

Facts About Your Electricity Supply Choices

You have 3 ways to manage your electricity service:

Stay on standard service. Portland General Electric's standard service plan is open to all businesses within PGE's service area and customers don't need to take any action or sign contracts to use it.

Switch to market-based power for the short-term. Each November, you can opt to get electricity on the open market for one year through PGE's Daily Market Pricing or a third-party electricity service supplier (ESS).

Switch to market-based power for the long-term. Each September, larger businesses can opt to get electricity on the open market for three or five years through PGE's Daily Market Pricing or an ESS. Transition adjustments apply and can be a credit or charge, depending on the market.

Be informed

These choices will have a long-term impact on your company's future energy costs, so it's important to have the information you need to make the best choice for your business.

Seven key questions to ask any supplier:

1. What are the total costs for my business, including price per kilowatt hour delivered to my site, plus any fees and penalties?
2. Are there minimum or maximum energy-purchase restrictions?
3. Can my price change, and, if so, how will I be notified?
4. Do I have to schedule power use ahead of time?
5. What happens if at any point you aren't able to meet my energy needs?
6. What are my recourse options if something goes wrong?
7. What can you offer to support my corporate sustainability goals?

PGE's goal is to provide you safe, reliable service at an affordable price, and to keep you informed. PortlandGeneral.com/choices has more about pricing plans, including current prices and FAQs. We also encourage you



Cost of Service Benefits:

Predictable – We manage risk so you don't have to, and we work hard to keep prices stable and reasonable.

- We own diverse generating resources
- We carefully layer our purchasing to help mitigate spikes in market pricing
- We use whichever resource is most economic at any time

Flexible – Use as much or as little electricity as your business needs at any time, without penalties or fees.

Accountable – As a public utility, PGE operates under the oversight of the Oregon Public Utility Commission.

Local – PGE is locally based and operated with more than 125 years powering Oregon businesses.

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to talk with your PGE representative if you have questions about your energy choices.

How the Long-term Opt Out Transition Adjustment Works

Will there be a transition charge or credit for leaving Cost of Service?

Yes, either a charge or a credit applies to PGE's daily market pricing or direct access. If an eligible customer chooses to leave PGE's Annual Cost of Service rate, the customer will be subject to the Schedule 129 transition adjustment for the 3- or 5-year opt out. This adjustment rate reflects the difference between energy charges under the Annual Cost of Service option and the market price for the amount of energy made available by customers leaving Annual Cost of Service.

a. How often does the transition adjustment change?

Transition adjustments are determined for each election window, with the Sch 129 transition adjustments for the 5-year opt out updated to reflect OPUC-approved changes to Fixed Generation costs. These transition charge updates for the 5-year update began in 2015 and may result in multiple price changes in one year and/or over the course of the five years.

b. Are the Schedule 129 transition adjustments different for the 3- or 5-year opt out?

Yes. **3-year:** The transition adjustment for the 3-year opt out will incorporate costs for both existing and new resources, if any, expected to begin providing service to customers during the 3-year term and will be known at the time the customer opts-out. **5-year:** The transition adjustment for the 5-year opt out will reflect only those resources that have been approved by the Oregon Public Utilities Commission (OPUC); however, it will be adjusted during the 5-year term to reflect the costs associated with any new generation resources approved by the OPUC during that time period.

c. If I opt out for 5-years can I expect that the Sch 129 transition adjustment will be updated to reflect current market pricing each year? That is, if the market price declines, will my transition adjustment decline?

No. The portion of Net Variable Power Cost, applicable supplemental schedules and power market adjustments will be calculated in advance of the enrollment window and will not be updated during the applicable 5-year period. The only adjustment will be to Fixed Generation costs consistent with Commission orders.

d. If I previously opted out on a 5-year contract will my Sch 129 transition adjustments change during the term of my contract?

Only customers who opted out on a 5-year contract beginning service year 2015 or any year after are affected by the methodology change which allows for annual updates to the Fixed Generation costs portion of the Sch 129 transition adjustment.