



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

October 15, 2009

Messenger/E-Filing

Oregon Public Utility Commission
550 Capitol Street, N.E., Ste 218
Salem OR 97301-2551

Re: UE 178; October 2009 Tax Report

Attention Filing Center:

Enclosed you will find the October 2009 Tax Report for Portland General Electric Company (PGE), to be filed in docket UE 178 pursuant to Senate Bill 408 (SB 408) (codified at ORS 757.267 and 757.268 and OAR 860-022-0041). This Tax Report covers the calendar years 2006, 2007, and 2008, and substantially complies with the rules set forth in OAR 860-022-0041. Upon receipt of a final order from the Commission in this docket, PGE will separately file a tariff to implement a price change as of June 1, 2010, reflecting our 2008 results.

It is important to consider that some of the information presented in this Tax Report represents past history of PGE that is unique and unlikely to be repeated. PGE's situation during 2005 and the first quarter of 2006, with a bankrupt parent corporation, is unprecedented in Oregon, and no longer reflects PGE's status as an independent and publicly-traded company.

In the table below, we provide the difference between the amount of "taxes paid that are properly attributed to the regulated operations of the utility," and the amount of "taxes authorized to be collected in rates" for each of the years 2006, 2007 and 2008, pursuant to SB 408 and OAR 860-022-0041.

Calendar Year	Difference between "taxes paid" and "taxes authorized to be collected": <i>refund/(surcharge) to customers</i>	Commission Order No.
2006	37,221,977	08-204
2007	(14,710,771)	09-126
2008	8,855,492	

PGE uses a balancing account and a dedicated tariff to collect local income taxes. For 2008, the

PGE's UE 178 October 2009 Tax Report

October 15, 2009

Page 2

difference between local income taxes paid pursuant to SB 408 and collections of Multnomah County Business Income Taxes (McBIT) will be booked to the balancing account and will be reflected in a future change to the McBIT rate charged to customers through Schedule 106.

The Oregon Legislative Assembly and the Commission have recognized that information contained in the tax report represents commercially sensitive information, the disclosure of which could cause harm to the business producing that information. *See* UE 178, Order No. 06-033 at 2-3 (2006); ORS 757.267(1)(g) (2006).

We understand that the Protective Order issued in Order No. 06-033 will govern the disclosure of confidential tax information and other commercially sensitive financial information included in this Tax Report. Differences between "taxes paid" and "taxes authorized to be collected in rates" for federal and state taxes will be reflected in Schedule 140. PGE proposes to refund the difference over one year.

We have treated our tax report and certain work papers as "highly confidential information" and have marked it accordingly. In accordance with the Memorandum of Understanding proposed by Staff on October 10, 2008, we will provide to Staff an electronic copy of the tax report template for the most recent three years. The templates will be provided on CD and under separate cover.

The location and contact information for the Portland Safe Room is as follows:

Amie Jamieson
McDowell & Rackner PC
520 SW Sixth Ave., Suite 830
Portland, OR 97204
(503) 595-3927 phone
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amie@mcd-law.com

The following are the name and addresses of the persons authorized to receive notices and communications with respect to this proceeding:

Patrick G. Hager, Manager
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Sincerely,



Randall J. Dahlgren
Director, Regulatory Policy & Affairs

Enclosure

cc: UE 178 Service List – Cover Letter only
McDowell & Rackner (Portland Safe Room)

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing **PORTLAND GENERAL ELECTRIC COMPANY'S UE 178, OCTOBER TAX REPORT COVER LETTER** to be served by electronic mail to those parties whose email addresses appear on the attached service list, and by First Class US Mail, postage prepaid and properly addressed, to those parties on the attached service list who have not waived paper service from OPUC Docket No. UE 178.

Dated at Portland, Oregon, this 15th day of October 2009.



Randall J. Dahlgren

On behalf of Portland General Electric Company



eDockets

Docket Summary

[Return to Search Page](#)

[eFillr](#)

Docket No: UE 178

Docket Name: AUTOMATIC ADJUSTMENT CLAUSE FILING UNDER SB 408

[Print Summary](#)

Subject Company: PORTLAND GENERAL ELECTRIC

See also: 07-24 09-09

In the Matter of OREGON PUBLIC UTILITY STAFF Requesting the Commission direct PORTLAND GENERAL ELECTRIC C to file tariffs establishing automatic adjustment clauses under the terms of SB 408. (AR 499/UE 177/UE 178/UG 170/ -- Staff report...

Filing Date: 11/22/2005

Case Manager: JUDY JOHNSON

Phone: (503) 378-6636

Email: judy.johnson@state.or.us

Law Judge: LISA HARDIE

Phone:

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 please try one of these:
[Service List Popup \(semi-colon delimited\)](#) [Service List Popup \(comma de](#)

<u>ACTIONS</u>	<u>SERVICE LIST (Parties)</u>	<u>SCHEDULE</u>
W=Waive Paper service	C=Confidential HC=Highly Confidential	Sort by Last Name Sort by Company Name
	PORTLAND GENERAL ELECTRIC COMPANY RATES & REGULATORY AFFAIRS	121 SW SALMON ST 1WTC0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com
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PORTLAND GENERAL ELECTRIC

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