



FOR IMMEDIATE RELEASE:

March 7, 2018

FOR MORE INFORMATION:

David Wilson, BPA, 503-230-5607

Steve Corson, PGE, 503-464-8444

PR 04-18

New agreements will deliver clean BPA power to PGE customers

Portland, Ore. – The Bonneville Power Administration and Portland General Electric Company (NYSE: POR) have reached power purchase agreements that will help fill a projected shortfall in PGE’s generating capacity after 2020, when its Boardman Generating Station ceases coal-fired operations. The agreements will bring additional clean energy – primarily hydropower – to PGE customers while avoiding additional greenhouse gas emissions in the Northwest.

“These agreements are a great opportunity for us to collaborate with BPA to achieve shared goals in the region,” says Maria Pope, PGE’s president and CEO. “This benefits all parties, making the most of available clean, Northwest hydropower to serve PGE customers here in Oregon.”

“These contracts are an example of how BPA is working toward greater cost competitiveness and capturing the additional value of the low carbon, flexible federal resources by strengthening partnerships with regional utilities as we collectively adapt to the rapidly changing energy environment,” says Suzanne Cooper, BPA’s vice president of bulk marketing.

Under two five-year agreements beginning in January 2021, BPA will offer to sell PGE up to 200 megawatts of surplus clean hydropower generated from the Federal Columbia River Power System. At any given moment, that’s enough electricity to power approximately 160,000 Northwest homes.

Negotiations between BPA and PGE began after BPA responded to an inquiry from PGE seeking access to existing regional generating resources. With the encouragement of the Oregon Public Utility Commission and other stakeholders, PGE reached out to BPA and other regional power generators last year as part of its integrated resource planning process to see if its need for additional on-demand generating capacity could be met without committing in the near-term to construction of new power plants.

In addition to allowing BPA to take advantage of a new opportunity to market its clean, flexible hydropower and generate direct revenue as part of a broadening portfolio of power products, the contracts allow PGE more time for new dispatchable resource technologies to mature to help the company integrate increasing amounts of renewable power onto its system. Dispatchable resources like hydroelectricity can help the region achieve its renewable goals by dovetailing with variable output resources like wind and solar to meet load swings.

"This is a great deal for the region. It's a value-added product for the federal power system and a good alternative for PGE. It puts off big new investments in gas that would have locked PGE and its customers into fossil fuels for decades," said Bob Jenks, Oregon Citizens' Utility Board's executive director.

(more)

BPA and PGE agreements, cont'd.

March 7, 2018

“Instead of building new carbon-emitting resources, PGE is able to take advantage of existing clean hydropower, and BPA is able to lock in a future sale to help strengthen its financial health,” said Wendy Gerlitz, NW Energy Coalition’s policy director. “This deal is a win-win for the Northwest.”

While the power supplied to PGE’s system from BPA will come primarily from federal hydro projects, it will not count toward Oregon’s renewable portfolio standard, which requires PGE to serve 50 percent of its customers’ demand for power from qualifying renewable generating resources by 2040. Qualifying resources are generally facilities that began operating after 1995. Counting both qualifying resources and its owned and contracted carbon-free hydroelectric resources, PGE expects its energy mix to be at least 70 percent carbon free by 2040.

Separately, PGE is preparing to issue a request for proposals later this spring, seeking an additional 100 average megawatts of qualifying renewable power resources to help meet the state’s renewable energy requirements and continue reducing carbon emissions from its system. The company held workshops in Portland on March 2 for stakeholders and potential bidders to provide input before the RFP is finalized. If bids received prove cost-effective for service to customers, whether power purchase agreements or ownership options, PGE expects the resources acquired to be brought into the company’s portfolio in the 2020-2021 timeframe.

####

About Bonneville Power Administration: *The Bonneville Power Administration, headquartered in Portland, Oregon, is a nonprofit federal power marketer that sells wholesale electricity from 31 federal dams and one nuclear plant to 142 electric utilities, serving millions of consumers and businesses in Washington, Oregon, Idaho, western Montana and parts of California, Nevada, Utah and Wyoming. BPA delivers power via more than 15,000 circuit miles of lines and 260 substations to 511 transmission customers. In all, BPA markets about a third of the electricity consumed in the Northwest and operates three-quarters of the region’s high-voltage transmission grid. BPA also funds one of the largest fish and wildlife programs in the world, and, with its partners, pursues cost-effective energy savings and operational solutions that help maintain affordable, reliable and clean electric power for the Northwest. www.bpa.gov*

About Portland General Electric Company: *Portland General Electric (NYSE: POR) is a fully-integrated energy company based in Portland, Oregon, serving 875,000 customers in 51 cities. For more than 125 years, PGE has been delivering safe, reliable energy to Oregonians. With 2,900 employees across the state, PGE is committed to building a cleaner, more efficient energy future. Together with its customers, PGE has the number one voluntary renewable energy program in the U.S. For more information, visit PortlandGeneral.com.*

Safe Harbor Statement: *Certain statements contained in this press release may constitute forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. They are not guarantees of future events. Rather, they are based on current expectations, estimates, beliefs and assumptions and are subject to uncertainties that are difficult to predict. As a result, actual events or results may differ materially from the statements made. Forward-looking statements made in this press release include statements regarding Portland General Electric’s energy strategy for future periods, the implementation and outcome of requests for proposals, and the acquisition of additional resources to meet retail customer demand and the requirements of Oregon’s Renewable Energy Standard. These forward-looking statements are based upon Portland General Electric’s assumptions about and assessment of the future, which may or may not prove true, and involve a number of risks and uncertainties including, but not limited to, risk factors detailed in Portland General Electric’s most recent Annual Report on Form 10-K, Portland General Electric’s reports on Form 10-Q and other filings with the United States Securities and Exchange Commission.*