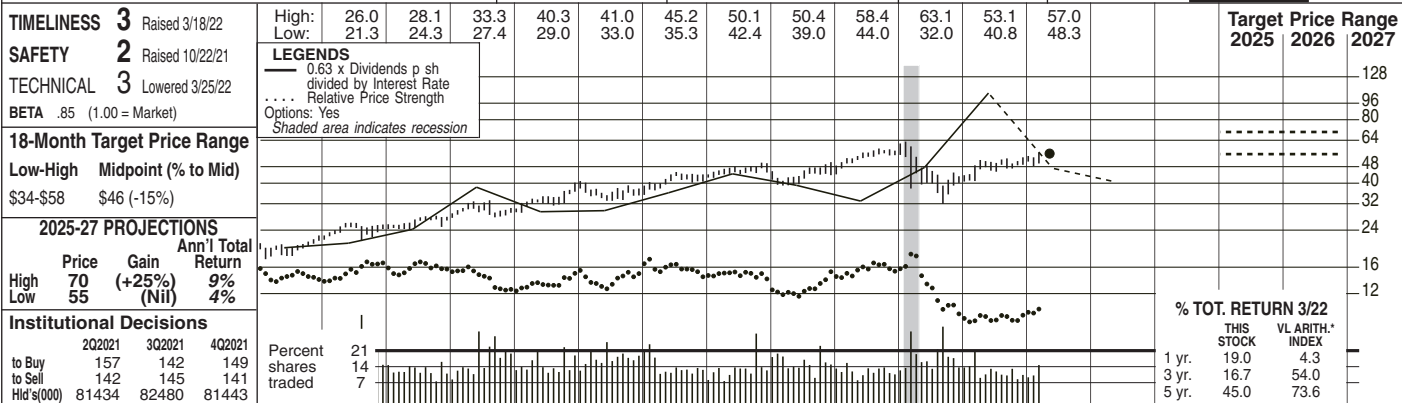


PORTLAND GENERAL NYSE-POR

RECENT PRICE **55.34** P/E RATIO **19.6** (Trailing: 20.3 Median: 18.0) RELATIVE P/E RATIO **1.10** DIV'D YLD **3.3%** VALUE LINE



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
24.32	27.87	27.89	23.99	23.67	24.06	23.89	23.18	24.29	21.38	21.62	22.54	22.30	23.75	23.96	26.80	27.95	28.75	Revenues per sh	31.25
4.64	5.21	4.71	4.07	4.82	4.96	5.15	4.93	6.08	5.37	5.78	6.16	6.65	6.97	6.80	7.25	7.70	8.15	"Cash Flow" per sh	9.50
1.14	2.33	1.39	1.31	1.66	1.95	1.87	1.77	2.18	2.04	2.16	2.29	2.37	2.39	1.72	2.72	2.90	3.05	Earnings per sh ^A	3.50
.68	.93	.97	1.01	1.04	1.06	1.08	1.10	1.12	1.18	1.26	1.34	1.43	1.52	1.59	1.70	1.80	1.90	Div'd Decl'd per sh ^B = †	2.30
5.94	7.28	6.12	9.25	5.97	3.98	4.01	8.40	12.87	6.73	6.57	5.77	6.67	6.78	8.76	7.11	7.65	7.55	Cap'l Spending per sh	7.50
19.58	21.05	21.64	20.50	21.14	22.07	22.87	23.30	24.43	25.43	26.35	27.11	28.07	28.99	29.18	30.28	31.35	32.50	Book Value per sh ^C	36.25
62.50	62.53	62.58	75.21	75.32	75.36	75.56	78.09	78.23	88.79	88.95	89.11	89.27	89.39	89.54	89.41	89.50	89.50	Common Shs Outst'g ^D	89.50
23.4	11.9	16.3	14.4	12.0	12.4	14.0	16.9	15.3	17.7	19.1	20.0	18.4	22.3	26.6	17.7	17.5	17.5	Avg Ann'l P/E Ratio	18.0
1.26	.63	.98	.96	.76	.78	.89	.95	.81	.89	1.00	1.01	.99	1.19	1.37	.97	1.37	1.37	Relative P/E Ratio	1.00
2.5%	3.3%	4.3%	5.4%	5.2%	4.4%	4.1%	3.7%	3.3%	3.3%	3.1%	2.9%	3.3%	2.8%	3.5%	3.5%	3.5%	3.5%	Avg Ann'l Div'd Yield	3.7%

CAPITAL STRUCTURE as of 12/31/21
 Total Debt \$3578 mill. Due in 5 Yrs \$186 mill.
 LT Debt \$3558 mill. LT Interest \$128 mill.
 Incl. \$273 mill. finance leases.
 (LT interest earned: 2.9x)
Leases, Uncapitalized Annual rentals \$4 mill.
Pension Assets-12/21 \$800 mill.
Oblig \$972 mill.

Pfd Stock None

Common Stock 89,426,860 shs. as of 2/7/22

MARKET CAP: \$4.9 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2019	2020	2021
% Change Retail Sales (KWH)	+1.2	+4	+5.1
Avg. Indust. Use (MWH)	17827	18472	20002
Avg. Indust. Revs. per KWH (c)	4.75	4.99	5.22
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	3765	3771	4447
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.1	+1.5	+6

Fixed Charge Cov. (%) 265 187 261

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '19-'21 of change (per sh)

	2019	2020	2021
Revenues	5%	2.0%	4.0%
"Cash Flow"	4.5%	4.0%	5.0%
Earnings	3.5%	1.5%	7.5%
Dividends	4.5%	6.0%	6.0%
Book Value	3.5%	3.0%	3.5%

QUARTERLY REVENUES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	573.0	460.0	542.0	548.0	2123.0
2020	573.0	469.0	547.0	556.0	2145.0
2021	609.0	537.0	642.0	608.0	2396.0
2022	645	560	660	635	2500
2023	675	575	675	650	2575

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	.82	.28	.61	.68	2.39
2020	.91	.43	d.19	.57	1.72
2021	1.07	.36	.56	.73	2.72
2022	1.05	.45	.60	.80	2.90
2023	1.10	.45	.65	.85	3.05

QUARTERLY DIVIDENDS PAID ^B = †

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2018	.34	.34	.3625	.3625	1.41
2019	.3625	.3625	.385	.385	1.50
2020	.385	.385	.385	.4075	1.56
2021	.4075	.4075	.43	.43	1.68
2022	.43	.43			

BUSINESS: Portland General Electric Company (PGE) provides electricity to 917,000 customers in 51 cities in a 4,000-square-mile area of Oregon, including Portland and Salem (population: 1.9 million). The company is in the process of decommissioning the Trojan nuclear plant, which it closed in 1993. Electric revenue breakdown: residential, 47%; commercial, 29%; industrial, 11%; other, 13%.

Portland General Electric will soon get an order on its general rate case. Some matters have already been settled. The revenue increase would be \$74 million, \$64 million of which would be for recovery of higher power costs. The extra \$10 million doesn't seem like much, but under the agreement PGE would retain \$50 million in rates for the Boardman coal-fired plant, which is no longer in the rate base. The allowed return on equity and common-equity ratio would remain at 9.5% and 50%, respectively. Other matters have yet to be settled, such as whether a project still under construction should be included in this case, and whether the decoupling mechanism will be eliminated. An order from the Oregon commission is due in time for new tariffs to take effect no later than May 9th.

Earnings growth is likely in 2022 and 2023. A partial year of rate relief this year and a full year's effect next year will be one factor. Another is accelerating load growth, thanks to the healthy economy of the utility's service territory, where there is a vibrant tech sector. Our 2022 estimate is at the upper end of PGE's targeted

range of \$2.75-\$2.90 a share. We estimate 5% profit growth in 2023, which is within management's long-term goal of 4%-6%. **The utility is awaiting decisions on its request for proposals.** PGE wants to add renewables and "nonemitting" capacity. The short list should be known soon and the goal is for contracts to be executed with the winning bidders by yearend. If PGE winds up building some of this capacity, it might have to issue equity—something the company has not done since 2015.

We think the board of directors will raise the dividend soon. This was the timing of the increase in the disbursement in 2021. We estimate that the board will boost the dividend \$0.025 a share (5.8%). PGE's targets are a long-term growth rate of 5%-7% and a payout ratio of 60%-70%. **The dividend yield of this stock is about average for a utility.** Total return potential is negative for the next 18 months and low for the 3- to 5-year period. Like many utility issues, the recent quotation is near our 2025-2027 Target Price Range.

Paul E. Debbas, CFA April 22, 2022

(A) Diluted earnings. Excludes nonrecurring losses: '13, 42c; '17, 19c. Next earnings report due April 28. (B) Dividends paid mid-Jan., Apr., July, and Oct. ■ Dividend reinvestment plan available. † Shareholder investment plan available. (C) Incl. deferred charges. In '21: \$533 mill., \$5.96/sh. (D) In mill. (E) Rate base: Net original cost. Rate allowed on common equity in '19: 9.5%; earned on avg. com. eq., '21: 9.2%. Regulatory Climate: Average.

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Company's Financial Strength B++
Stock's Price Stability 90
Price Growth Persistence 55
Earnings Predictability 80

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