

Case No. *PAC-E-04-01*
Exhibit No. 3
Witness: Craig P. Johnson

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

PACIFICORP

Exhibit Accompanying Direct Testimony of Craig P. Johnson

Calculation of Estimated Book and Tax Gain/Loss

February 2004

**Proforma Gain Calculation on Sale of the Skookumchuck Project w/ Pickup
 As of April 1, 2004**

	<u>Column 1</u>	<u>Column 2</u>
1. Proceeds from Sale of Facilities to TransAlta		\$ 3,557,801
2. Cost of Sale		(110,000)
3. Adjusted Sales Price		\$ 3,447,801
4. Original Cost of Facilities	8,668,529	
5. Accumulated Depreciation	<u>(5,110,728)</u>	
6. Net Book Value	3,557,801	(3,557,801)
7. Pre-tax Gain (Loss) on Disposition of Property		\$ (110,000)
8. Income Tax on Taxable Gain - \$ 1,306,982 @ 37.95%	496,000	
9. Provided Deferred Taxes	<u>(537,387)</u>	
10. Income Tax Expense on Sale	(41,387)	41,387
11. After-Tax Gain (Loss) on Sale of Facilities		<u>(\$68,613)</u>

Taxable Gain Calculation

12. Net Proceeds		\$ 3,447,801
13. Tax Cost Basis	8,668,529	
Book/Tax Differences in Tax Cost Basis	<u>(1,284,865)</u>	
Adjusted Tax Basis	7,383,664	
14. Tax Depreciation/Reserve (as of 4/1/03)	<u>(5,242,845)</u>	
15. Net Tax Basis	<u>2,140,819</u>	(2,140,819)
16. Taxable Gain		<u>\$ 1,306,982</u>