UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: **001-5532-99**

PORTLAND GENERAL ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

Oregon	**93-0256820**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

121 SW Salmon Street
Portland, Oregon 97204
(503) 464-8000
(Address of principal executive offices, including zip code, p
and registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

(Title of class)	(Trading Symbol)	(Name of exchange on which registered)
Common Stock, no par value	POR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [x] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

[x] Yes [ ] No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standard provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes [x] No

Number of shares of common stock outstanding as of July 24, 2026 is 117,607,740 shares.

PORTLAND GENERAL ELECTRIC COMPANY
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2026

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DEFINITIONS

The following abbreviations and acronyms are used throughout this document:

Abbreviation or Acronym	Definition
AFUDC	Allowance for funds used during construction
AUT	Annual Power Cost Update Tariff
Clearwater	Clearwater Wind Development
Colstrip	Colstrip Units 3 and 4 coal-fired generating plant
EPA	United States Environmental Protection Agency
FERC	Federal Energy Regulatory Commission
FMB	First Mortgage Bond
GAAP	Accounting principles generally accepted in the United States of America
GRC	General Rate Case
IRP	Integrated Resource Plan
ITC	Federal investment tax credit
Moody's	Moody's Investors Service
MW	Megawatts
MWh	Megawatt hour
NVPC	Net Variable Power Costs
OPUC	Public Utility Commission of Oregon
PCAM	Power cost adjustment mechanism
PTC	Production tax credit
RAC	Renewable Adjustment Clause
RFP	Request for Proposals
RPS	Renewable Portfolio Standard
S&P	S&P Global Ratings
SEC	United States Securities and Exchange Commission

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME
(Dollars in millions, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Revenues, net	$ 811	$ 798	$ 1,674	$ 1,730
Alternative revenue programs, net of amortization	3	9	19	5
Total revenues	814	807	1,693	1,735
Operating expenses:				
Purchased power and fuel	296	294	657	662
Generation, transmission and distribution	112	114	222	224
Administrative and other	90	96	196	192
Depreciation and amortization	143	139	287	279
Taxes other than income taxes	52	46	103	92
Total operating expenses	693	689	1,465	1,449
Income from operations	**121**	**118**	**228**	**286**
Interest expense, net	61	57	121	113
Other income:				
Allowance for equity funds used during construction	6	6	9	11
Miscellaneous income, net	14	7	18	12
Other income, net	20	13	27	23
Income before income tax expense	**80**	**74**	**134**	**196**
Income tax expense	12	12	21	34
Net income and Comprehensive income	**$ 68**	**$ 62**	**$ 113**	**$ 162**
Weighted-average common shares outstanding (in thousands):				
Basic	115,733	109,522	115,687	109,473
Diluted	116,376	109,765	116,285	109,725
Earnings per share:				
Basic	$ 0.59	$ 0.56	$ 0.97	$ 1.48
Diluted	$ 0.59	$ 0.56	$ 0.97	$ 1.47

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in millions)
(Unaudited)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 35	$ 76
Accounts receivable, net	410	460
Inventories	126	124
Regulatory assets—current	255	168
Other current assets	218	244
Total current assets	**1,044**	**1,072**
Electric utility plant, net	11,535	10,993
Regulatory assets—noncurrent	521	619
Nuclear decommissioning trust	46	42
Non-qualified benefit plan trust	38	36
Other noncurrent assets	459	468
Total assets	**$ 13,643**	**$ 13,230**

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS, continued
(Dollars in millions)
(Unaudited)

	June 30, 2026	December 31, 2025
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 451	$ 330
Liabilities from price risk management activities—current	140	158
Current portion of finance lease obligation	27	27
Accrued expenses and other current liabilities	451	478
Total current liabilities	**1,069**	**993**
Long-term debt, net of current portion	4,928	4,662
Regulatory liabilities—noncurrent	1,507	1,490
Deferred income taxes	639	601
Deferred investment tax credits	190	194
Unfunded status of pension and postretirement plans	94	107
Liabilities from price risk management activities—noncurrent	66	56
Asset retirement obligations	301	299
Non-qualified benefit plan liabilities	67	70
Finance lease obligations, net of current portion	256	263
Other noncurrent liabilities	403	362
Total liabilities	**9,520**	**9,097**
Commitments and contingencies (see notes)		
Shareholders' Equity:		
Preferred stock, no par value, 30,000,000 shares authorized; none issued and outstanding as of June 30, 2026 and December 31, 2025	—	—
Common stock, no par value, 160,000,000 shares authorized; 115,785,254 and 115,559,079 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	2,385	2,382
Accumulated other comprehensive loss	(4)	(4)
Retained earnings	1,742	1,755
Total shareholders' equity	**4,123**	**4,133**
Total liabilities and shareholders' equity	**$ 13,643**	**$ 13,230**

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Six Months Ended June 30, 2026	2025
Cash flows from operating activities:		
Net income	$ 113	$ 162
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	287	279
Deferred income taxes	13	25
Allowance for equity funds used during construction	(9)	(11)
Alternative revenue programs	(19)	(5)
Regulatory assets	3	(3)
Regulatory liabilities	4	(16)
Tax credit sales	12	13
Other non-cash income and expenses, net	61	49
Changes in working capital:		
Accounts receivable, net	47	52
Inventories	(2)	(9)
Margin deposits	50	85
Accounts payable and accrued liabilities	(53)	(35)
Margin deposits from wholesale counterparties	8	—
Other working capital items, net	12	22
Other, net	(39)	(41)
Net cash provided by operating activities	**488**	**567**
Cash flows from investing activities:		
Capital expenditures	(635)	(596)
Sales of Nuclear decommissioning trust securities	3	1
Purchases of Nuclear decommissioning trust securities	(3)	(3)
Other, net	(15)	(11)
Net cash used in investing activities	**(650)**	**(609)**

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, continued
(In millions)
(Unaudited)

	Six Months Ended June 30, 2026	2025
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	$ 270	$ 310
Payments on long-term debt	—	(102)
Dividends paid	(120)	(109)
Other	(29)	(13)
Net cash provided by financing activities	**121**	**86**
Change in cash and cash equivalents	**(41)**	**44**
Cash and cash equivalents, beginning of period	**76**	**12**
Cash and cash equivalents, end of period	**$ 35**	**$ 56**
Supplemental cash flow information is as follows:		
Cash paid for interest, net of amounts capitalized	$ 103	$ 94
Cash received for income taxes, net	(2)	(3)

See accompanying notes to condensed consolidated financial statements.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1: BASIS OF PRESENTATION

Nature of Business

Portland General Electric Company (PGE or the Company) is a single, vertically-integrated electric utility engaged in the generation, purchase, transmission, distribution, and retail sale of electricity in the State of Oregon (State). The Company also participates in the wholesale market by purchasing and selling electricity, natural gas, and environmental credits in an effort to meet the needs of, and obtain reasonably-priced power for, its retail customers, manage risk, and administer its long-term wholesale contracts. In addition, PGE performs wholesale market services for third parties in the region. The Company develops products and service offerings for the benefit of retail and wholesale customers. PGE operates as a single segment, with revenues and costs related to its business activities recorded and analyzed on a total electric operations basis. The Company owns unregulated, non-utility real estate comprised primarily of PGE's corporate headquarters. The Company's corporate headquarters is located in Portland, Oregon and its approximately 4,000 square mile, State-approved service area, entirely within the State, encompasses 51 incorporated cities. As of June 30, 2026, PGE served 962,000 retail customers within a service area of approximately 2 million residents.

PGE is subject to the jurisdiction of the Public Utility Commission of Oregon (OPUC) with respect to retail prices, utility services, accounting policies and practices, issuances of securities, and certain other matters. Retail prices are based on the Company's cost to serve customers, including an opportunity to earn a reasonable rate of return, as determined by the OPUC. The Company is also subject to regulation by the Federal Energy Regulatory Commission (FERC) in matters related to wholesale energy transactions, transmission services, reliability standards, natural gas pipelines, hydroelectric project licensing, accounting policies and practices, short-term debt issuances, and certain other matters.

Condensed Consolidated Financial Statements

These condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the United States Securities and Exchange Commission (SEC). Certain information and note disclosures normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) have been condensed or omitted pursuant to such regulations, although PGE believes that the disclosures provided are adequate to make the interim information presented not misleading.

The financial information included herein as of and for the three and six months ended June 30, 2026 and 2025 is unaudited; however, in the opinion of management, such information reflects all adjustments necessary to fairly present the condensed consolidated financial position, condensed consolidated income and comprehensive income, and condensed consolidated cash flows of the Company for these interim periods. All such adjustments are of a normal recurring nature, unless otherwise noted. The financial information as of December 31, 2025 is derived from the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2025, included in Item 8 of PGE's Annual Report on Form 10-K, filed with the SEC on February 17, 2026, which should be read in conjunction with the interim unaudited Financial Statements.

Comprehensive Income

No material change occurred in Other comprehensive income in the three and six months ended June 30, 2026 and 2025.

Use of Estimates

The preparation of condensed consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of gain or loss contingencies, as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results experienced by the Company could differ materially from those estimates. Certain costs are estimated for the full year and allocated to interim periods based on estimates of operating time expired, benefit received, or activity associated with the interim period; accordingly, such costs may not be reflective of amounts to be recognized for a full year. Due to seasonal fluctuations in electricity sales, as well as the price of wholesale electricity and natural gas, interim financial results do not necessarily represent those to be expected for the year.

Recent Accounting Pronouncements

In November 2024, the FASB issued Accounting Standards Update (ASU) 2024-03 *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. ASU 2024-03 requires additional disclosure, in the notes to financial statements, of specified information about certain costs and expenses. For calendar year-end entities, the update will be effective for annual periods beginning on January 1, 2027. Early adoption is permitted. PGE is assessing the impact of adoption on the consolidated financial statements and does not plan to early adopt the standard.

In December 2025, the FASB issued ASU 2025-10 *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*. ASU 2025-10 adds guidance to Accounting Standards Codification (ASC) 832 on the recognition, measurement, and presentation of government grants. For calendar year-end entities, the update will be effective for annual periods beginning on January 1, 2029. Early adoption is permitted. PGE is assessing the impact of adoption on the consolidated financial statements and does not plan to early adopt the standard.

In May 2026, the FASB issued ASU 2026-02 *Environmental Credits and Environmental Credit Obligations (Topic 818)*. ASU 2026-02 provides specific guidance for accounting for environmental credits and environmental credit obligations. For calendar year-end entities, the update will be effective for annual periods beginning on January 1, 2028. Early adoption is permitted. PGE is assessing the impact of adoption on the consolidated financial statements and does not plan to early adopt the standard.

Pending Acquisition

On February 15, 2026, PGE, through a newly formed, wholly owned subsidiary, entered into an Asset Purchase and Service Area Transfer Agreement (the "Agreement") with PacifiCorp, an indirect subsidiary of Berkshire Hathaway Energy Company, to acquire select portions of PacifiCorp's Washington state regulated utility retail business. Under the Agreement, PGE would acquire certain assets and liabilities related to generation, transmission, and distribution business to serve the related service area comprised of approximately 140,000 customers. The stated purchase price is $1.9 billion in cash, subject to customary adjustments, including adjustments for net working capital, regulatory assets and liabilities, assumed liabilities, and capital expenditures at closing.

Upon execution of the Agreement, the acquisition was supported by a fully committed bridge facility with Barclays Bank PLC and JPMorgan Chase Bank, N.A. for $1.9 billion. On March 23, 2026, the bridge facility was amended to an amount of approximately $1.3 billion and at the same time, the Company entered into a 364-day Delay Draw Term Loan in the amount of approximately $700 million. Borrowings under the Delayed Draw Term Loan bear interest at a rate equal to either (i) Term SOFR Rate, or (ii) the Alternate Base Rate in each case, plus an applicable margin determined by reference to the Company's long-term debt securities credit ratings. The Company expects to permanently finance the transaction through a balanced mix of debt, equity, and its minority investment partner, Manulife Infrastructure Fund III L.P. and its affiliates including John Hancock Life Insurance Company (USA) ("Manulife"). In connection with the financing plan, PGE expects equity commitments from Manulife to finance up to $600 million of the purchase. Assuming the closing of the transactions contemplated by the Agreement and the consummation of the financing transactions, Manulife will be the Company's joint venture partner in the business. PGE would remain majority owner and sole operator.

The Agreement also provides for certain termination rights, and under certain specified circumstances, the Company may be required to pay PacifiCorp a termination fee of $35 million. The transaction is expected to consummate approximately twelve months after submission of regulatory filings, subject to customary closing conditions and regulatory approvals, including under the Hart-Scott-Rodino Act, Section 203 of the Federal Power Act from the FERC, the Washington Utilities and Transportation Commission ("WUTC"), the OPUC, the Idaho Public Utilities Commission, the Public Service Commission of Utah, the Public Utilities Commission of the State of California, the Public Service Commission of Wyoming, and certain other federal and state regulatory approvals. PGE submitted regulatory applications related to the Acquisition with the WUTC and the OPUC on March 30, 2026 and April 2, 2026, respectively. On July 15, 2026, the Company, jointly with other parties, submitted an application to the FERC seeking approval of the transaction,

requesting a decision by December 15, 2026.

The transaction is expected to be accounted for as a business combination pursuant to ASC 805, Business Combinations, using the acquisition method of accounting and in which PGE would record the fair value of the assets acquired and liabilities assumed as of the acquisition date. To the extent that the consideration transferred is greater than the fair value of the net assets acquired, goodwill will be recorded.

NOTE 2: REVENUE RECOGNITION

Disaggregated Revenue

The following table presents PGE's revenue, disaggregated by customer type (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Retail:				
Residential	$ 334	$ 311	$ 728	$ 740
Commercial	248	234	483	476
Industrial	156	128	295	255
Direct access customers	12	10	21	19
Subtotal	750	683	1,527	1,490
Alternative revenue programs, net of amortization	3	9	19	5
Other accrued revenues, net	(2)	6	(5)	10
Total retail revenues	751	698	1,541	1,505
Wholesale revenues*	39	88	102	188
Other operating revenues	24	21	50	42
Total revenues	$ 814	$ 807	$ 1,693	$ 1,735

* Wholesale revenues include $27 million and $30 million related to electricity commodity contract derivative settlements for the three months ended June 30, 2026 and 2025, respectively, and $60 million and $80 million for the six months ended June 30, 2026 and 2025, respectively. Price risk management derivative activities are included within total revenues but do not represent revenues from contracts with customers as defined by GAAP. For further information, see Note 5, Risk Management.

Retail Revenues

The Company's primary revenue source is the sale of electricity to customers at regulated, tariff-based prices. Retail customers are classified as residential, commercial, or industrial. Residential customers include single-family housing, multiple-family housing (such as apartments, duplexes, and town homes), manufactured homes, and small farms. Residential demand is sensitive to the effects of weather, with demand highest during the winter heating and summer cooling seasons. Commercial customers consist of non-residential customers who accept energy deliveries at voltages equivalent to those delivered to residential customers and are also sensitive to the effects of weather, although to a lesser extent than residential customers. Commercial customers include most businesses, small industrial companies, and public street and highway lighting accounts. Industrial customers consist of non-residential customers who accept delivery at higher voltages than commercial customers and include data centers, which, with recent OPUC approval, now have a separate tariff. Demand from industrial customers is primarily driven by economic conditions, with weather having a less significant impact on energy use by this customer class.

In accordance with state regulations, PGE's retail customer prices are based on the Company's cost of service and determined through General Rate Case (GRC) proceedings and various tariff filings with the OPUC. Additionally, the Company offers pricing options that include a daily market price option, various time-of-use options, and several renewable energy options.

Retail revenue is billed based on monthly meter readings taken at various cycle dates throughout the month. At the end of each month, PGE estimates and records the revenue earned from energy deliveries that have not yet been billed to customers. This amount, which is classified as unbilled revenues and included in Accounts receivable, net in the Company's condensed consolidated balance sheets, is calculated based on actual net retail system load each month, the number of days from the last meter read date through the last day of the month, and current customer prices.

PGE's obligation to sell electricity to retail customers generally represents a single performance obligation representing a series of distinct services that are substantially the same and have the same pattern of transfer to the customer that is satisfied over time as customers simultaneously receive and consume the benefits provided. PGE applies the invoice method to measure its progress towards satisfactorily completing its performance obligations.

Pursuant to regulation by the OPUC, PGE is mandated to maintain several tariff schedules to collect funds from customers for programs that benefit the general public, such as conservation, low-income housing, energy efficiency, renewable energy programs, and privilege taxes. For such programs, PGE generally collects the funds and remits the amounts to third party agencies that administer the programs. In these arrangements, PGE is considered to be an agent, as PGE's performance obligation is to facilitate a transaction between customers and the administrators of these programs. Therefore, such amounts are presented on a net basis and do not appear in Revenues, net within the condensed consolidated statements of income and comprehensive income.

Alternative Revenues programs—Revenues related to PGE's Renewable Adjustment Clause (RAC) are considered earned under alternative revenue programs, as these amounts represent contracts with the regulator and not with customers. Such revenues are presented separately from revenues from contracts with customers and classified as Alternative revenue programs, net of amortization on the condensed consolidated statements of income and comprehensive income. The activity within this line item is comprised of current period deferral adjustments, which can either be a collection from or a refund to customers, and is net of any related amortization. When amounts related to alternative revenue programs are ultimately included in prices and customer bills, the amounts are included within Revenues, net, with an equal and offsetting amount of amortization recorded on the Alternative revenue programs, net of amortization line item. Under the RAC, in 2024 and through February 28, 2025, the Company deferred amounts related to the Clearwater Wind Development (Clearwater). For further information, see *"Clearwater RAC"* in the Regulatory Assets and Liabilities section of Note 3, Balance Sheet Components.

Wholesale Revenues

PGE participates in the wholesale electricity marketplace in order to balance its supply of power to meet the needs of, and secure reasonably-priced power for, its retail customers, manage risk, and administer its current long-term wholesale contracts. In addition, the Company performs wholesale market services for third parties in the region and sells environmental credits in the wholesale marketplace. Interconnected transmission systems in the western United States serve utilities with diverse load requirements and allow PGE to purchase and sell electricity within the region depending upon: i) the relative price and availability of power; ii) hydro, solar, and wind conditions; and iii) daily and seasonal retail demand.

PGE's Wholesale revenues consist primarily of short-term electricity sales to utilities and power marketers that consist of single performance obligations that are satisfied as energy is transferred to the counterparty. The Company nets certain purchase and sale transactions in which it would simultaneously receive and deliver physical power with the same counterparty; in such cases, only the net amount of those purchases or sales required to meet retail and wholesale obligations will be physically settled and recorded in Wholesale revenues.

Other Operating Revenues

Other operating revenues consist primarily of gains and losses on the sale of natural gas volumes purchased that exceeded what was needed to fuel the Company's generating facilities, as well as revenues from transmission services, excess

transmission capacity resales, excess fuel sales, utility pole attachment revenues, and other electric services provided to customers.

Arrangements with Multiple Performance Obligations

Certain contracts with customers, primarily wholesale, may include multiple performance obligations. For such arrangements, PGE allocates revenue to each performance obligation based on its relative standalone selling price. The Company generally determines standalone selling prices based on the prices charged to customers.

NOTE 3: BALANCE SHEET COMPONENTS

Accounts Receivable, Net

Accounts receivable, net includes $159 million and $180 million of unbilled revenues as of June 30, 2026 and December 31, 2025, respectively. Accounts receivable, net includes an allowance for uncollectible accounts. The following summarizes activity during 2026 in the allowance for credit losses (in millions):

	Three Months Ended June 30,	Six Months Ended June 30,
Balance as of beginning of period	$ 13	$ 13
Increase in provision	3	6
Amounts written off	(4)	(9)
Recoveries	2	4
Balance as of end of period	$ 14	$ 14

Inventories

PGE's inventories, which are recorded at average cost, consist primarily of materials and supplies for use in operations, maintenance, and capital activities, as well as fuel, which includes natural gas, coal, and oil, for use in the Company's generating plants. Periodically, PGE assesses whether inventories are recorded at the lower of average cost or net realizable value.

Other Current Assets

Other current assets consist of the following (in millions):

	June 30, 2026	December 31, 2025
Prepaid expenses	$ 112	$ 96
Margin deposits	66	116
Assets from price risk management activities	40	32
Other current assets	$ 218	$ 244

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

Electric Utility Plant, Net

Electric utility plant, net consists of the following (in millions):

	June 30, 2026	December 31, 2025
Electric utility plant in-service	$ 16,271	$ 15,996
Construction work-in-progress	866	416
Total cost	17,137	16,412
Less: accumulated depreciation and amortization	(5,602)	(5,419)
Electric utility plant, net	$ 11,535	$ 10,993

Accumulated depreciation and amortization in the table above includes accumulated amortization related to intangible assets of $648 million and $622 million as of June 30, 2026 and December 31, 2025, respectively. Amortization expense related to intangible assets was $21 million and $19 million for the three months ended June 30, 2026 and 2025, respectively, and $42 million and $38 million for the six months ended June 30, 2026 and 2025, respectively. The Company's intangible assets primarily consist of computer software development and hydro licensing costs.

Battery storage agreements—PGE has entered into three battery storage PPAs that are expected to be accounted for as leases upon commencement. These projects are summarized as follows:

- on January 9, 2026 PGE entered into an agreement with an expected lease commencement date in December 2027 and a term of 20 years. The expected total fixed contract consideration will approximate $612 million over the lease term;
- on February 15, 2026, PGE entered into an agreement with an expected lease commencement date in December 2027 and a term of 30 years, subject to approvals. The expected total fixed contract consideration will approximate $331 million over the lease term; and
- on February 15, 2026, PGE entered into an agreement with an expected lease commencement date in June 2028 and a term of 20 years, subject to OPUC approval of a waiver filing. The expected total fixed contract consideration will approximate $636 million over the lease term.

PORTLAND GENERAL ELECTRIC COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS, continued
(Unaudited)

Regulatory Assets and Liabilities

Regulatory assets and liabilities consist of the following (in millions):

	June 30, 2026		December 31, 2025	
	Current	Noncurrent	Current	Noncurrent
Regulatory assets:				
Price risk management	$ 100	$ 60	$ 127	$ 54
Pension and other postretirement plans	—	64	—	64
Trojan decommissioning activities	—	165	—	161
February 2021 ice storm and damage	13	28	13	33
January 2024 storm and damage	25	17	—	48
Reliability contingency events	43	31	—	90
2020 Labor Day wildfire	5	12	5	14
Wildfire mitigation	45	—	9	33
Portland harbor environmental remediation account	—	42	—	24
Other	24	102	14	98
Total regulatory assets	$ 255	$ 521	$ 168	$ 619
Regulatory liabilities:				
Asset retirement removal costs	$ —	$ 1,266	$ —	$ 1,245
Deferred income taxes	—	222	—	228
Clearwater RAC	9	—	21	1
Other	60	19	53	16
Total regulatory liabilities	$ 69	*$ 1,507	$ 74	*$ 1,490

* Included in Accrued expenses and other current liabilities in the condensed consolidated balance sheets.

January 2024 storm and damage—Beginning January 13, 2024, the Company's service territory encountered a severe winter weather event that included snow, ice, and high winds over several days that caused catastrophic damage to physical assets and resulted in widespread customer power outages. As a result of the historic winter storm, Oregon's Governor declared a state of emergency on January 18, 2024, which allows PGE to seek recovery of incremental storm expenses through the OPUC pre-authorized emergency deferral mechanism, subject to the application of an earnings test. On February 9, 2024, PGE filed a Notice of Deferral with the OPUC, under Docket UM 2190, related to the emergency restoration costs for the January storm. On March 18, 2026, PGE received the OPUC's final order for the storm recovery docket which included a disallowance for some operating and maintenance costs of $1 million and application of an earnings test. The OPUC ordered the application of an earnings test at 20 basis points below the Company's 2024 allowed return on equity of 9.5% on the deferred storm costs. The application of the earnings test resulted in an additional $3 million reduction of the previously deferred amounts. After application of adjustments per the final order, PGE's deferred balance as of March 31, 2026 was $44 million, including interest, which began amortizing on April 1, 2026 over a two year period. The deferred balance as of June 30, 2026 was $42 million.

Reliability contingency events—As approved by the OPUC in PGE's 2024 GRC, the Reliability Contingency Event (RCE) mechanism allows PGE to defer and recover 80% of prudent costs for RCEs above amounts forecasted in the Company's Annual Power Cost Update Tariff, without application of an earnings test, with the remaining 20% flowing through operating expenses and subject to the existing power cost adjustment mechanism (PCAM). Results of the PCAM are filed annually with the OPUC no later than July 1, initiating a regulatory review process that typically results in a final determination and order from the OPUC by the end of the year of filing, with any resulting refund or collection impacting customer prices effective in the following year. RCE costs incurred and deferred are included in each years' respective PCAM filing. On March 18, 2026, the OPUC issued its final order in the 2024 RCE mechanism docket which resulted in the approval for recovery of $70 million in deferred costs, before consideration of interest, after determining that costs should be shared at a level of 90%, resulting in a reduction of $8 million to the recovery request. In addition, the OPUC

disagreed with PGE's method of estimating the impacts related to wind generating resources in the day ahead forecasts of $2 million, resulting in a total reduction of $10 million in previously deferred costs. The OPUC also declined to extend the sunset date for the RCE mechanism. After application of adjustments per the final order, PGE's deferred balance as of March 31, 2026, related to RCEs was $80 million, which included $78 million related to RCEs deferred in 2024 and $2 million related to RCEs deferred in 2025. The 2024 deferred balance began amortizing into customer prices on April 1, 2026 and is to be collected over a two-year period. On July 1, 2026, under the Company's PCAM, Advice 26-26 was submitted to the OPUC seeking recovery to begin on April 1, 2027 of $2 million in costs deferred during RCEs in 2025. PGE believes the deferred amounts as of June 30, 2026 are probable of recovery.

Wildfire Mitigation—Wildfire Mitigation represents incremental costs and investments made by PGE related to efforts on its system to mitigate the risk of wildfire and improve resiliency to wildfire damage under Oregon Senate Bill 762, enacted in 2021. These efforts include enhanced tree and brush clearing, hardening and undergrounding equipment, and making emergency plans in close partnership with various land and emergency management agencies to further expand the use of a public safety power shutoff, when the risk warrants. On June 25, 2026 PGE's 2026-2028 risk-based Wildfire Mitigation Plan was approved by the OPUC. The plan includes annual updates as part of the ongoing regulatory process.

As of June 30, 2026 and December 31, 2025, PGE's deferred balance related to incremental wildfire mitigation operating expenses was $45 million and $42 million, respectively. The 2026 balance is comprised of:

- *2024 Automatic Adjustment Clause (AAC)*—As of June 30, 2026, there was $20 million deferred as a regulatory asset in the balancing account related to 2024. On March 18, 2026, PGE received approval to recover this remaining O&M expense beginning May 1, 2026 with a twelve-month amortization period.
- *2025 AAC*— As of June 30, 2026, there was $9 million deferred as a regulatory asset in the balancing account related to 2025. On May 26, 2026, PGE received approval to recover this remaining O&M expense beginning June 1, 2026 with a twelve-month amortization period.
- *2026 AAC*—In conjunction with PGE's filed 2026-2028 Wildfire Mitigation Plan, PGE submitted an advice filing for the first phase of 2026 with the intent of recovering $28 million related to O&M, which was approved and effective on April 1, 2026. On July 7, 2026, PGE submitted an advice filing for the second phase of 2026 with the intent of recovering an additional $22 million related to O&M and $23 million related to capital revenue requirement with a Commission decision expected on or before the effective date of August 19, 2026. Although the OPUC has not approved all of PGE's 2026 wildfire mitigation O&M, PGE does not believe it is precluded from deferring such costs. Any differences between actual expense and customer collections will be recorded as regulatory assets or liabilities within the AAC balancing account, which will be subject to a prudence review, but will not be subject to an earnings test. As of June 30, 2026, there was $16 million deferred as a regulatory asset in the balancing account related to 2026. The OPUC has significant discretion in making the final determination of recovery. The OPUC's conclusion of overall prudence could result in a portion, or all, of PGE's deferrals being disallowed for recovery. Such disallowance would be recognized as a charge to earnings.

Portland Harbor Environmental Remediation Account—The impact of costs related to EPA liabilities on the Company's results of operations is mitigated by the Portland Harbor Environmental Remediation Account (PHERA) mechanism. As approved by the OPUC, the PHERA allows the Company to defer estimated liabilities and recover prudently incurred environmental expenditures related to Portland Harbor through a combination of third-party proceeds, including but not limited to insurance recoveries, and, if necessary, through customer prices. The mechanism established annual prudency reviews of environmental expenditures and third-party proceeds. Annual expenditures in excess of $6 million, excluding expenses related to contingent liabilities, are subject to an annual earnings test and would be ineligible for recovery to the extent PGE's actual regulated return on equity exceeds its return on equity as authorized by the OPUC in PGE's most recent GRC. PGE's results of operations may be impacted to the extent such expenditures are deemed imprudent by the OPUC or ineligible per the prescribed earnings test. The Company plans to seek recovery of any costs resulting from the EPA's determination of liability for Portland Harbor through application of the PHERA. For more information on the determination of PGE's share of liability, see "EPA Investigation of Portland Harbor" in Note 8, Contingencies. At this time, PGE is not collecting any Portland Harbor cost from the PHERA through customer prices. As of June 30, 2026,

there was $42 million of eligible costs deferred as a regulatory asset. To conform with current year presentation, the Company has reclassified $24 million from Other to Portland harbor environmental remediation account in the Regulatory assets section of the table above.

Clearwater RAC—The Clearwater RAC represents all costs and benefits associated with Clearwater. Under the RAC, during 2023, the Company submitted a filing for Clearwater proposing to defer the revenue requirement, net of net variable power cost (NVPC) benefits, from the in-service date of January 2024 until Clearwater was reflected in customer prices, which was March 1, 2025. For the year ended December 31, 2024, PGE deferred the revenue requirement, net of NVPC benefits resulting in a net regulatory liability of $40 million, which amortized as a refund to customers over a twelve-month period beginning on March 1, 2025 as approved in OPUC Order 25-075 issued February 21, 2025. For the period of January 1, 2025 through December 31, 2025, PGE deferred an additional net $13 million regulatory liability, which was approved and began amortizing on April 1, 2026 over a twelve-month period. As of June 30, 2026, there was $9 million deferred as a regulatory liability in the balancing account.

Other Investments

PGE has investments in non-marketable equity securities for which the Company does not have controlling financial interest however, based on PGE's ownership interest, are accounted for under the equity method of accounting. These investments are accounted for at cost, adjusted for the Company's proportionate share of the investee's earnings or losses, distributions received, and impairments, if any.

As of June 30, 2026 and December 31, 2025, equity method investments were $21 million and $19 million, respectively, recorded in Other noncurrent assets on the Company's condensed consolidated balance sheets. For the three and six months ended June 30, 2026, and 2025, the Company's share of net earnings or losses from equity method investments were immaterial. PGE's share of earnings or losses are recorded as Miscellaneous income, net within Other income, net on the Company's condensed consolidated statements of income.

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following (in millions):

	June 30, 2026	December 31, 2025
Accrued employee compensation and benefits	$ 66	$ 87
Accrued taxes payable	32	38
Accrued interest payable	54	53
Accrued dividends payable	67	63
Regulatory liabilities—current	69	73
Margin deposits from wholesale counterparties	29	21
Other	134	143
Total accrued expenses and other current liabilities	$ 451	$ 478

Credit Facilities

On September 10, 2025, PGE entered into an amendment of its existing revolving credit facility that extended the scheduled expiration into September 2030. As of June 30, 2026, PGE had a $750 million revolving credit facility that provides the Company the ability to expand to $850 million, if needed. Pursuant to the terms of the agreement, the revolving credit facility may be used for general corporate purposes, including as backup for commercial paper borrowings and to permit the issuance of standby letters of credit. PGE may borrow for one, three, or six months at a fixed interest rate established at the time of the borrowing, or at a variable interest rate for any period up to the then remaining term of the applicable credit facility. The revolving credit facility contains a provision that requires annual fees based on the Company's unsecured credit ratings, and contains customary covenants and default provisions, including a

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requirement that limits consolidated indebtedness, as defined in the agreement, to 65% of total capitalization. As of June 30, 2026, PGE was in compliance with this covenant with a 54.4% debt-to-total capital ratio.

The Company has a commercial paper program under which it may issue commercial paper for terms of up to 270 days. The Company has elected to limit its borrowings under the revolving credit facility in order to allow for coverage of any potential need to repay commercial paper that may be outstanding at the time. As of June 30, 2026, PGE had no commercial paper outstanding.

Under the revolving credit facility and commercial paper program, as of June 30, 2026, PGE had no borrowings outstanding and there were no letters of credit issued. As a result, the aggregate unused available credit capacity under the revolving credit facility was $750 million.

PGE typically classifies borrowings under the revolving credit facility and outstanding commercial paper as Short-term debt on the condensed consolidated balance sheets.

In addition, PGE has four letter of credit facilities that provide a total capacity of $320 million under which the Company can request letters of credit for original terms not to exceed one year. The issuance of such letters of credit is subject to the approval of the issuing institution. Under these facilities, letters of credit for a total of $126 million were outstanding as of June 30, 2026. Letters of credit issued are not reflected on the Company's condensed consolidated balance sheets.

Pursuant to an order issued by the FERC, the Company is authorized to issue short-term debt in an aggregate amount of up to $900 million through February 6, 2028.

Long-term Debt

On March 23, 2026, PGE entered into a 24-month credit agreement with lenders in the aggregate principal amount of $350 million. PGE drew four loans from the Lenders in the aggregate principal amount of $350 million, with $270 million outstanding as of June 30, 2026. The final loan, in the amount of $80 million, occurred on July 2, 2026. The loans bear interest for the relevant interest period at the Term Secured Overnight Financing Rate (SOFR) plus an Applicable Margin of 110.0 basis points.

Defined Benefit Retirement Plan Costs

Components of net periodic benefit cost under the defined benefit pension plan are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Service cost	$ 2	$ 3	$ 4	$ 5
Interest cost*	8	8	16	16
Expected return on plan assets*	(9)	(9)	(18)	(18)
Net periodic benefit cost	$ 1	$ 2	$ 2	$ 3

* The net expense portion of non-service cost components are included in Miscellaneous income, net within Other income on the Company's condensed consolidated statements of income and comprehensive income.

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NOTE 4: FAIR VALUE OF FINANCIAL INSTRUMENTS

PGE estimated the fair value of financial asset and liability instruments as of June 30, 2026 and December 31, 2025, and classified these financial instruments based on a fair value hierarchy that is applied to prioritize the inputs to the valuation techniques used to measure fair value. The three levels of the fair value hierarchy and application to the Company are:

Level 1	Quoted prices are available in active markets for identical assets or liabilities as of the measurement date;
Level 2	Pricing inputs include those that are directly or indirectly observable in the marketplace as of the measurement date; and
Level 3	Pricing inputs include significant inputs that are unobservable for the asset or liability.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets, liabilities, and their placement within the fair value hierarchy. Assets measured at fair value using net asset value (NAV) as a practical expedient are not categorized in the fair value hierarchy. These assets are listed in the totals of the fair value hierarchy to permit the reconciliation to amounts presented in the financial statements.

Changes to market liquidity conditions, the availability of observable inputs, or changes in the economic structure of a security marketplace may require transfer of the securities between levels.

The Company's financial assets and liabilities whose values were recognized at fair value in the Company's condensed consolidated balance sheets are as follows by level within the fair value hierarchy (in millions):

	As of June 30, 2026				
	Level 1	Level 2	Level 3	Other [2]	Total
Assets:					
Cash equivalents	$ —	$ —	$ —	$ —	$ —
Nuclear decommissioning trust: [1]					
Debt securities:					
Domestic government	8	7	—	—	15
Corporate credit	—	22	—	—	22
Money market funds	—	—	—	9	9
Non-qualified benefit plan trust: [3]					
Debt securities—domestic government	5	—	—	—	5
Money market funds	—	1	—		1
Paid Leave Oregon Trust					
Money market funds	—	—	—	7	7
Price risk management activities: [1] [4]					
Electricity	—	39	5	—	44
Natural gas	—	2	—	—	2
	$ 13	$ 71	$ 5	$ 16	$ 105
Liabilities:					
Price risk management activities: [1] [4]					
Electricity	$ —	$ 9	$ 43	$ —	$ 52
Natural gas	—	143	11	—	154
	$ —	$ 152	$ 54	$ —	$ 206

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(1) Activities are subject to regulation, with certain gains and losses deferred pursuant to regulatory accounting and included in Regulatory assets or Regulatory liabilities as appropriate.
(2) Assets are measured at NAV as a practical expedient and not subject to hierarchy level classification disclosure.
(3) Excludes insurance policies of $32 million, which are recorded at cash surrender value.
(4) For further information, see Note 5, Risk Management.

	As of December 31, 2025				
	Level 1	Level 2	Level 3	Other [2]	Total
Assets:					
Cash equivalents	$ 59	$ —	$ —	$ —	$ 59
Nuclear decommissioning trust: [1]					
Debt securities:					
Domestic government	14	11	—	—	25
Corporate credit	—	10	—	—	10
Money market funds	—	—	—	7	7
Non-qualified benefit plan trust: [3]					
Debt securities—domestic government	1	—	—	—	1
Paid Leave Oregon Trust:					
Money market funds	—	—	—	7	7
Price risk management activities: [1] [4]					
Electricity	—	29	1	—	30
Natural gas	—	3	—	—	3
	$ 74	$ 53	$ 1	$ 14	$ 142
Liabilities:					
Price risk management activities: [1] [4]					
Electricity	$ —	$ 13	$ 37	$ —	$ 50
Natural gas	—	160	4	—	164
	$ —	$ 173	$ 41	$ —	$ 214

(1) Activities are subject to regulation, with certain gains and losses deferred pursuant to regulatory accounting and included in Regulatory assets or Regulatory liabilities as appropriate.
(2) Assets are measured at NAV as a practical expedient and not subject to hierarchy level classification disclosure.
(3) Excludes insurance policies of $35 million, which are recorded at cash surrender value.
(4) For further information, see Note 5, Risk Management.

Cash equivalents are highly liquid investments with maturities of three months or less at the date of acquisition and primarily consist of money market funds. Such funds seek to maintain a stable NAV and are comprised of short-term, government funds. Policies of such funds require that the weighted average maturity of securities holdings of such funds not exceed 90 days and provide investors with the ability to redeem shares of the funds daily at their respective NAV. Cash equivalents are classified as Level 1 in the fair value hierarchy due to the availability of quoted prices for identical assets in an active market as of the measurement date. Principal markets for money market fund prices include published exchanges such as the National Association of Securities Dealers Automated Quotations (Nasdaq) and the New York Stock Exchange (NYSE).

Assets held in the Nuclear decommissioning trust (NDT), Non-qualified benefit plan (NQBP) trust, and Paid Leave Oregon trust are recorded at fair value in PGE's condensed consolidated balance sheets and invested in securities that are exposed to interest rate, credit, and market volatility risks. These assets are classified within Level 1, 2, or 3 based on the following factors:

Debt securities—PGE invests in highly-liquid United States Treasury securities to support the investment objectives of the trusts. These domestic government securities are classified as Level 1 in the fair value hierarchy due to the availability of quoted prices for identical assets in an active market as of the measurement date.

Assets classified as Level 2 in the fair value hierarchy include domestic government debt securities, such as municipal debt, and corporate credit securities. Prices are determined by evaluating pricing data such as broker quotes for similar securities and adjusted for observable differences. Significant inputs used in valuation models generally include benchmark yields and issuer spreads. The external credit rating, coupon rate, and maturity of each security are considered in the valuation, as applicable.

Money market funds—PGE invests in money market funds that seek to maintain a stable NAV. These funds invest in high-quality, short-term, diversified money market instruments, short-term treasury bills, federal agency securities, certificates of deposits, and commercial paper. The Company believes the redemption value of these funds is likely to be the fair value, which is represented by the NAV. Redemption is permitted daily without written notice.

The NQBP trust is invested in exchange-traded government money market funds and is classified as Level 1 in the fair value hierarchy due to the availability of quoted prices in published exchanges such as Nasdaq and the NYSE. The money market fund in the NDT is valued at NAV as a practical expedient and is not included in the fair value hierarchy.

Assets and liabilities from price risk management activities, recorded at fair value in PGE's condensed consolidated balance sheets, consist of derivative instruments entered into by the Company to manage its risk exposure to commodity price and foreign currency exchange rates and reduce volatility in NVPC for the Company's retail customers. For additional information regarding these assets and liabilities, see Note 5, Risk Management.

For those assets and liabilities from price risk management activities classified as Level 2, fair value is derived using present value formulas that utilize inputs such as forward commodity prices and interest rates. Substantially all of these inputs are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category include commodity forwards, futures, and swaps.

Assets and liabilities from price risk management activities classified as Level 3 consist of longer-term commodity forwards, futures, swaps, and options for which fair value is derived using one or more significant inputs that are not observable for the entire term of the instrument, such as tenor of observable market quotes.

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Quantitative information regarding the significant, unobservable inputs used in the measurement of Level 3 assets and liabilities from price risk management activities is presented below:

	Fair Value				Price per Unit		
Commodity Contracts	Assets	Liabilities	Valuation Technique	Significant Unobservable Input	Low	High	Weighted Average
	(in millions)						
As of June 30, 2026							
Electricity physical forwards	$ —	$ 43	Discounted cash flow	Electricity forward price (per megawatt hour (MWh))	$ 7.47	$ 86.02	$ 54.87
Natural gas financial swaps	—	11	Discounted cash flow	Natural gas forward price (per Decatherm)	1.49	3.26	1.94
Electricity financial futures	5	—	Discounted cash flow	Electricity forward price (per MWh)	40.42	77.00	57.27
	$ 5	$ 54					
As of December 31, 2025							
Electricity physical forwards	$ —	$ 37	Discounted cash flow	Electricity forward price (per MWh)	$ 22.99	$ 94.65	$ 59.28
Natural gas financial swaps	—	4	Discounted cash flow	Natural gas forward price (per Decatherm)	1.67	2.76	2.15
Electricity financial futures	1	—	Discounted cash flow	Electricity forward price (per MWh)	31.00	84.00	52.13
	$ 1	$ 41					

The significant unobservable inputs used in the Company's fair value measurement of price risk management assets and liabilities are long-term forward prices for commodity derivatives. For certain long-term contracts, observable, liquid market transactions are not available for the duration of the delivery period. In such instances, the Company uses internally-developed long-term price curves that utilize observable data when available. When not available, regression techniques are used to estimate unobservable future prices.

The Company's Level 3 assets and liabilities from price risk management activities are sensitive to market price changes in the respective underlying commodities. The significance of the impact is dependent upon the magnitude of the price change and PGE's position as either the buyer or seller under the contract. Sensitivity of the fair value measurements to changes in the significant unobservable inputs is as follows:

Significant Unobservable Input	Position	Change to Input	Impact on Fair Value
Market price	Buy	Increase (decrease)	Gain (loss)
Market price	Sell	Increase (decrease)	Loss (gain)

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Changes in the fair value of net liabilities from price risk management activities (net of assets from price risk management activities) classified as Level 3 in the fair value hierarchy were as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Balance as of the beginning of the period	$ 48	$ 39	$ 40	$ 34
Net realized and unrealized losses/(gains)*	—	(5)	8	4
Transfers from Level 3 to Level 2	1	(3)	1	(7)
Balance as of the end of the period	$ 49	$ 31	$ 49	$ 31

* Both realized and unrealized losses/(gains), of which the unrealized portions are offset by the effects of regulatory accounting until settlement of the underlying transactions, are recorded in Revenues, net or Purchased power and fuel expense in the condensed consolidated statements of income and comprehensive income. Amounts include $3 million in net realized gains for both of the three-month periods ended June 30, 2026 and 2025. For both the six months ended June 30, 2026 and 2025, amounts include $4 million in net realized gains.

Transfers out of Level 3 occur when the significant inputs become more observable, such as when the time between the valuation date and the delivery term of a transaction becomes shorter.

Long-term debt is recorded at amortized cost in PGE's condensed consolidated balance sheets. The value of the Company's Long-term debt is classified as a Level 2 fair value measurement.

As of June 30, 2026, the carrying amount of PGE's long-term debt was $4,928 million, net of $21 million of unamortized debt expense, and its estimated aggregate fair value was $4,579 million. As of December 31, 2025, the carrying amount of PGE's long-term debt was $4,662 million, net of $17 million of unamortized debt expense, and its estimated aggregate fair value was $4,311 million.

NOTE 5: RISK MANAGEMENT

PGE participates in the wholesale marketplace to balance its supply of power, which consists of its own generation combined with wholesale market transactions, to meet the needs of its retail customers, manage risk, and administer the Company's long-term wholesale contracts. Wholesale market transactions include purchases and sales of both power and fuel resulting from economic dispatch decisions with respect to Company-owned generation resources. The Company also performs wholesale market services for third parties in the region and purchases and sells environmental credits in the wholesale marketplace. As a result of this ongoing business activity, PGE is exposed to commodity price risk and foreign currency exchange rate risk, from which changes in prices and/or rates may affect the Company's financial position, results of operations, or cash flows.

PGE utilizes derivative instruments to manage its exposure to commodity price risk and foreign exchange rate risk in order to reduce volatility in NVPC for its retail customers. Such derivative instruments, recorded at fair value on the condensed consolidated balance sheets, may include forwards, futures, swaps, and options contracts for electricity, natural gas, and foreign currency, with changes in fair value recorded in the condensed consolidated statements of income and comprehensive income. In accordance with ratemaking and cost recovery processes authorized by the OPUC, PGE recognizes a regulatory asset or liability to defer the gains and losses from derivative activity until settlement of the associated derivative instrument. The Company may designate certain derivative instruments as cash flow hedges or may use derivative instruments as economic hedges. PGE does not intend to engage in trading activities for non-retail purposes.

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PGE's Assets and Liabilities from price risk management activities consist of the following (in millions):

	June 30, 2026	December 31, 2025
Current assets:		
Commodity contracts:		
Electricity	$ 39	$ 29
Natural gas	1	3
Total current derivative assets [1]	40	32
Noncurrent assets:		
Commodity contracts:		
Electricity	5	1
Natural gas	1	—
Total noncurrent derivative assets [1]	6	1
Total derivative assets [2]	$ 46	$ 33
Current liabilities:		
Commodity contracts:		
Electricity	$ 17	$ 19
Natural gas	123	139
Total current derivative liabilities	140	158
Noncurrent liabilities:		
Commodity contracts:		
Electricity	35	31
Natural gas	31	25
Total noncurrent derivative liabilities	66	56
Total derivative liabilities [2]	$ 206	$ 214

(1) Total current derivative assets are included in Other current assets, and Total noncurrent derivative assets are included in Other noncurrent assets on the condensed consolidated balance sheets.
(2) As of June 30, 2026 and December 31, 2025, no commodity derivative assets or liabilities were designated as hedging instruments.

PGE's net volumes related to its Assets and Liabilities from price risk management activities resulting from its derivative transactions, which are expected to deliver or settle at various dates through 2035 were as follows (in millions):

	June 30, 2026		December 31, 2025	
Commodity contracts:				
Electricity	—	MWhs	1	MWhs
Natural gas	236	Decatherms	224	Decatherms
Foreign currency	$ 3	Canadian	$ 9	Canadian

PGE has elected to report positive and negative exposures resulting from derivative instruments pursuant to agreements that meet the definition of a master netting arrangement gross on the condensed consolidated balance sheets. In the case of default on, or termination of, any contract under the master netting arrangements, such agreements provide for the net settlement of all related contractual obligations with a given counterparty through a single payment. These types of transactions may include non-derivative instruments, derivatives qualifying for scope exceptions, receivables and payables arising from settled positions, and other forms of non-cash collateral, such as letters of credit. As of June 30, 2026, gross amounts included as Price risk management liabilities subject to master netting agreements were $37 million, entirely for natural gas, for which PGE has posted $13 million collateral. As of December 31, 2025, gross amounts included as Price risk management liabilities subject to master netting agreements were $41 million, all of which was for natural gas, for which PGE had posted $14 million collateral.

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Net realized and unrealized losses (gains) on derivative transactions not designated as hedging instruments are classified in Revenues, net or Purchased power and fuel, as applicable, in the condensed consolidated statements of income and comprehensive income and were as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Commodity contracts:				
Electricity	$ (23)	$ 2	$ (38)	$ 7
Natural Gas	6	31	103	45
Foreign currency exchange	—	(1)	—	(1)

Net unrealized and certain net realized losses/(gains) presented in the table above are offset within the condensed consolidated statements of income and comprehensive income by the effects of regulatory accounting. Of the net amounts recognized in Net income for the three-month periods ended June 30, 2026 and 2025, net gains of $22 million and $16 million, respectively, have been offset. Net gains of $14 million and $62 million have been offset for the six-month periods ended June 30, 2026 and 2025, respectively.

Assuming no changes in market prices and interest rates, the following table indicates the year in which the net unrealized loss recorded as of June 30, 2026 related to PGE's derivative activities would become realized as a result of the settlement of the underlying derivative instrument (in millions):

	2026	2027	2028	2029	2030	Thereafter	Total
Commodity contracts:							
Electricity	$ (24)	$ (1)	$ 5	$ 4	$ 4	$ 20	$ 8
Natural gas	76	64	8	4	—	—	152
Net unrealized loss	$ 52	$ 63	$ 13	$ 8	$ 4	$ 20	$ 160

PGE's secured and unsecured debt is currently rated at investment grade by Moody's Investors Service (Moody's) and S&P Global Ratings (S&P). Should Moody's or S&P reduce their rating on the Company's unsecured debt to below investment grade, PGE could be subject to requests by certain wholesale counterparties to post additional performance assurance collateral, in the form of cash or letters of credit, based on total portfolio positions with each of those counterparties. Certain other counterparties would have the right to terminate their agreements with the Company.

The aggregate fair value of derivative instruments with credit-risk-related contingent features that were in a liability position as of June 30, 2026 was $205 million, for which PGE has posted $68 million in collateral, consisting of $12 million of letters of credit and $56 million of cash. If the credit-risk-related contingent features underlying these agreements were triggered at June 30, 2026, the cash requirement to either post as collateral or settle the instruments immediately would have been $144 million. As of June 30, 2026, PGE had no cash collateral posted for derivative instruments with no credit-risk-related contingent features. Cash collateral for derivative instruments is classified as Margin deposits included in Other current assets on the Company's condensed consolidated balance sheets.

As of June 30, 2026, PGE held from counterparties $34 million in collateral, consisting $5 million of letters of credit and $29 million of cash. The obligation to return cash collateral held for derivative instruments is included in Accrued expenses and other current liabilities on the Company's condensed consolidated balance sheets.

PGE is exposed to credit risk in its commodity price risk management activities related to potential nonperformance by counterparties. Credit risk may be concentrated to the extent the Company's counterparties have similar economic, industry or other characteristics and due to direct or indirect relationships among the counterparties. PGE manages the risk of counterparty default according to its credit policies by performing financial credit reviews, setting limits and monitoring exposures, and requiring collateral (in the form of cash, letters of credit, and guarantees) when needed. The Company also uses standardized enabling agreements and, in certain cases, master netting agreements, which allow for the netting of positive and negative exposures under multiple agreements with counterparties.

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See Note 4, Fair Value of Financial Instruments, for additional information concerning the determination of fair value for the Company's Assets and Liabilities from price risk management activities.

NOTE 6: EARNINGS PER SHARE

Basic earnings per share are computed based on the weighted average number of common shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of common shares outstanding and the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Potential common shares consist of: i) employee stock purchase plan shares; ii) contingently issuable time-based and performance-based restricted stock units, along with associated dividend equivalent rights; and iii) shares issuable pursuant to the equity forward sale agreement (EFSA) and at-the-market offering (ATM) programs. See Note 7, Shareholders' Equity, for additional information on the EFSA and ATM programs and the resulting impact on earnings per share. Unvested performance-based restricted stock units and associated dividend equivalent rights are included in dilutive potential common shares only after the performance criteria have been met. Anti-dilutive stock awards are excluded from the calculation of diluted earnings per common share.

For the three and six months ended June 30, 2026, unvested performance-based restricted stock units and related dividend equivalent rights of 646 thousand shares were excluded from the dilutive calculation because the performance goals had not been met, with 641 thousand shares excluded for the three and six months ended June 30, 2025.

Net income is the same for both the basic and diluted earnings per share computations. The denominators of the basic and diluted earnings per share computations are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Weighted-average common shares outstanding—basic	115,733	109,522	115,687	109,473
Dilutive effect of potential common shares	643	243	598	252
Weighted-average common shares outstanding—diluted	116,376	109,765	116,285	109,725

NOTE 7: SHAREHOLDERS' EQUITY

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The activity in equity during the three and six-month periods ended June 30, 2026 and 2025 was as follows (dollars in millions, except per share amounts):

	Common Stock		Accumulated Other Comprehensive Loss	Retained Earnings	Total
	Shares	Amount			
Balances as of December 31, 2025	115,559,079	$ 2,382	$ (4)	$ 1,755	$ 4,133
Issuances of shares pursuant to equity-based plans	169,951	—	—	—	—
Issuance costs pursuant to equity agreements	—	(1)	—	—	(1)
Deferred equity issuance costs	—	(8)	—	—	(8)
Stock-based compensation	—	13	—	—	13
Dividends declared ($0.525 per share)	—	—	—	(62)	(62)
Net income	—	—	—	45	45
Balances as of March 31, 2026	115,729,030	2,386	(4)	1,738	4,120
Issuances of shares pursuant to equity-based plans	29,224	1	—	—	1
Stock-based compensation	—	(2)	—	—	(2)
Dividends declared ($0.55125 per share)	—	—	—	(64)	(64)
Net income	—	—	—	68	68
Balances as of June 30, 2026	115,758,254	$ 2,385	$ (4)	$ 1,742	$ 4,123

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	Common Stock		Accumulated Other Comprehensive Loss	Retained Earnings	Total
	Shares	Amount			
Balances as of December 31, 2024	109,342,251	$ 2,118	$ (4)	$ 1,680	$ 3,794
Issuances of shares pursuant to equity-based plans	161,074	—	—	—	—
Stock-based compensation	—	5	—	—	5
Dividends declared ($0.500 per share)	—	—	—	(55)	(55)
Net income	—	—	—	100	100
Balances as of March 31, 2025	109,503,325	2,123	(4)	1,725	3,844
Issuances of shares pursuant to equity-based plans	58,563	1	—	—	1
Stock-based compensation	—	3	—	—	3
Dividends declared ($0.525 per share)	—	—	—	(58)	(58)
Net income	—	—	—	62	62
Balances as of June 30, 2025	109,561,888	$ 2,127	$ (4)	$ 1,729	$ 3,852

At-the-Market Offering Program—In July 2024, PGE entered into an equity distribution agreement under which it could sell up to $400 million of its common stock through an ATM program. Pursuant to the 2024 ATM program, the Company entered into forward sale agreements for 1,420,049 shares and 5,756,432 shares in 2024 and 2025, respectively. The Company issued 1,066,549 shares and received net proceeds of $50 million in 2024, and issued 5,919,618 shares and received net proceeds of $250 million in 2025. As of June 30, 2026, the Company could have physically settled the remaining amount by delivering 190,314 shares in exchange for cash of $8 million.

In February 2026, PGE entered into an additional agreement under which it could sell up to $500 million of its common stock through the ATM program. No forward sale agreements were entered into pursuant to the 2026 ATM program as of June 30, 2026. Any proceeds from the issuances of common stock will be used for general corporate purposes and investments in renewables and non-emitting dispatchable capacity.

Equity Forward Sale Agreement—In February 2026, PGE entered into an EFSA in connection with a public offering of 9,467,455 shares of its common stock. Pursuant to the terms of the EFSA, the forward counterparties borrowed 10,848,125 shares of PGE's common stock, including 1,380,670 shares in connection with the underwriters' exercise of their option to purchase additional shares, from third parties in the open market and sold the shares to a group of underwriters for $50.70 per share, less an underwriting discount equal to $1.4576 per share. PGE will not receive any proceeds from the sale of common stock until the EFSA is settled, and at that time PGE will record the proceeds, if any, in equity.

Under the terms of the EFSA, PGE may elect to settle the equity forward transactions by means of physical, cash or net share settlement, in whole or in part, at any time on or prior to February 22, 2028, except in specified circumstances or events that would require physical settlement. To the extent that the transactions are physically settled, PGE would be required to issue and deliver shares of PGE common stock to the forward counterparty at the then applicable forward sale price. The forward sale price was initially determined to be $50.70 per share at the time the EFSA was entered into, and the amount of cash to be received by PGE upon physical settlement of the EFSA is subject to certain adjustments in accordance with the terms of the EFSA.

PGE concluded that the EFSA was an equity instrument and that it qualified for an exception from derivative accounting because the EFSA was indexed to its own stock. PGE anticipates settling the EFSA through physical settlement on or before February 22, 2028.

As of June 30, 2026, the Company could have physically settled the EFSA by delivering 10,848,125 shares in exchange for cash for $528 million.

Prior to settlement, the potentially issuable shares pursuant to the ATM and EFSA agreements may be reflected in PGE's diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of PGE's common stock used in calculating diluted earnings per share for a reporting period would be increased by the number of shares, if any, that would be issued upon physical settlement of the agreements less the number of shares that could be purchased by PGE in the market with the proceeds received from issuance (based on the average market price during that reporting period). Share dilution occurs when the average market price of PGE's stock during the reporting period is higher than the average forward sale price during the reporting period. As of the three and six months ended June 30, 2026, 398,041 and 343,214 shares were included in the calculation of diluted EPS related to the securities under the agreements, respectively. For additional information concerning the Company's diluted earnings per share, see Note 6, Earnings Per Share.

Subsequent to June 30, 2026, in July 2026, the Company issued 3,117,541 shares pursuant to the EFSA and received net proceeds of $152 million.

NOTE 8: CONTINGENCIES

PGE is subject to legal, regulatory, and environmental proceedings, investigations, and claims that arise from time to time in the ordinary course of its business. Contingencies are evaluated using the best information available at the time the condensed consolidated financial statements are prepared. Legal costs incurred in connection with loss contingencies are expensed as incurred. The Company may seek regulatory recovery of certain costs that are incurred in connection with such matters, although there can be no assurance that such recovery would be granted.

Loss contingencies are accrued, and disclosed if material, when it is probable that an asset has been impaired or a liability incurred as of the financial statement date and the amount of the loss can be reasonably estimated. If a reasonable estimate of probable loss cannot be determined, a range of loss may be established, in which case the minimum amount in the range is accrued, unless some other amount within the range appears to be a better estimate.

A loss contingency will also be disclosed when it is reasonably possible that an asset has been impaired, or a liability incurred, if the estimate or range of potential loss is material. If a probable or reasonably possible loss cannot be reasonably estimated, then PGE: i) discloses an estimate of such loss or the range of such loss, if the Company is able to determine such an estimate; or ii) discloses that an estimate cannot be made and the reasons why the estimate cannot be made.

If an asset has been impaired or a liability incurred after the financial statement date, but prior to the issuance of the financial statements, the loss contingency is disclosed, if material, and the amount of any estimated loss is recorded in either the current or the subsequent reporting period, depending on the nature of the underlying event.

PGE evaluates, on a quarterly basis, developments in such matters that could affect the amount of any accrual, as well as the likelihood of developments that would make a loss contingency both probable and reasonably estimable. The assessment as to whether a loss is probable or reasonably possible, and as to whether such loss or a range of such loss is estimable, often involves a series of complex judgments about future events. Management is often unable to estimate a reasonably possible loss, or a range of loss, particularly in cases in which: i) the damages sought are indeterminate or the basis for the damages claimed is not clear; ii) the proceedings are in the early stages; iii) discovery is not complete; iv) the matters involve novel or unsettled legal theories; v) significant facts are in dispute; vi) a large number of parties are represented (including circumstances in which it is uncertain how liability, if any, would be shared among multiple defendants); or vii) a wide range of potential outcomes exist. In such cases, there may be considerable uncertainty regarding the timing or ultimate resolution, including any possible loss, fine, penalty, or business impact.

EPA Investigation of Portland Harbor

An investigation by the United States Environmental Protection Agency (EPA) that began in 1997 of a segment of the Willamette River known as Portland Harbor revealed significant contamination of river sediments. The EPA subsequently

included Portland Harbor on the National Priority List pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act as a federal Superfund site. PGE has been included among more than one hundred Potentially Responsible Parties (PRPs), as it historically owned or operated property near the river.

A Portland Harbor site remedial investigation was completed pursuant to an agreement between the EPA and several PRPs known as the Lower Willamette Group (LWG), which did not include PGE. The LWG funded the remedial investigation and feasibility study and stated that it had incurred $115 million in investigation-related costs. The Company anticipates that such costs will ultimately be allocated to PRPs as a part of the allocation process for remediation costs of the EPA's preferred remedy.

The EPA finalized a feasibility study, along with the remedial investigation, and the results provided the framework for the EPA to determine a clean-up remedy for Portland Harbor that was documented in a Record of Decision (ROD) issued in 2017. The ROD outlined the EPA's selected remediation plan for clean-up of Portland Harbor that had an undiscounted estimated total cost of $1.7 billion, comprised of $1.2 billion related to remediation construction costs and $0.5 billion related to long-term operation and maintenance costs. Remediation construction costs were estimated to be incurred over a 13-year period, with long-term operation and maintenance costs estimated to be incurred over a 30-year period from the start of construction. Stakeholders have raised concerns that the EPA's cost estimates are understated, and PGE estimates undiscounted total remediation costs for Portland Harbor per the ROD could range from $2.5 billion to $5.5 billion.

The EPA acknowledged the estimated costs were based on data that was outdated and that pre-remedial design sampling was necessary to gather updated baseline data to better refine the remedial design and estimated cost. A small group of PRPs performed pre-remedial design sampling to update baseline data and submitted the data in an updated evaluation report to the EPA for review. The evaluation report concluded that the conditions of Portland Harbor have improved substantially with the passage of time. In response, the EPA indicated that while it would use the data to inform implementation of the ROD, the EPA's conclusions remained materially unchanged. With the completion of pre-remedial design sampling, Portland Harbor is now in the remedial design phase, which consists of additional technical information and data collection to be used to design the expected remedial actions. Certain PRPs, not including PGE, have entered into consent agreements to perform remedial design and the EPA has indicated it will take the initial lead to perform remedial design on the remaining areas. The Company anticipates that remedial design costs will ultimately be allocated to PRPs as a part of the allocation process for remediation costs of the EPA's preferred remedy. The entirety of Portland Harbor continues under an active engineering design phase.

In 2024, the EPA issued a Special Notice Letter (SNL) to 60 entities, including PGE, with requirements and deadlines that may ultimately lead to litigation. By letter dated May 30, 2025, PGE responded in coordination with other SNL recipients, as recommended by the EPA. Formal negotiations are anticipated to take approximately two years, concluding in fall 2026 and no later than March 2027, according to the EPA.

PGE continues to participate in a voluntary process to determine an appropriate allocation of costs amongst the PRPs and believes it is probable that it will share in a portion of the costs related to Portland Harbor. On May 29, 2026, the allocation team produced a joint preliminary allocation report (JPAR), which details assigned allocation percentage shares to each PRP across over 20 Project Areas. PGE concluded the JPAR provides sufficient information to develop a reasonable estimate of the low end of its share of liability for cleanup for a subset of Project Areas for which costs can be reasonably estimated. As a result, in Q2 2026, the Company recorded a $20 million liability, which was deferred in the Portland Harbor Environmental Remediation Account (PHERA). Significant uncertainties remain to the determination of PGE's share of these costs, as allocation percentages have not been finalized and the remedial design to establish cost ranges for all Project Areas is incomplete. PGE's estimated share of liability for cleanup is subject to change as cost estimates across all Project Areas are developed and refined over time and provide PGE sufficient information to determine its reasonably estimable range of its potential liability. Due to these uncertainties, PGE cannot reasonably estimate the high end of the range of its liability. The Company's final liability related to the cost of remediating Portland Harbor could be material to PGE's financial position and cash flows.

A portion of cleanup costs are attributable to identified PRPs that cannot be located or are insolvent. The liability associated with these parties is considered an “orphan share” pool that must ultimately be reallocated. Solvent, remaining PRPs may be responsible for the orphan shares, however, there is no single mandated approach to reallocation. Significant uncertainties remain regarding the treatment of the orphan shares and PGE does not currently have sufficient information to reasonably estimate the amount of orphan shares it will be responsible for. The Company’s final liability related to orphan shares could be material to PGE’s financial position.

The impact of costs related to EPA liabilities on the Company’s results of operations is mitigated by the PHERA mechanism. For more information on the PHERA, see "Regulatory Assets and Liabilities" in Note 3, Balance Sheet Components.

Wrongful Death Claims

In September 2025, PGE received a complaint filed in Multnomah County Circuit Court on behalf of the estates of three members of the public and their relatives, with regard to three fatalities that occurred during the January 2024 storm and severe winter weather event. The claim seeks a total of $375 million related to their deaths and surviving family members’ claims. Business entities that own and operate an apartment complex, along with a nearby property owner, are also named as defendants. At this time, as the case is in its early stages, PGE is unable to estimate a range of any reasonably possible loss. The Company denies liability and plans to defend its case.

Other Matters

PGE is subject to other regulatory, environmental, and legal proceedings, investigations, and claims that arise from time to time in the ordinary course of business that may result in judgments against the Company. Although management currently believes that resolution of such known matters, individually and in the aggregate, will not have a material impact on its financial position, results of operations, or cash flows, these matters are subject to inherent uncertainties, and management’s view of these matters may change in the future.

NOTE 9: GUARANTEES

PGE enters into financial agreements for, and purchase and sale agreements involving physical delivery of, both power and natural gas that include indemnification provisions relating to certain claims or liabilities that may arise relating to the transactions contemplated by these agreements. Generally, a maximum obligation is not explicitly stated in the indemnification provisions and, therefore, the overall maximum amount of the obligation under such indemnifications cannot be reasonably estimated. PGE periodically evaluates the likelihood of incurring costs under such indemnities based on the Company’s historical experience and the evaluation of the specific indemnities. As of June 30, 2026, management believes the likelihood is remote that PGE would be required to perform under such indemnification provisions or otherwise incur any significant losses with respect to such indemnities. The Company has not recorded any liability on the condensed consolidated balance sheets with respect to these indemnities.

NOTE 10: INCOME TAXES

The effective tax rates were 15.0% and 16.2% for the three months ended June 30, 2026 and 2025, respectively. For the six months ended June 30, 2026 and 2025, the effective tax rates were 15.7% and 17.3%, respectively. PGE’s effective tax rate is below the federal statutory rate of 21% for 2026 and 2025 primarily due to the effect of energy-related tax credits.

NOTE 11: SEGMENT INFORMATION

PGE is a vertically-integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity. The Company participates in wholesale markets by purchasing and selling electricity and natural gas in an effort to meet the needs of, and obtain reasonably-priced power for its retail customers, manage risk, and administer its

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long-term wholesale contracts. The Company generates revenues and cash flows primarily from the sale and distribution of electricity to retail customers in its service territory in the State.

The Company has identified one operating and reportable segment and defines its segment on the basis of the way in which internally reported financial information is regularly reviewed by the chief operating decision maker (CODM) to analyze financial performance, make decisions, and allocate resources. The Company's CODM is the President and Chief Executive Officer.

The Company's CODM assesses the segment's performance by using Consolidated Net Income. The CODM uses Consolidated Net Income predominantly as a key input to earnings per share and return on equity, which is an important metric for investors and regulators and is also tied to employee compensation.

The table below provides information about the Company's single business segment, including significant segment expenses, and includes reconciliation to Consolidated Net Income (dollars in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenues	$ 814	$ 807	$ 1,693	$ 1,735
Operating expenses:				
Purchased power and fuel	296	294	657	662
Operating and maintenance expense:				
Generation, transmission and distribution	112	114	222	224
Administrative and other	90	96	196	192
Total operating and maintenance expense	202	210	418	416
Depreciation and amortization	143	139	287	279
Taxes other than income taxes	52	46	103	92
Total operating expenses	693	689	1,465	1,449
Income from operations	121	118	228	286
Interest expense, net:				
Interest expense	64	60	126	120
Allowance for borrowed funds used during construction	(3)	(3)	(5)	(7)
Total interest expense, net	61	57	121	113
Other income, net:	20	13	27	23
Income before income taxes	80	74	134	196
Income tax expense	12	12	21	34
Net income	$ 68	$ 62	$ 113	$ 162

Certain additional financial information relating to the Company's single business segment was as follows (dollars in millions):

	June 30, 2026	December 31, 2025
Total assets	$ 13,643	$ 13,230
Equity method investments	21	19

	Six Months Ended June 30,	
	2026	2025
Capital expenditures	(635)	(596)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

The information in this report includes statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements that relate to expectations, beliefs, plans, assumptions, and objectives concerning future results of operations, business prospects, loads, outcome of litigation and regulatory proceedings, capital expenditures, market conditions, events or performance, and other matters. Words or phrases such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "will likely result," "will continue," "should," "based on," "conditioned upon," "considers," "could," "expected," "forecast," "goals," "needs," "promises," "subject to," "targets," or similar expressions are intended to identify such forward-looking statements.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed. Portland General Electric Company's (PGE, or the Company) expectations, beliefs, and projections are expressed in good faith and are believed by the Company to have a reasonable basis including, but not limited to, management's examination of historical operating trends and data contained either in internal records or available from third parties, but there can be no assurance that PGE's expectations, beliefs, or projections will be achieved or accomplished.

In addition to any assumptions and other factors and matters referred to specifically in connection with forward-looking statements, risks, uncertainties and other important factors that could cause actual results or outcomes for PGE to differ materially from those discussed in such forward-looking statements include:

- new or revised governmental policies, executive orders, legislative actions, and regulatory audits, investigations, and actions, including those of the Federal Energy Regulatory Commission (FERC), the Public Utility Commission of Oregon (OPUC), and the Internal Revenue Service (IRS), with respect to allowed rates of return, financings, electricity pricing and price structures, acquisition and disposal of facilities and other assets, construction and operation of plant facilities, transmission of electricity, recovery of power costs, operating expenses, deferrals, timely recovery of costs and capital investments, energy trading activities, tax credits, and current or prospective wholesale and retail competition;
- uncertainties associated with energy demand that differs from forecasts, including significant or accelerated load growth from new data centers and the concentration of data center load, and the ability to timely serve such growth due to regulatory, environmental, and other permitting requirements;
- economic conditions that result in decreased demand for electricity, reduced revenue from sales of excess energy during periods of low wholesale market prices, impaired financial stability of vendors and service providers, and elevated levels of uncollectible customer accounts;
- increases to operating costs that could result from changes to trade tariffs, rising inflation, and volatility in interest rates;
- the impacts of changes in the tax code, including tax rates, minimum tax rates, adjustments made to deferred tax assets and liabilities, and changes impacting the availability of and ability to transfer tax credits;
- risks and uncertainties related to the procurement of resources through current or future All-Source Request for Proposals (RFP) projects or other regulatory mechanisms, including, but not limited to regulatory processes, transmission capabilities, system interconnections, inflationary impacts, supply chain constraints, supply cost increases (including application of trade tariffs), permitting and construction delays, available tax credits, counterparty credit risk, and legislative uncertainty;
- demand uncertainty and changing customer preferences and choices that may reduce demand for PGE's services or alter usage patterns, including variability in demand driven by weather variations, price increases, reduced consumption or load shifting resulting from energy efficiency measures or other changes in customer behavior, increased adoption of distributed and renewable generation, and an increased likelihood that customers procure electricity from alternative service providers such as registered Electricity Service Suppliers (ESSs) or through community choice aggregation programs;
- the timing or outcome of legal and regulatory proceedings and issues including, but not limited to, the matters described in Regulatory Matters of the "Overview" in this Item 2, along with "Regulatory Assets and Liabilities"

in Note 3, Balance Sheet Components and Note 8, Contingencies in the Notes to the Condensed Consolidated Financial Statements in Item 1. —"Financial Statements" of this Quarterly Report on Form 10-Q;

•natural or human-caused disasters and other risks, including, but not limited to, earthquake, flood, ice, drought, extreme heat, lightning, wind, fire, accidents, equipment failure, acts of terrorism, computer system outages, and other events that disrupt PGE operations, damage PGE facilities and systems, cause the release of harmful materials, cause fires, and subject the Company to liability;

•severe weather and other natural phenomena, such as the greater prevalence of wildfires in Oregon, which could affect public safety, customers' demand for power, and PGE's financial health and ability and cost to procure adequate power and fuel supplies to serve its customers, access the wholesale energy market, or operate its generating facilities and transmission and distribution systems, and the Company's costs to maintain, repair, and replace such facilities and systems, and recovery of such costs;

•ignitions caused by PGE assets or PGE's ability to effectively implement a public safety power shut off (PSPS) and de-energize its system in the event of heightened wildfire risk or implement effective system hardening programs, the inability of which could lead to potential liability if energized systems were involved in wildfires that cause harm, as well as the risk that damages from wildfires may not be recoverable through prices or insurance, resulting in impact to the financial condition or reputation of the Company;

•impacts from legislation limiting wildfire-related liability or providing a wildfire relief fund, such as negative effects on PGE's credit rating, which could limit PGE's ability to access capital on terms similar to past transactions or at all and could impact PGE's liquidity, cash flows, and capital expenditure plans;

•operational factors affecting PGE's power generating and battery storage facilities, including forced outages, fires, unscheduled delays, environmental impacts, hydro and wind conditions, and disruption of fuel supply, any of which may cause the Company to incur repair costs or purchase replacement power at increased costs;

•default or nonperformance on the part of any parties from whom PGE purchases fuel, capacity, or energy, that may cause the Company to incur costs to purchase replacement power and related renewable attributes at increased costs;

•complications arising from PGE's jointly-owned plant, including changes in ownership, change in regulatory requirements, adverse regulatory outcomes or legislative actions, or operational failures that result in legal or environmental liabilities or unanticipated costs related to replacement power, capital improvements, repair costs, or abandoned costs;

•delays in the supply chain and increased supply costs, failure to complete capital projects on schedule or within budget, failure to obtain permits, inability to complete negotiations on contracts for capital projects, failure of counterparties to perform under agreements, or the abandonment of capital projects, any of which could result in the Company's inability to recover project costs, or impact PGE's competitive position, market share, or results of operations in a material way;

•volatility in wholesale power and natural gas prices, including but not limited to volatility caused by macroeconomic and international issues, such as the escalation of US operations in the Middle East, that could require PGE to post additional collateral or issue additional letters of credit pursuant to power and natural gas purchase agreements;

•changes in the availability and price of wholesale power and fuels, including natural gas and coal, and the impact of such changes, including the potential impact of trade tariffs and the escalation of US operations in the Middle East, on the Company's power costs;

•capital market conditions, including availability of capital, volatility of interest rates, reductions in demand for investment-grade commercial paper, volatility of equity markets as well as changes in PGE's credit ratings, any of which could have an impact on the Company's cost of capital and its ability to access the capital markets to support requirements for working capital, construction of capital projects, the repayments of maturing debt, and stock-based compensation plans, which are relied upon in part to retain key executives and employees;

•future laws, regulations, and proceedings that could increase the Company's costs of operating its thermal generating plants, or affect the operations of such plants by imposing requirements for additional emissions controls or significant emissions fees or taxes, particularly with respect to coal-fired generating facilities, in order to mitigate carbon dioxide, mercury, and other gas emissions;

- changes in, compliance with, and general uncertainty around environmental laws and policies, including those related to threatened and endangered species, fish, and wildlife;
- the effects of climate change, whether global or local in nature, including unseasonable or extreme weather and other natural phenomena that may affect energy costs or consumption, increase the Company's costs, cause damage to PGE facilities and system, or adversely affect its operations;
- changes in residential, commercial, or industrial customer growth, or demographic patterns, including changes in load resulting in future transmission constraints, in PGE's service territory;
- the effectiveness of PGE's risk management policies and procedures;
- cybersecurity attacks, data security breaches, physical attacks and security breaches, the use or misuse of artificial intelligence technologies, including AI-enabled cyberattacks, fraud, misinformation, unauthorized disclosure of sensitive information, operational errors, or other malicious acts, internally or to third parties, that cause damage to the Company's generation, transmission, or distribution facilities, impact information technology or operational technology systems, inhibit the capability of equipment or systems to function as designed or expected, or result in the release of confidential customer, vendor, employee, or Company information;
- reputational damage from negative publicity, protests, fines, penalties and other negative consequences resulting in regulatory and/or legal actions;
- employee workforce factors, including labor strikes, work stoppages, collective bargaining negotiations that result in increased labor costs or other less favorable terms, the inability to obtain contracted workers at reasonable rates during a labor disruption, transitions in senior management, the ability to recruit and retain key employees and other talent, and turnover resulting from macroeconomic conditions such as elevated levels of voluntary resignations, any of which could increase costs and adversely affect operations and financial results;
- failure to achieve the Company's greenhouse gas (GHG) emission goals or being perceived to have either failed to act responsibly with respect to the environment or effectively respond to legislative requirements concerning GHG emission reductions, any of which could lead to adverse publicity and have adverse effects on the Company's operations and/or damage the Company's reputation;
- the impact of widespread health developments, and responses to such developments (such as voluntary and mandatory quarantines, including government stay at home orders, as well as shut downs and other restrictions on travel, commercial, social, and other activities), which could materially and adversely affect, among other things, demand for electric services, customers' ability to pay, supply chains, personnel, contract counterparties, liquidity, and financial markets;
- changes in financial or regulatory accounting principles or policies imposed by governing bodies,
- acts of war, terrorism, or civil disruption, including the escalation of US operations in the Middle East, which could amplify the effects of any of the above risk factors and contribute to volatility in capital market conditions, interest rates and inflation; and
- uncertainties associated with the proposed Acquisition, including but not limited to, the expected closing of the proposed transaction and the timing thereof, the financing of the proposed transaction, strategies and plans, opportunities and anticipated future performance and capital structure, and expected accretion to earnings per share and free cash flow.

Additional disclosures regarding risks, uncertainties and important factors that could cause PGE's results or performance to differ from the statements made in this report are discussed in Part I, Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026, and in Part II, Item 1A. "Risk Factors" of this Quarterly Report on Form 10-Q.

Any forward-looking statement speaks only as of the date on which such statement is made and, except as required by law, PGE undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all such factors or assess the impact of any such factor on the business or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

OVERVIEW

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to provide an understanding of the business environment, results of operations, and financial condition of PGE. MD&A should be read in conjunction with the Company's condensed consolidated financial statements contained in this report, and other periodic and current reports filed with the SEC.

PGE is a vertically-integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity in the State of Oregon (State). The Company participates in wholesale markets by purchasing and selling electricity, natural gas, and environmental credits in an effort to meet the needs of, and obtain reasonably-priced power for, its retail customers, manage risk, and administer its long-term wholesale contracts. In addition, PGE continues to develop products and service offerings for the benefit of retail and wholesale customers. The Company generates revenues and cash flows primarily from the sale and distribution of electricity to retail customers in its service territory in the State.

Company Strategy

PGE's corporate strategy places customers at the center of everything the Company does. PGE supports energizing lives, strengthening communities, and driving advancement in energy to promote social, economic, and environmental progress. With a focus on affordability, the Company continuously innovates, streamlines, and manages costs to deliver exceptional experiences for its customers. The Company is committed to delivering steady growth and returns to shareholders. The Company is building an increasingly smart, integrated, and interconnected grid that spans from residential customers to other utilities within the region.

PGE is focused on the following strategic imperatives:

- *Decarbonize Power*—make progress toward customer-driven clean energy goals by continuing to add new renewable and non-emitting resources and products to the Company's energy mix;
- *Electrify the Economy*—power the lives of approximately two million residents in its service territory by supporting the region's economic growth industries and capturing the benefits of new technologies while serving approximately two-thirds of Oregon's commercial and industrial activity; and
- *Advance Performance*—continue to build a safer and more reliable grid by accelerating cost-effective grid investments and modernizing transmission.

Pending Acquisition

On February 15, 2026, PGE, through a newly formed, wholly-owned subsidiary, entered into an agreement (the "Agreement") with PacifiCorp, an indirect subsidiary of Berkshire Hathaway Energy Company, to acquire select Washington state generation, transmission, and electric utility operations for $1.9 billion. The Acquisition would enable PGE to extend its service to approximately 140,000 Washington customers.

Under the Agreement, if the Acquisition is completed, PGE will acquire three generation facilities: the Chehalis thermal plant (477 MW), the Goodnoe Hills wind facility (94 MW), and the Marengo I and II wind facilities (234 MW). The Acquisition would also include 4,500 miles of transmission and distribution lines, and local utility operations across approximately 2,700 square miles.

PGE intends to manage the Washington operations as a separate company through a newly created subsidiary to be regulated by the Washington Utilities and Transportation Commission (WUTC). PGE intends to retain current Washington employees and honor existing labor agreements. PGE corporate functions are expected to provide shared support for both Washington and Oregon companies.

The Acquisition is designed with the goal that Washington and Oregon customers would not be impacted by costs associated with executing the acquisition and transaction financing. PGE expects the Acquisition and state and federal regulatory reviews to close in approximately twelve months following the submission of regulatory applications. Regulatory applications were submitted to the WUTC and the OPUC on March 30, 2026 and April 2, 2026, respectively. On July 15, 2026, the Company, jointly with other parties, submitted an application to the FERC seeking approval of the transaction, requesting a decision by December 15, 2026.

Central to this Acquisition is PGE's plan to enter into a joint venture with Manulife Infrastructure Fund III, L.P. and its affiliates, including John Hancock Life Insurance Company (U.S.A.), which will collectively be a minority owner of the Washington utility business. PGE would remain majority owner and sole operator.

For more information regarding PGE's plans to fund its future capital requirements, including this proposed Acquisition, see "Liquidity" in the Liquidity and Capital Resources section of this Item 2. See *"Pending Acquisition"* in Note 1, Basis of Presentation, in the Notes to Condensed Consolidated Financial Statements in Item 1.—"Financial Statements" for additional information on the pending acquisition.

Climate Change

State-mandated GHG emissions reduction targets—In 2021, the Oregon legislature passed House Bill (HB) 2021, establishing a 100% clean electricity by 2040 framework for PGE and other investor-owned utilities and electric service suppliers in the State. A number of provisions in the bill align with PGE's strategic direction and highlight Oregon's ambitious, economy-wide goals to combat climate change. The GHG emissions reduction targets applicable to these regulated entities are an 80% reduction in GHG emissions by 2030, 90% by 2035, and 100% by 2040 and every year thereafter. For more information regarding HB 2021 and the baseline to which the target reductions apply, see *"HB 2021"* in the "Laws and Regulations" section of this Overview.

Empowering customers and communities—PGE's customers have a desire for purchasing clean energy, as over 213 thousand residential and small commercial customers voluntarily participate in PGE's Green Future Program, the largest renewable power program by participation in the nation. In 2017, Oregon's most populous city, Portland, and most populous county, Multnomah, each passed resolutions to achieve 100% clean and renewable electricity by 2035 and 100% economy-wide clean and renewable energy by 2050. Other jurisdictions in PGE's service area have similar goals and continue to consider similar goals for the future.

The Company implemented a customer subscription option, the Green Future Impact Program, which is a renewable energy program that allows large business and municipal customers to have a choice in how they source their electricity. Under the Green Future Impact Program, customers can enroll in a Customer-Supplied Option (CSO) or PGE-Supplied Option (PSO). Under the CSO, participants are responsible for finding a renewable energy facility that meets established requirements and bringing those resources to PGE. Under the PSO, customers who enrolled in Phase I can receive energy from PGE-provided purchased power agreements (PPAs) for renewable resources and customers who enroll in Phase II can receive energy either from PGE-provided PPAs for renewable resources or energy from renewable resources that are PGE owned, under certain conditions.

As of June 30, 2026, the Green Future Impact Program has an approved capacity of 750 megawatts (MW) nameplate, of which 482 MW have been subscribed. Through this voluntary program, the Company seeks to support customers' clean energy acceleration.

Severe weather—In recent years, PGE's service territory has experienced unprecedented heat, historic ice and snowstorms, and wildfires. In December 2025, Portland, Oregon experienced the warmest December on record, averaging six degrees above normal temperatures for the region. In January 2024, the Company's service territory encountered a severe winter weather event, including snow, ice, and high winds that caused catastrophic damage to physical assets and resulted in widespread customer power outages. For more information regarding the January 2024 severe winter weather event, see "Declared States of Emergency" within this Overview section. In August 2023 the region experienced a record-breaking heat wave with temperatures reaching all-time recorded highs for the month. This resulted in a peak load demand of 4,498 MW, exceeding the Company's previous all-time peak load demand, and surpassing the prior summer peak load by nearly six percent. The increase and severity of weather events highlights the importance of combating the effects of climate change through decarbonizing the power supply and investing in a more reliable and resilient grid.

Investing in a Clean Energy Future

The Resource Planning Process—PGE's resource planning process includes preliminary and ongoing engagement with customers, stakeholders, regulators, and other interested parties to help inform the Company's assessment of future energy needs and resource options. Through its Integrated Resource Plan (IRP) and Clean Energy Plan (CEP) processes, PGE evaluates multiple planning scenarios using forecasts, modeling, stakeholder input, surveys, and other available data.

With the passage of HB 2021, PGE created a CEP which articulates the Company's strategy to make continued progress toward the 2030, 2035, and 2040 emission reduction targets through an equitable transition to a decarbonized grid. The CEP is based on, and was submitted to the OPUC in connection with, the Company's 2023 Integrated Resource Plan (IRP) in March 2023, the first combined IRP and CEP. That filing projected PGE's resource and capacity needs over the next 20 years and proposed an Action Plan to meet near-term needs, subject to HB 2021 emissions reduction requirements.

In June 2025, PGE submitted a CEP/IRP Update to the OPUC. The CEP/IRP Update refreshed forecasts and planning assumptions used in the 2023 CEP/IRP and identified a new Preferred Portfolio as a result of the updated analysis. PGE did not propose changes to the Action Plan acknowledged in the 2023 CEP/IRP, which supports the Company's progress toward emissions targets and Preferred Portfolio resource procurement needs through the 2025 All-Source RFP. Based on the information available at the time, PGE concluded that this approach represented the best combination of cost, risk, community benefit, and decarbonization objectives.

To better distinguish resource needs, the CEP/IRP Update reports capacity from hybrid solar and battery storage resources by individual technology. The Update identified a need for approximately 3,500 to 4,500 MW of renewable energy and non-emitting capacity, inclusive of 2023 and 2025 RFP projects, or any other additional resource procurement activities outside of the RFP. These estimates are based on planning assumptions and forecasts that may change as market conditions, customer needs, stakeholder input, and regulatory requirements continue to evolve.

PGE is continuing discussions with customers, stakeholders, and the OPUC regarding PGE's path forward through the engagement process for the 2026 Clean Energy Plan and Integrated Resource Plan, which the company plans to file in the third quarter of 2026. PGE is continuing to refine its analysis, forecasts, resource needs, and preferred strategies to support continued progress toward emission targets while serving customers safely, reliably, equitably, and at the lowest reasonable cost.

2023 All-Source RFP

After a robust and competitive bidding, repricing, and negotiating process as part of the 2023 RFP, PGE has entered into agreements to construct two solar and battery hybrid projects for a total of 615 MW:

- Biglow Optimization—PGE entered into an agreement to construct a 125 MW solar facility and a 125 MW BESS in Sherman County, Oregon. PGE will own the resource with an investment of approximately $540 million, excluding AFUDC. The project has an estimated commercial operation date at the end of 2027.
- Wheatridge Expansion—PGE and NextEra Energy, Inc. entered into agreements to construct a 240 MW solar facility and a 125 MW BESS facility, located in Morrow County, Oregon. PGE will own 110 MW of solar and 65 MW of BESS production capacity with an investment of approximately $490 million, excluding AFUDC. NextEra Energy, Inc. will operate the facility, own the remaining 130 MW of solar and 60 MW of BESS production capacity and sell their portion of the output to PGE under a 30-year PPA. The project has an estimated commercial operation date at the end of 2027.

These agreements represent the final procurement from the 2023 All-Source RFP. The 2023 RFP is a component of PGE's multi-pronged procurement approach focused on customer affordability, system reliability, and decarbonization. Both the 2023 RFP reprice and the 2025 RFP disclosed below were designed to capture expiring tax credits to support customer affordability. Additional resources are anticipated to be procured through future acquisition processes, including, but not limited to, PPAs, including a bilateral all-call for PPAs, community-based renewable energy procurement, the ongoing 2025 RFP, and future RFPs.

Additional Procurement Activities

PGE has entered into the following agreements in addition to the Company's 2023 RFP:

- Meadowlark BESS—a 20-year storage capacity agreement for a 200 MW BESS located in Washington County, Oregon. This project will be owned by Copenhagen Infrastructure Partners, LLC and has an estimated commercial operation date at the end of 2027.

•Nottingham BESS—a 20-year storage capacity agreement for a 200 MW BESS located in Washington County, Oregon. This project has an estimated commercial operation date in 2028, pending OPUC approval of the requested waiver of the competitive bidding rules.

2025 All-Source RFP

PGE filed notice with the OPUC in November 2024 that an RFP in 2025 was needed to procure resources to meet a forecasted 2029 capacity shortfall and to make continued progress toward decarbonization targets under HB 2021. These actions were consistent with the 2023 IRP Action Plan and CEP Update. PGE filed the draft 2025 All-Source RFP in April 2025 and regulatory approval was granted on July 22, 2025. The Company issued the RFP to market on July 31, 2025, seeking bids for resources that can provide non-emitting dispatchable capacity and renewable generation.

After a robust and competitive bidding process performed in accordance with Oregon's competitive bidding rules, and with the active participation of, and oversight by, an OPUC-selected third-party independent evaluator, PGE submitted a request for acknowledgement of the final shortlist of bidders to the OPUC on February 17, 2026. The final shortlist is made up of both renewables and non-emitting capacity projects, as shown in the table below:

2025 RFP Final Shortlist				
Project	**Technology**	**Structure**	**MW**	**Company-owned MW**
1	Battery	PPA	185	
2	Battery	PPA	200	
3	Wind	PPA	560	
4	Solar	PPA	100	
5	Wind	PPA	103	
6	Solar, Battery	Hybrid	800	400
7	Wind, Battery, Solar	Hybrid	800	375
8	Solar, Battery	BTA	450	450
9	Solar, Battery	BTA	400	400
10	Battery	BTA	100	100
11	Battery	BTA	200	200
12	Solar, Battery	PPA	900	

The proposals for renewable resources provide various combinations of wind, solar and battery storage options that include storage capacity and PPAs along with Company-owned resources via Build Transfer Agreements (BTA). The proposals for non-emitting dispatchable capacity resources provide battery storage options that include PPAs along with Company-owned resources via BTAs.

PGE is proceeding to commercial negotiations with projects on the final shortlist, prioritizing those that include renewable generation and that have a viable pathway to achieve commercial operations earlier in the 2028 - 2030 eligibility period. The ultimate outcome of the RFP process, or any other additional resource procurement activities outside of the RFP, may involve the selection of multiple projects for both renewable and non-emitting dispatchable capacity resources, which PGE expects will be approximately 2,500 MWs in total.

On May 26, 2026 the OPUC acknowledged the 2025 RFP final shortlist. Additional details of the 2025 RFP (OPUC Docket UM 2371) are available on the OPUC website at www.oregon.gov/puc.

Transmission Upgrades

In alignment with local and regional transmission plans, the 2023 IRP Action Plan, and CEP Update, PGE is evaluating and implementing upgrades to existing transmission resources and expansions of current transmission networks. Transmission resource actions are intended to alleviate congestion, improve regional adequacy and reliability, enable decarbonization goals, and address growing customer demand.

In May 2024, PGE signed a non-binding memorandum of understanding in the development of the North Plains Connector, an approximately 415-mile, high-voltage direct-current (HVDC) transmission line to be constructed with endpoints near Bismarck, North Dakota and Colstrip, Montana. The parties entered negotiations with the United States Department of Energy (U.S. DOE) to finalize the project objectives, terms, and conditions, including the Company's participation, which is expected to involve a 20% ownership share of the approximately $3.2 billion total investment of the project. In August 2024, the project was awarded a $700 million grant from the U.S. DOE's Grid Resilience and Innovation Partnerships (GRIP) program to further support its development and would reduce the overall total investment of the project. A portion of the GRIP funding is also allocated to assess upgrades to the Colstrip Transmission System. See *"Federal Grants"* in the Laws and Regulations section of this Overview for further discussion over the impacts of Federal grants and effect of Presidential executive orders.

The North Plains Connector would be the nation's first HVDC transmission connection among three regional U.S. electric energy markets, providing additional flexibility and the sharing of resources across multiple time zones. PGE's resource planning process indicates the need for transmission to provide additional transfer capacity, access to diverse energy resources and enhanced wholesale markets, and ease congestion on the existing western transmission system. PGE continues to explore the North Plains Connector as a resource to help meet those load-service needs.

The U.S. DOE selected the Confederated Tribes of Warm Springs (CTWS), with PGE as a subrecipient under the grant, for a $250 million grant to upgrade the existing 230 kV Bethel-Round Butte Transmission line to 500 kV. The project (Warm Springs Power Pathway) will accelerate the development of transmission capacity, enabling new generation in Central and Eastern Oregon to reach customer demand loads in Western Oregon. The added capacity and associated upgrades will also increase resiliency of the transmission system as well as resiliency of the CTWS communities by increasing resources available to the CTWS to support economic growth opportunities. See *"Federal Grants"* in the Laws and Regulations section of this Overview for further discussion over the impacts of Federal grants.

Building a resilient grid—To serve communities with clean energy, PGE's grid of the future will need to be smart and adaptive. Highlights of PGE's key investments and plans for building a resilient grid include:

- *Wildfire Mitigation*—PGE has a Wildfire Mitigation Program under which an annual Wildfire Mitigation Plan (WMP) is developed and submitted to the OPUC, as required by State law, to coordinate activities across the Company and with State-wide stakeholders. In December 2025, PGE filed its 2026-2028 Wildfire Mitigation Plan, which forecasts $47 to $50 million annually in operations and maintenance costs and an additional $70 to $84 million annually in capital investments, for the 2026-2028 period, to continue system hardening efforts, expand situational awareness capabilities, implement specific inspection and maintenance along with vegetation management, raise community and customer awareness, and take operational actions within high fire risk zones. PGE strives to improve regional safety by mitigating the risk that PGE's electric utility infrastructure could cause a wildfire, while limiting the impacts of PSPS events and other mitigation activities on customers and increasing the resiliency of PGE assets to wildfire damage. In the six months ended June 30, 2026, PGE invested $38 million in capital projects related to wildfire mitigation and resiliency and utility asset management.

- *Virtual Power Plant (VPP)*—PGE's VPP is comprised of Distributed Energy Resources and flexible loads that are managed through technology platforms to provide grid and power operations services. PGE's customer offerings related to flexible load programs, rooftop solar, battery storage, and electric vehicle (EV) charging solutions support grid reliability and increase portfolio flexibility and resource diversity. When coordinated through the Company's Distributed Energy Resources Management Systems, Distributed Energy Resource and flexible loads support cost-effective decarbonization, advance customer and community energy resiliency, promote customer engagement with the energy system, and unlock additional grid services that enhance PGE's operation of a dynamic two-way system. As participation in PGE's VPP grows, customer actions provide increasing benefit and help avoid customer service interruptions and reduce exposure to scarcity pricing in energy markets.

•*Grid Enhancing Technologies (GETs)*—Limited network upgrades or non-wires solutions are important strategies that offer incremental improvements and can unlock capacity on existing transmission paths in the region. GETs include advanced conductors and coatings, topological optimization, and dynamic line ratings. PGE is actively incorporating GETs across its system to further increase the performance of new and existing transmission assets. These efforts, when deployed across a number of areas and assets, have the potential to add incremental capacity to the grid at lower costs.

•*Distribution System Plan (DSP)*—In 2021 and 2022, PGE filed its inaugural DSP in two parts, which were accepted by the OPUC in 2022 and 2023, respectively. The OPUC Staff finalized their review of modifications to the current DSP guidelines in the fourth quarter of 2024 and PGE filed its next DSP in December 2024, fully compliant with the updated requirement. The DSP outlines distribution system assets, describes how the Company plans for new load, including distributed resources such as EVs and rooftop solar installations, and presents the vision for modernizing the grid to enable accelerated decarbonization and customer participation in demonstrating continual progress towards PGE's clean energy goals. For further information on recovery of costs related to the DSP, see *"DSP recovery mechanism"* in the Regulatory Matters section of this Overview.

Electrify the economy—To help Oregon reach its decarbonization goals, PGE is committed to increasing electrification of buildings and supporting vehicle electrification for customers.

Transportation electrification (TE) is one of the most significant ways to reduce GHG emissions in Oregon. PGE is engaged with customers and communities to manage EV charging load, develop infrastructure projects aimed at improving accessibility to EV charging stations, build electric fleet partnerships, and offer programs to support customers' transitions to TE.

In December 2025, the OPUC accepted PGE's 2026-2028 TE Plan. The plan considers current and planned activities, along with forecasted EV loads for the 2026-2028 period, with expected capital expenditures to be approximately $11 million.

PGE continues to pursue advanced technologies to enhance the grid, pursue energy storage, and develop microgrids and the use of data and analytics to better predict demand and support energy-saving customer programs.

Laws and Regulations

Trade Tariffs—U.S. trade policy and tariff measures continue to evolve through a combination of existing and newly implemented tariff programs, ongoing litigation, and potential future trade actions. These evolving measures may increase the cost of raw materials and equipment, disrupt global supply chains, and contribute to volatility in commodity, capital, and credit markets. The cost of steel utility poles, meters, transformers, and specialized electrical equipment, among other items, may increase, which could affect materials and supplies balances and increase capital projects costs. Similarly, procurement costs may rise and lead times may lengthen for necessary components in resources considered for acquisition in PGE's All-Source RFPs. For further information on the Company's RFPs, see "*The Resource Planning Process"* in the Investing in a Clean Energy Future section of this Overview. Although PGE does not expect a material impact on its Canadian natural gas imports from recent Canada-related actions, future trade actions involving Canada could affect commodity markets, supply chains, or procurement costs. Recent tariff actions affecting particular countries and product categories, as well as the possibility of additional trade measures, have increased uncertainty regarding future equipment costs and supply availability. The Company is unable to reasonably estimate the effects of the rapidly evolving trade tariff landscape, as those effects could include project delays and cost increases, and present obstacles to PGE's strategic plan execution. PGE is closely monitoring the impacts of trade tariffs and the potential effect they may have on the Company's financial position, results of operations, or cash flows.

Federal Grants—PGE continues to evaluate opportunities on behalf of customers to leverage state, federal, and private foundation funding programs to offset the cost of projects. These projects target improvements in electrical system reliability and resiliency, wildfire situational awareness and mitigation, greater communications capabilities, advancements in customer usage analytics using artificial intelligence, renewable resources and advanced electrical grid support, hydro generation operations, and regional transmission capacity constraints.

In October 2025, PGE received notice from the U.S. DOE of the termination of four federal grants that originally planned to provide $61 million in federal reimbursement over the life of the grants. PGE has incurred an immaterial amount of

costs for projects associated with the terminated grants and does not expect the termination process to result in a material impact on the Company's financial position and results of operations.

PGE has been awarded, either as a direct recipient or subrecipient, five additional grants totaling approximately $252 million. These grants remain in various stages of execution, with the largest being the Warm Springs Power Pathway. PGE continues to monitor these grants for potential modification or termination but has not received any formal notice of termination. To date, PGE has incurred only immaterial costs related to these grants. See *"Transmission Upgrades"* in the Investing in a Clean Energy Future section of this Overview for further discussion on the Warm Springs Power Pathway grant. The Company cannot predict the ultimate timing and success of securing funding from federal programs or predict the outcome of existing grants.

Inflation Reduction Act of 2022 (IRA)—The IRA was signed into law in 2022. The United States Treasury and the IRS released extensive rules addressing credit transfer eligibility and application, including but not limited to, required registration, filing, and documentation for transferors and transferees to elect and claim a credit transfer.

In 2024, PGE received approval from the OPUC to transfer PTCs generated in 2024 and 2025 and to record any difference between the full value and the discounted value in a property balancing account. On April 15, 2026, PGE received approval from the OPUC to transfer PTCs generated in 2026 and 2027 and to record any difference between the full value and the discounted value in a property balancing account.

PGE has entered into agreements to transfer tax credits and transferred $12 million and $13 million, net of discounts, for cash proceeds in the first six months of 2026 and 2025, respectively. PGE transferred tax credits, net of discounts, of $179 million in 2025. For the remainder of 2026, the Company expects to generate and transfer approximately $25 million of additional tax credits, net of discounts.

The One Big Beautiful Bill Act (OBBBA)—The OBBBA significantly amended or repealed several renewable-energy tax incentives originally enacted under the IRA. Projects previously placed in service that met applicable tax credit qualification requirements received PTC or ITC benefits, which are reflected in the Company's condensed consolidated financial statements. The transferability of tax credits, as provided under the IRA, also remains in effect. In August 2025, the U.S. Treasury issued a notice for establishing the beginning of construction for wind and solar projects. The notice required large projects to satisfy a physical-work test after September 2, 2025, eliminated certain inventory-procurement safe harbors, and accelerated the placed in service deadline to December 31, 2027. A subsequent court ruling invalidated the August 2025 notice, although debate continues as to the repercussions. Since the effect of the court ruling on the Company remains unclear, PGE has not changed its method of determining qualifying projects, treating them as if the notice remains in effect.

These changes, together with the repeal of the permanent ten percent ITC, as outlined in the OBBBA, are expected to reduce or eliminate the availability of renewable energy tax incentives on future projects.

See *"The Resource Planning Process"* in the Investing in a Clean Energy Future section of this Overview for information regarding the impact of the OBBBA on the RFP process.

HB 2021—Among other things, HB 2021 requires retail electricity providers to reduce GHG emissions associated with serving Oregon retail electricity consumers to certain targets: 80% reduction by 2030; 90% by 2035; and 100% by 2040, compared to a baseline emission level. The baseline emission level is calculated for each provider by using average annual emissions associated with power generated and purchased for retail load for the years 2010 through 2012.

HB 2021 requires utilities to develop a CEP for meeting the reduction targets, concurrent with each IRP. In reviewing a CEP, the OPUC must ensure that utilities take actions as soon as practicable that facilitate rapid reduction of GHG emissions, demonstrate continual progress toward meeting the targets, and create a plan that is in the public interest. Further, the CEP must result in an affordable, reliable, and clean electric system. The law does not require particular GHG percentage reductions be attained until 2030. The law contains affordability and reliability related provisions that can slow or pause compliance with the GHG targets, if implicated. The OPUC has a current open docket, UM 2273, in which provisions regarding the cost cap are being investigated. In addition, a rulemaking docket, AR 685, seeks to develop a framework around the components and calculation of the cost cap, including costs already incurred in compliance.

A separate law adopted in 2009 requires retail electricity providers to report annually to the Oregon Department of Environmental Quality (ODEQ) the GHG emissions associated with electricity used to serve retail customers. The OPUC must use the data reported to the ODEQ to determine whether the GHG targets have been met.

RPS standards and related laws—In 2016, Oregon Senate Bill (SB) 1547 increased the 2007 benchmarks for the percentage of electricity that must come from renewable sources by dates certain and required the elimination of coal as a fuel for generation of electricity used to serve Oregon utility customers on or before January 1, 2030, although an exception in the law may extend this date five years for the output of Colstrip Units 3 and 4 coal-fired generating plant (Colstrip).

The Company has a 20% ownership share in Colstrip and has fully depreciated the facility as of December 31, 2025. Any capital spending after 2025 is expected to be fully depreciated within the year of spending. The forecasted annual revenue requirement for Colstrip, including depreciation, is updated annually in a separate, supplemental tariff and recovery of power cost related items is sought annually under the AUT. In order to meet PGE's regulatory, legislative, and reliability requirements, the Company continues to evaluate its ongoing ownership interest in Colstrip.

Any reduction in generation from Colstrip has the potential to provide additional capacity availability on the Colstrip transmission facilities, which stretch from eastern Montana to near the western end of that state to serve markets in the Pacific Northwest and neighboring states. PGE has an approximate 15% ownership interest in, and capacity on, the Colstrip transmission facilities. See the Investing in a Clean Energy Future section of this Overview for information regarding development in eastern Montana.

Other provisions of SB 1547:

- established RPS thresholds of 27% by 2025, 35% by 2030, 45% by 2035, and 50% by 2040, for the percentage of electricity that must come from renewable sources;
- limited the life of renewable energy credits (RECs) generated from facilities that become operational after 2022 to five years, but continue unlimited lifespan for all existing RECs and allow for the generation of additional unlimited RECs for a period of five years for projects online before December 31, 2022; and
- provided opportunity to pursue recovery of energy storage costs related to renewable energy in the Company's RAC filings.

During the second quarter of 2026, the Company submitted its RPS report for 2025, which indicated that the Company met the threshold for 2025. The report remains subject to final review by the Oregon Department of Energy. PGE believes it is on track to meet the RPS threshold for 2026.

HB 3179—In response to increasing utility bills and concerns about affordability, the Oregon Legislature in 2025 passed HB 3179. Under the provisions of the legislation, the OPUC shall balance the interests of the utility investor and the consumer by considering the cumulative economic impact of the proposed price or schedule of prices on the electric or natural gas company's residential customers. Electric or natural gas companies are required to file a multi-year rate plan (MRP) on a regular interval that is no less than three and no more than seven years long. The OPUC issued Order 26-191 on May 26, 2026, that began formal rulemaking in docket AR 677. In the proposed rules identified in Order 26-191, the OPUC is seeking to establish an initial filing schedule for MRPs, which calls for PGE to file its first MRP no earlier than May 1, 2029 and no later than July 31, 2029. The OPUC has also opened a docket, AR 676, as a multi-phased rulemaking to establish the MRP framework with a target to complete the framework in early 2027.

Under rules made effective March 19, 2026, each electric and natural gas company is required to, at least annually by December 31, file with the OPUC, and make publicly available, a report on any price adjustments that the electric or natural gas company expects within the next twelve months. Such report, must identify all price adjustment requests that an electric or natural gas company has filed or reasonably knows or anticipates to file. Any increase in residential prices may not take effect from November 1 to March 31.

United States Environmental Protection Agency (EPA) Regulations for Electric Generating Facilities—In 2024, the EPA released final regulations pertaining to electric generation facilities. The regulations included:

- GHG regulations for new natural gas-based turbines and existing coal-based units, pursuant to section 111 of the Clean Air Act (CAA);

- Supplemental Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category (the ELG Rule), which applies to wastewater discharges from coal-based generating units and establishes pollution control requirements, building upon the 2015 and 2020 ELG Rules; and
- Updated Mercury and Air Toxics Standards (MATS), pursuant to section 112 of the CAA, which sets emissions limits for filterable particulate matter for coal-based generating units. The rule reduces those limits from the standards that were originally set in 2012.

In April 2025, the President issued a proclamation, *Regulatory Relief for Certain Stationary Sources to Promote American Energy*, granting a two-year compliance exemption pursuant to the CAA Section 112(i)(4) for the EPA's MATS rule. Colstrip was subsequently granted an exemption by the EPA until July 8, 2029. Environmental groups have filed court challenges to the MATS exemptions.

In June 2025, to advance the goals of the President's *Unleashing American Energy* executive order, the EPA proposed to repeal the 2024 GHG emissions standards for fossil fuel-fired power plants promulgated under Section 111 of the CAA. The EPA also proposed to repeal specific amendments to the updated MATS, that were promulgated in 2024, including the revised filterable particulate matter emissions standard. Additionally, in June 2025, the EPA proposed to update the 2024 ELG Rule to extend compliance deadlines and explore flexibilities to promote reliable and affordable power generation. On February 12, 2026, the EPA revoked the 2009 endangerment finding, thus removing the EPA's authority to regulate GHGs.

PGE continues to evaluate each of these rules to assess the potential impact, which could be material, on the Company's continuing investment in Colstrip. If upheld, not modified by the EPA, or the MATS compliance exemption is overturned, the 2024 MATS and GHG Rules would require compliance as early as 2027 and 2032, respectively. Compliance with the 2024 rules could require material upgrades at Colstrip with proposed compliance dates that may not be achievable or require the use of unproven technology, resulting in significant impacts to costs related to Colstrip.

In addition to the EPA's proposed rulemakings, several legal challenges have been filed regarding these rules and the revocation of the endangerment finding. In challenges to all three rules, at the EPA's request, the courts have granted stays to allow new EPA leadership to reevaluate the rule. The endangerment finding revocation has not been stayed, and went into effect April 20, 2026, while the legal challenges are pending. These challenges, or attempts by the federal government to withdraw or modify the regulations, if successful, could affect the applicability to PGE and Colstrip, specifically. Given the uncertainty surrounding applicability of these laws and regulations, PGE cannot reasonably estimate the impact to its results of operations, financial position, and cash flows, however, if the MATS Rule and GHG Rule are ultimately enforced, it could require material additional compliance costs. To the extent these regulations result in increased compliance costs, the Company expects to seek recovery of those costs through the ratemaking process.

Regulatory Matters

PGE focuses on providing reliable, clean power to customers at affordable prices while providing a fair return to investors. To achieve this goal the Company must execute effectively within its regulatory framework and maintain prudent management of key financial, regulatory, and environmental matters that may affect customer prices and investor returns. The following discussion provides detail on a number of such matters.

Corporate structure—In July 2025, the Company submitted an application to the OPUC seeking approval of a holding company reorganization. PGE believes it to be in the best interests of its customers and shareholders to update its corporate structure into a holding company structure. The structure currently contemplated involves placing a non-operating corporate entity over the Company's existing structure. The intent of the reorganization is to take advantage of the financial flexibility provided by a holding company structure and to support reliability planning and economic development.

The application is one of many steps required to complete the reorganization, which needs OPUC approval under Oregon law as well as any necessary FERC approvals. Later in the process, PGE's Board of Directors will decide whether to submit the proposed reorganization to PGE shareholders for approval. Following completion of these steps and the receipt of all required approvals, each outstanding share of PGE common stock would automatically convert into a share of the new holding company (HoldCo) common stock on a one-for-one basis. PGE shareholders, immediately prior to consummation of the reorganization would own the same relative percentages of HoldCo following consummation of the

reorganization. After the reorganization, PGE would be a wholly owned subsidiary of HoldCo, which would be an Oregon corporation.

As of the date of this filing, all milestones in the procedural schedule have occurred with briefing complete and the OPUC having conducted oral argument with PGE and parties on July 23, 2026. Based on the current procedural schedule, the OPUC is targeting an Order date of August 25, 2026. On July 23, 2026, FERC issued an order authorizing the reorganization into a holding company structure.

General Rate Case - In early August 2026, PGE intends to file with the OPUC a general rate case based on a fiscal July 2026 through June 2027 test year (2027 GRC). The Company's filing will request a $179 million increase in the annual revenue requirement related primarily to deployment of capital since PGE's last rate case (UE 435) to strengthen and safeguard the grid to meet growing customer demand and bolster reliability. The 2027 GRC, as requested, would result in an approximate 4.8% overall increase relative to currently approved prices. This increase excludes the effects of lower net variable power costs expected in 2027 as reflected in the Annual Power Cost Update Tariff, filed separately, with the OPUC in February 2026 (OPUC Docket UE 465). Based on a recently filed forecast of net variable power costs, customer prices would be expected to fall 2.4% on January 1, 2027, partially offsetting the proposed GRC increase.

The proposed GRC increase in annual revenue requirement is based upon:

- a capital structure of 50% debt and 50% equity;
- a return on equity of 9.75%;
- a cost of capital of 7.464%; and
- a rate base of $8.6 billion.

Another key item in the filing includes a request for a Bridge Framework to operate between the conclusion of this GRC and the establishment of PGE's first multi-year rate plan in 2029 pursuant to HB 3179 and OPUC rulemakings in AR 676 and AR 677. Regulatory review of the 2027 GRC is expected throughout 2026 and 2027. The Company cannot predict the ultimate outcome of the regulatory process. We expect a final order to be issued by the OPUC by the end of June 2027. New customer prices are expected to become effective July 1, 2027. The 2027 GRC filing, including copies of direct testimony and exhibits, is expected to be made available on the OPUC website at www.oregon.gov/puc.

Declared states of emergency—The OPUC has approved a pre-authorized deferral of costs associated with qualifying declared states of emergency, which would include federal or state declared emergencies with impacts on PGE's service territory. Under this mechanism, PGE could provide notice of an event that qualifies within 30 days of the declared state of emergency and would not need to seek OPUC approval to apply deferred accounting treatment for incremental costs related to the emergency. The OPUC maintains responsibility to review utility requests to amortize deferred amounts in customer prices, including, among other requirements, a review of utility prudence and application of an earnings test, in a future proceeding.

In January 2024, the Company's service territory encountered a severe winter weather event that included snow, ice, and high winds over several days that caused catastrophic damage to physical assets and resulted in widespread customer power outages. As a result of the historic winter storm, Oregon's Governor declared a state of emergency on January 18, 2024, which allowed PGE to seek recovery of incremental storm expenses through the previously authorized emergency deferral. On February 9, 2024, PGE filed a Notice of Deferral with the OPUC under Docket UM 2190 for emergency restoration costs related to the January storm. On March 18, 2026, PGE received the OPUC's final order for the storm recovery docket, which included a disallowance for some operating and maintenance costs of $1 million and application of an earnings test. The OPUC ordered the application of an earnings test at 20 basis points below the Company's 2024 allowed return on equity of 9.5% on the deferred storm costs. The application of the earnings test resulted in an additional $3 million reduction of the previously deferred amounts. After application of adjustments per the final order, PGE's deferred balance as of March 31, 2026 was $44 million, including interest, which began amortizing on April 1, 2026 over a two year period. The deferred balance as of June 30, 2026 was $42 million.

Reliability Contingency Event (RCE)—Under the RCE mechanism, originally authorized by the OPUC to be effective through 2025, PGE was allowed to pursue recovery of 80% of costs for RCEs above amounts forecasted in the Company's AUT, without application of an earnings test, with the remaining 20% flowing through operating expenses

and subject to the existing PCAM. Results of the PCAM are filed annually with the OPUC no later than July 1, initiating a regulatory review process that typically results in a final determination and order from the OPUC by the end of the year of filing, with any resulting refund or collection impacting customer prices effective in the following year. RCE costs incurred and deferred are included in each years' respective PCAM filing.

PGE filed the results of the 2024 PCAM with the OPUC on July 1, 2025, in Docket UE 457, initiating a regulatory review process. Included in the filing, the Company requested an extension of the RCE mechanism for one year, through 2026. On March 18, 2026, the OPUC issued its final order in the 2024 RCE mechanism docket which resulted in the approval for recovery of $70 million in deferred costs, before consideration of interest, after determining that costs should be shared at a level of 90%, resulting in a reduction of $8 million to the recovery request. In addition, the OPUC disagreed with PGE's method of estimating the impacts related to wind generating resources in the day ahead forecasts of $2 million, resulting in a total reduction of $10 million in previously deferred costs. The OPUC also declined to extend the sunset date for the RCE mechanism

After application of adjustments per the final order, PGE’s deferred balance as of March 31, 2026, related to RCEs was $80 million, which included $78 million related to RCEs deferred in 2024 and $2 million related to RCEs deferred in 2025. The 2024 deferred balance began amortizing into customer prices on April 1, 2026 and is to be collected over a two-year period. On July 1, 2026, under the Company's PCAM, Advice 26-26 was submitted to the OPUC seeking recovery to begin on April 1, 2027 of $2 million in costs deferred during RCEs in 2025. PGE believes the deferred amounts as of June 30, 2026 are probable of recovery.

Power costs—Pursuant to the AUT process, PGE annually files an estimate of power costs for the following year. As approved by the OPUC, the 2026 AUT included a final increase in power costs for 2026, and a corresponding increase in net variable power costs (NVPC), of $39 million from 2025 levels, which is now reflected in customer prices.

Renewable recovery framework—As previously authorized by the OPUC, the RAC is a primary method available to recover costs associated with renewable resources and the inclusion of prudent costs of energy storage projects associated with renewables, under certain conditions. The RAC allows PGE to recover prudently incurred costs associated with complying with renewable mandates through filings made each year, outside of a General Rate Case (GRC). In 2023, the Company filed for Clearwater, which went into service in January 2024. PGE did not submit a request for recovery of any renewable resources under the RAC during 2024 or 2025 and does not anticipate doing so in 2026.

Under the RAC, during 2023, the Company submitted a filing in OPUC Docket UE 427 for Clearwater proposing to defer the revenue requirement, net of NVPC benefits, from the in-service date of January 2024 until Clearwater was reflected in customer prices, which was March 1, 2025. For the twelve month period ending December 31, 2024, PGE deferred the revenue requirement, net of NVPC benefits, resulting in a net regulatory liability of $40 million, which amortized as a refund to customers over a twelve month period beginning on March 1, 2025, as approved by the OPUC in Order 25-075 issued in February 2025.

Order 25-075 also adopted conditions to be applied to the AUT and clarification of the applicability of those conditions was subsequently provided by the OPUC in Order 25-223, which granted certain of PGE’s requests and denied others. PGE and NewSun Energy LLC, as an intervenor, both have Petitions for Judicial Review of Order 25-075 pending at the Oregon Court of Appeals. For the period of January 1, 2025 through December 31, 2025, PGE deferred an additional net $13 million regulatory liability, which was approved for recovery and began amortizing on April 1, 2026 over a twelve-month period. As of June 30, 2026, there was $9 million deferred as a regulatory liability in the balancing account.

Seaside Grid BESS recovery—In May 2025, PGE submitted a request to the OPUC to recover the revenue requirement associated with the Seaside Battery Energy Storage System (Seaside). The regulatory filing was pursuant to the expedited cost-recovery option introduced by the OPUC in its Order issued December 20, 2024 related to PGE's 2025 GRC (OPUC Docket UE 435).

In October 2025, the OPUC issued an Order (Order 25-417) that was supported by a memorandum of understanding (MOU) entered into between PGE and key regulatory stakeholders. One key item in the Order was the adoption of an earnings test for the twelve-month period ended October 31, 2026 at PGE’s authorized return on equity (ROE), implemented via a deferral to track Seaside revenues and refund excess earnings, if applicable. The Company has

contested the applicability of an earnings test and in addition has not accrued any refunds, as it currently does not forecast to over earn for the period covered by the test.

DSP recovery mechanism—On December 23, 2025, PGE and certain intervening parties submitted a stipulation to the OPUC reflecting an agreement that resolved all issues, with the exception of the application of an earnings test as proposed by intervening parties, in PGE's request for recovery in UE 459 related to the Company's DSP Alternative Recovery Mechanism (ARM). The settlement and submitted stipulation were supported by an MOU entered into between PGE and key regulatory stakeholders. The MOU limited the scope of the ARM to specific capital investments included in the DSP docket (UM 2362) filed in December 2024, which enable network modernization, reliable customer service, and integration of clean energy and distributed energy resources.

Primary components of the stipulation included:

- A rate base increase of $218 million;
- 9.34% ROE per the MOU reflecting PGE's latest rate case; and
- An annual revenue requirement increase of $57 million, compared to PGE's filed request of $72 million.

Of the $15 million of revenue requirement adjustments, approximately 87% were temporary in nature, allowing PGE to seek recovery of associated investments as applicable in its next GRC. These adjustments were driven primarily by non-distribution investments and were not attributable to specific assets. Per the previously noted MOU reached with stakeholders, the earliest possible rate effective date of PGE's next GRC would be May 1, 2027.

The OPUC's final order in Docket UE 459, issued on March 11, 2026, approved the terms of the stipulation, which were reflected in customer prices effective April 1, 2026. The Company has contested the applicability of an earnings test and, in addition, has not accrued any probable and reasonably estimable refunds.

More information about the DSP ARM docket, UE 459, is available on the OPUC website at www.oregon.gov/puc.

Portland Harbor Environmental Remediation Account (PHERA) mechanism—PGE has been identified by the EPA as a Potentially Responsible Party (PRP) for the Portland Harbor Superfund Site, however, significant uncertainties remain regarding the scope of remediation, cost allocation among PRPs, and PGE's potential share of costs. The impact of such costs on the Company's results of operations is mitigated by the OPUC-approved PHERA mechanism, which allows for recovery of eligible costs through third-party proceeds and customer prices, subject to prudency reviews and earnings-test limitations. For further information regarding the PHERA mechanism as well as PGEs current estimated range of potential liability, see "Regulatory Assets and Liabilities" in Note 3, Balance Sheet Components, and "EPA Investigation of Portland Harbor" in Note 8, Contingencies in the Notes to Condensed Consolidated Financial Statements in Item 1.—"Financial Statements."

New Large Load, Data Centers, and UM 2377—In 2023, the OPUC established Docket UE 430 to investigate new load connection costs. Following a lengthy regulatory process, in December 2024, PGE filed Advice No. 24-38 with the OPUC that proposed changes to PGE policies and tariffs that would: i) allocate the costs to the customers that are creating the costs; ii) improve transmission system planning and capacity; iii) provide fair recovery of distribution investment costs from large load users; and iv) implement contractual requirements designed to appropriately allocate and recover distribution and transmission costs and mitigate the risk of stranded assets, while providing flexibility to meet large customer needs.

On April 15, 2025, the OPUC approved PGE's filing, as revised, with an effective date of April 16, 2025, on condition that the issues raised in the filing would continue to be evaluated in a new Commission docket, UM 2377. This initial approval allowed PGE to begin working with large load customers to form a load interconnection queue, conduct studies to assess and allocate connection costs, and offer study and service agreements. Applicable agreements with new large load customers may be revised and updated based on the outcome in the separate OPUC proceeding, UM 2377, that was opened to address PGE's proposed tariff changes and related issues.

In June 2025, the Oregon Legislature passed HB 3546, which directed the OPUC to provide a classification for retail customers deemed large energy use data center facilities. HB 3546 also directed the OPUC to require that electric companies serving data centers enter into a contract for services with such customer under terms and conditions specified

by the law. The OPUC included HB 3546 alignment and establishment of a data center classification for retail customers within the scope of UM 2377 as well as other topics that may apply to all large load customers.

On June 3, 2026, the Company submitted Advice filing 26-24 to the OPUC, which proposed to create a new tariff for Data Center Standard Service, update base rates and power costs, update DSP Alternative Recovery prices as agreed to via a stipulation adopted by the OPUC in Order No. 26-074 in Docket UE 459, and update the Energy Efficiency Funding Adjustment as directed in Order No. 26-154.

At a public meeting on July 7, 2026, the OPUC approved Advice 26-24, allowing new prices to become effective July 8, 2026. Collectively, the overall price changes result in an average rate decrease of 1.3% for residential customers, a 2.1% average rate decrease for commercial customers, an average rate decrease of 1.4% for industrial customers who do not qualify for PGE's new data center rate, and an average rate increase of 29.7% for data center customers.

Residential Exchange Program—The Pacific Northwest Electric Power Planning and Conservation Act, passed by Congress in 1980 (Northwest Power Act), established the Residential Exchange Program to ensure that residential and small farm electric customers of investor-owned utilities (IOUs) in the Pacific Northwest benefit from low-cost, federally-owned power marketed by the Bonneville Power Administration (BPA). Customers of both investor-owned and customer-owned utilities have received those benefits for over 40 years. In 2012, BPA approved a settlement agreement that established fixed customer benefits through October 2028. BPA's recent modeling indicates that these benefits for IOUs could be substantially reduced after the current settlement agreement expires. The modeling suggests a potential reduction of approximately 55%. Because IOUs pass these benefits directly to eligible customers as bill credits, such a reduction would increase residential and small farm customers' bills by an estimated average of 4%. On April 24, 2026, PGE joined several other utilities in filing a petition for review in the Ninth Circuit Court of Appeals against BPA, seeking to prevent BPA from violating the Northwest Power Act and depriving eligible IOU customers of the benefits of low-cost BPA hydropower to which they are entitled.

Operating Activities

In addition to providing electricity from PGE’s own generation portfolio, to meet retail load requirements and balance energy supply with customer demand, manage risk, and administer its long-term wholesale contracts, the Company purchases and sells electricity in the wholesale market. To fuel its generation portfolio, the Company purchases natural gas in the United States and Canada and sells excess gas back into the wholesale market. PGE also performs wholesale market sales services for third parties in the region and purchases and sells environmental credits bundled with electricity in the wholesale marketplace.

PGE participates in the California Independent System Operator's (CAISO) western Energy Imbalance Market (EIM), which enables, among other benefits, greater integration of renewable energy onto the grid by better balancing the variable output of renewable resources.

The Company signed an implementation agreement and filed tariff changes with the FERC to join the CAISO’s Extended Day-Ahead Market (EDAM), which is expected to build on the success of the western EIM and help provide PGE and its customers additional access to affordable, reliable, and clean energy. In August 2025, the FERC approved PGE’s revisions to its Open Access Transmission Tariff for EDAM participation. In September 2025, the California Legislature approved Assembly Bill 825 (the Pathways Bill), authorizing the CAISO to transition market governance, including the EDAM, to an independent regional organization.

The EDAM, which began operation in May 2026, allows market participants to submit bids for their forecasted energy demand and available generation resources a day ahead of expected use. The EDAM optimizes transmission and resource use across all market participants, enabling access to the lowest-cost resources to meet regional needs. PGE plans to begin participation on October 1, 2026, to leverage existing technology and systems and utilize the Company’s transmission system to connect regional resources, such as hydropower and wind facilities in the Pacific Northwest and solar facilities in California and the desert Southwest, across a unified market platform.

As part of its ongoing commitment to reliably serving both retail and wholesale customers, PGE is evaluating alternatives to participation as a financially binding entity in the Western Power Pool’s resource adequacy program known as the Western Resource Adequacy Program (WRAP). While PGE continues to support the regional planning and analytical framework established by the WRAP, the Company provided notice of withdrawal in October 2025. PGE is in

collaboration with utilities committed to the EDAM and Oregon regulated load serving entities to develop and adopt a resource adequacy framework that enhances reliability, is aligned more closely with the EDAM design, and reflects the operational realities of a rapidly evolving electric grid across the western United States, with a target operational date of 2028.

PGE generates revenues and cash flows primarily from the sale and distribution of electricity to its retail customers. The impact of seasonal weather conditions on demand for electricity can cause the Company's revenues, cash flows, and income from operations to fluctuate from period to period. Summer peak deliveries have continued to exceed those of the winter months for nearly ten years, generally resulting from growing air conditioning demand and the trend toward a warmer overall climate. In August 2023, demand reached a new all-time high, surpassing the previous mark, which was set in summer 2021. Historically, PGE had experienced its highest average megawatt deliveries and retail energy sales during the winter heating season and recorded its current winter peak load in December 2022. Summer peak deliveries in each year since 2021 have exceeded that winter peak.

Retail customer price changes and customer usage patterns, which can be affected by the economy, also have an effect on revenues. Wholesale power availability and price, hydro and wind generation, and fuel costs for thermal plants can also affect income from operations. PGE has taken measures to enhance the availability of supply chain-constrained items that are needed to serve new and existing customers, such as securing inventory of critical materials to improve reliability, reserving manufacturing capacity with strategic partners, and evaluating availability with established and new suppliers. The Company's materials and supplies forecasting process is designed to secure materials availability as well as help mitigate cost increases through long-term agreements, supplier engagement, and expanding the supply base. PGE is monitoring the fluid situation around tariffs and trade policies and continues to evaluate any potential impact to its operations and the need to implement applicable mitigation strategies.

Customers and Demand—The following tables present total energy deliveries, in thousands of Megawatt hours (MWh), and the average number of retail customers by customer type for the periods indicated:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	% Change	% Change (Weather-Adjusted)	2026	2025	% Change	% Change (Weather-Adjusted)*
Energy deliveries:								
Retail:								
Residential	1,591	1,571	1.3%	(1.4)%	3,678	3,797	(3.1)%	(3.3)%
Commercial	1,529	1,546	(1.1)	(2.0)	3,123	3,178	(1.7)	(1.8)
Industrial	1,633	1,416	15.3	15.2	3,161	2,814	12.3	12.3
Subtotal	4,753	4,533	4.9	3.5	9,962	9,789	1.8	1.6
Direct access:								
Commercial	118	135	(12.6)	(12.6)	234	264	(11.4)	(11.4)
Industrial	513	513	—	—	1,010	956	5.6	5.6
Subtotal	631	648	(2.6)	(2.6)	1,244	1,220	2.0	2.0
Total retail	5,384	5,181	3.9	2.7%	11,206	11,009	1.8	1.7%
Wholesale	1,515	2,439	(37.9)		2,914	4,418	(34.0)	
Total	6,899	7,620	(9.5)%		14,120	15,427	(8.5)%	

* The estimated impact of weather is based on various model assumptions related to temperature and customer response. Weather-adjusted estimates may not fully reflect the impacts of extreme weather variations and deviations in customer behavior to such extremes.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	% Change	2026	2025	% Change
Average number of retail customers:						
Residential	846,367	839,923	1%	845,926	838,516	1%
Commercial	114,523	114,230	—	114,533	114,211	—
Industrial	222	218	2	221	217	2
Direct access	502	729	(31)	518	659	(21)
Total	961,614	955,100	1%	961,198	953,603	1%

Total retail energy deliveries for the six months ended June 30, 2026 were up 1.8% compared to the six months ended June 30, 2025. While industrial deliveries increased, declines occurred in both the residential and commercial categories.

Residential weather-adjusted deliveries decreased 3.3% in the aggregate, driven primarily by a decrease in average usage per customer of 4.2% during the first six months of 2026 compared with 2025, partially offset by an increase in the average number of residential customers of 1%. PGE has observed seasonal shifts in use per customer, such as higher air conditioning penetration in the summer in response to higher cooling degree days, as well as an increased number of rooftop solar installations within its service territory, and continued energy efficiency programs.

The industrial class continues to show growth as overall energy deliveries are up 10.6% in the six months ended June 30, 2026 compared to the same period in 2025, reflecting strength primarily in the digital services sector.

The following table indicates the number of heating degree-days for the three and six months ended June 30, 2026 and 2025, along with the current 15-year averages based on weather data provided by the National Weather Service, as measured at Portland International Airport:

	Heating Degree-days			Cooling Degree-days		
	2026	2025	Avg.	2026	2025	Avg.
First Quarter	1,737	1,772	1,828	—	4	—
April	303	248	349	—	—	3
May	122	160	169	27	14	26
June	52	56	62	106	88	86
Second Quarter	477	464	580	133	102	115
Year-to-date	2,214	2,236	2,408	133	106	115
(Decrease)/Increase from the 15-year average	(8)%	(7)%		16%	(8)%	

During the three months ended June 30, 2026 compared to the same three months of 2025, weather had a more positive impact on Total Retail deliveries as the Company's service territory saw 30% more cooling degree-days as well as 3% more heating degree-days than in 2025. Cooling degree-days were 16% above average in the second quarter of 2026 compared to 11% below average in 2025 while the number of heating degree-days recorded in the second quarter of 2026 was 18% below average compared to 20% below in the same period of 2025.

The Company's cost-of-service opt-out program caps participation by customers in the fixed three-year and minimum five-year opt-out programs, which account for the majority of energy delivered to Direct Access customers who purchase their energy from ESSs. Had the cap limit been fully subscribed and utilized, 12% of PGE's total retail energy deliveries for the first six months of 2026 would have been to these customers.

PGE offers service to customers under an OPUC created New Large Load Direct Access program for unplanned, large, new loads and large load growth at existing customer sites. With the adoption of the New Large Load Direct Access program, which is capped at 119 MWa, as much as 16% of the Company's retail energy deliveries could have been supplied by ESSs to Direct Access customers.

Customers are measured and reported in terms of individual service points, with certain companies who are either commercial, industrial, or Direct Access customers having multiple service points. Deliveries to Direct Access customers increased 2.0% in the six months ended June 30, 2026 compared to the prior year, which is in line with PGE's overall 1.8% increase in deliveries over the same comparative periods. Actual deliveries to Direct Access customers of energy supplied by ESSs represented 11% of PGE's total retail energy deliveries for the first six months of both 2026 and 2025. The OPUC, under docket UM 2024, undertook an investigation of long-term Direct Access with program caps being one of the issues under consideration. On May 7, 2026, the OPUC issued Order 26-153, which left the present caps in place, although provided an allowance for waiver opportunity if ESSs were to meet certain reliability conditions in the future.

Power Operations—PGE utilizes a combination of its own generating resources and wholesale market transactions to meet the energy needs of its retail customers. The Company participates in wholesale markets by purchasing and selling electricity, natural gas, and environmental credits in an effort to meet the needs of, and obtain reasonably-priced power for, its retail customers. PGE continuously makes economic dispatch decisions based on numerous factors, such as plant availability, customer demand, river flows, wind conditions, and current wholesale prices. As a result, the amount of power generated and purchased in the wholesale market to meet the Company's retail load requirement can vary from period to period and impacts NVPC and income from operations.

The following table provides information regarding the performance of the Company's generating resources for the six months ended June 30, 2026 and 2025:

	Plant availability [1]		Actual energy provided compared to projected levels [2]		Actual energy provided as a percentage of total system load	
	2026	2025	2026	2025	2026	2025
Generation:						
Thermal:						
Natural gas	77%	84%	74%	104%	28%	37%
Coal [3]	90	71	54	99	4	6
Wind [4]	86	90	88	98	10	10
Hydro	94	97	76	101	4	5

(1)Plant availability represents the percentage of the period plants were available for operations, which is impacted by planned maintenance and forced, or unplanned, outages.
(2)Projected levels of energy are included as part of PGE's AUT. Such projections establish the power cost component of retail prices for the following calendar year. Any shortfall is generally replaced with power from higher cost sources, while any excess generally displaces power from higher cost sources.
(3)Plant availability reflects Colstrip, which PGE does not operate.
(4)Plant availability includes Wheatridge Renewable Energy Facility and Clearwater, neither of which does PGE operate.

Energy received from PGE-owned and jointly-owned thermal plants during the six months ended June 30, 2026 compared to 2025 decreased 32%. This decrease was primarily driven by economic dispatch decisions. Energy expected to be received from thermal resources is projected annually in the AUT based on forecast market prices, variable costs to run the plant, and the constraints of the plant. PGE's thermal generating plants require varying levels of annual maintenance, which is generally performed during the second quarter of the year.

Total energy received from hydroelectric generation sources, both PGE-owned generation and purchased, decreased 28% during the six months ended June 30, 2026 compared to 2025. Energy purchased from mid-Columbia and other regional hydroelectric projects decreased 29% and energy generated by the Company-owned facilities decreased 23% during the six months ended June 30, 2026. Energy expected to be received from hydroelectric resources is projected annually in the AUT based on a modified hydro study, which utilizes 10 years of historical generation data. See "*Purchased power and fuel*" in the Results of Operations section in this Item 2, for further detail on regional hydro results.

Energy received from PGE-owned and under contract wind resources remained materially consistent during the six months ended June 30, 2026 compared to 2025. Energy expected to be received from wind generating resources is projected annually in the AUT based on historical generation. Wind generation forecasts are developed using a 5-year rolling average of historical wind levels or forecast studies when historical data is not available.

Under the PCAM, the Company may share with customers a portion of cost variances associated with NVPC. Customer prices can be adjusted annually to absorb a portion of the difference between the forecasted NVPC included in customer prices (baseline NVPC) and actual NVPC for the year, if such differences exceed a prescribed "deadband" limit, which ranges from $15 million below to $30 million above baseline NVPC. To the extent actual NVPC, subject to certain adjustments, is outside the deadband range, the PCAM provides for 90% of the excess variance to be collected from, or refunded to, customers. Pursuant to a regulated earnings test, a refund will occur only to the extent that it results in PGE's actual ROE for the given year being no less than 1% above the Company's latest authorized ROE, while a collection will occur only to the extent that it results in PGE's actual regulated ROE for that year being no greater than 1% below the Company's authorized ROE. The following is a summary of the results of the PCAM as calculated for regulatory purposes:

- For the six months ended June 30, 2026, actual NVPC was $10 million above baseline NVPC. Based on forecast data, NVPC for the year ending December 31, 2026 is currently estimated to be below the baseline and approximately at the established deadband range. Accordingly, there is no estimated refund to customers expected under the PCAM for 2026.

- For the six months ended June 30, 2025, actual NVPC was $19 million below baseline NVPC. For the year ended December 31, 2025, actual NVPC was $6 million below baseline NVPC, which was within the established deadband range. Accordingly, there was no estimated refund to customers under the PCAM for 2025. A final determination regarding the 2025 PCAM results will be made by the OPUC through a public filing and review in 2026.

Operating and Maintenance

Business transformation and optimization expenses—During the three and six months ended June 30, 2026, PGE incurred $8 million and $25 million incremental business transformation and optimization expenses, which include strategic advisory and workforce realignment expenses, focused on a multi-year cost management initiative to realize long-term benefits, as well as corporate structure update costs incurred for incremental accounting, legal, and consulting expenses related to the Company's submission of a regulatory application for approval of a holding company reorganization and the proposed Acquisition. For more information on the impact of these costs on annual results, see "Generation, transmission and distribution," "Administrative and other," "Depreciation and amortization," and "Interest expense," in the Results of Operations section of this Overview. For more on the holding company application and pending Acquisition, see "*Corporate Structure*" in the Regulatory Matters section, and *"Pending Acquisition"* in the Company Strategy section of this Overview. The Company expects to incur business transformation and optimization expenses related to these initiatives throughout 2026.

System Operator Labor Negotiations—PGE is engaged in contract negotiations with approximately 30 System Operators who voted in 2024 to join the International Brotherhood of Electrical Workers (IBEW) Local 125 Bargaining Unit 1. On July 1, 2026, representatives of this bargaining unit provided notice of their intent to initiate a strike beginning August 2, 2026, if the parties are unable to reach agreement on a collective bargaining arrangement. PGE continues to engage in negotiations with the bargaining unit and is implementing contingency plans designed to maintain safe and reliable service to customers in the event of a work stoppage.

While PGE believes it has plans in place to continue providing safe and reliable electric service, if a strike were to occur, the Company could incur increased operating and labor-related costs, including costs associated with contingency staffing, contractor support, training, and other operational measures. PGE cannot predict the outcome of the negotiations or impact of a strike, if any. The ultimate operational or financial impacts of any work stoppage will depend on factors including its duration, number of individuals ultimately involved in the strike, the availability and effectiveness of contingency resources, and the outcome of ongoing negotiations. Accordingly, PGE is unable at this time to determine the potential impacts on its financial position, results of operations, or cash flows, however, such impacts could be material.

Results of Operations

The following tables provide financial and operational information to be considered in conjunction with management's discussion and analysis of results of operations.

The results of operations are as follows for the periods presented (dollars in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	% Increase (Decrease)	2026	2025	% Increase (Decrease)
Total revenues	$ 814	$ 807	1%	$ 1,693	$ 1,735	(2)%
Operating expenses:						
Purchased power and fuel	296	294	—	657	662	(1)
Generation, transmission and distribution	112	114	(2)	222	224	—
Administrative and other	90	96	(6)	196	192	2
Depreciation and amortization	143	139	3	287	279	3
Taxes other than income taxes	52	46	13	103	92	12
Total operating expenses	693	689	1	1,465	1,449	1
Income from operations	**121**	**118**	**3**	**228**	**286**	**(20)**
Interest expense, net*	61	57	7	121	113	7
Other income:						
Allowance for equity funds used during construction	6	6	—	9	11	(18)
Miscellaneous income, net	14	7	100	18	12	50
Other income, net	20	13	54	27	23	17
Income before income tax expense	**80**	**74**	8	**134**	**196**	**(32)**
Income tax expense	12	12	—	21	34	(38)
Net income and Comprehensive income	**$ 68**	**$ 62**	**10%**	**$ 113**	**$ 162**	**(30)%**

* Includes an allowance for borrowed funds used during construction of $3 million and $3 million for the three months ended June 30, 2026 and 2025, respectively, and $5 million and $7 million for the six months ended June 30, 2026 and 2025, respectively.

Net income for the three months ended June 30, 2026 increased $6 million, or 10%, compared to the same period of 2025. The current quarter results included $8 million of business transformation and optimization expense. Retail revenues increased due to the OPUC approved recovery of several regulatory deferrals in customer prices during 2026 along with a nearly 4% increase in retail deliveries. Wholesale revenues dropped primarily as a result of lower sales volumes. Purchased power and fuel expense was comparable to the prior year, reflecting an increase in average cost per MWh while total system load declined as a result of the reduction in Wholesale sales volume, which suppressed Total revenues. Administrative and General expense reflects a reduction of $7 million in business transformation and optimization expenses in 2026. Increases in Depreciation and amortization expense were driven by higher depreciable asset balances and Interest expense was up due to higher debt balances.

Net income for the six months ended June 30, 2026 was down $49 million, or 30%, from the same period of 2025. Total revenues declined as a decrease in Wholesale revenues more than offset the increase in Retail revenues that resulted from the combination of OPUC approved recovery of several regulatory deferrals in customer prices during 2026 along with a nearly 2% increase in retail deliveries. The slight reduction in Purchased power and fuel reflects largely offsetting impacts of the RCE deferrals in 2025 that were not repeated in 2026 along with changes in average variable power costs and system loads. The increase in Depreciation and amortization expense was driven by higher depreciable asset balances. The increase in Taxes other than income taxes reflects higher property and payroll taxes. Interest expense, net, was higher due to increased debt balances. Income tax expense was down due to lower pretax income.

Total revenues consist of the following for the periods presented (dollars in millions):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
Retail:								
Residential	$ 334	41%	$ 311	39%	$ 728	43%	$ 740	43%
Commercial	248	31	234	29	483	29	476	27
Industrial	156	19	128	16	295	17	255	15
Subtotal	738	91	673	84	1,506	89	1,471	85
Direct access:								
Commercial	4	—	4	—	7	—	8	—
Industrial	8	1	6	1	14	1	11	1
Subtotal	12	1	10	1	21	1	19	1
Subtotal Retail	750	92	683	85	1,527	90	1,490	86
Alternative revenue programs, net of amortization	3	0	9	1	19	1	5	—
Other accrued revenues, net	(2)	—	6	—	(5)	—	10	1
Total retail revenues	751	92	698	86	1,541	91	1,505	87
Wholesale revenues	39	5	88	11	102	6	188	11
Other operating revenues	24	3	21	3	50	3	42	2
Total revenues	$ 814	100%	$ 807	100%	$ 1,693	100%	$ 1,735	100%

Total retail revenues—The following items contributed to the increase in Total retail revenues for the three and six months ended June 30, 2026 compared to the same periods in 2025 (in millions):

	Three Months Ended	Six Months Ended
June 30, 2025	$ 698	$ 1,505
Seaside BESS	9	19
Clearwater RAC deferral	7	19
Retail energy deliveries	17	16
DSP cost recovery	10	10
PCAM collection for 2024 deferral	8	7
Average price of energy deliveries due primarily to changes in customer prices, partially offset by changes in delivery mix to customers	2	1
Change in prices as a result of the AUT, approved by the OPUC (partially offset in Purchased power and fuel)	7	(14)
Annual Colstrip tariff update	(10)	(20)
Combination of various supplemental schedules and adjustments	3	(2)
June 30, 2026	$ 751	$ 1,541
Change in Total retail revenues	$ 53	$ 36

Wholesale revenues result from sales of electricity and environmental credits to utilities and power marketers made in the Company's efforts to meet the needs of, and obtain reasonably priced power for, its retail customers, manage risk, and administer its long-term wholesale contracts. Such sales can vary significantly from year to year as a result of economic conditions, power and fuel prices, hydro and wind availability, and customer demand.

Wholesale revenues for the three months ended June 30, 2026 decreased $49 million, or 56%, from the three months ended June 30, 2025, resulting from a combination of a 38% decrease in sales volume, lower average wholesale sales price, and a reduction of $7 million from environmental credit sales.

For the six months ended June 30, 2026, Wholesale revenues decreased $86 million, or 46%, from the six months ended June 30, 2025 as the Company experienced a $64 million reduction from a decline in the quantity of MWhs sold, which was down 34% from the prior year and a $7 million reduction due to lower prices. In addition, the sale of environmental credits produced $15 million less revenue in 2026 than during the same period of 2025.

Other operating revenues for the three months ended June 30, 2026 were up $3 million from the comparable period in 2025, as a result a combination of factors, the most prominent being the sale of excess fuel oil during 2026.

In the six months ended June 30, 2026, Other operating revenues were up $8 million compared to the same period of 2025, due to a combination of factors, the largest of which being revenue deferrals recorded as a result of HB 3179, sale of excess fuel oil, and joint pole revenue.

Purchased power and fuel expense includes the cost of power purchased and fuel used to generate electricity to meet PGE's retail load requirements, as well as the cost of settled electric and natural gas financial contracts.

The following items contributed to the change in Purchased power and fuel for the three and six months ended June 30, 2026 compared to the same periods in 2025 (dollars in millions):

	Three Months Ended	Six Months Ended
June 30, 2025	$ 294	$ 662
Average variable power cost per MWh	(16)	(44)
Total system load	9	16
RCE deferral activity, net	9	23
June 30, 2026	296	657
Change in Purchased power and fuel	$ 2	$ (5)
Average variable power cost per MWh (in dollars):		
June 30, 2025	$ 41.34	$ 45.40
June 30, 2026	$ 44.05	$ 47.52
Total system load (MWhs in thousands):		
June 30, 2025	7,095	14,638
June 30, 2026	6,498	13,402

For the three months ended June 30, 2026, the $16 million decrease related to the change in average variable power cost per MWh was driven by an 18% decrease in the average cost of purchased power, and a 46% increase in the average cost for the Company's own generation. The $9 million increase related to total system load was comprised of a 17% increase of energy obtained from purchased power, and a 31% decrease in the Company's own generation.

For the six months ended June 30, 2026, the $44 million decrease related to the change in average variable power cost per MWh was driven by a 19% decrease in the average cost of purchased power and a 35% increase in the average cost for the Company's own generation. The $16 million increase related to total system load was comprised of a 17% increase of energy obtained from purchased power, offset by a 27% decrease in the Company's own generation.

PGE's sources of energy, total system load, and retail load requirement are as follows for the periods presented (MWhs in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
Generation:								
Thermal:								
Natural gas	1,395	21%	2,279	32%	3,735	28%	5,396	37%
Coal	193	3	294	4	515	4	827	6
Total thermal	1,588	24	2,573	36	4,250	32	6,223	43
Hydro	242	4	328	5	591	4	770	5
Wind	767	12	866	12	1,315	10	1,465	10
Total generation	2,597	40	3,767	53	6,156	46	8,458	58
Purchased power:								
Hydro	1,196	18	2,024	29	2,691	20	3,772	26
Wind	416	6	302	4	735	5	591	4
Solar	672	10	419	6	934	7	593	4
Natural Gas	193	3	—	—	624	5	—	—
Waste, Wood, and Landfill Gas	26	—	29	—	49	—	54	—
Source not specified	1,398	23	554	8	2,213	17	1,170	8
Total purchased power	3,901	60	3,328	47	7,246	54	6,180	42
Total system load	6,498	100%	7,095	100%	13,402	100%	14,638	100%
Less: wholesale sales	(1,515)		(2,439)		(2,914)		(4,418)	
Retail load requirement	4,983		4,656		10,488		10,220	

Purchased power in the table above includes power received from qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (PURPA) as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Sources of energy (MWhs in thousands):				
PURPA purchased power:				
Hydro	7	9	17	19
Wind	9	10	14	14
Solar	198	204	300	301
Waste, Wood, and Landfill Gas	25	30	49	54
Total	239	253	380	388

The following table presents the forecasted April-to-September 2026 and actual 2025 runoff at particular points of major rivers relevant to PGE's hydro resources:

	Runoff as a Percent of Normal*	
Location	2026 Forecast	2025 Actual
Columbia River at The Dalles, Oregon	83%	77%
Mid-Columbia River at Grand Coulee, Washington	92	78
Clackamas River at Estacada, Oregon	54	69
Deschutes River at Moody, Oregon	76	93

* Volumetric water supply forecasts and historical averages for the Pacific Northwest region are prepared by the Northwest River Forecast Center, with the Natural Resources Conservation Service and other cooperating agencies.

Actual NVPC for the three and six months ended June 30, 2026 increased compared to the same periods in 2025 as follows (in millions):

	Three Months Ended	Six Months Ended
June 30, 2025	$ 206	$ 474
Purchased power and fuel expense	(7)	(28)
Wholesale revenues	49	86
RCE deferral activity, net	9	23
June 30, 2026	$ 257	$ 555
Change in NVPC	$ 51	$ 81

For further information regarding NVPC in relation to the PCAM, see *"Purchased power and fuel expense"* within this "Results of Operations" for more details.

For the three months ended June 30, 2026 and 2025, actual NVPC was $1 million above and $12 million below baseline NVPC, respectively. For the six months ended June 30, 2026 and 2025, actual NVPC was $10 million above and $19 million below baseline NVPC, respectively.

Based on forecast data, NVPC for the year ending December 31, 2026 is currently estimated to be below the baseline and approximately at the deadband. Accordingly, there is no estimated refund to customers expected under the PCAM for 2026.

Generation, transmission and distribution decreased as follows for the three and six months ended June 30, 2026 compared to the same periods in 2025 (in millions):

	Three Months Ended	Six Months Ended
June 30, 2025	$ 114	$ 224
Generating facility expenses	1	4
Vegetation management, inspection, wildfire mitigation, and distribution maintenance expenses	(3)	(9)
Service restoration and storm response costs	7	3
Business transformation and optimization expenses	(1)	1
Energy Storage	1	1
Regulatory disallowances	—	4
Miscellaneous expenses	(7)	(6)
June 30, 2026	$ 112	$ 222
Change in Generation, transmission and distribution	$ (2)	$ (2)

In the table above, for the three and six months ended June 30, 2026, respectively, $2 million and $5 million related to wildfire mitigation and $2 million for each of the three and six month periods related to storm response costs have been offset through customer prices or specific regulatory mechanisms.

Administrative and other changed as follows for the three and six months ended June 30, 2026 compared to the same periods in 2025 (in millions):

	Three Months Ended	Six Months Ended
June 30, 2025	$ 96	$ 192
Regulatory and professional services costs	1	—
Employee compensation and benefits	(2)	8
Customer related costs	1	(2)
Amortization of COVID-19 bad debt expense deferral	3	(1)
Business transformation and optimization expenses	(7)	4
Miscellaneous expenses	(2)	(5)
June 30, 2026	$ 90	$ 196
Change in Administrative and other	$ (6)	$ 4

In the table above, for both the three and six months ended June 30, 2026, $4 million of the change in customer related costs is due to regulatory programs that have been offset through customer pricing or specific regulatory mechanisms.

Depreciation and amortization expense increased $4 million and $8 million in the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increase was primarily due to higher utility plant balances and regulatory amortization. Included in expense for the three and six months ended June 30, 2026 is $1 million and $2 million, respectively, related to business transformation and optimization.

Taxes other than income taxes increased $6 million and $11 million in the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increase was driven by higher property and payroll taxes and higher franchise fees.

Interest expense, net increased $4 million and $8 million in the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increase was primarily due to interest on short and long term debt and business transformation and optimization. Included in expense for the three and six months ended June 30, 2026 is $1 million and $4 million related to business transformation and optimization.

Other income, net increased $7 million and $4 million in the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increase was primarily driven by regulatory asset interest income. Included in expense for the six months ended June 30, 2026 is $1 million related regulatory disallowances.

Income tax expense remained consistent for the three months ended June 30, 2026 and decreased $13 million in the six months ended June 30, 2026 compared to the same periods in 2025, primarily driven by lower pre-tax income.

Critical Accounting Policies and Estimates

There have been no material changes to the Company's critical accounting policies and estimates as previously disclosed in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

PGE's access to short-term debt markets, including revolving credit from banks, helps provide necessary liquidity to support the Company's current operating activities, including the purchase of power and fuel. Long-term capital requirements are driven largely by capital expenditures for distribution, transmission, and generation facilities to support both new and existing customers, repairs from major storm damage, information technology systems, and debt refinancing activities. PGE's liquidity and capital requirements can also be significantly affected by other working capital needs, including margin deposit requirements related to wholesale market activities, which can vary depending upon the Company's forward positions and the corresponding price curves.

The following summarizes PGE's cash flows for the periods presented (in millions):

	Six Months Ended June 30, 2026	2025
Cash and cash equivalents, beginning of period	$ 76	$ 12
Net cash provided by (used in):		
Operating activities	488	567
Investing activities	(650)	(609)
Financing activities	121	86
Change in cash and cash equivalents	(41)	44
Cash and cash equivalents, end of period	$ 35	$ 56

Cash Flows from Operating Activities—Cash flows from operating activities are generally determined by the amount and timing of cash received from customers and payments made to vendors, as well as the nature and amount of non-cash items, including depreciation and amortization, deferred income taxes, and pension and other postretirement benefit costs included in net income during a given period. The following items contributed to the net change in cash flows from operations for the six months ended June 30, 2026 compared with the six months ended June 30, 2025 (in millions):

	Increase/ (Decrease)
Net income	$ (49)
Accounts receivable and Unbilled revenue	(5)
Margin deposits activity	(27)
Accounts payable	(18)
Regulatory deferral activity	26
Depreciation and amortization	8
Deferred income taxes	(12)
Tax credit sales	(1)
Alternative revenue programs	(14)
Other miscellaneous changes	13
Net change in cash flow from operations	$ (79)

PGE estimates that non-cash charges for depreciation and amortization in 2026 will range from $570 million to $590 million. Combined with other sources, total cash expected to be provided by operations is estimated to range from $1 billion to $1.2 billion.

Cash Flows from Investing Activities—Net cash used in investing activities for the six months ended June 30, 2026 increased $41 million when compared with the six months ended June 30, 2025. Cash flows used in investing activities consist primarily of capital expenditures related to new construction and improvements to PGE's distribution, transmission, and generation facilities, which increased $39 million.

Excluding AFUDC, the Company plans to make capital expenditures of $1.7 billion in 2026, which it expects to fund with cash to be generated from operations during 2026, as discussed above, the issuance of short- and long-term debt, and issuances of shares pursuant to the equity forward sale agreement and at-the-market offering programs. For additional information, see *"Debt and Equity Financings"* in this Liquidity and Capital Resources section of Item 2.

Cash Flows from Financing Activities—During the six months ended June 30, 2026, net cash used by financing activities was primarily the result of the payment of $120 million of dividends.

Capital Requirements

The following table presents PGE's estimated capital expenditures and contractual maturities of long-term debt for 2026 through 2030, excluding AFUDC (in millions):

	2026	2027	2028	2029	2030
Ongoing capital expenditures [1]	$ 865	$ 895	$ 925	$ 925	$ 925
Transmission	215	390	420	515	525
2023 RFP Hybrid Projects	575	455	—	—	—
Total capital expenditures [2]	$ 1,655	$ 1,740	$ 1,345	$ 1,440	$ 1,450
Long-term debt maturities	$ —	$ 160	$ 450	$ 200	$ 325

(1)Consists primarily of upgrades to, and replacement of, generation and distribution infrastructure, as well as new customer connections. Includes accrued capital additions, preliminary engineering, removal costs, and certain intangible working capital assets.

(2)Amounts are estimates as of the date of this report and may be affected by economic conditions, including but not limited to, impacts of inflation, changes to the cost of materials and labor, and financing costs.

The pending Acquisition to acquire select portions of PacifiCorp's Washington state regulated utility retail business will require financing of $1.9 billion. Upon execution of the Agreement, the acquisition was supported by a fully committed bridge facility with Barclays Bank PLC and JPMorgan Chase Bank, N.A. for $1.9 billion. On March 23, 2026, the bridge facility was amended to an amount of approximately $1.3 billion and at the same time, the Company entered into a Delay Draw Term Loan in the amount of approximately $700 million. The Company expects to permanently finance the transaction through a balanced mix of debt, equity, and its minority investment partner, Manulife Infrastructure Fund III L.P. ("Manulife") and its affiliates including John Hancock Life Insurance Company (USA). In connection with the financing plan, PGE expects equity commitments from Manulife to finance up to $600 million of the purchase. Assuming the closing of the transactions contemplated by the Agreement and the consummation of the financing transactions, Manulife will be the Company's joint venture partner in the business. PGE would remain majority owner and sole operator.

The Company believes its cash flow from operating activities, access to credit markets, and its credit facilities provide sufficient liquidity to support estimated future cash requirements, including the cash consideration necessary to close on the proposed Acquisition. For additional information on the proposed acquisition, see "Pending Acquisition" in the Overview section in this Item 7., and Note 1, Basis of Presentation, in Notes to Consolidated Financial Statements in Item 1.—"Financial Statements."

Debt and Equity Financings

PGE's ability to secure sufficient short- and long-term capital at a reasonable cost is determined by its financial performance and outlook, credit ratings, capital expenditure requirements, alternatives available to investors, market conditions, and other factors, such as the volatility in the capital markets in response to inflationary pressures and interest rate increases by the federal reserve. Management believes that the availability of its revolving credit facility, the expected ability to issue short- and long-term debt and equity securities, and cash expected to be generated from operations provide sufficient cash flow and liquidity to meet the Company's anticipated capital and operating requirements for the foreseeable future.

For 2026, PGE expects to fund estimated capital requirements with cash from operations, which is expected to range from $1 billion to $1.2 billion, and issuances of long-term debt of up to $350 million. PGE plans to fund any shortfall through the combination of issuance of common stock and the issuance of short-term debt or commercial paper, as needed. The actual timing and amount of any such issuances of debt, equity, and commercial paper will be dependent upon the timing and amount of capital expenditures and debt payments.

Short-term Debt. Pursuant to an order issued by the FERC in January 2026, PGE has authorization to issue short-term debt up to a total of $900 million through February 6, 2028. The following table shows available liquidity as of June 30, 2026 (in millions):

	As of June 30, 2026		
	Capacity	Outstanding	Available
Revolving credit facility [1]	$ 750	$ —	$ 750
Letters of credit [2]	320	126	$ 194
Total credit	$ 1,070	$ 126	$ 944
Cash and cash equivalents			35
Total liquidity			$ 979

(1)Scheduled to expire September 10, 2030.
(2)PGE has four letter of credit facilities under which the Company can request letters of credit for an original term not to exceed one year.

On September 10, 2025, PGE entered into an amendment of its existing revolving credit facility. As of June 30, 2026, PGE had a $750 million unsecured revolving credit facility scheduled to expire in September 2030. The Company has the ability to expand the revolving credit facility to $850 million, if needed, subject to the requirements of the agreement. The facility allows for unlimited extension requests, provided that lenders with a pro-rata share of more than 50% of the facility approve the extension request. The revolving credit facility supplements operating cash flows and provides a primary source of liquidity. Pursuant to the terms of the agreement, the revolving credit facility may be used as backup for commercial paper borrowings, to permit the issuance of standby letters of credit, and to provide cash for general corporate purposes. PGE may borrow for one, three, or six months at a fixed interest rate established at the time of the borrowing, or at a variable interest rate for any period up to the remaining term of the applicable credit facility. As of June 30, 2026, PGE had a $750 million outstanding balance on the revolving credit facility.

The Company has a commercial paper program under which it may issue commercial paper for terms of up to 270 days, limited to the unused amount of credit under the revolving credit facility. As of June 30, 2026, PGE had no commercial paper outstanding. The aggregate unused available credit capacity under the revolving credit facility was $750 million. The Company has elected to limit its borrowings under the revolving credit facility in order to allow coverage for the potential need to repay any commercial paper that may be outstanding at the time.

Long-term Debt. As of June 30, 2026, PGE's total long-term debt outstanding, net of $21 million of unamortized debt expense, was $4,928 million.

On March 23, 2026, PGE entered into a 24-month credit agreement with lenders in the aggregate principal of $350 million. PGE drew four loans from the Lenders in the aggregate principal amount of $350 million, with $270 million outstanding as of June 30, 2026. The final loan, in the amount of $80 million, occurred on July 2, 2026. The loans bear interest for the relevant interest period at the Term Secured Overnight Financing Rate (SOFR) plus an Applicable Margin of 110.0 basis points.

Equity. In July 2024, PGE entered into an equity distribution agreement under which it could sell up to $400 million of its common stock through at-the-market offering (ATM) program. Pursuant to the 2024 ATM program, the Company entered into forward sale agreements for 1,420,049 shares and 5,756,432 shares in 2024 and 2025, respectively. The Company issued 1,066,549 shares and received net proceeds of $50 million in 2024, and issued 5,919,618 shares and received net proceeds of $250 million in 2025. As of June 30, 2026, the Company could have physically settled the remaining amount by delivering 190,314 shares in exchange for cash of $8 million.

In February 2026, PGE entered into an agreement under which it could sell up to $500 million of its common stock through the ATM program. No forward sale agreements were entered into pursuant to the 2026 ATM program as of June 30, 2026. Any proceeds from the issuances of common stock will be used for general corporate purposes and investments in renewables and non-emitting dispatchable capacity.

In February 2026, PGE entered into an equity forward sale agreement (EFSA) in connection with a public offering of 9,467,455 shares of its common stock. Pursuant to the terms of the EFSA, the forward counterparties borrowed 10,848,125 shares of PGE's common stock, including 1,380,670 shares in connection with the underwriters' exercise of their option to purchase additional shares, from third parties in the open market and sold the shares to a group of underwriters for $50.70 per share, less an underwriting discount equal to $1.4576 per share. PGE will not receive any proceeds from the sale of common stock until the EFSA is settled, and at that time PGE will record the proceeds, if any, in equity.

As of June 30, 2026, the Company could have physically settled the EFSA by delivering 10,848,125 shares in exchange for cash for $528 million.

For additional information on the EFSA and ATM programs, see Note 7, Shareholders' Equity, in the Notes to Condensed Consolidated Financial Statements in Item 1.—"Financial Statements."

Capital Structure. PGE's financial objectives include maintaining a common equity ratio (common equity to total consolidated capitalization, including current debt maturities and excluding lease obligations) of approximately 50% over time. Achievement of this objective helps the Company maintain investment grade credit ratings and provides access to long-term capital at favorable interest rates. The Company's common equity ratio was 45.6% and 47.0% as of June 30, 2026 and December 31, 2025, respectively.

Credit Ratings and Debt Covenants

PGE's secured and unsecured debt is rated investment grade by Moody's Investors Service (Moody's) and S&P Global Ratings (S&P), with current credit ratings and outlook as follows:

	Moody's	S&P
Issuer credit rating	A3	BBB+
Senior secured debt	A1	A
Commercial paper	P-2	A-2
Outlook	Stable	Stable

In the event Moody's or S&P reduce their credit rating on PGE's unsecured debt below investment grade, the Company could be subject to requests by certain of its wholesale, commodity, and transmission counterparties to post additional performance assurance collateral in connection with its price risk management activities. The performance assurance collateral can be in the form of cash deposits or letters of credit, depending on the terms of the underlying agreements, are based on the contract terms and commodity prices, and can vary from period to period. Cash deposits that PGE provides as collateral are classified as Margin deposits in PGE's condensed consolidated balance sheets, while any letters of credit issued are not reflected on the condensed consolidated balance sheets.

As of June 30, 2026, PGE had posted $108 million of collateral with these counterparties, consisting of $66 million in cash and $42 million in letters of credit. Based on the Company's energy portfolio, estimates of energy market prices, and the level of collateral outstanding as of June 30, 2026, the amount of additional collateral that could be requested upon a single agency downgrade to below investment grade is $76 million, and decreases to $27 million by December 31, 2026 and to $11 million by December 31, 2027. The amount of additional collateral that could be requested upon a dual agency downgrade to below investment grade is $206 million and decreases to $130 million by December 31, 2026 and to $99 million by December 31, 2027.

PGE's financing arrangements do not contain ratings triggers that would result in the acceleration of required interest and principal payments in the event of a ratings downgrade. However, the cost of borrowing and issuing letters of credit under the credit facilities would increase.

The indenture securing PGE's outstanding FMBs constitutes a direct first mortgage lien on substantially all regulated utility property, other than expressly excepted property. Interest is payable semi-annually on FMBs. The issuance of FMBs requires that PGE meet earnings coverage and security provisions set forth in the Indenture of Mortgage and Deed of Trust (Indenture) securing the bonds. PGE estimates that on June 30, 2026, under the most restrictive issuance test in the Indenture, the Company could have issued up to $563 million of additional FMBs. Any issuances of FMBs would be

subject to market conditions and amounts could be further limited by regulatory authorizations or by covenants and tests contained in other financing agreements. PGE also has the ability to release property from the lien of the Indenture under certain circumstances, including bond credits, deposits of cash, or certain sales, exchanges, or other dispositions of property.

PGE's revolving credit facility contains customary covenants and credit provisions, including a requirement that limits consolidated indebtedness, as defined in the credit agreements, to 65.0% of total capitalization (debt-to-total capital ratio). As of June 30, 2026, the Company's debt-to-total capital ratio, as calculated under the credit agreement, was 54.4%.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

PGE is exposed to various forms of market risk, consisting primarily of fluctuations in commodity prices, foreign currency exchange rates, and interest rates, as well as credit risk. Any variations in the Company's market risk or credit risk may affect its future financial position, results of operations, or cash flows. Other than the item described below, there have been no material changes to market risks, or credit risk, affecting the Company from those set forth in Part II, Item 7A of the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026.

As of June 30, 2026, PGE had no long-term debt instruments subject to interest rate risk exposure, with the exception of the $350 million Unsecured Term Bank Loan which bears interest for the relevant interest period at the Term Secured Overnight Financing Rate (SOFR) plus an Applicable Margin of 110 basis points. A 100 basis point increase in interest rates would result in an increase of the Company's annual interest expense of approximately $3.5 million.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

PGE's management, under the supervision and with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, PGE's Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2026, these disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in PGE's internal control over financial reporting that occurred during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

See Note 8, Contingencies in the Notes to Condensed Consolidated Financial Statements in Item 1.—"Financial Statements," for information regarding legal proceedings.

Item 1A. Risk Factors.

There have been no material changes to PGE's risk factors set forth in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026.

Item 5. Other Information.

Rule 10b5-1 Trading Arrangements

During the three months ended June 30, 2026, the following directors (as defined in Rule 16a-1(f) of the Exchange Act) adopted a "Rule 10b5-1 trading agreement," as the term is defined in Item 408(c) of Regulation S-K:

Name (Title)	Action Taken (Date of Action)	Type of Trading Arrangement	Duration of Trading Arrangement	Aggregate Number of Securities to be Purchased or Sold
Joseph R. Trpik (Senior Vice President, Finance and Chief Financial Officer)	Adoption (May 11, 2026)	Rule 10b5-1 arrangement	Until May 6, 2027, or such earlier date upon which all transactions are completed or expire without execution	Up to 12,733 shares of common stock
Maria M. Pope (President and Chief Executive Officer)	Adoption (June 12, 2026)	Rule 10b5-1 arrangement	Until September 10, 2027, or such earlier date upon which all transactions are completed or expire without execution	Up to 57,468 shares of common stock

Item 6. Exhibits.

Exhibit Number	Description
3.1	Third Amended and Restated Articles of Incorporation of Portland General Electric Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed May 9, 2014).
3.2	Twelfth Amended and Restated Bylaws of Portland General Electric Company (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q filed October 27, 2023).
31.1	Certification of Chief Executive Officer.
31.2	Certification of Chief Financial Officer.
32	Certifications of Chief Executive Officer and Chief Financial Officer.
101.INS	XBRL Instance Document. The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema With Embedded Linkbase Documents.
104	The cover page for the Company's Quarterly Report on Form 10-Q has been formatted in Inline XBRL and contained in Exhibit 101.

Certain instruments defining the rights of holders of other long-term debt of the Company are omitted pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K because the total amount of securities authorized under each such omitted instrument does not exceed 10% of the total consolidated assets of the Company and its subsidiaries. The Company hereby agrees to furnish a copy of any such instrument to the SEC upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PORTLAND GENERAL ELECTRIC COMPANY
(Registrant)

Date: July 30, 2026

By: /s/ Joseph R. Trpik
Joseph R. Trpik
Senior Vice President, Finance and Chief Financial Officer
(duly authorized officer and principal financial officer)