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IDAHO PUBLIC  
UTILITIES COMMISSION



June 16, 2005

**VIA OVERNIGHT MAIL**

Idaho Public Utilities Commission  
Statehouse  
472 West Washington Street  
Boise, Idaho 83702  
Attn: Ms. Jean D. Jewell  
Commission Secretary

**Re: Case No. PAC-E-05-5  
Order No. 29787  
Report of First Mortgage Bond Offering in  
Aggregate Principal Amount of \$300,000,000**

Dear Commissioners:

Pursuant to the referenced Order, PacifiCorp submits to the Commission 3 copies of each of the following documents relating to PacifiCorp's June 13, 2005 offering of \$300,000,000 aggregate principal amount of First Mortgage Bonds, 5.25% Series due 2035 (the "Bonds"):

1. Prospectus Supplement dated June 8, 2005
2. Underwriting Agreement between PacifiCorp and Barclays Capital Inc. and Credit Suisse First Boston LLC, as Representatives of the several Underwriters, dated June 8, 2005
3. Registration Statement on Form S-3 (filed pursuant to SEC Rule 462(b))
4. Report of Securities Issued

The enclosed Registration Statement on Form S-3 covers \$50,000,000 of the aggregate \$300,000,000 principal amount of the Bonds. The balance of the principal amount of the Bonds were offered and sold pursuant to PacifiCorp's separate Registration Statement on Form S-3, a copy of which was previously provided to the Commission. With regard to the use of the proceeds from the issuance of the Bonds, please see "Use of Proceeds" on page S-8 of the enclosed Prospectus Supplement.

Idaho Public Utilities Commission

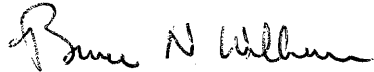
June 16, 2005

Page 2 of 2

Under penalty of perjury, I declare that I know the contents of the enclosed documents, and they are true, correct, and complete.

Please contact me if you have any questions about this letter or the enclosed documents.

Sincerely,

A handwritten signature in black ink that reads "Bruce N. Williams". The signature is written in a cursive style with a large initial "B".

Bruce N. Williams

Treasurer

Enclosures

cc: Terri Carlock (Idaho Commission)

**PACIFICORP**  
\$300,000,000  
First Mortgage Bonds  
5.25% Series due 2035

**UNDERWRITING AGREEMENT**

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IDAHO PUBLIC  
UTILITIES COMMISSION

June 8, 2005

Barclays Capital Inc.  
Credit Suisse First Boston LLC  
ABN AMRO Incorporated  
BNP Paribas Securities Corp.  
Scotia Capital (USA) Inc.  
Wachovia Capital Markets, LLC  
Wells Fargo Securities, LLC  
c/o Credit Suisse First Boston LLC  
Eleven Madison Avenue  
New York, N. Y. 10010

Ladies and Gentlemen:

The undersigned, PacifiCorp, an Oregon corporation (the "Company"), hereby confirms its agreement with the several Underwriters as follows:

1. Definition of Certain Terms. Except as may otherwise be defined herein, the following terms used herein shall have the following meanings:

- (a) "Act" shall mean the Securities Act of 1933, as amended.
- (b) "Articles" shall mean the Third Restated Articles of Incorporation of the Company.
- (c) "Bonds" shall mean \$300,000,000 of the Company's First Mortgage Bonds, 5.25% Series due 2035 (the "Bonds").
- (d) "Commission" shall mean the Securities and Exchange Commission.

- (e) "Counsel for the Company" shall mean Stoel Rives LLP.
- (f) "Counsel for the Underwriters" shall mean Milbank, Tweed, Hadley & McCloy LLP.
- (g) "Effective Date" shall mean, with respect to the Registration Statement at any time, the later of (i) the date that such Registration Statement or any post-effective amendment thereto was or is declared effective by the Commission under the Act and (ii) the date that the Company's Annual Report on Form 10-K for its most recently completed fiscal year is filed with the Commission under the Exchange Act, in each case at such time.
- (h) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.
- (i) "Incorporated Documents" shall mean the documents filed by the Company with the Commission under the Exchange Act that are, or are deemed to be, incorporated by reference in the Prospectus pursuant to Item 12 of Form S-3 under the Act.
- (j) "Mortgage" shall mean the Company's Mortgage and Deed of Trust, dated as of January 9, 1989, with JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank), as successor trustee (the "Trustee"), as heretofore amended and supplemented by supplemental indentures, and as it is to be further amended and supplemented by the Supplemental Indenture.
- (k) "Prospectus" shall mean the combined prospectus relating to, among other securities, the Bonds included in the Registration Statement pursuant to Rule 429 of the Regulations under the Act, as supplemented by a prospectus supplement specifying the terms of the Bonds and the plan of distribution thereof (the "Prospectus Supplement"), as filed pursuant to Rule 424(b) of the Regulations under the Act, including the Incorporated Documents.
- (l) "Registration Statement" shall mean the registration statement on Form S-3 (No. 333-91411) (the "Registration Statement"), including the combined prospectus therein (relating to \$1,850,000,000 aggregate offering price of the Company's first mortgage bonds, including the Bonds, no par serial preferred stock and unsecured debt securities) and exhibits thereto, for the registration under the Act of \$1,550,000,000 aggregate offering price of the Company's first mortgage bonds, including the Bonds, no par serial preferred stock and unsecured debt securities, in each case, filed by the Company with the Commission, as amended and supplemented to the date of this Agreement and deemed to include the Incorporated Documents. If the Company has filed an abbreviated registration statement to register additional first mortgage bonds pursuant to Rule 462(b) under the Act (the "Rule 462(b) Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462(b) Registration Statement.
- (m) "Regulations" shall mean the applicable published rules and regulations of the Commission under the Act, the Exchange Act and the Trust Indenture Act, as the case

may be.

(n) "Statements of Eligibility" shall mean the part of the Registration Statement that constitutes the statements of eligibility on Form T-1 under the Trust Indenture Act.

(o) "Supplemental Indenture" shall mean the Eighteenth Supplemental Indenture to the Mortgage to be dated as of June 1, 2005 relating to the Bonds in substantially the form heretofore delivered to the Underwriters.

(p) "Trust Indenture Act" shall mean the Trust Indenture Act of 1939, as amended.

(q) "Underwriters" shall mean the several firms or corporations named in Schedule I hereto and any underwriter substituted as provided in Section 4(c) hereof and "Underwriter" shall mean one of the Underwriters.

(r) "amend," "amendment," "amended," "supplement" or "supplemented" with respect to the Registration Statement or the Prospectus shall mean amendments or supplements to the Registration Statement or the Prospectus, as the case may be, and Incorporated Documents filed after the date of this Agreement and prior to the completion of the distribution of the Bonds; *provided, however*, that any supplement to the Prospectus filed with the Commission pursuant to Rule 424(b) of the Regulations under the Act with respect to an offering of the Company's first mortgage bonds other than the Bonds shall not be deemed to be a supplement to, or a part of, the Prospectus.

2. Purchase and Sale. Upon the basis of the representations and warranties herein contained, and subject to the terms and conditions set forth in this Agreement, the Company agrees to sell to each Underwriter named in Schedule I hereto and such Underwriter agrees, severally and not jointly, to purchase from the Company, the principal amount of Bonds set forth opposite such Underwriter's name in Schedule I hereto at a purchase price of 98.765% of the principal amount thereof plus accrued interest, if any, from June 13, 2005 to the Closing Date.

Barclays Capital Inc. and Credit Suisse First Boston LLC (the "Representatives") represent that they have been authorized by each Underwriter to enter into this Agreement on behalf of such Underwriter, to confirm the statements described in Section 8(e) hereof and to act for it in the manner herein provided. All obligations of the Underwriters hereunder are several and not joint. Any action under or in respect of this Agreement may be taken by the Representatives and such action will be binding upon all the Underwriters.

The Company has been advised by the Underwriters that they propose to (i) make a public offering of the Bonds as soon as the Underwriters deem advisable after this Agreement has been executed and delivered and (ii) initially offer the Bonds to the public at the public offering price set forth in the Prospectus.

3. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, the several Underwriters as follows:

(a) Filing of Registration Statement and any Preliminary Prospectus with

Commission. The Company meets the requirements for use of Form S-3 under the Act, the Company has filed with the Commission the Registration Statement and each preliminary prospectus relating to the Bonds, if any, required to be filed pursuant to Rule 424(b) of the Regulations under the Act; and the Registration Statement has been declared effective by the Commission under the Act and meets the requirements set forth in paragraph (a)(1)(ix) or (a)(1)(x) of Rule 415 of the Regulations under the Act and complies in all other material respects with such Rule 415.

(b) Registration Statement; Prospectus; Incorporated Documents. (i) No stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose has been instituted or, to the knowledge of the Company, threatened by the Commission; (ii) the Registration Statement, at the Effective Date, each preliminary prospectus relating to the Bonds, if any, at the time it is filed with the Commission, and the Prospectus, at the time it is filed with the Commission, complied and will comply, as the case may be, except in each case for Incorporated Documents, in all material respects with the applicable requirements of the Act and the Trust Indenture Act and the respective Regulations thereunder; (iii) the Registration Statement, at the Effective Date, did not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; (iv) the Prospectus, at the time it is filed with the Commission, will not and each preliminary prospectus relating to the Bonds, if any, at the time it was filed with the Commission, did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (v) each Incorporated Document, at the time originally filed with the Commission pursuant to the Exchange Act, complied and will comply, as the case may be, in all material respects with the applicable requirements of the Exchange Act and the Regulations thereunder; *provided, however*, that the Company makes no representations or warranties as to (A) any of the Statements of Eligibility or (B) the information contained in or omitted from the Registration Statement or the Prospectus in reliance upon and in conformity with information furnished in writing to the Company by the Underwriters specifically for use in connection with the preparation of the Registration Statement or the Prospectus.

(c) Financial Statements. The consolidated financial statements included or incorporated by reference in the Registration Statement and the Prospectus present fairly the financial condition and operations of the Company and its consolidated subsidiaries at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Registration Statement and the Prospectus; and PricewaterhouseCoopers LLP, who examined certain audited financial statements of the Company, and Deloitte Touche Tohmatsu, who has examined certain audited financial statements of PacifiCorp Australia Limited Liability Company, are each an independent registered public accounting firm as required by the Act and the Regulations thereunder.

(d) Material Changes or Transactions. Except as reflected in, or contemplated by, the Registration Statement and the Prospectus, since the respective most recent dates as of which information is given in the Registration Statement and the Prospectus, there has not been any change in the capital stock or long-term debt of the Company (other than changes arising from

transactions in the ordinary course of business), or any material adverse change in the business, affairs, business prospects, property or financial condition of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business, and since such dates there has not been any material transaction entered into by the Company other than transactions contemplated by the Registration Statement and the Prospectus, and transactions in the ordinary course of business; and the Company has no material contingent obligation that is not disclosed in the Registration Statement and the Prospectus.

(e) No Defaults. The Company is not in violation of the Articles or its Bylaws, as amended, or in default in the performance or observance of any material obligation, covenant or condition contained in any contract, agreement or other instrument to which it is a party or by which it may be bound, the effect of which is material to the Company and its subsidiaries taken as a whole, and neither the execution and delivery of this Agreement, the Mortgage or the Bonds, the consummation of the transactions herein or therein contemplated, the fulfillment of the terms hereof or thereof nor compliance with the terms and provisions hereof or thereof will conflict with, or result in a breach of, or constitute a default under (i) the Articles or such Bylaws, or any material contract, agreement or other instrument to which it is now a party or by which it may be bound or (ii) any order, rule or regulation applicable to the Company of any court or any federal or state regulatory body or administrative agency or other governmental body having jurisdiction over the Company or over its properties, the effect of which, singly or in the aggregate, would be material to the Company.

(f) Agreement. This Agreement has been duly authorized, executed and delivered by the Company and is a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law) and subject to any principles of public policy limiting the right to enforce the indemnification and contribution provisions contained herein.

(g) Mortgage. The Mortgage has been duly authorized, executed and delivered by the Company, has been duly qualified under the Trust Indenture Act and constitutes a valid and legally binding instrument of the Company enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law); and the Mortgage conforms to the description thereof in the Prospectus.

(h) Bonds. The Bonds have been duly authorized by the Company and, when authenticated and delivered in accordance with the Mortgage and paid for by the purchasers thereof, will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms, except as limited by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law), and will be entitled to the benefit of the security afforded by the Mortgage; and the Bonds conform to the description thereof in the Prospectus.

(i) Title to, and Description of, Properties; Lien of Mortgage on Properties. The

Company has good and sufficient title to all the properties described as owned by it in, and subject to the lien of, the Mortgage (the "Properties"), subject only to Excepted Encumbrances (as defined in the Mortgage) and to minor defects and irregularities customarily found in properties of like size and character that do not materially impair the use of the property affected thereby in the operation of the business of the Company; the descriptions in the Mortgage of such of the Properties as are described therein are adequate to constitute the Mortgage as a lien thereon; and the Mortgage constitutes a valid first lien on the Properties, which include substantially all of the permanent physical properties and franchises of the Company (other than those expressly excepted), subject only to the exceptions enumerated above in this Section 3(i).

(j) No Litigation. There are no legal or governmental proceedings pending or threatened against the Company or its subsidiaries that are required to be disclosed in the Registration Statement and the Prospectus other than those disclosed therein.

(k) Due Incorporation and Qualification of Company. The Company has been duly incorporated and is validly existing as a corporation under the laws of the State of Oregon with corporate power and corporate authority (i) to own its properties and conduct its business as described in the Prospectus and (ii) to execute and deliver, and perform its obligations under, this Agreement, the Mortgage and the Bonds; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which it owns or leases substantial properties or in which the conduct of its business requires such qualification, except where the failure to so qualify would not have a material adverse effect on the financial condition of the Company and its subsidiaries taken as a whole.

(l) Keeping of Records. The Company (i) makes and keeps books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company and its consolidated subsidiaries and (ii) maintains a system of internal accounting controls sufficient to provide reasonable assurances that (1) transactions are executed in accordance with management's general or specific authorization; (2) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and to maintain accountability for assets; (3) access to assets is permitted only in accordance with management's general or specific authorization; and (4) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Any certificate signed by any officer of the Company and delivered to the Underwriters or to Counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the statements made therein.

4. Closing; Delivery of Bonds; Defaulting Underwriters. (a) Closing. Delivery of the Bonds to the Underwriters, against payment of the purchase price therefor in immediately available funds by wire transfer to an account designated by the Company, shall be made prior to 1:00 P.M., New York City time, on June 13, 2005 through the facilities of The Depository Trust Company ("DTC"), or at such other time, date and location as may be agreed upon in writing by the Company and the Representatives. Delivery of the documents required by Section 6 hereof shall be made at such time and date at the offices of Milbank, Tweed, Hadley & McCloy LLP, or



at such other location as may be agreed upon in writing by the Company and the Representatives. The hour and date of such delivery and payment are herein called the "Closing Date."

(b) Delivery of Bonds. The certificates for the Bonds shall be registered in the name of "Cede & Co.," as nominee of DTC, and delivered to DTC or its custodian not later than 1:00 P. M., New York City time, on the business day prior to the Closing Date. For the purpose of expediting the checking of the certificates for the Bonds by the Representatives on behalf of the Underwriters, the Company agrees to make such certificates available to the Representatives for such purpose at the offices of Milbank, Tweed, Hadley & McCloy LLP, in New York, New York, not later than 3:00 P.M., New York City time, on the business day prior to the Closing Date or at such other time and place as may be agreed upon by the Company and the Representatives.

(c) Defaulting Underwriters. If on the Closing Date any Underwriter shall fail to purchase and pay for the Bonds that such Underwriter has agreed to purchase and pay for hereunder on such date (otherwise than by reason of any failure on the part of the Company to comply with any of the provisions contained herein), the non-defaulting Underwriters shall be obligated, severally and not jointly, to take up and pay for (in addition to the respective principal amount of Bonds set forth opposite their respective names in Schedule I hereto) the principal amount of Bonds that such defaulting Underwriter or Underwriters failed to take up and pay for, up to a principal amount of Bonds equal to, in the case of each such non-defaulting Underwriter, ten percent (10%) of the principal amount of Bonds set forth opposite the name of such non-defaulting Underwriter in Schedule I hereto and the non-defaulting Underwriters shall have the right, within 24 hours of such default, either to take up and pay for (in such proportion as may be agreed upon among them), or to substitute another Underwriter or Underwriters, satisfactory to the Company, to take up and pay for the remaining principal amount of Bonds that the defaulting Underwriter or Underwriters agreed but failed to purchase. If any unpurchased Bonds still remain, then the Company shall be entitled to a further period of 24 hours within which to procure another party or other parties, members of the National Association of Securities Dealers; Inc. (or, if not members of such Association, who are not eligible for membership in such Association and who agree (i) to make no sales within the United States, its territories or its possessions or to persons who are citizens thereof or residents therein and (ii) in making sales to comply with such Association's Conduct Rules) and satisfactory to the Representatives, to purchase such Bonds on the terms herein set forth. In the event that, within the respective prescribed periods, the non-defaulting Underwriters notify the Company that they have arranged for the purchase of such Bonds, or the Company notifies the non-defaulting Underwriters that they have arranged for the purchase of such Bonds, then the non-defaulting Underwriters or the Company shall have the right to postpone the Closing Date for a period of not more than three full business days beyond the expiration of the respective prescribed periods in order to effect whatever changes may thus be made necessary in the Registration Statement or the Prospectus or in any other documents or arrangements. In the event that none of the non-defaulting Underwriters or the Company has arranged for the purchase of such Bonds by another party or parties as above provided, then this Agreement shall terminate without any liability on the part of the Company or any Underwriter (other than an Underwriter that shall have failed or refused, otherwise than for some reason sufficient to justify, in accordance with the terms hereof, the cancellation or termination of its obligations hereunder, to purchase and pay for the Bonds that such Underwriter has agreed to purchase as provided in Section 2 hereof), except as otherwise provided in Section 5(j) hereof.

5. Covenants of the Company. The Company covenants and agrees that:

(a) Filing of Prospectus. The Company will promptly transmit copies of the Prospectus, and any amendments or supplements thereto, to the Commission for filing pursuant to Rule 424(b) of the Regulations under the Act.

(b) Copies of Registration Statement and Prospectus; Stop Orders. The Company will deliver to each of the Underwriters and Counsel for the Underwriters (i) one signed copy of the Registration Statement as originally filed, including copies of exhibits thereto (other than any exhibits incorporated by reference therein), (ii) signed copies of any amendments and supplements to the Registration Statement, including copies of the Incorporated Documents (other than exhibits thereto), and (iii) a signed copy of each consent and certificate included or incorporated by reference in, or filed as an exhibit to, the Registration Statement as so amended or supplemented; the Company will deliver to the Underwriters as soon as practicable after the date of this Agreement as many copies of the Prospectus as the Underwriters may reasonably request for the purposes contemplated by the Act; the Company will promptly advise the Underwriters of the issuance of any stop order under the Act with respect to the Registration Statement (as it may be amended or supplemented) or the institution of any proceedings therefor, or the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, of which the Company shall have received notice prior to the completion of the distribution of the Bonds; and the Company will use its best efforts to prevent the issuance of any such stop order and to secure the prompt removal thereof, if issued.

(c) Filing of Amendments and Supplements. During the period when a prospectus relating to the Bonds is required to be delivered under the Act by any Underwriter or dealer, the Company will not file any amendment or supplement to the Registration Statement (including a Rule 462(b) Registration Statement), the Prospectus (including a prospectus relating to the Bonds filed pursuant to Rule 424(b) of the Regulations under the Act that differs from the Prospectus as first filed pursuant to such Rule 424(b)) or any Incorporated Document to which the Representatives shall reasonably object as to substance or Counsel for the Underwriters shall reasonably object as to form.

(d) Compliance with Act. During the period when a prospectus relating to the Bonds is required to be delivered under the Act by any Underwriter or dealer, the Company will comply so far as it is able, and at its own expense, with all requirements imposed upon it by the Act, as now and hereafter amended, and by the Regulations thereunder, as from time to time in force, so far as necessary to permit the continuance of sales of or dealing in the Bonds during such period in accordance with the provisions hereof and the Prospectus.

(e) Certain Events and Amendments or Supplements. If, during the period when a prospectus relating to the Bonds is required to be delivered under the Act by any Underwriter or dealer, (i) any event relating to or affecting the Company or of which the Company shall be advised in writing by the Underwriters shall occur that as a result of which, in the Company's opinion, the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading or (ii) it shall be necessary to amend or supplement the Registration Statement or the Prospectus to comply with the Act, the Exchange Act or the

Trust Indenture Act or the respective Regulations thereunder, the Company will forthwith at its expense prepare and furnish to the Underwriters a reasonable number of copies of such amendment or supplement that will correct such statement or omission or effect such compliance; *provided, however*, that should such event relate solely to activities of any of the Underwriters, then the Underwriters shall assume the expense of preparing and furnishing copies of any such amendment or supplement. Notwithstanding the foregoing, in case any Underwriter is required to deliver a prospectus relating to the Bonds after the expiration of nine months after the date of this Agreement, the Company upon the request of the Underwriters will, furnish to the Underwriters, at the expense of such Underwriter, a reasonable quantity of a supplemented or amended Prospectus or supplements or amendments to the Prospectus complying with Section 10 of the Act.

(f) Blue Sky Qualifications. During the period when a prospectus relating to the Bonds is required to be delivered under the Act by any Underwriter or dealer, the Company will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriters may designate and will file and make in each year such statements or reports as are or may be reasonably required by laws of such jurisdictions; *provided, however*, that the Company shall not be required to qualify as a foreign corporation or dealer in securities or to file any consents to service of process under the laws of any jurisdiction.

(g) Earning Statement. In accordance with Rule 158 of the Regulations under the Act, the Company will make generally available to its security holders, as soon as practicable, an earning statement (which need not be audited) in reasonable detail covering the 12 months beginning not later than the first day of the month next succeeding the month in which occurred the effective date (within the meaning of Rule 158 of the Regulations under the Act) of the Registration Statement.

(h) Exchange Act Documents; Ratings Notification. The Company, during the period when a prospectus relating to the Bonds is required to be delivered under the Act by any Underwriter or dealer, will file promptly all documents required to be filed with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act; and the Company will promptly notify the Underwriters of any written notice given to the Company by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 15c3-1 under the Exchange Act) of any intended decrease in any rating of any securities of the Company or of any intended change in any such rating that does not indicate the direction of the possible change, in each case by any such rating organization.

(i) No Issuance Period. Between the date of this Agreement and the earlier of (i) the termination of any trading restrictions with respect to the Bonds and (ii) the third business day after the date of this Agreement, the Company will not, without the prior written consent of the Representatives, sell, offer to sell, or enter into any agreement to sell, any of its first mortgage bonds.

(j) Payment of Expenses. Whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, the Company will pay, except as otherwise expressly provided herein, all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation and filing of the Registration

