

UE 197/198



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

RECEIVED

2008 APR -2 A 10:19

April 1, 2008

US Mail

RECEIVED

APR 04 2008

Commission Filing Center
Administrator
Oregon Public Utility Commission
550 Capitol Street, N.E., Ste 215
Salem, OR 97301-2551

Public Utility Commission of Oregon
Administrative Hearing Division

RE: PGE's April 1, 2008 Monet Update (Dockets UE-197/198)

Enclosed is PGE's April 1, 2008, MONET update for Dockets UE 197/198. This update includes contracts and electric and gas forward curves as of March 5, 2008. This update also includes revised plant performance factors for forced outage rates based on 2004-2007 data. Net Variable Power Costs totaled \$827.4 million, an increase of approximately \$21 million from the February 27, 2008 initial filing, primarily due to significant increases in the wholesale price curves for gas and electricity.

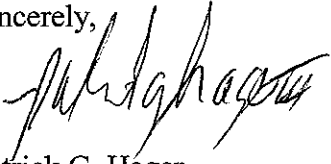
Attachment 1 provides hard copies of the Assumptions Summary, the Change Summary, the Step Log, Monet output and the Summary of Electronic Files. Attachment 2 is a CD with several electronic files, including the MONET run. The Summary of Electronic Files included in Attachment 1 provides a complete summary of the files included on the CD. The electronic files are password protected using the same password as that used for other protected files in this docket. Attachments 1 and 2 are confidential and subject to Protective Order No. 08-133. They are provided under separate cover.

Finally, it is PGE's understanding that the Western Electricity Coordinating Council (WECC) is considering replacing the existing FERC-approved reserves requirement standard of 7% thermal and 5% hydro. The requirement under consideration is an amount of reserve equal to the sum of 3% of the load (generation - station service - Net Actual Interchange) and 3% of net generation (generation - station service.) This reserve requirement is a higher standard than we currently meet and would require more resources overall, potentially increasing power costs. If these proposed regulatory changes are approved by FERC and NERC, we expect to include them in a Monet update.

PGE Monet Update
April 1, 2008
Page 2

If you have any questions, please contact me at (503) 464-7580 or Steve Schue at (503) 464-2624

Sincerely,



Patrick G. Hager
Manager, Regulatory Affairs

encls.

CC: Ed Durrenberger, OPUC Staff
S. Bradley Van Cleve, ICNU

Randy Falkenberg, RFI Consulting
Bob Jenks, CUB

g:\ratecase\opuc\dockets\ue-197\power costs updates\april 1 update\trans letter opuc.doc

Attachment 1

CONFIDENTIAL Subject to Protective Order No. 08-133

April 1, 2008, Power Cost GRC Monet Update

Assumptions Summary
Change Summary
Step Log
MONET Output
Summary of Electronic Files

Attachment 2

CONFIDENTIAL Subject to Protective Order No. 08-133

April 1, 2008, Power Cost GRC Monet Update

CD Including MONET Run