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Portland General Electric Company Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from the line of Brian Russo - Ladenburg Thalmann.

Brian Russo - Ladenburg Thalmann

Could you just remind us what your allowed ROE currently is relative to the last general rate case, and then maybe what rate base we should be thinking about in the 2009 test year?

Peggy Fowler

We currently have a 10.1%, and the rate base is?

Jim Piro

\$2.4 billion, roughly.

Brian Russo - Ladenburg Thalmann

Is that the 2009 test year rate base, is that current?

Peggy Fowler

That's the 2009.

Brian Russo - Ladenburg Thalmann

And then the guidance in 2008 of \$1.75 to \$1.85, does that include any kind of these one-time items that we saw in 2007?

Peggy Fowler

No. They were taken out of that. If you take that out where we currently are, you get to that \$1.75 to \$1.85, if you take out the one-time items.

Brian Russo - Ladenburg Thalmann

And what assumptions are you assuming with AMI and the FERC order embedded in that guidance?

Jim Piro

It's before the Commission right now for a decision. We have a separate tariff that they would put in place that will allow us to recover the cost of the existing meters that we would decommission, if you will, and for the cost of installing the new meters.

And that tariff would go into effect when they approve the tariff, which we hope to be in the second quarter of this year. And that gets ramped in over time as we invest the capital. As I mentioned in my capital numbers, about \$23 million in 2008, with the bulk of the rest of the dollars spent in '09 and '10 to put the meters in place.

Peggy Fowler

And that's \$130 to \$135 total.

Brian Russo - Ladenburg Thalmann

And also I noticed C&I sales were down quite a bit in the fourth quarter, and I was wondering if you could just comment on that?

Peggy Fowler

I think more than likely it was weather related, the change in open access customers.

Brian Russo - Ladenburg Thalmann

Administrative expense, it looks like it jumped by about \$20 million. I am just curious do you expect that to kind of level of as we look forward?

Peggy Fowler

Well, that's part of why we are filing a general rate increase is, we do know that healthcare continues to go up, we are continuing to see material escalation, those types of things. So we are doing everything we can to cut costs and keep expenses as low as possible, but that is a portion of why we are filing the rate case.

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