act (IRA) extended ITCs to certain standalone energy storage projects. Additionally, the IRA added

Internal Revenue Code Section 6418 to provide ITC holders the ability to transfer tax credits generated after 2022.

ITCs are generated when a qualifying project, such as a battery energy storage system (BESS) is placed into service. In 2025, PGE generated ITCs totaling approximately \$143 million, stemming from the completion of PGE's Seaside battery energy storage system project (BESS). This amount, following a final cost segregation and ITC analysis performed by a third-party expert, was approximately \$13 million greater than amounts originally estimated in UP 434. As a result, while, pursuant to the terms and price adopted in Commission Order No. 25-325, PGE completed a sale for most of the generated ITCs, PGE's counterparty in that transaction could only utilize and ultimately purchase \$130 million of ITCs, which left approximately \$13 million remaining with PGE.

Upon notification from the original counterparty of their inability to purchase all 2025 ITCs, PGE actively sought competitive offers from previous bidders, brokers, and previous purchasers. PGE received several offers from this search, ultimately selecting the most competitive offer of [START CONFIDENTIAL] [REDACTED] [REDACTED] [END CONFIDENTIAL] from [START CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] an entity which has purchased these tax credits from PGE in previous years. PGE and the counterparty have reached a near final Property Sale Agreement, attached as Exhibit I to this application, which is contingent upon Commission approval on or before December 15th, 2025. Regulatory approval prior to December 15th will allow the counterparty to reflect these tax credits at the time of their 4th quarter estimated tax payment. PGE is also incurring costs related to the sale, which PGE would net against the total value received up to 10% of the total value. This is consistent with the treatment for the fees related

to the sales of ITCs and other tax credits, as approved in PGE's prior property sales applications Docket Nos. UP 424, UP 426, UP 431, and UP 434.

PGE requests Commission approval to sell all remaining ITCs generated and associated with the Seaside battery energy storage system in 2025 consistent with the terms and conditions set forth in this Application.

II. Required Information Under OAR 860-027-0025(1)

Pursuant to the requirements of OAR 860-027-0025, PGE respectively presents the following information:

- (a) *The exact name and address of the utility's principal business office:*

Portland General Electric Company, 121 SW Salmon Street, Portland, Oregon 97204

- (b) *The state in which the utility is incorporated, the date of said incorporation, and any other states in which either is authorized to transact utility operations:*

PGE is a corporation organized and existing under and by virtue of the laws of the State of Oregon, and the date of its incorporation is July 25, 1930. PGE is authorized to transact business in the states of Oregon, Arizona, California, Colorado, Florida, Georgia, Idaho, Louisiana, Michigan, Missouri, Montana, New Jersey, New York, North Carolina, Pennsylvania, Texas, Utah, Virginia, Washington, and Wisconsin, as well as the District of Columbia and Alberta, Canada, but conducts retail utility business only in the state of Oregon.

- (c) *Name and address of the person on behalf of applicant authorized to receive notices and communications in respect to the applications:*

Greg Batzler
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In addition, please add pge.opuc.filings@pgn.com as an interested party to receive notice of filings.

(d) *The names, titles, and addresses of the principal officers:*

As of September 30, 2025, the following are the principal officers of PGE, and their titles. Their address is 121 SW Salmon Street, Portland, Oregon 97204:

<u>NAME</u>	<u>TITLE</u>
Maria M. Pope	President and Chief Executive Officer
Benjamin Felton	Executive Vice President, Chief Operating Officer
Joseph Trpik	Senior Vice President, Finance and Chief Financial Officer
Larry Bekkedahl	Senior Vice President, Strategy and Advanced Energy Delivery
Angelica Espinosa	Senior Vice President, Chief Legal and Compliance Officer
Juan Gallegos	Vice President, People and Culture and Chief Human Resources Officer
John Kochavatr	Vice President, Digital Solutions and Chief Information Officer
Debbie Powell	Vice President, Utility Operations
John McFarland	Vice President, Chief Commercial and Customer Officer

Kristen Sheeran	Vice President, Policy and Resource Planning
Martin Wyspianski	Vice President, Power Markets & Grid Operations
Sujata Pagedar	Corporate Secretary
Kristina Benson	Assistant Corporate Secretary
Christopher Liddle	Assistant Treasurer
Ryan Van Oostrum	Controller

- (e) *A description of the general character of the business done and to be done, and a designation of the territories served, by counties and states:*

PGE is engaged, and intends to remain engaged, in the generation, purchase, transmission, distribution, and sale of electric energy for public use in Clackamas, Columbia, Hood River, Jefferson, Marion, Morrow, Multnomah, Polk, Sherman, Washington, and Yamhill counties, Oregon. PGE is also engaged, and intends to continue to engage, in the wholesale sale of natural gas and electricity in the Western Interconnect.

- (f) *A statement, as of the date of the balance sheet submitted with the application, showing for each class and series of capital stock: brief description; the amount authorized (face value and number of shares); the amount outstanding (exclusive of any amount held in the treasury); amount held as reacquired securities; amount pledged; amount owned by affiliated interests; and amount held in any fund:*

The following represents PGE's stock as of September 30, 2025, as reported in PGE's most recent SEC Form 10-K:

	<u>Outstanding Shares</u>	<u>Amount (in millions)</u>
Common Stock: *		
No Par Value	110,724,414	\$2,179
(160,000,000 shares authorized)		

* Company Directors hold 146,125 shares.

None of the outstanding shares of common stock referenced above are held as reacquired securities or have been pledged by PGE. BlackRock, Inc. held 13.0% of outstanding PGE common stock and The Vanguard Group, Inc. held 11.5%, as reported in the most recent Forms 13F filed with the SEC. PGE does not have enough information to determine if any of these funds qualify as affiliates. PGE reports major shareholder activity annually to the Commission pursuant to OAR 860-027-0175 (Docket No. AR 544).

- (g) *A statement, as of the date of the balance sheet submitted with the application, showing for each class and series of long-term debt and notes: brief description (amount, interest rate and maturity); amount authorized; amount outstanding (exclusive of any amount held in the treasury); amount held as reacquired securities; amount pledged; amount held by affiliated interests; and amount in sinking and other funds:*

PGE's long-term debt as of September 30, 2025, is as follows:

Description	Authorized (\$000s)	Outstanding (\$000s)
First Mortgage Bonds:		
3.55 Series due 1-15-2030	75,000	75,000
6.26 Series due 5-1-2031	100,000	100,000
6.875 Series due 8-1-2033	50,000	50,000
3.5 Series due 5-15-2035	70,000	70,000
6.31 Series due 5-1-2036	175,000	175,000
5.81 Series due 10-1-2037	130,000	130,000

5.8 Series due 6-1-2039	170,000	170,000
5.43 Series due 5-3-2040	150,000	150,000
4.74 Series due 11-15-2042	105,000	105,000
4.47 Series due 8-14-2043	75,000	75,000
4.47 Series due 6-15-2044	150,000	150,000
4.39 Series due 9-15-2045	100,000	100,000
4.44 Series due 10-15-2046	100,000	100,000
3.98 Series due 11-21-2047	150,000	150,000
3.98 Series due 8-3-2048	75,000	75,000
4.84 Series due 12-15-2048	50,000	50,000
4.47 Series due 12-13-2048	75,000	75,000
4.30 Series due 4-12-2049	200,000	200,000
3.34 Series due 10-15-2049	110,000	110,000
3.34 Series due 1-15-2050	160,000	160,000
3.15 Series due 4-27-2030	200,000	200,000
1.84 Series due 12-10-2027	160,000	160,000
2.32 Series due 12-10-2032	70,000	70,000
1.82 Series due 9-30-2028	100,000	100,000
2.10 Series due 9-30-2031	50,000	50,000
2.20 Series due 1-15-2034	100,000	100,000
2.97 Series due 9-30-2051	150,000	150,000
5.47 Series due 11-30-2029	100,000	100,000
5.56 Series due 1-13-2033	100,000	100,000
<u>5.44% SERIES DUE 9-15-2030</u>	<u>50,000</u>	<u>50,000</u>
<u>5.48% SERIES DUE 9-15-2033</u>	<u>150,000</u>	<u>150,000</u>
<u>5.68% SERIES DUE 9-15-2038</u>	<u>100,000</u>	<u>100,000</u>
<u>5.78% SERIES DUE 11-15-2053</u>	<u>100,000</u>	<u>100,000</u>
<u>5.83% SERIES DUE 11-15-2059</u>	<u>100,000</u>	<u>100,000</u>
<u>5.73% SERIES DUE 2-22-2054</u>	<u>250,000</u>	<u>250,000</u>
<u>5.15% SERIES DUE 2-22-2029</u>	<u>100,000</u>	<u>100,000</u>
<u>5.36% SERIES DUE 2-22-2034</u>	<u>100,000</u>	<u>100,000</u>
<u>5.36% SERIES DUE 3-25-2035</u>	<u>60,000</u>	<u>60,000</u>
<u>5.72% SERIES DUE 3-25-2045</u>	<u>50,000</u>	<u>50,000</u>
<u>5.84% SERIES DUE 3-25-2055</u>	<u>200,000</u>	<u>200,000</u>
Total First Mortgage Bonds Outstanding		
<u>\$4,560,000</u>	<u>\$4,560,000</u>	
Pollution Control Bonds:		
City of Forsyth, MT		
Series B 5-1-2033 remarked 3-4-20 at 2.375	21,000	21,000

Series A 5-1-2033 remarked 3-4-20 at 2.125	97,800	97,800
Total Pollution Control Bonds outstanding	<u>118,800</u>	<u>118,800</u>
Long-Term Contracts		
Unamortized Debt Discount and Other	(263)	(263)
Unamortized Debt Expense	(15,538)	(15,538)
Total Other Long-Term Debt	<u>(16,277)</u>	<u>(16,277)</u>
Total Other Long Term Debt- Current	<u>68,000</u>	<u>68,000</u>
Net Long-Term Debt	<u>4,730,260</u>	<u>4,730,260</u>

*None of the long-term debt is pledged or held as reacquired securities, by affiliated corporations, or in any fund, except as noted above.

- (h) *Whether the application is for disposition of facilities by sale, lease, or otherwise, a merger or consolidation of facilities, or for mortgaging or encumbering its property, or for the acquisition of stock, bonds, or property of another utility, also a description of the consideration, if any, and the method of arriving at the amount thereof:*

PGE asks for Commission approval to sell all remaining 2025 ITCs generated from the completion of the Seaside BESS installation. The sales value for these ITCs is estimated to be [START CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] million in total, with a final amount to be determined in the first quarter of 2026.

- (i) *A statement and general description of facilities to be disposed of, consolidated, merged, or acquired from another utility, giving a description of their present use and of their proposed use after disposition, consolidation, merger, or acquisition. State whether the proposed disposition of facilities or plan for consolidation, merger, or acquisition includes all the operating facilities of the parties to the transaction:*

Items to be disposed are ITCs associated with the construction of the Seaside BESS installation.

- (j) *A statement by primary account of the cost of the facilities and applicable depreciation reserve involved in the sale, lease, or other disposition, merger or consolidation, or acquisition of property of another utility. If original cost is not known, an estimate of original cost based, to the extent possible, upon records or data of the applicant or its predecessors must be furnished, a full explanation of the manner in which such estimate has been made, and a statement indicating where all existing data and records may be found:* The net book value of the ITCs is determined using PGE's accounting records.
- (k) *A statement as to whether or not any application with respect to the transaction or any part thereof, is required to be filed with any federal or other state regulatory body:* Prior to the completion of the transaction, PGE will be required to register the ITCs with the Internal Revenue Service (IRS), providing detailed information of the tax credits (i.e., type of credit, tax year in which they were generated, supporting documentation relating to the qualifications of the facilities the credits relate to).
- (l) *The facts relied upon by applicants to show that the proposed sale, lease, assignment, or consolidation of facilities, mortgage or encumbrance of property, or acquisition of stock, bonds, or property of another utility will be consistent with the public interest:* The sale of PGE's ITCs is consistent with public interest because the value of these credits will be granted to customers in accordance Commission Order No. 25-417.
- (m) *The reasons, in detail, relied upon by each applicant, or party to the application, for entering into the proposed sale, lease, assignment, merger, or consolidation of facilities, mortgage or encumbrance of property, acquisition of stock, bonds, or property of another utility, and the benefits, if any, to be derived by the customers of the applicants and the public:* (1) the sale will allow PGE to return the value generated by these tax

credits to customers; (2) the sale avoids an increase to customer bills by preventing these tax credits from becoming DTAs in rate base; and (3) the disposition of tax credits before they become DTAs can allow for other tax benefits to be utilized in a timely manner, further decreasing the number of DTAs from rate base in the future.

- (n) *The amount of stock, bonds, or other securities, now owned, held or controlled by applicant, of the utility from which stock or bonds are proposed to be acquired:*

Not applicable.

- (o) *A brief statement of franchises held, showing date of expiration if not perpetual, or, in case of transfer, that transferee has the necessary franchises:*

Not applicable.

III. Required Exhibits Under OAR 860-027-0025(2)

The following exhibits are submitted and, by reference, made a part of this application:

EXHIBIT A. *A copy of the charter or articles of incorporation with amendments to date:*

Third Amended and Restated Articles of Incorporation, effective as of May 7, 2014, were previously filed in Docket UP 310 and by reference are made a part of this Application.

EXHIBIT B. *A copy of the bylaws with amendments to date:* Eleventh Amended and Restated Bylaws adopted February 13, 2019, is attached as Exhibit B.

EXHIBIT C. *Copies of all resolutions of directors authorizing the proposed disposition, merger, or consolidation of facilities, mortgage or encumbrance of property, acquisition of stock, bonds, or property of another utility, in respect to which the application is made and, if approval of stockholders has been obtained, copies*

of the resolutions of the stockholders should also be furnished: Not applicable (PGE board resolution is not required for the sale of the property).

EXHIBIT D. *Copies of all mortgages, trust, deeds, or indentures, securing any obligation of each party to the transaction:* Not applicable.

EXHIBIT E. *Balance sheets showing booked amounts, adjustments to record the proposed transaction and pro forma, with supporting fixed capital or plant schedules in conformity with the forms in the annual report, which applicant(s) is required, or will be required, to file with the Commission:* Balance sheet showing booked amounts, adjustments to record the proposed transactions and pro forma Balance sheets as of September 30, 2025 are attached. [electronic format]

EXHIBIT F. *A statement of all known contingent liabilities, except minor items such as damage claims and similar items involving relatively small amounts, as of the date of the application:* A Statement of Contingent Liabilities, as of September 30, 2025, are attached. [electronic format]

EXHIBIT G. *Comparative income statements showing recorded results of operations, adjustments to record the proposed transaction and pro forma, in conformity with the form in the annual report which applicant(s) is required, or will be required, to file with the Commission:* An Income Statement for the 12-month period ended September 30, 2025, and pro forma are attached. [electronic format]

EXHIBIT H. *An analysis of surplus for the period covered by the income statements referred to in Exhibit G:* An Analysis of Retained Earnings for the 12-month period ended September 30, 2025, and pro forma are attached. [electronic format]

EXHIBIT I. *A copy of each contract in respect to the sale, lease or other proposed disposition, merger or consolidation of facilities, acquisition of stock, bonds, or property of another utility, as the case may be, with copies of all other written instruments entered into or proposed to be entered into by the parties to the transaction pertaining thereto:* A final draft of the confidential contract is attached. Upon execution of the contract PGE will supplement this filing. [electronic format]

EXHIBIT J. *A copy of each proposed journal entry to be used to record the transaction upon each applicant's books:* Proposed journal entries are attached. [electronic format]

EXHIBIT K. *A copy of each supporting schedule showing the benefits, if any, which each applicant relies upon to support the facts as required by subsection (1)(l) of this rule and the reasons as required by subsection (1)(m) of this rule:* None attached, see the “Background” section and paragraphs (h) and (l), above.

EXHIBIT L. *A statement by primary account of the Cost of the Property:* Not Applicable.

IV. Prayer for Relief

PGE respectfully requests a Commission order finding the sale of the investment tax credits is consistent with the public interest and approving the application on or before December 15th, 2025.

Dated this 10th day of November 2025.

Respectfully Submitted,

/s/ Greg Batzler

Greg Batzler,
Manager, Revenue Requirement
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ELEVENTH AMENDED AND RESTATED BYLAWS
OF
PORTLAND GENERAL ELECTRIC COMPANY

An Oregon Corporation

Amended and Restated February 13, 2019

ELEVENTH AMENDED AND RESTATED BYLAWS

OF

PORTLAND GENERAL ELECTRIC COMPANY (An Oregon corporation)

ARTICLE I OFFICES

1.1 Registered Office. The registered office of the corporation required by the Oregon Business Corporation Act (the "Act") to be maintained in the State of Oregon shall be the office of the General Counsel, Portland General Electric Company, 121 SW Salmon Street, Portland, Oregon 97204, or such other office as may be designated from time to time by the Board of Directors in the manner provided by law.

1.2 Other Offices. The corporation may also have offices at such other places both within and without the State of Oregon as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II SHAREHOLDERS

2.1 Annual Meeting. The annual meeting of the shareholders shall be held on the date and at the time as fixed by the Board of Directors and stated in the notice of the meeting.

2.2 Special Meetings. Special meetings of the shareholders may be called by the Chairman of the Board, the Chief Executive Officer, the President or by the Board of Directors.

2.3 Place of Meetings. Meetings of the shareholders shall be held at the principal business office of the corporation or at such other places within or without the State of Oregon as may be determined by the Board of Directors. The Board of Directors may determine that a meeting of the shareholders shall not be held at any place but shall instead be held solely by means of remote communication.

2.4 Notice of Meetings. Written notices stating the date, time and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed to each shareholder

entitled to vote at the meeting at the shareholder's address shown in the corporation's current record of shareholders, with postage thereon pre-paid, not less than 10 nor more than 60 days before the date of the meeting and to nonvoting shareholders as required by law. Any previously scheduled meeting of the shareholders called by or at the direction of Board of Directors may be postponed, and (unless the Articles of Incorporation or applicable law otherwise provide) any such meeting of the shareholders may be cancelled, by resolution of the Board of Directors upon public notice given prior to the date previously scheduled for such meeting of shareholders.

2.5 Waiver of Notice. A shareholder may at any time waive any notice required by law, the Articles of Incorporation or these Bylaws. The waiver must be in writing, be signed by the shareholder entitled to the notice and be delivered to the corporation for inclusion in the minutes for filing with the corporate records. A shareholder's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. The shareholder's attendance also waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

2.6 Record Date.

(a) For the purpose of determining shareholders entitled to notice of a shareholders' meeting or to vote or to take any other action at such meeting, the Board of Directors of the corporation may fix a future date as the record date for any such determination of shareholders, such date in any case to be not more than 70 days nor less than ten days before the meeting. The record date shall be the same for all voting groups.

(b) A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

(c) If a court orders a meeting adjourned to a date more than 120 days after the date fixed for the original meeting, it may provide that the original record date continue in effect or it may fix a new record date.

(d) For the purpose of determining shareholders entitled to take action without a meeting under Section 2.15, the Board of Directors of the corporation may fix a future date as the record date for such determination,

such date in any case not to precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any shareholder of record seeking to have the shareholders authorize or take corporate action without a meeting shall, by written notice to the Secretary of the corporation, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten days of the date on which such a request is received, the record date for determining shareholders entitled to take action without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Secretary of the corporation by delivery to the corporation's principal place of business. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining shareholders entitled to take action without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

2.7 Shareholders' List for Meeting. After a record date for a meeting is fixed, the corporation shall prepare an alphabetical list of the names of all its shareholders entitled to notice of a shareholders' meeting. The list must be arranged by voting group and within each voting group by class or series of shares and show the address of and number of shares held by each shareholder. The shareholders' list must be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. The corporation shall make the shareholders' list available at the meeting, and any shareholder or the shareholder's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment. Refusal or failure to prepare or make available the shareholders' list does not affect the validity of action taken at the meeting.

2.8 Quorum; Adjournment. Shares entitled to vote may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. A majority of the votes entitled to be cast on the matter constitutes a quorum for action on that matter. If, however, such quorum is not present or represented at any meeting of the shareholders, then either: (i) the chairman of the meeting, or (ii) the shareholders by the vote of the holders of a majority of votes present in person or represented by proxy at the meeting, shall have

power to adjourn the meeting to a different time and place without further notice to any shareholder of any adjournment except that notice is required if a new record date is or must be set for the new meeting. At such adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting originally held. Once a share is represented for any purpose at a meeting, it shall be deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is set for the adjourned meeting.

2.9 Voting Requirements. If a quorum exists, action on a matter, other than the election of directors, is approved if the votes cast by the shares entitled to vote favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by law or the Articles of Incorporation. Except as otherwise provided under the Articles of Incorporation and applicable law, in any election of directors at a shareholders' meeting at which a quorum is present, each director shall be elected if the number of votes cast "for" the director exceeds the number of votes cast "against" the director; provided, however, that directors shall be elected by a plurality of the votes cast at any shareholders' meeting for which the Secretary determines that the number of nominees exceeds the number of directors to be elected as of the date seven days prior to the scheduled mailing date of the proxy statement for such meeting. Except as provided in the Act, or unless the Articles of Incorporation provide otherwise, each outstanding share is entitled to one vote on each matter voted on at a shareholders' meeting. Unless otherwise provided in the Articles of Incorporation, cumulative voting for the election of directors shall be prohibited.

2.10 Proxies.

(a) A shareholder may vote shares in person or by proxy by signing an appointment, either personally or by the shareholder's designated officer, director, employee, agent, or attorney-in-fact. An appointment of a proxy shall be effective when received by the Secretary or other officer of the corporation authorized to tabulate votes. An appointment is valid for 11 months unless a longer period is expressly provided for in the appointment form. An appointment is revocable by the shareholder unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest that has not been extinguished.

(b) The death or incapacity of the shareholder appointing a proxy shall not affect the right of the corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer authorized to tabulate votes before the proxy exercises the proxy's authority under the appointment.

2.11 Organization. Meetings of shareholders shall be presided over by the Chairman of the Board, or in his or her absence by the Vice Chairman of the Board of Directors, if any, or in his or her absence by the Chief Executive Officer, or in his or her absence by the President. The Secretary, or in his or her absence, an Assistant Secretary, or, in the absence of the Secretary and all Assistant Secretaries, a person whom the chairman of the meeting shall appoint shall act as secretary of the meeting and keep a record of the proceedings thereof.

The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of shareholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to shareholders of record of the corporation and their duly authorized and constituted proxies, and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants, and regulation of the opening and closing of the polls for balloting and matters which are to be voted on by ballot. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of shareholders shall not be required to be held in accordance with rules of parliamentary procedure.

2.12 Inspectors of Election. Before any meeting of shareholders, the Board of Directors shall appoint one or more inspectors of election to act at the meeting or its adjournment. If any person appointed as inspector fails to appear or fails or refuses to act, then the chairman of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

Such inspectors shall:

- (a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity and validity of proxies and ballots;
- (b) receive votes, ballots or consents;

- (c) hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) count and tabulate all votes or consents;
- (e) determine the result; and
- (f) do any other acts that may be proper to conduct the election or vote with fairness to all shareholders.

The inspector(s) of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there is more than one (1) inspector of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

2.13 Business to be Brought before Annual Shareholder Meeting.

(a) Only such business (other than nominations for election to the Board of Directors, which must comply with the provisions of Section 2.14) may be transacted at an annual meeting of shareholders as is either (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (iii) otherwise properly brought before the meeting by any shareholder of the corporation (A) who is a shareholder of record on the date of the giving of notice provided for in this Section 2.13 and on the record date for the determination of shareholders entitled to vote at such meeting and (B) who complies with the notice procedures in this Section 2.13.

(b) In addition to any other applicable requirements, for business to be properly brought before an annual meeting of shareholders by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary of the corporation.

(c) To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the corporation, not less than one hundred twenty (120) days nor more than one hundred fifty (150) days prior to the first anniversary of the date of the prior year's annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after the

first anniversary of the date of the prior year's annual meeting of shareholders, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs. In no event shall the adjournment or postponement of an annual meeting, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

(d) To be in proper written form, a shareholder's notice to the Secretary must set forth the following information: (i) as to each matter such shareholder proposes to bring before the annual meeting, a brief description of the business desired to be brought before the annual meeting and the proposed text of any proposal regarding such business (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend these bylaws, the text of the proposed amendment), and the reasons for conducting such business at the annual meeting, and (ii) as to the shareholder giving notice and the beneficial owner, if any, on whose behalf the proposal is being made, (A) the name and address of such person, (B)(I) the class or series and number of shares of capital stock of the corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (II) the name of each nominee holder of shares of all shares of stock of the corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the corporation held by each such nominee holder, (III) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the corporation and (IV) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the corporation, (C) a description of all agreements, arrangements or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with or relating to (I) the corporation or (II) the proposal, including any material interest in, or anticipated benefit from, the proposal to such person, or any affiliates or associates of such person, (D) a

representation that the shareholder giving notice intends to appear in person or by proxy at the annual meeting to bring such business before the meeting, and (E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to the proposed business to be brought by such person before the annual meeting pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder.

(e) A shareholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.13 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of the annual meeting and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the corporation not later than five business days after the record date for determining the shareholders entitled to receive notice of the annual meeting.

(f) No business shall be conducted at any annual meeting of shareholders except business brought before such meeting in accordance with the procedures set forth in this Section 2.13; provided, however, that unless limited by the procedural rules adopted by the meeting or established by the presiding officer, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 2.13 shall be deemed to preclude discussion by any shareholder of any such business. If the presiding officer of an annual meeting determines that business was not properly brought before such meeting in accordance with the procedures in this Section 2.13, the presiding officer shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

(g) Nothing contained in this Section 2.13 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

2.14 Nomination of Directors.

(a) Only persons who are nominated in accordance with the procedures in this Section 2.14 shall be eligible for election as directors of the corporation, except as may be otherwise provided in the articles of incorporation with respect to the right of holders of preferred stock of the

corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of shareholders, or any special meeting of shareholders called for the purpose of electing directors, (i) by or at the direction of the Board of Directors or (ii) by any shareholder of the corporation (A) who is a shareholder of record on the date of the giving of notice provided for in this Section 2.14 and on the record date for the determination of shareholders entitled to vote at such meeting and (B) who complies with the notice procedures in this Section 2.14. In addition to any other applicable requirements, for a nomination to be made by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary.

(b) To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the corporation (i) in the case of an annual meeting, not less than one hundred twenty (120) days nor more than one hundred fifty (150) days prior to the first anniversary of the date of the prior year's annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after the first anniversary of the date of the prior year's annual meeting of shareholders, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs; and (ii) in the case of a special meeting of shareholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of such special meeting was mailed or public disclosure of the date of such special meeting was made, whichever first occurs. In no event shall the adjournment or postponement of any annual meeting or special meeting called for the purpose of electing directors, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

(c) To be in proper written form, a shareholder's notice to the Secretary must set forth the following information: (i) as to each person whom the shareholder proposes to nominate for election as a director (A) the name, age, business address and residence address of such person, (B) the principal occupation or employment of such person, (C)(I) the class or series and number of shares of capital stock of the corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (II) the name of each nominee holder of shares of all shares of stock of the corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of stock of the corporation held by each such nominee holder, (III) whether and the

extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the corporation and (IV) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the corporation, (D) such person's written representation and agreement that such person (I) is not or will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the corporation, will act or vote on any issue or question, (II) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with the service or action as a director of the corporation that has not been disclosed to the corporation in such representation and agreement and (III) in such person's individual capacity, would be in compliance, if elected as a director of the corporation, and will comply with, all applicable publicly disclosed confidentiality, corporation governance, conflict of interest, Regulation FD, code of conduct and ethics, and stock ownership and trading policies and guidelines of the corporation, and (E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder; and (ii) as to the shareholder giving the notice, and the beneficial owner, if any, on whose behalf the nomination is being made, (A) the name and record address of the shareholder giving the notice and the name and principal place of business of such beneficial owner, (B)(I) the class or series and number of shares of capital stock of the corporation which are owned beneficially or of record by such person and any affiliates or associates of such person, (II) the name of each nominee holder of shares of all shares of stock of the corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of stock of the corporation held by each such nominee holder, (III) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to stock of the corporation

and (IV) whether and the extent to which any other transaction, agreement, arrangement or understanding (including any short position or any borrowing or lending of shares of stock of the corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of stock price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to stock of the corporation, (C) a description of (I) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any proposed nominee, or any affiliates or associates of such proposed nominee, (II) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, or otherwise relating to the corporation or their ownership of capital stock of the corporation, and (III) any material interest of such person, or any affiliates or associates of such person, in such nomination, including any anticipated benefit therefrom to such person, or any affiliates or associates of such person, (D) a representation that the shareholder giving notice intends to appear in person or by proxy at the annual meeting to nominate the persons named in the notice and (E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a signed written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

(d) A shareholder providing notice of any nomination proposed to be made at an annual meeting or special meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.14 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of the annual meeting or special meeting, and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the corporation not later than five business days after the record date for determining the shareholders entitled to receive notice of such annual meeting or special meeting.

(e) No person shall be eligible for election as a director of the corporation unless nominated in accordance with the procedures set forth in this Section 2.14. If the presiding officer at a meeting of the shareholders

determines that a nomination was not made in accordance with the procedures set forth in this Section 2.14, the presiding officer shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

2.15 Action Without a Meeting. Except as otherwise provided under the Articles of Incorporation and applicable law, and subject to restrictions on the taking of shareholder action without a meeting under applicable law or the rules of a national securities association or exchange, action required or permitted by law to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by shareholders having not less than the minimum number of votes that would be necessary to take such action at a meeting at which all shareholders entitled to vote on the action were present and voted. The action must be evidenced by one or more written consents describing the action taken, signed by shareholders holding not less than the requisite number of shares required by this Section 2.15 and delivered to the corporation for inclusion in the minutes or filing with the corporate records. No written consent shall be effective to take the action referred to therein unless, within seventy days of the record date for such action, written consents signed by a sufficient number of holders to take action are delivered to the Secretary. Action taken under this Section 2.15 is effective when the consent or consents bearing sufficient signatures are delivered to the corporation, unless the consent or consents specify an earlier or later effective date. If not otherwise determined by law, the record date for determining shareholders entitled to take action without a meeting under this Section 2.15 shall be determined pursuant to Section 2.6. A consent signed under this Section 2.15 has the effect of a meeting vote and may be described as such in any document.

ARTICLE III **BOARD OF DIRECTORS**

3.1 Duties of Board of Directors. All corporate powers shall be exercised by or under the authority of and the business and affairs of the corporation shall be managed by its Board of Directors. In addition to the powers and authorities these Bylaws expressly confer upon them, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not required by the Act, the Articles of Incorporation, or these Bylaws to be exercised or done by the shareholders.

3.2 Number, Election and Qualification. The number of directors of the corporation shall be determined from time to time by the Board of Directors. The Board of Directors may periodically change the number of directors by resolution, provided that no decrease shall have the effect of

shortening the term of any incumbent director. The directors shall hold office until the next annual meeting of shareholders, and until their successors shall have been elected and qualified, until earlier death, resignation or removal or until there is a decrease in the number of directors. Directors need not be residents of the State of Oregon or shareholders of the corporation, except as otherwise required by the Board of Directors.

3.3 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Oregon, for the holding of additional regular meetings without other notice than the resolution.

3.4 Election of Chairman. At the regular meeting held after the annual meeting of shareholders, or as soon thereafter as is convenient, the Board of Directors shall elect one of its members as Chairman of the Board to serve until his or her successor shall have been elected and qualified, or until earlier death, resignation or removal, or until he or she ceases to be a director. The Chairman of the Board shall not be an officer of the corporation unless so designated by the Board of Directors. The Chairman of the Board shall preside at all meetings of the Board of Directors and shall perform such other duties as may be prescribed from time to time by the Board of Directors. In the absence of the Chairman of the Board at any meeting, the directors then present shall select one member to preside at such meeting.

3.5 Special Meetings. Special meetings of the Board of Directors may be called by a majority of the directors, or at the request of the Chairman of the Board, or, if the Chief Executive Officer is a director, by the Chief Executive Officer, or, if the President is a director, by the President. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Oregon, as the place for holding any special meeting of the Board of Directors called by them.

3.6 Notice. Notice of the date, time and place of any special meetings of the Board of Directors shall be given in any manner reasonably likely to be received at least 24 hours prior to the meeting orally or in writing by mail, telephone, voice mail or any other means provided by law. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

3.7 Waiver of Notice. A director may at any time waive any notice required by law, the Articles of Incorporation or these Bylaws. A director's

attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.8 Quorum; Majority Vote. Unless otherwise set forth in these Bylaws or the Articles of Incorporation, a majority of the number of directors established by the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.9 Meeting by Telephone Conference; Action Without Meeting.

(a) Members of the Board of Directors may hold a board meeting by conference telephone or other communications equipment by means of which all persons participating in the meeting can simultaneously hear each other. Participation in such a meeting shall constitute presence in person at the meeting.

(b) Any action that is required or permitted to be taken by the directors at a meeting may be taken without a meeting if one or more written consents setting forth the action so taken shall be signed by each director entitled to vote on the matter. The action shall be effective on the date when the last director signs the consent, unless the consent specifies an earlier or later time. Such consent, which shall have the same effect as a unanimous vote of the directors, shall be filed with the minutes of the corporation.

3.10 Vacancies. Any vacancy, including a vacancy resulting from an increase in the number of directors, occurring on the Board of Directors may be filled by the shareholders, the Board of Directors or the affirmative vote of a majority of the remaining directors if less than a quorum of the Board of Directors or by a sole remaining director. If the vacancy is filled by the shareholders and was held by a director elected by a voting group of shareholders, then only the holders of shares of that voting group are entitled to vote to fill the vacancy. Any vacancy not so filled by the directors may be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose. A director elected to fill a vacancy shall be elected to serve until the next annual meeting of shareholders and until a successor shall

be elected and qualified. A vacancy that will occur at a specific later date, by reason of a resignation or otherwise, may be filled before the vacancy occurs, and the new director shall take office when the vacancy occurs.

3.11 Compensation. By resolution of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid such compensation as the Board of Directors from time to time shall determine to be appropriate.

3.12 Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors or a committee of the Board of Directors shall be deemed to have assented to the action taken unless: (a) the director's dissent to, or abstention from, the action is entered in the minutes of the meeting, (b) a written dissent or abstention to the action is filed with the presiding officer of the meeting before the adjournment thereof or forwarded by certified or registered mail to the Secretary of the corporation immediately after the adjournment of the meeting, or (c) the director objects at the beginning of the meeting, or promptly upon arrival, to the holding of the meeting or transacting business at the meeting. The right to dissent or abstention shall not apply to a director who voted in favor of the action.

3.13 Director Conflict of Interest.

(a) A transaction in which a director of the corporation has a direct or indirect interest shall be valid notwithstanding the director's interest in the transaction if: (1) the material facts of the transaction and the director's interest are disclosed or known to the Board of Directors or a committee thereof and it authorizes, approves or ratifies the transaction, (2) the material facts of the transaction and the director's interest are disclosed or known to shareholders entitled to vote and they authorize, approve or ratify the transaction, or (3) the transaction is fair to the corporation.

(b) For purposes of Section 3.13(a)(1) above, a conflict of interest transaction may be authorized, approved or ratified if it receives the affirmative vote of a majority of directors or committee members thereof, who have no direct or indirect interest in the transaction. If such a majority of such members vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action.

(c) For purposes of Section 3.13(a)(1) above, a conflict of interest transaction may be authorized, approved or ratified by a majority vote of shareholders entitled to vote thereon. Shares owned by or voted under the control of a director, or an entity controlled by a director, who has a direct or indirect interest in the transaction may be counted in a vote of shareholders to

determine whether to authorize, approve or ratify a conflict of interest transaction under Section 3.13(a)(1) above.

(d) A director has an indirect interest in a transaction if another entity in which the director has a material financial interest or in which the director is a general partner is a party to the transaction or another entity of which the director is a director, officer or trustee is a party to the transaction and the transaction is or should be considered by the Board of Directors of the corporation.

3.14 Removal. The shareholders may remove one or more directors with or without cause at a meeting called expressly for that purpose, unless the Articles of Incorporation provide for removal for cause only. A director may be removed only if the number of votes cast to remove a director exceeds the number cast not to remove the director. If a director is elected by a voting group of shareholders, only those shareholders may participate in the vote to remove the director.

3.15 Resignation. Any director may resign by delivering written notice to the Board of Directors, the Chairman of the Board or the Secretary of the corporation. Such resignation shall be effective: (a) on receipt, (b) five days after its deposit in the United States mails, if mailed postpaid and correctly addressed, or (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by addressee, unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

ARTICLE IV

COMMITTEES OF THE BOARD

4.1 Appointment. Unless the Articles of Incorporation provide otherwise, the Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee shall have one or more members who serve at the pleasure of the Board of Directors. A majority of all directors in office must approve the creation of a committee and the appointment of its members. The Board of Directors shall have the power at any time to increase or decrease the number of members of any committee, to fill vacancies thereon, to change any member thereof and to change the functions or terminate the existence thereof.

4.2 Limitation on Powers of a Committee. A committee shall not have or exercise any power or authority of the Board of Directors prohibited by the Act.

4.3 Conduct of Meetings. Each committee shall conduct its meetings in accordance with the applicable provisions of these Bylaws relating to meetings and action without meetings of the Board of Directors. Each committee shall adopt any further rules regarding its conduct, keep minutes and other records and appoint subcommittees and assistants as it deems appropriate and in accordance with the Act.

4.4 Compensation. By resolution of the Board of Directors, committee members may be paid reasonable compensation for services on committees and their expenses of attending committee meetings.

ARTICLE V

OFFICERS

5.1 Number. The Board of Directors shall appoint a Chief Executive Officer, a President and a Secretary, with such powers and duties as set forth in these Bylaws and as prescribed by the Board of Directors. The Board of Directors may appoint such other officers and assistant officers as may be deemed necessary or desirable, with such powers and duties as set forth in these Bylaws and as prescribed by the Board of Directors. A duly appointed officer may appoint one or more officers or assistant officers and may prescribe the powers and duties of officers or assistant officers if such appointment and authority is authorized by the Board of Directors. Any two or more offices may be held by the same person.

5.2 Appointment and Term of Office. The officers of the corporation shall be appointed by the Board of Directors from time to time as determined by the Board of Directors or, if authorized pursuant to Section 5.1 of this Article V, shall be appointed at such time as determined by a duly authorized officer. Each officer shall hold office at the pleasure of the Board of Directors and until a successor shall have been duly appointed and qualified or until the officer's death, resignation or removal in the manner hereinafter provided.

5.3 Qualification. No officer need be a director, shareholder or Oregon resident, except as otherwise required by the Board of Directors.

5.4 Resignation and Removal. An officer may resign at any time by delivering notice to the corporation. A resignation is effective on receipt unless the notice specifies a later effective date. If the corporation accepts a specified later effective date, the Board of Directors may fill the pending vacancy before the effective date but the successor may not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors. Any officer appointed by

the Board of Directors or, as allowed in Section 5.1 of this Article V, by another officer may be removed from the officer position by the Board of Directors at any time with or without cause. Appointment of an officer shall not of itself create contract rights. Removal or resignation of an officer shall not affect the contract rights, if any, of the corporation or the officer.

5.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

5.6 Chief Executive Officer. Subject to the control of the Board of Directors, the Chief Executive Officer shall be in general charge of the business and affairs of the corporation and shall have supervision, direction, and control of the officers of the corporation. The Chief Executive Officer shall have such other authority and perform such other duties as may be prescribed by the Board of Directors.

5.7 President. Unless otherwise designated by the Board of Directors, the Chief Executive Officer shall also be the President. The President shall have the authority and perform the duties and responsibilities prescribed by the Board of Directors.

5.8 Secretary. The Secretary shall keep the minutes of all meetings of the directors and shareholders and shall have custody of the minute books and other records pertaining to the corporate business. The Secretary shall have the usual power and authority of such office. The Secretary shall have such other authority and perform such other duties as may be prescribed by the Board of Directors.

ARTICLE VI

INDEMNIFICATION

6.1 Directors and Officers. The corporation shall indemnify to the fullest extent not prohibited by applicable law each current or former officer or director who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or otherwise (including an action, suit or proceeding by or in the right of the corporation) by reason of the fact that the person is or was acting as a director, officer or agent of the corporation or as a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the corporation, or serves or served at the request of the corporation as a director or officer, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. The indemnification specifically provided hereby shall not be deemed exclusive of

any other rights to which such person may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in the official capacity of the person indemnified and as to action in another capacity while holding such office.

6.2 Employees and Other Agents. The corporation shall have power to indemnify its employees and other agents as set forth in the Act.

6.3 No Presumption of Bad Faith. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal proceeding, that the person had reasonable cause to believe that the conduct was unlawful.

6.4 Advances of Expenses. The expenses incurred by a director or officer in any proceeding shall be paid by the corporation in advance at the written request of the director or officer, if the director or officer:

(a) furnishes the corporation a written affirmation of such person's good faith belief that such person has met the standard of conduct required by the Act and is entitled to be indemnified by the corporation; and

(b) furnishes the corporation a written undertaking to repay such advance to the extent that it is ultimately determined by a court that such person is not entitled to be indemnified by the corporation. Such advances shall be made without regard to the person's ability to repay such expenses, and without regard to the person's ultimate entitlement to indemnification under this Article VI or otherwise.

6.5 Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances under this Article VI shall be deemed to be contractual rights and to be effective to the same extent and as if provided for in a contract between the corporation and the director or officer who serves in such capacity at any time while this Article VI and relevant provisions of the Act and other applicable law, if any, are in effect. Any right to indemnification or advances granted by this Article VI to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if: (a) the claim for indemnification or advances is denied, in whole or in part, or (b) no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting a claim. It shall be a defense to any such action (other than an

action brought to enforce a claim for expenses incurred in connection with any proceeding in advance of its final disposition when the required affirmation and undertaking have been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the Act for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its shareholders) to have made a determination prior to a commencement of such action that indemnification of the claimant is proper in the circumstances because the claimant has met the applicable standard of conduct set forth in the Act, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its shareholders) that the claimant has not met such applicable standard of conduct, shall create a presumption that the claimant has not met the applicable standard of conduct.

6.6 Non-Exclusivity of Rights. The right conferred on any person by this Article VI shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, bylaws, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in the person's official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent permitted by applicable law.

6.7 Survival of Rights. The right conferred on any person by this Article VI shall continue as to a person who has ceased to be a director, officer, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

6.8 Insurance. To the fullest extent permitted by the Act, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Article VI.

6.9 Amendments. Any repeal of or modification or amendment to this Article VI shall only be prospective and no repeal or modification hereof shall adversely affect the rights under this Article VI in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

6.10 Savings Clause. If this Article VI or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, the

corporation shall indemnify each director and officer to the fullest extent permitted by any applicable portion of this Article VI that shall not have been invalidated, or by any other applicable law.

6.11 Certain Definitions. For the purposes of this Article VI, the following definitions shall apply:

(a) The term "proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement and appeal of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative;

(b) The term "expenses" shall be broadly construed and shall include, without limitation, expense of investigations, judicial or administrative proceedings or appeals, attorneys' fees and disbursements and any expenses of establishing a right to indemnification under Section 6.5 of this Article VI, but shall not include amounts paid in settlement by the indemnified party or the amount of judgments or fines against the indemnified party;

(c) The term "corporation" shall include, in addition to the resulting or surviving corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as the person would have with respect to such constituent corporation if its separate existence had continued;

(d) References to a "director," "officer," "employee," or "agent" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as a director, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise; and

(e) References to "other enterprises" shall include employee benefit plans; references to "fines" in the Act shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which

imposes duties on, or involved services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article VI.

ARTICLE VII

ISSUANCE OF SHARES

7.1 Certificate for Shares.

(a) Shares of the corporation may be represented by certificates or may be uncertificated. Certificates representing shares of the corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed, either manually or in facsimile, by two officers of the corporation, at least one of whom shall be the Chief Executive Officer or President and the other of whom shall be the Secretary or an Assistant Secretary and may be sealed with the seal of the corporation or a facsimile thereof. All certificates or shares shall be consecutively numbered or otherwise identified.

(b) Every certificate for shares of stock that are subject to any restriction on transfer pursuant to the Articles of Incorporation, the Bylaws, applicable securities laws, agreements among or between shareholders or any agreement to which the corporation is a party shall have conspicuously noted on the face or back of the certificate either the full text of the restriction or a statement of the existence of such restriction and that the corporation retains a copy of the restriction. Every certificate issued when the corporation is authorized to issue more than one class or series of stock shall set forth on its face or back either the full text of the designations, relative rights, preferences and limitations of the shares of each class and series authorized to be issued and the authority of the Board of Directors to determine variations for future series or a statement of the existence of such designations, relative rights, preferences and limitations and a statement that the corporation will furnish a copy thereof to the holder of such certificate upon written request and without charge.

(c) The name and mailing address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. Each shareholder shall have the duty to notify the corporation of his or her mailing address. All certificates surrendered to the corporation for transfer shall be

canceled, and no new certificates shall be issued until a former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the corporation as the Board of Directors prescribes.

7.2 Transfer of Shares. Transfer of shares of the corporation shall be made only on the stock transfer books of the corporation by the holder of record thereof or by the holder's legal representative, who shall furnish proper evidence of authority to transfer, or by the holder's attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

7.3 Transfer Agent and Registrar. The Board of Directors may from time to time appoint one or more Transfer Agents and one or more Registrars for the shares of the corporation, with such powers and duties as the Board of Directors determines by resolution. The signature of officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a Transfer Agent or by a Registrar other than the corporation itself or an employee of the corporation.

7.4 Officer Ceasing to Act. If the person who signed a share certificate, either manually or in facsimile, no longer holds office when the certificate is issued, the certificate is nevertheless valid.

7.5 Fractional Shares. The corporation shall not issue certificates for fractional shares.

ARTICLE VIII

CONTRACTS, EVIDENCE OF INDEBTEDNESS, CHECKS AND OTHER INSTRUMENTS

8.1 Contracts. In addition to any authority provided in these Bylaws, the Board of Directors may authorize any officer or officers and agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

8.2 Evidence of Indebtedness. Notwithstanding any other provision of these Bylaws, no indebtedness for borrowed money shall be contracted on behalf of the corporation and no evidence of indebtedness for borrowed money shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

8.3 Checks, Drafts, Etc. Checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by such officer or officers and agent or agents of the corporation and in such manner as shall from time to time be determined by the Board of Directors. Such authority may be general or confined to specific instances.

ARTICLE IX

MISCELLANEOUS PROVISIONS

9.1 Seal. The seal of the corporation, if any, shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words "Corporate Seal."

9.2 Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

9.3 Signatures. For purposes of any provision of these Bylaws, or any other document or instrument that requires or contemplates the signature of a director, unless otherwise required by law, the terms "signs" or "signed," or any similar term, shall include any manual, facsimile, conformed or electronic signature.

ARTICLE X

AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by the Board of Directors or the shareholders of the corporation.

Exhibit "E"
UP 438

UP 438
Exhibit E / Page 1 of 1

Portland General Electric Company and Subsidiaries
Consolidated Balance Sheet
September 30, 2025
(In Millions)

	9/30/2025	Adjustments ⁽¹⁾	Adjusted Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 137		\$ 137
Accounts receivable, net	455		455
Inventories	124		124
Regulatory assets - current	207		207
Other current assets	136		136
Total current assets	<u>1,059</u>	<u>-</u>	<u>1,059</u>
Electric utility plant	15,762		15,762
Construction work in progress	422		422
Total cost	<u>16,184</u>		<u>16,184</u>
Less: accumulated depreciation and amortization	<u>(5,380)</u>		<u>(5,380)</u>
Electric utility plant, net	<u>10,804</u>		<u>10,804</u>
Regulatory assets - noncurrent	599		599
Nuclear decommissioning trust	44		44
Non-qualified benefit plan trust	36		36
Other noncurrent assets	472		472
Total assets	<u>\$ 13,014</u>	<u>\$ -</u>	<u>\$ 13,014</u>
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable	\$ 276		\$ 276
Liabilities from price risk management activities - current	133		133
Current portion of long-term debt	68		68
Current portion of finance lease obligation	27		27
Accrued expenses and other current liabilities	481		481
Total current liabilities	<u>985</u>	<u>-</u>	<u>985</u>
Long-term debt, net of current portion	4,662		4,662
Regulatory liabilities - noncurrent	1,491		1,491
Deferred income taxes	572		572
Deferred investment tax credits	195		195
Unfunded status of pension and postretirement plans	128		128
Liabilities from price risk management activities - noncurrent	43		43
Asset retirement obligations	293		293
Non-qualified benefit plan liabilities	70		70
Finance lease obligations, net of current portion	266		266
Other noncurrent liabilities	359		359
Total liabilities	<u>\$ 9,064</u>	<u>\$ -</u>	<u>\$ 8,869</u>
Commitments and contingencies (see notes)	-		-
Equity			
Preferred stock	-		-
Common stock	2,179		2,179
Accumulated other comprehensive loss	(3)		(3)
Retained earnings	1,774		1,774
Total equity	<u>3,950</u>	<u>-</u>	<u>3,950</u>
Total liabilities and equity	<u>\$ 13,014</u>	<u>\$ -</u>	<u>\$ 12,819</u>

⁽¹⁾ Footnote not used this quarter.

Exhibit "F"
Statement of Contingent Liabilities
As of September 30, 2025

PGE is subject to legal, regulatory, and environmental proceedings, investigations, and claims that arise from time to time in the ordinary course of its business. Contingencies are evaluated using the best information available at the time the condensed consolidated financial statements are prepared. Legal costs incurred in connection with loss contingencies are expensed as incurred. The Company may seek regulatory recovery of certain costs that are incurred in connection with such matters, although there can be no assurance that such recovery would be granted.

Loss contingencies are accrued, and disclosed if material, when it is probable that an asset has been impaired or a liability incurred as of the financial statement date and the amount of the loss can be reasonably estimated. If a reasonable estimate of probable loss cannot be determined, a range of loss may be established, in which case the minimum amount in the range is accrued, unless some other amount within the range appears to be a better estimate.

A loss contingency will also be disclosed when it is reasonably possible that an asset has been impaired, or a liability incurred, if the estimate or range of potential loss is material. If a probable or reasonably possible loss cannot be reasonably estimated, then PGE: i) discloses an estimate of such loss or the range of such loss, if the Company is able to determine such an estimate; or ii) discloses that an estimate cannot be made and the reasons why the estimate cannot be made.

If an asset has been impaired or a liability incurred after the financial statement date, but prior to the issuance of the financial statements, the loss contingency is disclosed, if material, and the amount of any estimated loss is recorded in either the current or the subsequent reporting period, depending on the nature of the underlying event.

PGE evaluates, on a quarterly basis, developments in such matters that could affect the amount of any accrual, as well as the likelihood of developments that would make a loss contingency both probable and reasonably estimable. The assessment as to whether a loss is probable or reasonably possible, and as to whether such loss or a range of such loss is estimable, often involves a series of complex judgments about future events. Management is often unable to estimate a reasonably possible loss, or a range of loss, particularly in cases in which: i) the damages sought are indeterminate or the basis for the damages claimed is not clear; ii) the proceedings are in the early stages; iii) discovery is not complete; iv) the matters involve novel or unsettled legal theories; v) significant facts are in dispute; vi) a large number of parties are represented (including circumstances in which it is uncertain how liability, if any, would be shared among multiple defendants); or vii) a wide range of potential outcomes exist. In such cases, there may be considerable uncertainty regarding the timing or ultimate resolution, including any possible loss, fine, penalty, or business impact.

EPA Investigation of Portland Harbor

An investigation by the United States Environmental Protection Agency (EPA) of a segment of the Willamette River known as Portland Harbor that began in 1997 revealed significant contamination of river sediments. The EPA subsequently included Portland Harbor on the National Priority List pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act as a federal Superfund site. PGE has been included among more than one hundred Potentially Responsible Parties (PRPs), as it historically owned or operated property near the river.

A Portland Harbor site remedial investigation was completed pursuant to an agreement between the EPA and several PRPs known as the Lower Willamette Group (LWG), which did not include PGE. The LWG funded the remedial investigation and feasibility study and stated that it had incurred \$115 million in investigation-related costs. The Company anticipates that such costs will ultimately be allocated to PRPs as a part of the allocation process for remediation costs of the EPA's preferred remedy.

The EPA finalized a feasibility study, along with the remedial investigation, and the results provided the framework for the EPA to determine a clean-up remedy for Portland Harbor that was documented in a Record of Decision (ROD) issued in 2017. The ROD outlined the EPA's selected remediation plan for clean-up of Portland Harbor that had an undiscounted estimated total cost of \$1.7 billion, comprised of \$1.2 billion related to remediation construction costs and \$0.5 billion related to long-term operation and maintenance costs. Remediation construction costs were estimated to be incurred over a 13-year period, with long-term operation and maintenance costs estimated to be incurred over a 30-year period from the start of construction. Stakeholders have raised concerns that the EPA's cost estimates are understated, and PGE estimates undiscounted total remediation costs for Portland Harbor per the ROD could range from \$1.9 billion to \$3.5 billion. The EPA acknowledged the estimated costs were based on data that was outdated and that pre-remedial design sampling was necessary to gather updated baseline data to better refine the remedial design and estimated cost.

A small group of PRPs performed pre-remedial design sampling to update baseline data and submitted the data in an updated evaluation report to the EPA for review. The evaluation report concluded that the conditions of Portland Harbor have improved substantially with the passage of time. In response, the EPA indicated that while it would use the data to inform implementation of the ROD, the EPA's conclusions remained materially unchanged. With the completion of pre-remedial design sampling, Portland Harbor is now in the remedial design phase, which consists of additional technical information and data collection to be used to design the expected remedial actions. Certain PRPs, not including PGE, have entered into consent agreements to perform remedial design and the EPA has indicated it will take the initial lead to perform remedial design on the remaining areas. The Company anticipates that remedial design costs will ultimately be allocated to PRPs as a part of the allocation process for remediation costs of the EPA's preferred remedy. The entirety of Portland Harbor continues under an active engineering design phase.

PGE continues to participate in a voluntary process to determine an appropriate allocation of costs amongst the PRPs. In a letter dated June 28, 2024, the U.S. Department of Justice and the EPA indicated their expectation and objective is that the PRPs will resolve cleanup and response cost liabilities by participating in a single, overall Consent Decree as Settling Defendants with negotiations beginning in the fall of 2024 and concluding no later than March 2027. Although cost allocation activities are ongoing, significant uncertainties remain surrounding facts and circumstances that are integral to the determination of such an allocation percentage, including conclusion of remedial design, a final allocation methodology, and data with regard to property specific activities and history of ownership of sites within Portland Harbor that will inform the precise boundaries for cleanup. It is probable that PGE will share in a portion of the costs related to Portland Harbor.

Based on the above facts and remaining uncertainties in the voluntary allocation process, PGE does not currently have sufficient information to reasonably estimate the amount, or range, of its potential liability or determine an allocation percentage that would represent PGE's portion of the liability to clean-up Portland Harbor. However, the Company may obtain sufficient information, prior to the final determination of allocation percentages among PRPs, to develop a reasonable estimate, or range, of its potential liability that would require recording of the estimate, or low end of the range. The Company's liability related to the cost of remediating Portland Harbor could be material to PGE's financial position.

In cases in which injuries to natural resources have occurred as a result of releases of hazardous substances, federal and state natural resource trustees may seek to recover for damages at such sites, which are referred to as Natural Resource Damages (NRD). The EPA does not manage NRD assessment activities but does provide claims information and coordination support to the NRD trustees. NRD assessment activities are typically conducted by a Council made up of the trustee entities for the site. The Portland Harbor NRD trustees consist of the National Oceanic and Atmospheric Administration, the U.S. Fish and Wildlife Service, the State, the Confederated Tribes of the Grand Ronde Community of Oregon, the Confederated Tribes of Siletz Indians, the Confederated Tribes of the Umatilla Indian Reservation, the Confederated Tribes of the Warm Springs Reservation of Oregon, and the Nez Perce Tribe.

The NRD trustees may seek to negotiate legal settlements or take other legal actions against the parties responsible for the damages. Funds from such settlements must be used to restore injured resources and may also compensate the trustees for costs incurred in assessing the damages. PGE's portion of NRD liabilities related to Portland Harbor will not have a material impact on its results of operations, financial position, or cash flows.

The impact of costs related to EPA and NRD liabilities on the Company's results of operations is mitigated by the Portland Harbor Environmental Remediation Account (PHERA) mechanism. As approved by the OPUC in 2017, the PHERA allows the Company to defer estimated liabilities and recover incurred environmental expenditures related to Portland Harbor through a combination of third-party proceeds, including but not limited to insurance recoveries, and, if necessary, through customer prices. The mechanism established annual prudency reviews of environmental expenditures and third-party proceeds. Annual expenditures in excess of \$6 million, excluding expenses related to contingent liabilities, are subject to an annual earnings test

and would be ineligible for recovery to the extent PGE's actual regulated return on equity exceeds its return on equity as authorized by the OPUC in PGE's most recent GRC. PGE's results of operations may be impacted to the extent such expenditures are deemed imprudent by the OPUC or ineligible per the prescribed earnings test. The Company plans to seek recovery of any costs resulting from EPA's determination of liability for Portland Harbor through application of the PHERA. At this time, PGE is not collecting any Portland Harbor cost from the PHERA through customer prices.

Colstrip-Related Litigation

The Company has a 20% ownership interest in the Colstrip Units 3 and 4 coal-fired generating plant (Colstrip), which is located in the state of Montana and operated by one of the co-owners, Talen Montana, LLC (Talen). Various business disagreements have arisen amongst the co-owners regarding interpretation of the Ownership and Operation (O&O) Agreement and other matters. An arbitration process has been initiated to address such business disagreements and, along with other matters related to Colstrip, are summarized below.

Arbitration—In March 2021, co-owner NorthWestern Corporation (NorthWestern) initiated arbitration against all other co-owners of Colstrip to determine whether co-owners representing 55% or more of the ownership shares can vote to close one or both units of Colstrip, or, alternatively, whether unanimous consent is required. The O&O Agreement among the parties states that any dispute shall be submitted for resolution to a single arbitrator with appropriate expertise. The parties have agreed to stay the arbitration proceedings indefinitely as settlement discussions are underway. PGE cannot predict the ultimate outcome of this matter.

Richard Burnett; Colstrip Properties Inc., et al v. Talen Montana, LLC; PGE, et al.—In December 2020, the original claim was filed in the Montana Sixteenth Judicial District Court, Rosebud County, Cause No. CV-20-58. The plaintiffs alleged they suffered adverse effects from the defendants' coal dust. In 2021, the claim was amended to add PGE as a defendant. Plaintiffs were seeking economic damages, costs and disbursements, punitive damages, attorneys' fees, and an injunction prohibiting defendants from allowing coal dust to blow onto plaintiffs' properties, as determined by the Court. The trial date had been rescheduled for June 2, 2025, however, in March 2025, parties reached tentative agreement that will not have a material impact on the Company's financial position, results of operations, or cash flows.

Other Matters

PGE is subject to other regulatory, environmental, and legal proceedings, investigations, and claims that arise from time to time in the ordinary course of business that may result in judgments against the Company. Although management currently believes that resolution of such known matters, individually and in the aggregate, will not have a material impact on its financial position, results of operations, or cash flows, these matters are subject to inherent uncertainties, and management's view of these matters may change in the future.

Exhibit "G"
UP 438

Portland General Electric Company and Subsidiaries
Consolidated Statement of Income
Nine Months Ended
September 30, 2025
(In Millions)

	Nine Months Ending September 30, 2025	Adjustments	Adjusted Total
Revenues	\$946		\$946
Alternative revenue programs, net of amortization	\$6		
Total Revenues	\$952		
Operating Expenses:			
Purchased power and fuel	372		372
Generation, transmission and distribution	112		112
Administrative and other	99		99
Depreciation and amortization	148		148
Taxes other than income taxes	47		47
Total operating expenses	778		778
Income from Operations	174	-	174
Other Income:			
Allowance for equity funds used during construction	4		4
Miscellaneous income, net	5		5
Other Income, net	9	-	9
Interest Expense	60		60
Income before income taxes	123	-	123
Income Taxes	20		20
Net Income	\$103	-	\$103
Other comprehensive income	1		1
Comprehensive Income	\$104	\$0	\$104

Exhibit "H"
UP 438

Portland General Electric Company and Subsidiaries
Consolidated Statement of Retained Earnings
Nine Months Ended
September 30, 2025
(In Millions)

	<u>Retained Earnings</u>	<u>Adjustments ⁽¹⁾</u>	<u>Adjusted Total</u>
Balance as of June 30, 2025	\$1,729		\$1,729
Net Income	103		103
	<u>1,832</u>		<u>1,832</u>
Dividends Declared			
Common stock	<u>(58)</u>		<u>(58)</u>
Balances as of September 30, 2025	<u><u>\$1,774</u></u>	<u><u>\$0</u></u>	<u><u>\$1,774</u></u>

(1) No preliminary adjusting entries to the Statement of Retained Earnings.

**UP 438
PGE's Application**

Exhibit I contains confidential information and is subject to

General Protective Order 23-132

The following entries are to record the transfer and sale of Investment Tax Credits (ITCs):

Account	Description	Debit	Credit
131	Cash	\$13,020.0	
410.1	Deferred Income Tax	\$980.0	
923	Administrative & General	\$70.0	
131	Cash		(\$70.0)
255	Accumulated deferred investment tax credits		(\$14,000.0)

To record the proceeds from sale of the ITCs, the sales discount, transaction fees associated with the sale, and defer the ITC benefit.

255	Accumulated deferred investment tax credits	\$1,050.0	
923	Administrative & General		(\$70.0)
410.1	Deferred Income Tax		(\$980.0)

To record the deferral of the sales discount and sales transaction fees

Note that the deferred net benefit in account 255 is proposed to be amortized over the life of the asset that generated the ITC benefit as required by GAAP