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March 3, 2008

**VIA E-MAIL**

Michelle Manary, FE-2  
Manager, Residential Exchange Program  
Bonneville Power Administration  
PO Box 3621  
Portland, OR 97293

E-mail: [BPAAverageSystemCost@BPA.gov](mailto:BPAAverageSystemCost@BPA.gov)  
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**Re: Portland General Electric Company's Initial Average System Cost Filing  
(Appendix 1), BPA File No. ASCM-08**

Dear Ms. Manary:

On February 7, 2008, Bonneville Power Administration ("BPA") published notice (regarding BPA File No. SCM-8) in the *Federal Register*, 73 Fed. Reg. 7270 (2008) ("February 7 Notice"), that a utility must submit an initial Average System Cost ("ASC") filing (an Appendix 1) to BPA by March 3, 2008. Pursuant to the February 7 Notice, Portland General Electric Company ("PGE") hereby submits for filing its initial Appendix 1 to BPA for FY 2009.

PGE understands that the attached Appendix 1 is intended to provide information for PGE's initial ASC for the FY 2009 expedited ASC process. PGE's submission of the attached Appendix 1 does not constitute PGE's agreement to any particular cost or methodology, including any allocation or functionalization ratios included in this initial filing. PGE reserves the right to comment on and object to any and all aspects of BPA's proposed ASC methodology. Also, because of the expedited schedule, the information contained in PGE's initial filing should be viewed as preliminary, and subject to revision, as necessary. PGE reserves the right to update or revise the data provided in its initial Appendix 1 to the extent necessary to accommodate any changes BPA may make to the ASC Methodology and to ensure that all data is complete and accurate.

In addition, the accounts initially selected by BPA to be supported by direct analysis from PGE have been functionalized by the default functionalization designated by BPA with the following exceptions: Account 302 (Intangible Plant – Franchises and Consents); Account 105 (Utility Plant Held for Future Use); Account 182.3 (Other Regulatory Assets), Account 186 (Miscellaneous Deferred Debits); Account 253 (Other Deferred Credits); and Account 254 (Other Regulatory Liabilities). In addition, PGE functionalized the Oregon Public Purpose Charge to Dir-C as proposed by BPA. Within the next three weeks, PGE will prepare support for the initial accounts supported by direct analysis. PGE reserves the right to prepare direct analysis for any of the other accounts initially selected by BPA to be supported by direct analysis. It is PGE's understanding that (1) different functionalization (such as direct assignment) for any other accounts will be an issue for the revised ASC Methodology process, and (2) the ASC filing for FY 2009 will be subject to revision after any such different functionalization is adopted as part of the revised ASC Methodology process.

By return e-mail, please confirm BPA's receipt of PGE's initial ASC filing.

Very truly yours,



David F. White

DFW/ldh  
097204\00001\826430 V001

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

Draft FRN Template

**Schedule 1: Plant Investment / Rate Base**

(1) Account Description	(2) Form 1 page number	(2) Account Numbers	(3) Funct. Method	(4) Total	(5) Production	(6) Transmission	(7) Distribution/ Other
<b>Intangible Plant:</b>							
Intangible Plant - Organization	204-207	301	DIR-D	0	-	-	-
Intangible Plant - Franchises and Consents	204-207	302	DIR-P	48,460,534	48,460,534	-	-
Intangible Plant - Miscellaneous	204-207	303	PTD	123,314,826	46,428,661	9,298,353	67,587,812
<b>Total Intangible Plant</b>				171,775,360	94,889,195	9,298,353	67,587,812
<b>Production Plant:</b>							
Steam Production	204-207	310-316	DIR-P	819,407,522	819,407,522	-	-
Nuclear Production	204-207	320-325	DIR-P	0	-	-	-
Hydraulic Production	204-207	330-336	DIR-P	237,821,189	237,821,189	-	-
Income Tax: Other Production	204-207	340-346	DIR-P	356,882,306	356,882,306	-	-
<b>Total Production Plant</b>				1,414,111,017	1,414,111,017	0	0
<b>Transmission Plant: (i)</b>							
Transmission Plant	204-207	350-359	DIR-T	283,206,605	-	283,206,605	-
<b>Total Transmission Plant</b>				283,206,605	0	283,206,605	0
<b>Distribution Plant:</b>							
Distribution Plant	204-207	360-373	DIR-D	2,058,570,452	-	-	2,058,570,452
<b>Total Distribution Plant</b>				2,058,570,452	0	0	2,058,570,452
<b>General Plant:</b>							
Land and Land Rights	204-207	389	PTD	4,635,830	1,745,414	349,557	2,540,859
Structures and Improvements	204-207	390	PTD	56,435,602	21,248,292	4,255,434	30,931,876
Furniture and Equipment	204-207	391	LABOR	36,822,574	11,448,061	1,928,782	23,445,731
Transportation Equipment	204-207	392	TD	34,739,628	-	4,201,293	30,538,335
Stores Equipment	204-207	393	PTD	756,653	284,884	57,054	414,715
Tools and Garage Equipment	204-207	394	PTD	10,208,409	3,843,518	769,748	5,595,143
Laboratory Equipment	204-207	395	PTD	10,320,839	3,885,849	778,226	5,656,764
Power Operated Equipment	204-207	396	TD	34,686,429	-	4,194,860	30,491,569
Communication Equipment	204-207	397	PTD	53,261,072	20,053,065	4,016,064	29,191,943
Miscellaneous Equipment	204-207	398	PTD	267,571	100,742	20,176	146,653
Other Tangible Property	204-207	399	DIRECT				
Asset Retirement Costs for General Plant	204-208	399.1	PTD		-	-	-

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

**Schedule 1: Plant Investment / Rate Base**

(1) Account Description	(2) Form 1 page number	(3) Account Numbers	(4) Funct. Method	(5) Total	(6) Production	(7) Transmission	(8) Distribution/ Other
<b><u>Total General Plant</u></b>				242,134,607	62,609,824	20,571,195	158,953,588
<b><u>Total Electric Plant In-Service</u></b>				4,169,798,041	1,571,610,036	313,076,153	2,285,111,852
<i>(Total Intangible + Total Production + Total Transmission + Total Distribution + Total General)</i>							

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RESIDENTIAL PURCHASE AND SALE AGREEMENT  
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(1) Account Description	(2) Form 1 page number	(2) Account Numbers	(3) Funct. Method	(4) Total	(5) Production	(6) Transmission	(7) Distribution/ Other
<b>LESS:</b>							
<b>Depreciation Reserve</b>							
Steam Production Plant	219	108	DIR-P	550,562,907	550,562,907	-	-
Nuclear Production Plant	219	108	DIR-P	0	-	-	-
Hydraulic Production Plant	219	108	DIR-P	132,555,670	132,555,670	-	-
Other Production Plant	219	108	DIR-P	194,759,215	194,759,215	-	-
Transmission Plant (i)	219	108	DIR-T	138,611,020	-	138,611,020	-
Distribution Plant	219	108	DIR-D	1,071,604,888	-	-	1,071,604,888
General Plant	219	108	GP	105,121,755	27,181,801	8,930,900	69,009,054
Amortization of Intangible Plant	219	108	DIRECT	0			
Mining Plant Depreciation	219	108	DIR-P	0	-	-	-
Amortization of Plant Held for Future Use	219	108	DIR-D	0	-	-	-
Capital Lease - Common Plant	219	108	DIRECT	0			
Leasehold Improvements	200-201	108	DIRECT	0			
Accum Prov for Depr, Amort, & Depl (In-Service: Deprc Cmmn Plt) (a)	200-201	108	DIRECT	0			
Accum Prov for Depr, Amort, & Depl (Amort of Other Utl Plt: Electric) (a)	200-201	108	PTD	81,788,285	30,793,706	6,167,112	44,827,467

**Amortization Reserve**

**Total Depreciation and Amortization**

2,275,003,740	935,853,299	153,709,033	1,185,441,408
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**Total Net Plant**

*(Total Electric Plant In-Service) - (Total Depreciation & Amortization)*

1,894,794,301	635,756,737	159,367,120	1,099,670,444
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**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

**Schedule 1: Plant Investment / Rate Base**

(1) Account Description	(2) Form 1 page number	(3) Account Numbers	(4) Funct. Method	(5) Total	(6) Production	(7) Transmission	(8) Distribution/ Other
<b>Assets and Other Debits (Comparative Balance Sheet)</b>							
Cash Working Capital (f)	Calculation			46,175,221	11,727,305	10,273,035	24,174,881
<b>UTILITY PLANT</b>							
(Utility Plant) In Service (Classified) COMMON	200-201		DIRECT	0			
(Utility Plant) Held For Future Use	200-201	105	DIRECT	187,790	-	169,748	18,042
(Utility Plant) Completed Construction - Not Classified	200-201	106	DIRECT	0			
Nuclear Fuel		120.1-120.6	DIR-P	0	-	-	-
Construction Work in Progress (CWIP)	200-201	107 & 120.1	DIR-D	412,182,006	-	-	412,182,006
Acquisition Adjustments (Electric)	200-201	114	DIR-D	0	-	-	-
Total				412,369,796	0	169,748	412,200,048
<b>OTHER PROPERTY AND INVESTMENTS</b>							
Investment in Associated Companies	110-111	123	PTD	203,017	76,437	15,308	111,272
Other Investment	110-111	124	DIR-D	0	-	-	-
Long-Term Portion of Derivative Assets	110-111	175-176	DIR-P	0	-	-	-
Total				203,017	76,437	15,308	111,272
<b>CURRENT AND ACCRUED ASSETS</b>							
Fuel Stock	110-111	151	DIR-P	32,581,087	32,581,087	-	-
Fuel Stock Expenses Undistributed	110-111	152	DIR-P	0	-	-	-
Plant Materials and Operating Supplies	110-111	154	PTD	27,957,550	10,526,160	2,108,093	15,323,296
Other Materials and Supplies	110-111	155 - 156	PTDG	45,111	17,002	3,387	24,722
EPA Allowances	110-112	158.1 - 158.2	DIR-P	360,000	360,000	-	-
Stores Expense Undistributed	110-111	163	PTD	3,127,811	1,177,637	235,847	1,714,327
Prepayments	110-111	165	PTD	24,581,506	9,255,062	1,853,528	13,472,915
Derivative Instrument Assets	110-111	175-176	DIR-P	19,703,359	19,703,359	-	-
Total				108,356,424	73,620,308	4,200,856	30,535,260

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

**Schedule 1: Plant Investment / Rate Base**

(1) <b>Account Description</b>	(2) <b>Form 1 page number</b>	(3) <b>Account Numbers</b>	(4) <b>Funct. Method</b>	(5) <b>Total</b>	(6) <b>Production</b>	(7) <b>Transmission</b>	(8) <b>Distribution/ Other</b>
<b>DEFERRED DEBITS</b>							
Unamortized Debt Expenses	110-111	181	PTDG	15,252,228	5,748,613	1,145,166	8,358,450
Extraordinary Property Losses	110-111	182.1	DIR-D	0	-	-	-
Unrecovered Plant and Regulatory Study Costs	110-111	182.2	DIR-D	65,666,225	-	-	65,666,225
Other Regulatory Assets	110-111	182.3	DIRECT	280,324,211	97,653,601	4,186,762	178,483,848
Prelim. Survey and Investigation Charges (Electric)	110-111	183	DIR-D	17,989	-	-	17,989
Preliminary Natural Gas Survey and Investigation Charges	110-111	183.1	DIR-D	0	-	-	-
Other Preliminary Survey and Investigation Charges	110-111	183.2	DIR-D	0	-	-	-
Clearing Accounts	110-111	184	DIR-D	(126)	-	-	(126)
Temporary Facilities	110-111	185	PTDG	0	-	-	-
Miscellaneous Deferred Debits	110-111	186	DIRECT	18,117,621	7,134,396	1,566,852	9,416,373
Deferred Losses from Disposition of Utility Plant	110-111	187	DIRECT	0	-	-	-
Research, Development, and Demonstration Expenditures	110-111	188	DIR-D	0	-	-	-
Unamortized Loss on Reacquired Debt	110-111	189	PTDG	30,475,465	11,486,299	2,288,154	16,701,012
Accumulated Deferred Income Taxes	110-111	190	DIR-D	254,935,884	-	-	254,935,884
<b>Total</b>				<b>664,789,497</b>	<b>122,022,908</b>	<b>9,186,934</b>	<b>533,579,654</b>
<b><u>Total Assets and Other Debits</u></b>				<b>1,231,893,955</b>	<b>207,446,958</b>	<b>23,845,882</b>	<b>1,000,601,115</b>

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

**Schedule 1: Plant Investment / Rate Base**

(1) Account Description	(2) Form 1 page number	(2) Account Numbers	(3) Funct. Method	(4) Total	(5) Production	(6) Transmission	(7) Distribution/ Other
<b>Liabilities and Other Credits (Comparative Balance Sheet)</b>							
<b>CURRENT AND ACCRUED LIABILITIES</b>							
Derivative Instrument Liabilities & Hedges	112-113	244 - 245	DIR-P	139,838,646	139,838,646	-	-
Total				139,838,646	139,838,646	0	0
<b>DEFERRED CREDITS</b>							
Long-Term Derivative Instrument Liabilities & Hedges	112-113	244 - 245	DIR-P	15,067,825	15,067,825	-	-
Customer Advances for Construction	112-113	252	DIR-D	77,123	-	-	77,123
Other Deferred Credits	112-113	253	DIRECT	32,739,457	7,193,575	1,055,719	24,490,163
Other Regulatory Liabilities	112-113	254	DIRECT	87,826,316	18,268,131	2,019,715	67,538,469
Accumulated Deferred Investment Tax Credits	112-113	255	DIR-D	6,872,117	-	-	6,872,117
Deferred Gains from Disposition of Utility Plant	112-113	256	DIR-D	0	-	-	-
Unamortized Gain on Reacquired Debt	112-113	257	PTDG	244,184	92,034	18,334	133,816
Accumulated Deferred Income Taxes-Accel. Amort.	112-113	281	DIR-D	0	-	-	-
Accumulated Deferred Income Taxes-Property	112-113	282	DIR-D	273,176,670	-	-	273,176,670
Accumulated Deferred Income Taxes-Other	112-113	283	DIR-D	210,311,503	-	-	210,311,503
Total				626,315,195	40,621,565	3,093,768	582,599,862
<b><u>Total Liabilities and Other Credits</u></b>				766,153,841	180,460,211	3,093,768	582,599,862
<b><u>Total Rate Base</u></b>				2,360,534,415	662,743,484	180,119,234	1,517,671,697

*(Total Net Plant + Debits - Credits)*

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

**Schedule 1A: Cash Working Capital (f)**

(1) <b>Account Description</b>		(4) <b>Total</b>	(5) <b>Production</b>	(6) <b>Transmission</b>	(7) <b>Distribution/ Other</b>
<b>Cash Working Capital Calculation:</b>					
Total Production O&M	DIR-P	1,432,034,307	1,420,042,437		
Total Transmission O&M (i)	DIR-T	76,820,098		76,820,098	
Total Distribution O&M	DIR-D	63,378,119			63,378,119
Total Customer & Sales	DIR-D	61,844,133			61,844,133
Total Administrative and General O&M	PTD	104,301,298	30,760,317	5,364,185	68,176,796
Less Purchased Power, Public Purpose Charge, and Fuel Costs	DIR-P	#####	(1,356,984,317)		
<b><u>Revised Total O&amp;M Expenses</u></b>		369,401,768	93,818,437	82,184,283	193,399,048
<b>One-Eighth Revised Total O&amp;M Expenses</b>					
<b><u>Allowable Functionalized Cash Working Capital</u></b>		46,175,221	11,727,305	10,273,035	24,174,881

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

**Schedule 2: Capital Structure and Rate of Return (b)**

**Investor Owned Utility Return Calculation**

**Step 1: Weighted Cost of Capital from Most Recent State Commission Rate Order**

Component	Capitalization Structure		Effective Cost	
	Amount	Percent	Embedded	Weighted
Debt	\$ 887,900	46.3%	7.80%	3.613%
Preferred Equity	\$ 29,250	1.5%	8.43%	0.129%
Common Equity	\$ 999,781	52.2%	11.50%	5.998%
<b>Total</b>	<b>\$ 1,916,931</b>	<b>100.000%</b>		<b>9.740%</b>

**Step 2: Gross Up Equity Return for Federal Income Taxes**

Federal Income Tax Rate (Currently 35%)	35%
Federal Income Tax Factor	<b>3.299%</b>
<i>{(ROR – (Embedded Cost of Debt * (Debt / (Total Capital)))} * {(Federal Tax Rate / (1- Federal Tax Rate))}</i>	
Federal Income Tax Adjusted Weighted Cost of Capital <i>(Weighted Cost of Capital Plus Federal Income Tax Factor)</i>	<b>13.039%</b>

**Step 3: Calculate Return on Rate Base**

	<b>Total</b>
Total Rate Base from Schedule 1	\$ 2,360,534,415
<b>Federal Income Tax Adjusted Return on Rate Base</b>	<b>\$ 307,781,997</b>

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

Schedule 3: Expenses

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Account Description	Form 1 page number	Account Numbers	Funct. Method	Total	Production	Transmission	Distribution/ Other
<b>Power Production Expenses:</b>							
<b>Steam Power Generation</b>							
Steam Power - Fuel	320-323	501	DIR-P	42,832,603	42,832,603	-	-
Steam Power - Operations (Excluding 501 - Fuel)	320-323	500-509	DIR-P	8,742,850	8,742,850	-	-
Steam Power - Maintenance	320-323	510-515	DIR-P	20,194,844	20,194,844	-	-
<b>Nuclear Power Generation</b>							
Nuclear - Fuel	320-323	518	DIR-P	0	-	-	-
Nuclear - Operation ( Excluding 518 - Fuel)	320-323	517-525	DIR-P	0	-	-	-
Nuclear - Maintenance	320-323	528-532	DIR-P	0	-	-	-
<b>Hydraulic Power Generation</b>							
Hydraulic - Operation	320-323	535-540	DIR-P	5,008,688	5,008,688	-	-
Hydraulic - Maintenance	320-323	541-545	DIR-P	3,963,730	3,963,730	-	-
<b>Other Power Generation</b>							
Other Power - Fuel	320-323	547	DIR-P	60,659,664	60,659,664	-	-
Other Power - Operations (Excluding 547 - Fuel)	320-323	546-550	DIR-P	6,935,728	6,935,728	-	-
Other Power - Maintenance	320-323	551-554	DIR-P	6,489,996	6,489,996	-	-
<b>Other Power Supply Expenses</b>							
Purchased Power (Excluding REP Reversal)	320-323	555	DIR-P	1,110,440,782	#####	-	-
System Control and Load Dispatching	320-323	556	DIR-P	2,807,073	2,807,073	-	-
Other Expenses	320-323	557	DIR-P	8,915,211	8,915,211	-	-
BPA REP Reversal	327	555	DIR-P	115,070,238	115,070,238	-	-
Public Purpose Charges (h)			DIR-C	39,972,900	27,981,030	-	11,991,870
<b>Total Production Expense</b>				<b>1,432,034,307</b>	<b>1,420,042,437</b>	<b>0</b>	<b>11,991,870</b>
<b>Transmission Expenses: (i)</b>							
Transmission of Electricity to Others (Wheeling)	320-323	565	DIR-T	65,426,297	-	65,426,297	-
Total Operations less Wheeling	320-323	560-567	DIR-T	7,741,552	-	7,741,552	-
Total Maintenance	320-323	568-573	DIR-T	3,652,249	-	3,652,249	-
<b>Total Transmission Expense</b>				<b>76,820,098</b>	<b>0</b>	<b>76,820,098</b>	<b>0</b>
<b>Distribution Expense:</b>							
Total Operations	320-323	580-589	DIR-D	16,812,695	-	-	16,812,695
Total Maintenance	320-323	590-598	DIR-D	46,565,424	-	-	46,565,424
<b>Total Distribution Expense</b>				<b>63,378,119</b>	<b>0</b>	<b>0</b>	<b>63,378,119</b>
<b>Customer and Sales Expenses:</b>							
Total Customer Accounts	320-323	901-905	DIR-D	53,203,505	-	-	53,203,505
Total Customer Service and Information	320-323	907-910	DIR-D	8,640,052	-	-	8,640,052
Total Sales	320-323	911-916	DIR-D	576	-	-	576
<b>Total Customer and Sales Expenses</b>				<b>61,844,133</b>	<b>0</b>	<b>0</b>	<b>61,844,133</b>
<b>Administration and General Expense:</b>							
<b>Operation</b>							
Administration and General Salaries	320-323	920	LABOR	35,306,793	10,976,808	1,849,385	22,480,600
Office Supplies & Expenses	320-323	921	LABOR	17,177,243	5,340,369	899,751	10,937,123
(Less) Administration Expenses Transferred - Credit	320-323	922	LABOR	(11,527,949)	(3,584,015)	(603,839)	(7,340,095)
Outside Services Employed	320-323	923	PTD	5,219,349	1,965,112	393,556	2,860,681
Property Insurance	320-323	924	PTDG	4,187,987	1,578,466	314,442	2,295,080
Injuries and Damages	320-323	925	LABOR	2,660,644	827,189	139,366	1,694,090
Employee Pensions & Benefits	320-323	926	LABOR	36,359,490	11,304,089	1,904,325	23,150,875
Franchise Requirements	320-323	927	DIR-D	0	-	-	-
Regulatory Commission Expenses	320-323	928	PTD	6,075,669	2,287,520	458,126	3,330,023
(Less) Duplicate Charges - Credit	320-323	929	PTDG	(1,661,537)	(626,239)	(124,751)	(910,547)
General Advertising Expenses	320-323	930.1	DIR-D	1,188,047	-	-	1,188,047
Miscellaneous General Expenses	320-323	930.2	DIR-D	3,490,273	-	-	3,490,273
Rents	320-323	931	DIR-D	3,902,378	-	-	3,902,378
Transportation Expenses (Non Major)	320-324	933	DIR-D	-	-	-	-
<b>Maintenance</b>							
Maintenance of General Plant	320-323	935	GPM	1,922,911	691,019	133,624	1,098,268
<b>Total Administration and General Expenses</b>				<b>104,301,298</b>	<b>30,760,317</b>	<b>5,364,185</b>	<b>68,176,796</b>
<b>Total Operations and Maintenance</b>				<b>1,738,377,955</b>	<b>1,450,802,754</b>	<b>82,184,283</b>	<b>205,390,918</b>
<i>(Total Expenses: Production + Transmission + Distribution + Customer and Sales + Total Administration and General Expenses)</i>							
<b>Depreciation and Amortization:</b>							
Intangible Plant	336	403	PTD	15,004,071	5,649,109	1,131,357	8,223,604
Steam Production Plant	336	403	DIR-P	20,721,649	20,721,649	-	-
Nuclear Production Plant	336	403	DIR-P	0	-	-	-
Hydraulic Production Plant - Conventional	336	403	DIR-P	5,958,311	5,958,311	-	-
Hydraulic Production Plant - Pumped Storage	336	403	DIR-P	0	-	-	-
Other Production Plant	336	403	DIR-P	13,687,735	13,687,735	-	-
Transmission Plant (i)	336	403	DIR-T	7,174,396	-	7,174,396	-
Distribution Plant	336	403	DIR-D	102,478,860	-	-	102,478,860
General Plant	336	403	GP	12,388,386	3,203,320	1,052,489	8,132,577
Common Plant - Electric	336	404	PTD	0	-	-	-
Amortization of Plant Acquisition Adjustments (Electric)	200-201	114	DIRECT	-	-	-	-
<b>Total Depreciation and Amortization</b>				<b>177,413,408</b>	<b>49,220,124</b>	<b>9,358,242</b>	<b>118,835,042</b>
<b>Total Operating Expenses</b>				<b>1,915,791,363</b>	<b>1,500,022,879</b>	<b>91,542,525</b>	<b>324,225,960</b>
<i>(Total O&amp;M - Total Depreciation &amp; Amortization)</i>							

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

***Schedule 3A Items: Taxes (Including Income Taxes)***

(1) Account Description	(2) Form e num	(3) Account Numbers	(4) Funct. Method	(5) Total	(6) Production	(7) Transmission	(8) Distribution/ Other
<b>FEDERAL</b>							
Income Tax (Included on Schedule 2)	262	-	PTD	101,754,808	38,311,204	7,672,655	55,770,949
Employment Tax	262	-	LABOR	14,902,734	4,633,229	780,611	9,488,894
Other Federal Taxes	262	-	DIR-D	1,053,015	-	-	1,053,015
<b>TOTAL FEDERAL</b>	262	-		<b>117,710,557</b>	<b>42,944,433</b>	<b>8,453,267</b>	<b>66,312,857</b>
<b>STATE AND OTHER</b>							
<b>State of Arizona:</b>							
Property	262	-	PTDG	0	-	-	-
Income	262	-	DIR-D	0	-	-	-
<b>Federal Income Tax Factor</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State of California</b>							
Property	262	-	PTDG	0	-	-	-
Unemployment	262	-	LABOR	0	-	-	-
Franchise-Income	262	-	DIR-D	697	-	-	697
Regulatory Commission	262	-	DIR-D	0	-	-	-
Use	262	-	DIR-D	0	-	-	-
Local Franchise	262	-	DIR-D	0	-	-	-
<b>Subtotal California</b>				<b>697</b>	<b>0</b>	<b>0</b>	<b>697</b>
<b>State of Colorado</b>							
Property	262	-	PTDG	0	-	-	-
Income	262	-	DIR-D	0	-	-	-
<b>Subtotal Colorado</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State of Idaho:</b>							
Property	262	-	PTDG	0	-	-	-
Income	262	-	DIR-D	0	-	-	-
KWH	262	-	DIR-D	0	-	-	-
Unemployment	262	-	LABOR	0	-	-	-
Regulatory Commission	262	-	DIR-D	0	-	-	-
Business License - Sho Ban	262	-	DIR-D	0	-	-	-
<b>Subtotal Idaho</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

***Schedule 3A Items: Taxes (Including Income Taxes)***

(1) Account Description	(2) Form e num	(3) Account Numbers	(4) Funct. Method	(5) Total	(6) Production	(7) Transmission	(8) Distribution/ Other
<b>State of Montana:</b>							
Property	262	-	DIR-P	4,060,209	4,060,209	-	-
Corporate License (Income Tax)	262	-	DIR-D	888,450	-	-	888,450
Energy License	262	-	DIR-D	0	-	-	-
Wholesale Energy (Elec Energy Prod T	262	-	DIR-D	711,651	-	-	711,651
<b>Subtotal Montana</b>				<b>5,660,310</b>	<b>4,060,209</b>	<b>0</b>	<b>1,600,101</b>
<b>State of Nevada:</b>							
Property	262	-	PTDG	0	-	-	-
Business Tax	262	-	DIR-D	0	-	-	-
Unemployment	262	-	LABOR	0	-	-	-
<b>Subtotal Nevada</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State of New Mexico</b>							
Property	262	-	PTDG	0	-	-	-
<b>Subtotal New Mexico</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State of Oregon</b>							
Corp Excise Tax	262	-	DIR-D	(2,878,948)	-	-	-
Property	262	-	PTDG	28,997,047	10,929,078	2,177,152	15,890,817
City Taxes and Licenses	262	-	DIR-D	32,274,523	-	-	32,274,523
Wilsonville Payroll	262	-	LABOR	0	-	-	-
Public Utility Commission Fees	262	-	DIR-D	3,251,935	-	-	3,251,935
Department of Energy	262	-	DIR-D	724,706	-	-	724,706
Department of Enviro Quality	262	-	DIR-D	293,762	-	-	293,762
Unemployment	262	-	LABOR	1,453,141	451,778	76,116	925,246
Water Power Fee	262	-	DIR-D	224,335	-	-	224,335
Transportation Tax	262	-	DIR-D	1,041,446	-	-	1,041,446
Workers Comp Assessment	262	-	LABOR	188,999	58,759	9,900	120,340
County & City Income Tax	262	-	DIR-D	1,634,599	-	-	1,634,599
<b>Subtotal Oregon</b>				<b>67,205,545</b>	<b>11,439,616</b>	<b>2,263,168</b>	<b>56,381,709</b>
<b>State of Texas</b>							
Property	262	-	PTDG	0	-	-	-
<b>Subtotal Texas</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

***Schedule 3A Items: Taxes (Including Income Taxes)***

(1) <b>Account Description</b>	<b>Form e num</b>	(2) <b>Account Numbers</b>	(3) <b>Funct. Method</b>	(4) <b>Total</b>	(5) <b>Production</b>	(6) <b>Transmission</b>	(7) <b>Distribution/ Other</b>
<b>State of Utah:</b>							
Property	262	-	PTDG	0	-	-	-
Income	262	-	DIR-D	0	-	-	-
Unemployment	262	-	LABOR	0	-	-	-
Regulatory Commission	262		DIR-D	0	-	-	-
Navajo Nation	262		DIR-D	0	-	-	-
Use	262		DIR-D	0	-	-	-
Gross Receipts	262	-	DIR-D	0	-	-	-
<b>Subtotal Utah</b>		-		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State of Washington</b>							
Property	262	-	PTDG	83,833	31,597	6,294	45,942
Unemployment	262		LABOR	0	-	-	-
Business & Occupation	262		DIR-D	0	-	-	-
Public Utility	262		DIR-D	0	-	-	-
Regulatory Commission	262		DIR-D	0	-	-	-
Use	262	-	DIR-D	0	-	-	-
Retailing	262		DIR-D	0	-	-	-
Land Tax	262		DIR-D	0	-	-	-
Municipal	262	-	DIR-D	0	-	-	-
Other State Taxes	262	-	DIR-D	0	-	-	-
<b>Total Washington</b>				<b>83,833</b>	<b>31,597</b>	<b>6,294</b>	<b>45,942</b>
<b>State of Wyoming</b>							
Corporate License	262	-	DIR-D	0	-	-	-
Property	262	-	PTDG	0	-	-	-
Unemployment	262		LABOR	0	-	-	-
Other Payroll Taxes	262		DIR-D	0	-	-	-
Regulatory Commission	262		DIR-D	0	-	-	-
Franchise	262		DIR-D	0	-	-	-
Sales Tax	262		DIR-D	0	-	-	-
Annual Report	262	-	DIR-D	0	-	-	-
<b>Subtotal Wyoming</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

***Schedule 3A Items: Taxes (Including Income Taxes)***

(1) Account Description	(2) Form e num	(2) Account Numbers	(3) Funct. Method	(4) Total	(5) Production	(6) Transmission	(7) Distribution/ Other
<b>Other States</b>		-					
Property	262	-	PTDG		-	-	-
Unemployment	262	-	LABOR		-	-	-
Other Taxes	262	-	DIR-D		-	-	-
Income	262	-	DIR-D		-	-	-
<b>Total Other States</b>		-		0	0	0	0
		-					
		-					
<b>TOTAL STATE AND OTHER TAXES</b>				190,660,942	58,475,855	10,722,729	124,341,306

**BONNEVILLE POWER ADMINISTRATION**  
**RESIDENTIAL PURCHASE AND SALE AGREEMENT**  
**Proposed 2008 Average System Cost Methodology**

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(1)	<u><i>Schedule 3B Other Included Items</i></u>			(4)	(5)	(6)	(7)
Account Description	Form 1 page number	Account Numbers	Funct. Method	Total	Production	Transmission	Distribution/ Other
<b>Other Included Items:</b>							
(Less) Gain from Disposition of Utility Plant	114	411.6	DIR-D	293,588	-	-	293,588
Loss from Disposition of Utility Plant	114	411.7	DIR-D	0	-	-	-
<b><u>Total Disposition of Plant</u></b>				293,588	0	0	293,588
<b>Sale for Resale:</b>							
Sales for Resale	310	447	DIR-P	650,409,850	650,409,850	-	-
<b><u>Total Sales for Resale</u></b>				650,409,850	650,409,850	0	0
<b>Other Revenues:</b>							
Forfeited Discounts	300	450	DIR-D	625,520	-	-	625,520
Miscellaneous Service Revenues	300	451	DIR-D	1,393,724	-	-	1,393,724
Sales of Water and Water Power	300	453	DIR-D	(46,202)	-	-	(46,202)
Rent from Electric Property	300	454	TD	6,434,441	-	778,160	5,656,281
Interdepartmental Rents	300	455	DIR-D	0	-	-	-
Other Electric Revenues	300	456	DIR-D	42,553,031	-	-	42,553,031
Revenues from Transmission of Electricity of Others (i)	330	456.1	DIR-T	4,350,543	-	4,350,543	-
<b><u>Total Other Revenues</u></b>				55,311,057	0	5,128,703	50,182,354
<b><u>Total Other Included Items</u></b>				706,014,495	650,409,850	5,128,703	50,475,942
<i>(Total Disposition of Plant + Total Sales for Resale + Total Other Revenue)</i>							

**BONNEVILLE POWER ADMINISTRATION  
RESIDENTIAL PURCHASE AND SALE AGREEMENT  
Proposed 2008 Average System Cost Methodology**

*Schedule 4: Average System Cost*

	<b>Total</b>	<b>Production</b>	<b>Transmission</b>	<b>Distribution/ Other</b>
<b><u>Total Operating Expenses</u></b> <i>(From Schedule 3)</i>	1,915,791,363	1,500,022,879	91,542,525	324,225,960
<b><u>Federal Income Tax Adjusted Return on Rate Base</u></b> <i>(From Schedule 2)</i>	307,781,997	86,412,853	23,485,130	197,884,014
<b><u>State and Other Taxes</u></b> <i>(From Schedule 3a)</i>	190,660,942	58,475,855	10,722,729	124,341,306
<b><u>Total Other Included Items</u></b> <i>(From Schedule 3b)</i>	706,014,495	650,409,850	5,128,703	50,475,942
<b><u>Total Cost</u></b> <i>(Total Operating Expenses + Return on Rate Base + State and Other Taxes - Total Other Included Items)</i>	1,708,219,807	994,501,737	120,621,681	595,975,337

<b><u>Contract System Cost</u></b>	
Production	994,501,737
Transmission	120,621,681
(Less) New Large Single Load Costs (d)	
<b>Total Contract System Cost</b>	1,115,123,417
<b><u>Contract System Load (MWh)</u></b>	
Total Retail Load	18,432,527
(Less) New Large Single Load	
Total Retail Load (Net of NLSL) (d)	18,432,527
Distribution Loss (f)	921,626
<b>Total Contract System Load</b>	19,354,153
<b>Average System Cost \$/MWh</b>	\$ 57.62

1	<b>Electric</b>	
2	<b>Operation</b>	
3	Production	19,297,986
4	Transmission	3,285,157
5	Regional Market	-
6	Distribution	13,836,501
7	Customer Accounts	27,537,974
8	Customer Service and Informational	3,238,402
9	Sales	387
10	Administrative and General	32,699,999
11	TOTAL Operation (Enter Total of lines 3 thru 10)	99,896,406
12	<b>Maintenance</b>	
13	Production	7,751,800
14	Transmission	870,747
15	Regional Market	-
16	Distribution	18,264,548
17	Administrative and General	841,715
18	TOTAL Maintenance (Total of lines 13 thru 17)	27,728,810
19	<b>Total Operation and Maintenance</b>	
20	Production (Enter Total of lines 3 and 13)	27,049,786
21	Transmission (Enter Total of lines 4 and 14)	4,155,904
22	Regional Market (Enter Total of lines 5 and 15)	-
23	Distribution (Enter Total of lines 6 and 16)	32,101,049
24	Customer Accounts (Transcribe from line 7)	27,537,974
25	Customer Service and Informational (Transcribe from line 8)	3,238,402
26	Sales (Transcribe from line 9)	387
27	Administrative and General (Enter Total of lines 10 and 17)	33,541,714
	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	127,625,216

		Ratio Used			
<b>Labor Ratio Input:</b>					
Production	DIR-P	\$ 27,049,786	27,049,786	-	-
Transmission	DIR-T	\$ 4,155,904	-	4,155,904	-
Regional Market					
Distribution	DIR-D	\$ 32,101,049	-	-	32,101,049
Customer Accounts	DIR-D	\$ 27,537,974	-	-	27,537,974
Customer Service and Informational	DIR-D	\$ 3,238,402	-	-	3,238,402
Sales	DIR-D	\$ 387	-	-	387
Administrative & General	PTD	\$ 33,541,714	12,628,626	2,529,158	18,383,929
<b>Total Labor</b>		<b>\$ 127,625,216</b>	<b>\$ 39,678,412</b>	<b>\$ 6,685,062</b>	<b>\$ 81,261,741</b>
		<b>100%</b>	<b>31%</b>	<b>5%</b>	<b>64%</b>
<b>GP</b>					
		Total	Production	Transmission	Distribution
Production	Funct.				
Land and Land Rights	PTD	\$ 4,635,830	1,745,414	349,557	2,540,859
Structures and Improvements	PTD	\$ 56,435,602	21,248,292	4,255,434	30,931,876
Furniture and Equipment	LABOR	\$ 36,822,574	11,448,061	1,928,782	23,445,731
Transportation Equipment	TD	\$ 34,739,628	-	4,201,293	30,538,335
Stores Equipment	PTD	\$ 756,653	284,884	57,054	414,715
Tools and Garage Equipment	PTD	\$ 10,208,409	3,843,518	769,748	5,595,143
Laboratory Equipment	PTD	\$ 10,320,839	3,885,849	778,226	5,656,764
Power Operated Equipment	TD	\$ 34,686,429	-	4,194,860	30,491,569
Communication Equipment	PTD	\$ 53,261,072	20,053,065	4,016,064	29,191,943
Miscellaneous Equipment	PTD	\$ 267,571	100,742	20,176	146,653
Other Tangible Property	DIRECT	\$ -	\$ -	\$ -	\$ -
Asset Retirement Costs for General Plant	PTD	\$ -	-	-	-
<b>TOTAL</b>		<b>\$ 242,134,607</b>	<b>\$ 62,609,824</b>	<b>\$ 20,571,195</b>	<b>\$ 158,953,588</b>
<b>RATIO (GP)</b>		<b>100%</b>	<b>26%</b>	<b>8%</b>	<b>66%</b>
<b>PTD</b>					
Production, Transmission, Distribution					
Steam Production	DIR-P	\$ 819,407,522	819,407,522	-	-
Nuclear Production	DIR-P	\$ -	-	-	-
Hydraulic Production	DIR-P	\$ 237,821,189	237,821,189	-	-
Other Production	DIR-P	\$ 356,882,306	356,882,306	-	-
<b>Total Production Plant</b>		<b>\$ 1,414,111,017</b>	<b>\$ 1,414,111,017</b>	<b>\$ -</b>	<b>\$ -</b>
Transmission Plant	DIR-T	\$ 283,206,605	\$ -	\$ 283,206,605	\$ -
Total Distribution Plant	DIR-D	\$ 2,058,570,452	\$ -	\$ -	\$ 2,058,570,452
<b>TOTAL</b>		<b>\$ 3,755,888,074</b>	<b>\$ 1,414,111,017</b>	<b>\$ 283,206,605</b>	<b>\$ 2,058,570,452</b>
<b>RATIO (PTD = PLANT IN SERVICE)</b>		<b>100%</b>	<b>38%</b>	<b>8%</b>	<b>55%</b>
<b>PTD</b>					
Production, Transmission, Distribution and General Plant					
PTD Total		\$ 3,755,888,074	\$ 1,414,111,017	\$ 283,206,605	\$ 2,058,570,452
Intangible Plant - Organization	DIR-D	\$ -	\$ -	\$ -	\$ -
Intangible Plant - Franchises and Consents	DIRECT	\$ 48,460,534	\$ 48,460,534	\$ -	\$ -
Intangible Plant - Miscellaneous	DIRECT	\$ 123,314,826	\$ 46,428,661	\$ 9,298,353	\$ 67,587,812

GP Total		\$	242,134,607	\$	62,609,824	\$	20,571,195	\$	158,953,588
TOTAL		\$	4,169,798,041	\$	1,571,610,036	\$	313,076,153	\$	2,285,111,852
RATIO (PTDG = GROSS PLANT)			100%		38%		8%		55%

<b>TD</b>	Transmission, Distribution									
	Total Transmission Plant	DIR-T	\$	283,206,605	-	283,206,605	-	-	-	
	Total Distribution Plant	DIR-D	\$	2,058,570,452	-	-	-	2,058,570,452	-	
	TOTAL		\$	2,341,777,057	\$	-	\$	283,206,605	\$	2,058,570,452
	RATIO (TD)			100%		0%		12%		88%

<b>TDG</b>	Transmission, Distribution and General Plant								
	Total Transmission Plant	DIR-T	\$	283,206,605	-	283,206,605	-	-	-
	Total Distribution Plant	DIR-D	\$	2,058,570,452	-	-	-	2,058,570,452	-
	Intangible Plant - Organization T and D Only	DIR-D	\$	-	-	-	-	-	-
	Intangible Plant - Franchises and Consents T and D Only	DIRECT	\$	48,460,534	-	-	-	-	-
	Intangible Plant - Miscellaneous T and D Only	DIRECT	\$	123,314,826	-	9,298,353	-	67,587,812	-
	General Plant Total 389-399(T&D Only)	TD	\$	179,524,783	-	21,711,121	-	157,813,662	-
	TOTAL		\$	2,693,077,200	\$	-	\$	314,216,079	\$
RATIO (TDG)			100%		0%		12%		85%

<b>GPM</b>	Maintenance of General Plant								
	Structures and Improvements	PTD	\$	56,435,602	21,248,292	4,255,434	-	30,931,876	-
	Furniture and Equipment	LABOR	\$	36,822,574	11,448,061	1,928,782	-	23,445,731	-
	Communication Equipment	PTD	\$	53,261,072	20,053,065	4,016,064	-	29,191,943	-
	Miscellaneous Equipment	DIR-D	\$	267,571	-	-	-	267,571	-
	TOTAL		\$	146,786,819	\$	52,749,418	\$	10,200,280	\$
RATIO (GPM)			100%		36%		7%		57%

Conservation Fuctionalization	DIR-C	70.00%	0.00%	30.00%
Direct to Distribution	DIR-D	0.00%	0.00%	100.00%
Direct to Production	DIR-P	100.00%	0.00%	0.00%
Direct to Transmission	DIR-T	0.00%	100.00%	0.00%
Direct Allocation	DIRECT	0.00%	0.00%	0.00%
General Plant	GP	25.86%	8.50%	65.65%
Maintenance of General Plant	GPM	35.94%	6.95%	57.11%
Labor Ratios	LABOR	31.09%	5.24%	63.67%
Production, Transmission, Distribution	PTD	37.65%	7.54%	54.81%
Production, Transmission, Distribution, General	PTDG	37.69%	7.51%	54.80%
Transmission, Distribution	TD	0.00%	12.09%	87.91%
Transmission, Distribution and General Plant	TDG	0.00%	11.67%	84.81%

			(2)	(3)	(4)	(5)	(6)	(7)	
72	Other Regulatory Assets (182.3)	Page No	Account 182.3	Funct Method	Total	Production	Transmission	Distribution	
1	Energy Efficiency Programs	232		Dir-C	0	0	0	0	0
2	(per OPUC Order No. 01-777 dtd 8/31/2001)	232			0	0	0	0	0
3		0 232			0	0	0	0	0
4	Conservation Investment Assets	232		Dir-C	-45,521	-31,865	0	-13,656	0
5	(10 yr Conserv. Bonds amort. through 2006)	232			0	0	0	0	0
6		0 232			0	0	0	0	0
7	Tax Benefits Related to Book/Tax Bases Differences	232		DIR-D	60,664,680	0	0	60,664,680	0
8	Previously Flowed to Customers	232		DIR-D	38,674,647	0	0	38,674,647	0
9	(Amort. period is based on the lives of the	232		DIR-D	110,969	0	0	110,969	0
10	properties, approximately 25 years.)	232			0	0	0	0	0
11		0 232			0	0	0	0	0
12	Colstrip Common Facilities	232		DIR-P	3,328,787	3,328,787	0	0	0
13	(28 year amort. ending 2017, FERC OCA-AD	232			0	0	0	0	0
14	letter dtd 5/23/89)	232			0	0	0	0	0
15		0 232			0	0	0	0	0
16	Pelton Round Butte Transition Costs	232		DIR-P	403,842	403,842	0	0	0
17	(per OPUC Order No. 00-459 dtd 8/22/2000)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	Senate Bill 1149 Deferral - Ongoing	232		DIR-D	1,534,928	0	0	1,534,928	0
17	(per OPUC Order No. 01-777 dtd 8/31/2001;	232			0	0	0	0	0
17	amort. over 5 years beg. 1/01/2003)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	Senate Bill 1149 Deferral - Incremental	232		DIR-D	9,376,203	0	0	9,376,203	0
17	(per OPUC Order No. 00-038 dtd 1/24/2000;	232			0	0	0	0	0
17	amort. over 5 years beg. 1/01/2004)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	Prior Tax Benefits Recoverable	232		DIR-D	30,197	0	0	30,197	0
17	(per OPUC Order No. 00-601 dtd 9/29/2000)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17		0 232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	Category A Advertising Deferral (Year 2)	232		DIR-D	179,101	0	0	179,101	0
17	(per OPUC Order No. 03-601 dtd 10/09/2003)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	Category A Advertising Deferral (Year 3)	232		DIR-D	182,877	0	0	182,877	0
17	(per OPUC Order No. 04-562 dtd 9/28/2004)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	BPA Subscription Power - Balancing Account	232		DIR-D	0	0	0	0	0
17	(per OPUC Order No. 04-292 dtd 5/24/2004;	232			0	0	0	0	0
17	scheduled amort. period of 12 months for	232			0	0	0	0	0
17	current year deferral, contract with BPA ends	232			0	0	0	0	0
17	9/30/2011)	232			0	0	0	0	0
17		0 232			0	0	0	0	0
17		0 232			0	0	0	0	0
17	Intervenor Funding	232		DIR-D	772,772	0	0	772,772	0
17	(original deferral per OPUC Order No. 03-388	232			0	0	0	0	0

17	dtd 7/02/2003; current year reauthorization	232		0	0	0	0	0
17	approved through OPUC Order No. 06-412	232		0	0	0	0	0
17	dtd 7/17/2006)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
17	Beaver Unit 8 Deferral	232	DIR-P	7,034,387	7,034,387	0	0	0
17	(per OPUC No. 04-740 dtd 12/15/2004; amort.	232		0	0	0	0	0
17	period 1/01/2005 through 12/31/2009)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
17	Grid West Loans	232	Dir-T	1,330,468	0	1,330,468	0	0
17	(per OPUC Order No. 06-483 dtd 8/22/2006)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
17	Asset Retirement Cost Balancing Account	232	PTD	9,399	3,539	709	5,152	0
17		0	232	0	0	0	0	0
17	Price Risk Management	232	DIR-P	62,328,587	62,328,587	0	0	0
17		0	232	0	0	0	0	0
17	Multnomah County Business Income Tax	232	DIR-D	714,639	0	0	714,639	0
17	(per Advice No. 06/12 dtd 6/16/2006)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
17	Boardman Power Cost Deferral	232	DIR-P	6,000,000	6,000,000	0	0	0
17	(Per OPUC Order No. 07-049 dtd 2/12/2007)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
17	Pension Funding	232	LABOR	73,265,064	15,528,313	2,385,756	55,350,995	0
17	(Per SFAS No. 158 adopted 12/31/2006)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
17	Postretirement Funding	232	LABOR	14,428,185	3,058,011	469,830	10,900,344	0
17	(Per SFAS No. 158 adopted 12/31/2006)	232		0	0	0	0	0
17		0	232	0	0	0	0	0
<b>Total</b>				<b>280,324,211</b>	<b>97,653,601</b>	<b>4,186,762</b>	<b>178,483,848</b>	<b>0</b>

<b>72 Miscellaneous Deferred Debit Details</b>		<b>Page No</b>	<b>Account No</b>	<b>Funct Method</b>	<b>Total</b>	<b>Production</b>	<b>Transmission</b>	<b>Distribution</b>	
2	Misc. Undistributed Charges	233	186		0	0	0	0	0
2	(2 items as of 12/31/2006)	233		PTDG	58	21	4	32	0
3		0	233		0	0	0	0	0
4	Net Trust Contributions	233		LABOR	8,310	1,761	271	6,278	0
5		0	233		0	0	0	0	0
6	Pebble Springs AFDC - amort.	233			0	0	0	0	0
7	over service lives of related	233			0	0	0	0	0
8	property	233		DIR-D	413,079	0	0	413,079	0
9		0	233		0	0	0	0	0
10	Tax Credit Sale - amort. over	233			0	0	0	0	0
11	service lives of related	233			0	0	0	0	0
12	property	233		DIR-D	12,494	0	0	12,494	0
13		0	233		0	0	0	0	0
14	NWNG Capital Contribution -	233			0	0	0	0	0
15	amort. over 15 yrs ended 2010	233		DIR-P	766,661	766,661	0	0	0

16		0	233			0	0	0	0	0
17	Deferred Wheeling Costs -		233			0	0	0	0	0
18	amort. over 25 yrs through 2012		233	DIR-T	1,128,153	0	1,128,153	0	0	0
19		0	233			0	0	0	0	0
20	Electricity Option Premium Paid		233			0	0	0	0	0
21	amort. upon exercise or		233			0	0	0	0	0
22	expiration		233	DIR-P	77,000	77,000	0	0	0	0
23		0	233			0	0	0	0	0
24	Deferred Rent - WTC Tenant		233			0	0	0	0	0
25	amort. over 10 yrs through 2013		233	PTDG	244,824	90,287	18,554	135,983	0	0
26		0	233			0	0	0	0	0
27	Deferred Revolving Credit		233			0	0	0	0	0
28	Agreement Fees		233	PTDG	616,812	227,470	46,744	342,598	0	0
29		0	233			0	0	0	0	0
30	Dispatchable Generation		233			0	0	0	0	0
31	various amort. ending 2007		233			0	0	0	0	0
32	through 2020		233	DIR-P	3,558,215	3,558,215	0	0	0	0
33		0	233			0	0	0	0	0
34	Prepaid Pension Costs		233	LABOR	11,166,592	2,366,726	363,622	8,436,244	0	0
35		0	233			0	0	0	0	0
36		0	233			0	0	0	0	0
37		0	233			0	0	0	0	0
38		0	233			0	0	0	0	0
39		0	233			0	0	0	0	0
40		0	233			0	0	0	0	0
41		0	233			0	0	0	0	0
42		0	233			0	0	0	0	0
43		0	233			0	0	0	0	0
44		0	233			0	0	0	0	0
45		0	233			0	0	0	0	0
46		0	233			0	0	0	0	0
47	Misc Work in Progress (not in electronic download - hardcopy only)		233	PTDG	125,423	46,254	9,505	69,664	0	0
48						0	0	0	0	0
<b>TOTAL</b>					<b>18,117,621</b>	<b>7,134,396</b>	<b>1,566,852</b>	<b>9,416,373</b>	<b>0</b>	<b>18,117,621</b>



2		0	278			0	0	0	0	0
2	Price Risk Management		278	DIR-P		0	0	0	0	0
2		0	278			0	0	0	0	0
2		0	278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Surplus CAA Allowances		278	DIR-P		486,590	486,590	0	0	0
2	(per Order No. 552 dtd 3/31/1993)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Gain on Asset Sales		278	DIR-D		4,056,731	0	0	4,056,731	0
2	(per OPUC Order No. 01-777 dtd 8/31/2001)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Interest on Portland Energy Solutions Note		278	DIR-P		173,115	173,115	0	0	0
2	(per OPUC Order No. 02-280 dtd 4/19/2002)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Asset Retirement Obligations - Balancing Account		278	PTD		26,785,481	10,084,870	2,019,715	14,680,895	0
2		0	278			0	0	0	0	0
2	FERC Settlement		278	DIR-P		-15,416	-15,416	0	0	0
2	(Docket No. EL02-114 et al., dtd 11/10/2003)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Williams Settlement		278	DIR-P		32,036	32,036	0	0	0
2	(per OPUC Order No. 04-286 dtd 4/19/2004)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Power Cost Adjustment (Oct 2001 - Dec 2002)		278	DIR-P		1,494,606	1,494,606	0	0	0
2	(per OPUC Order No. 04-293 dtd 5/24/2004)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Coyote Springs Major Maintenance Deferral		278	DIR-P		5,697,232	5,697,232	0	0	0
2	(per OPUC Order No. 01-777 dtd 8/31/2001;		278			0	0	0	0	0
2	collection from ratepayers through 2009)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	ISFSI Pollution Control Tax Credit Deferral		278	DIR-D		10,071,911	0	0	10,071,911	0
2	(per OPUC Order No. 05-136 dtd 3/15/2005)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Category A Advertising Deferral (Year 1)		278	DIR-D		6,064	0	0	6,064	0
2	(per OPUC Order No. 01-777 dtd 8/31/2001)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2		0	278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Energy Efficiency Programs' Residual		278	DIR-C		208,210	145,747	0	62,463	0
2	(per Advice No. 05-19 dtd 12/20/2005)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	Zero Interest Program Loan Repayments		278	DIR-C		241,930	169,351	0	72,579	0
2	(per Advice No. 05-19 dtd 12/20/2005)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2	BPA Subscription Power - Balancing Account		278	DIR-D		11,617,314	0	0	11,617,314	0
2	(per OPUC Order No. 04-292 dtd 5/24/2004;		278	DIR-D		1,782,437	0	0	1,782,437	0
2	scheduled amort. period of 12 months for		278			0	0	0	0	0
2	current year deferral, contract with BPA ends		278			0	0	0	0	0
2	9/30/2011)		278			0	0	0	0	0
2		0	278			0	0	0	0	0
2		0	278			0	0	0	0	0

2

0 278

0

0

0

0

0

Total

87,826,316

18,268,131

2,019,715

67,538,469

0

87,826,316

Generation Plant between 12/31/06 @ 12/31/09

In Service		Resource	MW Capacity	MWa
6/11/2007	Port Westward	Gas	425	374
12/21/2007	Biglow Canyon	Wind	125	47
Spring 2009	Selective Water Withdrawal	Hydro	NA	
12/1/2009	Biglow Canyon II	Wind	135 - 150	
NA 2010	RFP Proposals			

\* See 2009 Rate Case Workpapers

		Total Gas O&M (millions)		
	Depreciation	2007	2008	2009
Investment		18.4	25.9	27.2
\$285,000,000	\$8,537,000	5.1	9.2	9.7
\$260,000,000	\$10,646,000	0	5.2	5.4
\$90,000,000		Cap Expenditures		
		17.1	128.8	376.2