



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

October 1, 2013

Via Email / US Mail

puc.filingcenter@state.or.us

Commission Filing Center
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

RE: UE 266 – PGE October 1, 2013 MONET Update

Enclosed is PGE's October 1, 2013 MONET update for Docket No. UE 266. This update includes 2014 contracts, and 2014 electric and gas forward curves as of September 5, 2013 as well as the adjustments (introduced in the July Monet update) discussed in the Stipulation in this docket filed with the Commission on July 10, 2013. Also included in this power cost update filing is an updated 2014 load forecast. This forecast is PGE's final load forecast for 2014 with the exception of an adjustment, if any, for customers that move to direct access.

PGE's Net Variable Power Cost (NVPC) forecast for 2014 totals approximately \$628.22 million, a reduction of approximately \$2.9 million from the July 16, 2013 update filing. This decrease is primarily due to the net effect of a decrease in wheeling rates, gas prices, and coal transportation costs and an increase in the load forecast.

PGE anticipates that the Boardman biomass test burn phase that employs 100% biomass will be rescheduled to 2015. The schedule currently in Monet for the Boardman co-firing test (coal and biomass) is not expected to change. The update to the testing schedule is in the process of being finalized and will be incorporated in Monet in the November 5, 2013 update filing. If the 100% biomass test burn is rescheduled to 2015 as anticipated, the costs of this test will be removed from the November 5 filing. As specified in the Stipulation, if the co-firing test is rescheduled to 2015 after the November 5 Monet update filing, the estimated biomass test burn net cost will be refunded, with interest at PGE's overall cost of capital, in PGE's 2015 AUT.

UE 266 PGE MONET Update for 2013

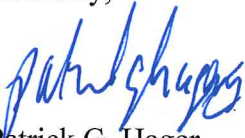
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Attachment 1 is one (1) CD containing the confidential MFRs. Attachment 1 is confidential and Subject to Protective Order No. 13-042. Attachment 2 is one (1) CD containing the non-confidential MFRs.

If you have any questions, please contact me at (503) 464-7580 or David Weitzel at (503) 464-7352. Please direct all formal correspondence and requests to the following e-mail address: pge.opuc.filings@pgn.com.

Sincerely,



Patrick G. Hager
Manager, Regulatory Affairs

PGH:kr

encls.

cc: UE 266 Service List

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UE 266

**2014 PGE Annual Power Cost Update
October 1, 2013**

Attachment 1

Provided in Electronic Format (CD) only

Confidential and Subject to Protective Order No. 13-042

Minimum Filing Requirements
Supporting Documents and Work Papers

UE 266

**2014 PGE Annual Power Cost Update
October 1, 2013**

Attachment 2

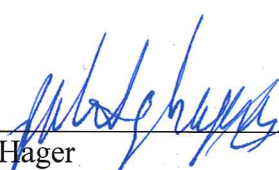
Provided in Electronic Format (CD) only

Minimum Filing Requirements
Non-Confidential Supporting Documents and Work Papers

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **UE 266 PORTLAND GENERAL ELECTRIC COMPANY'S MONET UPDATE** to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket No. UE 266.

DATED at Portland, Oregon, this 1st day of October, 2013.



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