



201 South Main, Suite 2300
Salt Lake City, Utah 84111

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IDAHO PUBLIC
UTILITIES COMMISSION

VIA OVERNIGHT DELIVERY

June 30, 2008

Idaho Public Utility Commission
Statehouse
472 West Washington Street
Boise, ID 83720

ATTN: Ms. Jean Jewell
Commission Secretary

Re: Case No. PAC-E-08-05:

In the Matter of the Application of ROCKY MOUNTAIN POWER for authority to (1) borrow the proceeds of not more than \$450,345,000 of Pollution Control Revenue Bonds, (2) enter into such agreements or arrangements as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Bonds, including the issuance of First Mortgage and Collateral Trust Bonds, and (3) replace or modify from time to time the credit enhancement arrangements supporting the Bonds.

Dear Commissioners:

Enclosed herewith for filing with the Commission are an original and four (4) copies of the above-referenced application, including a proposed order for the Commission's consideration.

Due to recent market developments, there has been a significant reduction in market liquidity for certain insured variable rate Pollution Control Revenue Bonds and interest rates on these bonds have risen. Consequently, the Company is seeking authority to refinance existing series of insured variable rate pollution control bonds in the event that interest rates do not return to more normal levels.

In addition, the Company is requesting authority to refinance up to four series of outstanding fixed rate pollution control revenue bonds issued to finance, or refinance, the cost of certain pollution control, solid waste disposal and sewage facilities at the Hunter, Huntington, Naughton electric generating plants and the Cottonwood facility. Although the cost to the Company of these bonds has not been directly impacted by these recent market developments, the Company may be able to economically refinance these obligations depending on levels of interest rates and market conditions.

The Company expects any such refinancing will achieve interest savings, including the effect of the amortization of the redemption premium, if any, and the unamortized issuance expenses on the Prior Bonds, as a result of the refinancings.

Further, the Company is undertaking significant capital expenditures related to pollution control and solid waste disposal facilities at certain electric generating plants. It may be possible to finance a portion of these expenditures through new issuances of pollution control revenue bonds resulting in interest rate savings as compared to other financing alternatives. In order to complete a new issuance of pollution control revenue bonds it will be necessary to obtain an allocation of that state's "volume cap" (which imposes an annual limit in each state, based upon the state population). As each state may have a number of competing applicants for a fixed amount of volume cap, the Company may or may not be successful in obtaining sufficient authority for new money pollution control revenue bonds. However, the Company is requesting authority at this time in order to be able to proceed with a new money financing should volume cap be available and a tax-exempt financing be cost effective.

The Company respectfully requests that the Commission issue its order on or before July 31, 2008. The Company also requests twenty certified copies of any order issued in this matter. Notice of this Application will be published within seven days as required by the Commission's Rules of Procedure. Please note that the Company's Application Fee in the amount of \$1,000 is being submitted under separate cover.

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

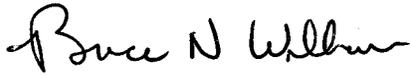
By fax: (503) 813-6060

Informal inquiries may be directed to me at (503) 813-5662.

Idaho Public Utility Commission
June 30, 2008
Page 3

Your attention to this matter is appreciated.

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
Vice President and Treasurer

Enclosures: Application (1 original and 4 copies)
Proposed Form of Order (1 original and 4 copies)
CD containing the proposed Form of Order

Cc: Ted Weston

RECEIVED

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

2008 JUN 30 AM 9: 39

IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of ROCKY)
MOUNTAIN POWER for authority to (1))
borrow the proceeds of not more than)
\$450,345,000 of Pollution Control Revenue)
Bonds, (2) enter into such agreements or)
arrangements as may be reasonably necessary to)
effect the borrowings and to provide credit)
enhancement for the Bonds, including the)
issuance of First Mortgage and Collateral Trust)
Bonds, and (3) replace or modify from time to)
time the credit enhancement arrangements)
supporting the Bonds.

APPLICATION
CASE NO. PAC-E-08-05

Rocky Mountain Power, a division of PacifiCorp, (Company) hereby applies for an order of the Idaho Public Utilities Commission (Commission) authorizing the Company to (1) borrow the proceeds of not more than \$300,345,000 of Pollution Control Revenue Refunding Bonds (“Refunding Bonds”) to be issued by the Counties of Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, and Moffat, Colorado (“Refunding Counties”), (2) borrow the proceeds of not more than \$150,000,000 of Pollution Control Revenue Bonds (“New Money Bonds”) to be issued by one or more of the following Counties or municipalities: Emery, Utah, Converse, Wyoming, Lincoln, Wyoming, Sweetwater, Wyoming, City of Gillette, Wyoming, Navajo County, Arizona and Routt County, Colorado (“New Money Issuers”), (3) enter into such agreements or arrangements with the Refunding Counties and New Money Issuers and with other entities as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Refunding Bonds and the New Money Bonds, including the issuance of the Company’s First Mortgage and Collateral Trust Bonds as collateral,

and (4) replace or modify from time-to-time the credit enhancement arrangements supporting the Refunding Bonds or the New Money Bonds.

These borrowings will be in connection with the financing, or refinancing, of the cost of certain pollution control, solid waste disposal and sewage facilities at the Company's electric generating plants including Jim Bridger, Carbon, Cholla, Craig, Dave Johnston, Hayden, Hunter, Huntington, Naughton and Wyodak.

The Company requests that such authority remain in effect so long as the Company's senior secured debt holds investment-grade ratings from at least two nationally recognized ratings agencies.

The application is filed pursuant to Chapter 9, Title 61, of the *Idaho Code* and Sections 141 through 150 of the Commission's Rules of Procedure and is intended to amend and supersede order No. 26039 issued by the Commission June 13, 1995 in docket number PAC-S-95-2.

The Company respectfully requests that the Commission issue an order by July 31, 2008.

The Company respectfully represents that:

- (a) The official name of the applicant and address of its principal business office:

PacifiCorp, doing business as Rocky Mountain Power
825 N.E. Multnomah, Suite 2000
Portland, OR 97232

- (b) The state and date of incorporation; each state in which it operates as a utility:

The Company was incorporated under Oregon law in August 1987 for the purpose of facilitating consummation of a merger with Utah Power & Light Company, a Utah corporation, and changing the state of incorporation of PacifiCorp from Maine to Oregon.

The Company currently serves customers as Rocky Mountain Power in Idaho, Utah and Wyoming and as Pacific Power in California, Oregon and Washington.

(c) The name, address, and telephone number of persons authorized to receive notices and communications:

Bruce N. Williams
Vice President and Treasurer
PacifiCorp
825 N.E. Multnomah, Suite 1900
Portland, OR 97232
Telephone: (503) 813-5662
E-mail: bruce.williams@pacificorp.com

Jeff B. Erb
Assistant General Counsel
PacifiCorp
825 N.E. Multnomah, Suite 600
Portland, OR 97232
Telephone: (503) 813-5029
E-mail: jeff.erb@pacificorp.com

Jeffrey K. Larsen, Vice President
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-4907
E-mail: jeff.larsen@pacificorp.com

Daniel Solander, Senior Counsel
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-4014
E-mail: daniel.solander@pacificorp.com

Ted Weston
Manager, Regulation
Rocky Mountain Power
201 South Main, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-2963
E-mail: ted.weston@pacificorp.com

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

By fax: (503) 813-6060

Informal questions should be directed to Bruce Williams at (503) 813-5662.

(d) A full description of the securities proposed to be issued:

Pursuant to Rule 142 of the Rules of Practice and Procedure, the Applicant hereby files the application filed with the Public Utility Commission of Oregon as Exhibit "D-1" in lieu of the application required by Rule 141. Applicant further states that:

- (1) Applicant has published or will have published within seven days of the date of filing this Application a notice in those newspapers listed in Rule 24.19 of the Rules of Practice and Procedure of the Idaho Public Utilities Commission that are in general circulation in Applicant's service area.
- (2) Proposed Order of Applicant is filed herewith as Exhibit "D-2".

PRAYER

Rocky Mountain Power respectfully requests that the Commission enter its order in this matter, effective upon issuance, authorizing Rocky Mountain Power to (1) borrow the proceeds of not more than \$300,345,000 of Pollution Control Revenue Refunding Bonds (“Refunding Bonds”) to be issued by the Counties of Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, and Moffat, Colorado (“Refunding Counties”), (2) borrow the proceeds of not more than \$150,000,000 of Pollution Control Revenue Bonds (“New Money Bonds”) to be issued by one or more of the following Counties or municipalities: Emery, Utah, Converse, Wyoming, Lincoln, Wyoming, Sweetwater, Wyoming, City of Gillette, Wyoming, Navajo County, Arizona and Routt County, Colorado (“New Money Issuers”), (3) enter into such agreements or arrangements with the Refunding Counties and New Money Issuers and with other entities as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Refunding Bonds and the New Money Bonds, including the issuance of the Company’s First Mortgage and Collateral Trust Bonds as collateral, and (4) replace or modify from time-to-time the credit enhancement arrangements supporting the Refunding Bonds or the New Money Bonds.

These borrowings will be in connection with the financing, or refinancing, of the cost of certain pollution control, solid waste disposal and sewage facilities at the Company’s electric generating plants including Jim Bridger, Carbon, Cholla, Craig, Dave Johnston, Hayden, Hunter, Huntington, Naughton and Wyodak.

The Company requests that such authority remain in effect so long as the Company maintains a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Rating Services, and a Baa3 or higher senior secured debt rating, as indicated by Moody's Investors' Service, Inc.

Dated at Portland, Oregon on June 27, 2008.

PACIFICORP

By: Bruce N. Williams
Bruce N. Williams
Vice President and Treasurer

VERIFICATION

I, Bruce N. Williams, declare, under penalty of perjury, that I am the duly appointed Vice President and Treasurer of PacifiCorp and am authorized to make this verification. The application and the attached exhibits were prepared at my direction and were read by me. I know the contents of the application and the attached exhibits, and they are true, correct, and complete of my own knowledge except those matters stated on information or belief which I believe to be true.

WITNESS my hand and the seal of PacifiCorp on this 27th day of June, 2008.



Bruce N. Williams

(Seal)

Exhibit D-1

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UF _____

In the Matter of the Application of PACIFICORP, d.b.a. PACIFIC POWER for authority to (1) borrow the proceeds of not more than \$450,345,000 of Pollution Control Revenue Bonds, (2) enter into such agreements or arrangements as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Bonds, including the issuance of First Mortgage and Collateral Trust Bonds, and (3) replace or modify from time to time the credit enhancement arrangements supporting the Bonds.

**APPLICATION OF
PACIFIC POWER AND
WAIVER OF PAPER
SERVICE**

Pursuant to ORS 757.405, ORS 757.410(1), ORS 757.415 and OAR 860-27-030, PacifiCorp, d.b.a. Pacific Power, ("Company") hereby applies for an order of the Public Utility Commission of Oregon ("Commission") authorizing the Company to (1) borrow the proceeds of not more than \$300,345,000 of Pollution Control Revenue Refunding Bonds ("Refunding Bonds") to be issued by the Counties of Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, and Moffat, Colorado ("Refunding Counties"), (2) borrow the proceeds of not more than \$150,000,000 of Pollution Control Revenue Bonds ("New Money Bonds") to be issued by one or more of the following Counties or municipalities: Emery, Utah, Converse, Wyoming, Lincoln, Wyoming, Sweetwater, Wyoming, City of Gillette, Wyoming, Navajo County, Arizona and Routt County, Colorado ("New Money Issuers"), (3) enter into such agreements or arrangements with the Refunding Counties and New Money Issuers and with other entities as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Refunding Bonds and the New Money Bonds, including the issuance of the Company's First

Mortgage and Collateral Trust Bonds as collateral, and (4) replace or modify from time-to-time the credit enhancement arrangements supporting the Refunding Bonds or the New Money Bonds.

These borrowings will be in connection with the financing, or refinancing, of the cost of certain pollution control, solid waste disposal and sewage facilities at the Company's electric generating plants including Jim Bridger, Carbon, Cholla, Craig, Dave Johnston, Hayden, Hunter, Huntington, Naughton and Wyodak.

The Company requests that such authority remain in effect so long as the Company's senior secured debt holds investment-grade ratings from at least two nationally recognized ratings agencies. Additionally, the Company requests that this debt issuance amend and supersede the debt issuance approved by the Commission in Docket No. UF 4128 ("1995 Docket") Order No. 95-518 ("1995 Order").

Additionally, the Company respectfully waives paper service in this docket pursuant to OAR 860-013-0070(4). The Company respectfully requests that the Commission issue an order by July 31, 2008.

I. Compliance with OAR 860-027-0030 Filing Requirements.

(a) Exact name and address of Company's principal business office.

PacifiCorp
825 N.E. Multnomah, Suite 2000
Portland, OR 97232

(b) State in which incorporated; date of incorporation; and the other states in which authorized to transact utility business.

The Company was incorporated under Oregon law in August 1987 for the purpose of facilitating consummation of a merger with Utah Power & Light Company, a Utah corporation, and changing the state of incorporation of PacifiCorp from Maine to Oregon.

The Company currently serves customers as Pacific Power in California, Oregon and Washington and as Rocky Mountain Power in Idaho, Utah and Wyoming.

(c) Name and address of person(s) authorized to receive notices and communications regarding this application.

Bruce N. Williams
Vice President and Treasurer
PacifiCorp
825 N.E. Multnomah, Suite 1900
Portland, OR 97232
Telephone: (503) 813-5662
E-mail: bruce.williams@pacificorp.com

Natalie Hocken
Vice President & General Counsel
Pacific Power
825 N.E. Multnomah, Suite 2000
Portland, OR 97232
Telephone: (503) 813-7205
E-mail: natalie.hocken@pacificorp.com

Joelle Steward
Oregon Regulatory Affairs Manager
Pacific Power
825 NE Multnomah, Suite 2000
Portland, OR 97232
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E-mail: joelle.steward@pacificorp.com

Jeff B. Erb
Assistant General Counsel
PacifiCorp Energy
825 N.E. Multnomah, Suite 600
Portland, OR 97232
Telephone: (503) 813-5029
E-mail: jeff.erb@pacificorp.com

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

By fax: (503) 813-6060

Informal inquiries may be directed to Bruce Williams at (503) 813-5662.

(d) Names and titles of the principal officers of the Company.

Greg Abel	President & CEO, PacifiCorp
Rob Lasich	President, PacifiCorp Energy
R. Patrick Reiten	President, Pacific Power
A. Richard Walje	President, Rocky Mountain Power
Brent R. Gale	Senior Vice President, PacifiCorp
Mark Moench	General Counsel, PacifiCorp
Doug Stuver	Senior Vice President, Chief Financial Officer, PacifiCorp

- (e) **Description of the general character of the business done and to be done, and a designation of the territories served.**

The Company provides retail electric service to customers as Pacific Power in California, Oregon and Washington and as Rocky Mountain Power in Idaho, Utah and Wyoming. A map showing PacifiCorp's service territories is included as Exhibit M.

- (f) **Statement, as of the date of the balance sheet submitted with this application, showing for each class and series of capital stock: brief description; the amount authorized (face value and number of shares); the amount outstanding (exclusive of any amount held in the treasury), held amount as reacquired securities; amount pledged by the Company; amount owned by affiliated interests, and amount held in any fund.**

The capital stock as of March 31, 2008 is as follows:

	Outstanding Shares	Amount
Cumulative Preferred Stock:		
5% Preferred, \$100 stated value (126,533 shares authorized)	126,243	\$12,624,300
Serial Preferred, \$100 stated value (3,500,000 shares authorized)		
4.52% Series	2,065	\$206,500
4.56% Series	84,592	\$8,459,200
4.72% Series	69,890	\$6,989,000
5.00% Series	41,908	\$4,190,800
5.40% Series	65,959	\$6,595,900
6.00% Series	5,930	\$593,000
7.00% Series	18,046	\$1,804,600
Total Preferred Stock	414,633	\$41,463,300

Common Stock*:

No Par Value

(750,000,000 shares authorized)

357,060,915

*All shares of outstanding common stock are indirectly owned by MidAmerican Energy Holdings Company.

- (g) Statement, as of the date of the balance sheet submitted with this application, showing for each class and series of long-term debt or notes: brief description (amount, interest rate and maturity); amount authorized; amount outstanding (exclusive of any amount held in the treasury); amount held as reacquired securities; amount pledged by the Company; amount held by affiliated interest; and amount in sinking and other funds.

The long-term debt as of March 31, 2008 is as follows:

Description	Authorized	Outstanding
First Mortgage Bonds:		
4.30% Series due September 15, 2008	\$200,000,000	\$200,000,000
6.90% Series due November 15, 2011	\$500,000,000	\$500,000,000
5.45% Series due September 15, 2013	\$200,000,000	\$200,000,000
4.95% Series due August 15, 2014	\$200,000,000	\$200,000,000
7.70% Series due November 15, 2031	\$300,000,000	\$300,000,000
5.90% Series due August 15, 2034	\$200,000,000	\$200,000,000
5.25% Series due June 15, 2035	\$300,000,000	\$300,000,000
6.10% Series due August 1, 2036	\$350,000,000	\$350,000,000
5.75% Series due April 1, 2037	\$600,000,000	\$600,000,000
6.25% Series due October 15, 2037	\$600,000,000	\$600,000,000
8.271% C-U Series due thru October 1, 2010	\$48,972,000	\$13,200,000
7.978% C-U Series due thru October 1, 2011	\$4,422,000	\$1,469,000
8.493% C-U Series due thru October 1, 2012	\$19,772,000	\$7,988,000
8.797% C-U Series due thru October 1, 2013	\$16,203,000	\$7,542,000
8.734% C-U Series due thru October 1, 2014	\$28,218,000	\$14,492,000
8.294% C-U Series due thru October 1, 2015	\$46,946,000	\$25,697,000
8.635% C-U Series due thru October 1, 2016	\$18,750,000	\$11,159,000
8.470% C-U Series due thru October 1, 2017	\$19,609,000	\$12,288,000
9.15% MTN Series C due August 9, 2011	\$8,000,000	\$8,000,000
8.92% MTN Series C due September 1, 2011	\$20,000,000	\$20,000,000
8.95% MTN Series C due September 1, 2011	\$45,000,000	\$45,000,000
8.29% MTN Series C due December 30, 2011	\$3,000,000	\$3,000,000

Description	Authorized	Outstanding
First Mortgage Bonds:		
8.26% MTN Series C due January 10, 2012	\$1,000,000	\$1,000,000
8.28% MTN Series C due January 10, 2012	\$2,000,000	\$2,000,000
8.25% MTN Series C due February 1, 2012	\$3,000,000	\$3,000,000
8.53% MTN Series C due December 16, 2021	\$15,000,000	\$15,000,000
8.375% MTN Series C due December 31, 2021	\$5,000,000	\$5,000,000
8.26% MTN Series C due January 7, 2022	\$5,000,000	\$5,000,000
8.27% MTN Series C due January 10, 2022	\$4,000,000	\$4,000,000
8.13% MTN Series E due January 22, 2013	\$10,000,000	\$10,000,000
8.07% MTN Series E due September 9, 2022	\$8,000,000	\$8,000,000
8.11% MTN Series E due September 9, 2022	\$12,000,000	\$12,000,000
8.12% MTN Series E due September 9, 2022	\$50,000,000	\$50,000,000
8.05% MTN Series E due September 14, 2022	\$10,000,000	\$10,000,000
8.05% MTN Series E due September 18, 2022	\$15,000,000	\$15,000,000
8.08% MTN Series E due October 14, 2022	\$51,000,000	\$51,000,000
8.23% MTN Series E due January 20, 2023	\$5,000,000	\$5,000,000
8.23% MTN Series E due January 20, 2023	\$4,000,000	\$4,000,000
7.26% MTN Series F due July 21, 2023	\$38,000,000	\$38,000,000
7.23% MTN Series F due August 16, 2023	\$15,000,000	\$15,000,000
7.24% MTN Series F due August 16, 2023	\$30,000,000	\$30,000,000
6.72% MTN Series F due September 14, 2023	\$2,000,000	\$2,000,000
6.75% MTN Series F due September 14, 2023	\$7,000,000	\$7,000,000
6.75% MTN Series F due October 23, 2023	\$48,000,000	\$48,000,000
6.71% MTN Series G due January 15, 2026	\$100,000,000	\$100,000,000
7.00% MTN Series H due July 15, 2009	\$125,000,000	\$125,000,000
Total First Mortgage Bonds:		\$4,184,835,000
Pollution Control Bonds:		
Moffat County, Colorado		
Variable% Series 1994 due May 1, 2013	\$40,655,000	\$40,655,000

Description	Authorized	Outstanding
Converse County, Wyoming		
3.90% Series 1988 due January 1, 2014	\$17,000,000	\$17,000,000
Variable% Series 1992 due December 1, 2020	\$22,485,000	\$22,485,000
Variable% Series 1994 due November 1, 2024	\$8,190,000	\$8,190,000
4.125% Series 1995 due November 1, 2025	\$5,300,000	\$5,300,000
Sweetwater County, Wyoming		
Variable% Series 1988B due January 1, 2014	\$11,500,000	\$11,500,000
3.90% Series 1984 due December 1, 2014	\$15,000,000	\$15,000,000
Variable% Series 1990A due July 1, 2015	\$70,000,000	\$70,000,000
Variable% Series 1988A due January 1, 2017	\$50,000,000	\$50,000,000
Variable% Series 1992A due December 1, 2020	\$9,335,000	\$9,335,000
Variable% Series 1992B due December 1, 2020	\$6,305,000	\$6,305,000
Variable% Series 1994 due November 1, 2024	\$21,260,000	\$21,260,000
Variable% Series 1995 due November 1, 2025	\$24,400,000	\$24,400,000
Lincoln County, Wyoming		
3.40% Series 1991 due January 1, 2016	\$45,000,000	\$45,000,000
5.625% Series 1993 due November 1, 2021	\$8,300,000	\$8,300,000
Variable% Series 1994 due November 1, 2024	\$15,060,000	\$15,060,000
4.125% Series 1995 due November 1, 2025	\$22,000,000	\$22,000,000
City of Gillette, Wyoming		
Variable% Series 1988 due January 1, 2018	\$41,200,000	\$41,200,000
Emery County, Utah		
Variable% Series 1991 due July 1, 2015	\$45,000,000	\$45,000,000
5.65% Series 1993A due November 1, 2023	\$46,500,000	\$46,500,000
5.625% Series 1993B due November 1, 2023	\$16,400,000	\$16,400,000
Variable% Series 1994 due November 1, 2024	\$121,940,000	\$121,940,000
6.15% Series 1996 due September 30, 2030	\$12,675,000	\$12,675,000
Carbon County, Utah		
Variable% Series 1994 due November 1, 2024	\$9,365,000	\$9,365,000
City of Forsyth, Montana		
4.125% Series 1986 due December 1, 2016	\$8,500,000	\$8,500,000
Variable% Series 1988 due January 1, 2018	\$45,000,000	\$45,000,000
Total Pollution Control Bonds		\$738,370,000

- (h) **Full description of the securities proposed to be issued, showing: kind and nature of securities or liabilities; amount (face value and number of shares); interest or dividend rate, if any; date of issue and date of maturity; and voting privileges, if any.**

Pollution Control Revenue Bonds will be issued by municipalities in an amount not more than \$450,345,000 in several series. Up to \$300,345,000 will be issued as Refunding Bonds and up to \$150,000,000 will be issued as New Money Bonds (Refunding Bonds and New Money Bonds will collectively be referred to as "Bonds"). The proceeds from the sale of the Bonds will be loaned to the Company who will be responsible to pay the principal and interest on the Bonds. These Bonds will either bear a fixed interest rate or a floating interest rate. If these Bonds bear a fixed interest rate, the rate will be set at the time of issuance. If these bonds bear a floating interest rate, the rate will be set periodically based upon market conditions. The Company expects these bonds to be issued and the related agreements to be executed from time-to-time. Dates of maturity will be determined based upon an engineer's certificate verifying the economic life of the qualifying pollution control equipment and solid and sewage waste facilities ("Qualifying Facilities").

While floating rate Bonds have a nominal long-term maturity, the obligations will be remarketed and bear interest at one or more frequencies, including, but not limited to, daily, weekly, monthly, flexible or term periods. Because of the remarketing feature, combined with the support of a letter of credit, investors are indifferent to the final maturity of the instrument; as a result, the floating rate Bonds may be structured with the longest maturity justified by the underlying assets being financed, while obtaining rates reflective of short maturities.

The Company will enter into an agreement with a remarketing agent who will agree in advance to seek new purchasers for the floating rate Bonds on a best-efforts basis if existing investors no longer wish to hold their bonds at the end of the interest period. To

satisfy the investment criteria of potential purchasers, the Company expects to arrange for a letter of credit or insurance contract as a source of credit support and liquidity. For example, a letter of credit will provide amounts required to purchase tendered floating rate Bonds that have not been successfully remarketed immediately, as well as amounts required for payment of scheduled interest and principal at maturity or through acceleration. The floating rate bonds not immediately remarketed may then be sold to other investors.

The floating rate Bonds' structure may include the selection of one of several tax-exempt market rate pricing modes, including pricing modes as short as daily and as long as annually. The Bonds may also include an option to convert to a term mode in which the rate is fixed for a certain period of time. The operation of those modes will be described in the official statement for floating rate Bonds when filed as Exhibit J.

The pricing mode selection will depend upon a number of factors, including expectations as to which mode offers the lowest relative rates at the time of issuance. During the time the floating rate Bonds carry a floating rate, the Bonds would be prepayable at par plus accrued interest at the end of any interest rate period.

Subject to market conditions, the Bonds may be issued at fixed interest rates. The Company expects to pay interest on a semi-annual basis. The fixed rate Bonds may include call provisions at fixed prices at future dates. To achieve lower borrowing costs, the Company may purchase credit enhancement from insurance companies, which would give the Bonds an AAA/Aaa rating. The insurance companies may require the Company to collateralize the Bonds with the Company's First Mortgage and Collateral Trust Bonds. However, if the anticipated interest savings are not sufficient or the terms relating to the bond insurance are considered to be unduly restrictive, the Company may choose not to obtain insurance. In this situation, the Company may collateralize the Bonds with the Company's

First Mortgage and Collateral Trust Bonds in an aggregate principal amount not exceeding the principal amount of the Bonds, thereby providing the Bonds with a credit rating equal to its senior debt (A-/A3). The Commission previously authorized the Company to incur the lien of the PacifiCorp Mortgage in UF 3990, Order No. 88-1363.

- (i) **Description of the proposed transaction, including a statement of the reasons why it is desired to consummate the transaction and the anticipated effect thereof. If the transaction is part of a general program, describe the program and its relation to the proposed transaction. Such description shall include:**

These borrowings will be made in connection with the issuance of Bonds by the Issuers to finance or refinance Qualifying Facilities at one or more of the following plants: Jim Bridger, Carbon, Cholla, Craig, Dave Johnston, Hayden, Hunter, Huntington, Naughton and Wyodak ("Plants"). The Qualifying Facilities consist principally of systems to remove and dispose of particulates and sulfur dioxide from flue gases and certain solid and sewage wastes. Arizona, Colorado, Utah and Wyoming statutes and the Internal Revenue Code permit local governmental agencies to issue bonds, the interest on which is not subject to federal income taxation for most bondholders, for the purpose of the construction of qualified pollution control equipment and solid and sewage waste facilities. The Issuers will be asked to adopt appropriate resolutions providing for the issuance of the appropriate series of the Bonds.

In order to provide credit support for the Bonds, the Company could enter into agreements with commercial banks or insurance companies. Additionally, the Company could issue its First Mortgage and Collateral Trust Bonds as collateral for repayment of the Bonds, either alone or in conjunction with bank or insurance company credit support.

Due to recent market developments, there has been at times, a significant reduction in market liquidity for certain insured variable rate Pollution Control Revenue Bonds and interest rates on these bonds have risen. The Company is seeking authority to refinance

existing series of insured variable rate pollution control bonds in the event that interest rates do not return to more normal levels.

Additionally, the Company is requesting authority to refinance up to four series of outstanding fixed rate Pollution Control Revenue Bonds issued to finance, or refinance, the cost of certain pollution control, solid waste disposal and sewage facilities at the Company's Hunter, Huntington, Naughton electric generating plants and the Cottonwood facility. Although the cost to the Company of these bonds has not been directly impacted by these recent market developments, the Company may be able to economically refinance these obligations depending on levels of interest rates and market conditions.

The Company expects any such refinancing will achieve interest savings, including the effect of the amortization of the redemption premium, if any, and the unamortized issuance expenses on the Prior Bonds, as a result of the refinancings.

Further, the Company is undertaking significant capital expenditures related to pollution control and solid waste disposal facilities at certain electric generating plants. It may be possible to finance a portion of these expenditures through new issuances of Pollution Control Revenue Bonds resulting in interest rate savings as compared to other financing alternatives. In order to complete a new issuance of Pollution Control Revenue Bonds it will be necessary to obtain an allocation of the "volume cap"¹ from the state in which the respective Issuer is located. The Company's success in obtaining sufficient volume cap for New Money Bonds will depend on the number of competing applicants in each state. The Company is requesting authority at this time in order to be able to proceed with a new money financing should volume cap be available and a tax-exempt financing be cost effective.

¹ The "volume cap" imposes an annual limit in each state, based upon the state population.

(A) Description of the proposed method of issuing and selling the securities.

The Refunding Counties or the New Money Issuers (collectively, "Issuers") will issue the Bonds. The Bonds will be issued pursuant to Indentures of Trust between the Issuers and trustees. Pursuant to agreements between the Issuers and the Company, the proceeds from the sale of the Bonds, other than refundable accrued interest, will be loaned to the Company to finance or refinance the Facilities. Under the loan agreements, the Company will be obligated to pay absolutely and unconditionally, to the extent sufficient funds are not already in the possession of the trustee, the principal of, the interest on, and the premium (if any) on the Bonds, as well as certain fees and expenses of the Issuers.

To achieve a lower cost of money, the Company may enter into reimbursement agreements, guarantees, pledges, or other security agreements or arrangements to assure timely payment of amounts due in respect of the Bonds. For example, a letter of credit may be added in order to support the Bonds. In connection with a letter of credit, the Company would enter into a reimbursement agreement under which a bank would issue a letter of credit to support payments in respect of the Bonds. Under the reimbursement agreement, the Company would be required to reimburse each bank for any drawings under its letter of credit. Amounts advanced by a bank under a letter of credit are expected to bear interest based upon various short-term rates. The Company expects that any letter of credit bank will have a long-term credit rating of not less than AA and a short-term rating of not less than A-1/P-1. In the event a letter of credit is obtained, it is expected to have an initial term of at least one year and may be extended by mutual consent of the bank and the Company or replaced by the Company with another letter of credit or an alternative credit enhancement arrangement.

The fees associated with the credit enhancement arrangement are not expected to exceed 0.75 percent per annum. The Company believes, and its experience in previous tax-

exempt financings confirms, that the interest savings from enhancing the credit support for the Bonds will exceed the cost of the letter of credit or alternative credit arrangements; that is, the effective cost of the Bonds will be lowered by the credit enhancement arrangements.

Over the life of the Bonds, it may be necessary or desirable to replace one or more letters of credit or alternative credit enhancement arrangements from time-to-time as, for example, the credit ratings of the various banks (and thus the Company's interest costs) fluctuate or market rates for letters of credit change. The Company therefore requests authority to substitute, as necessary or desirable from time to time, letters of credit or other credit enhancement arrangements for letters of credit or other credit enhancement arrangements then in effect with respect to the Bonds.

- (B) Statement of whether such securities are to be issued pro rata to existing holders of the Company's securities or issued pursuant to any preemptive right or in connection with any liquidation or reorganization.**

The Bonds will not be issued pro rata to existing holders of the Company's securities and will not be issued pursuant to any preemptive rights or in connection with any liquidation or reorganization.

- (C) Statement showing why it is in the Company's interest to issue securities in the manner proposed and the reason(s) why it selected the proposed method of sale.**

See (n) (A)

- (D) Statement that exemption from the competitive bidding requirements of any federal or other state regulatory body has or has not been requested or obtained, and a copy of the action taken thereon when available.**

The Company does not believe that the issuance of the Bonds is subject to the competitive bidding requirements of federal or state regulatory bodies.

- (j) Name and address of any person receiving or entitled to a fee for service (other than attorneys, accountants and similar technical services) in connection with the negotiation or consummation of the issuance or sale of securities, or for services in securing underwriters, sellers or purchasers of securities, other than fees included in any competitive bid; the amount of each such fee, and facts showing the necessity for the services and that the fee does not exceed the customary fee for such services in arm's length transactions and is reasonable in the light of the cost of rendering the service, and any other relevant facts.**

The Company and the Issuers will negotiate the sale of the Bonds to underwriters. These underwriters may also serve as remarketing agents for any floating rate bonds. The Issuers may receive an issuance fee paid up front and/or annually at an effective rate is not expected to exceed 0.125 percent per annum on the principal amount of the Bonds. The Company will also pay the expenses of the offering incurred by the Issuers. The underwriting fee is not expected to exceed 1.25 percent of the principal amount of the Bonds. The annual remarketing fee for variable rate bonds is not expected to exceed 0.125 percent of the principal amount of the Bonds. The potential fees to the underwriters and remarketing agents are consistent with prevailing market usual and customary fees. These fees are reasonable given the services provided by the underwriters and remarketing agents. The underwriters and remarketing agents will be familiar with the Company, its parent company and affiliates and their long-term financing needs. They will be available for consultation on these matters and will assist the Company in evaluating market conditions and in formulating the exact terms of the transactions.

(k) Statement showing both in total amount and per unit the price to the public, underwriting commissions and net proceeds to the Company.

ESTIMATED RESULTS OF THE OFFERING (1)

	<u>Total</u>	<u>Percent of Total</u>
Proceeds from Bonds	\$450,345,000	100.00%
Less: Underwriters Compensation (2)	5,629,312	1.25%
Other Issuance Expenses	7,900,000	1.75%
Total Costs of the Financings	<u>\$ 13,529,312</u>	<u>3.00%</u>

(1) As the financings are special purpose financings, the interest on which is exempt from taxation to the holder, the proceeds may be used only to finance or refinance the Facilities

(2) Based upon a fixed rate offering

Other Issuance Expenses

Regulatory Agency Fees	\$1,000
Issuer Fees (1)	6,300,000
Trustee Fees	50,000
Company Counsel Fees	125,000
Bond Counsel Fees	225,000
Underwriters' Counsel Fees	125,000
Accountants' Fees	75,000
Credit Enhancement Fees (2)	565,000
Rating Agency Fees	200,000
Printing Fees	75,000
Miscellaneous	159,000
Total Other Expenses	\$7,900,000

(1) The Company may be required to pay an Issuer's fee to the Issuers to compensate them for providing the Company the opportunity to borrow the proceeds of the Bonds. The Company's past experience indicates that some Issuers will charge such a fee. For purposes of this estimated expense, it is assumed that some Issuers will require the Company to pay an Issuers Fee. Issuer's Fees are not expected to exceed an effective cost of 0.125 percent per annum of the principal amount over the life of the Bonds.

(2) Represents estimated one-time upfront fees to letters of credit banks. Annual fee is not expected to exceed 0.75 percent per annum.

(I) Purposes for which the securities are to be issued.

- (A) Construction, completion, extension or improvement of facilities; description of such facilities and the cost thereof.
- (B) Reimbursement of the Company's treasury for expenditures against which securities have not been issued; statement giving a general description of such expenditures, the amounts and accounts to which charged, the associated credits, if any, and the periods during which the expenditures were made.
- (C) Refunding or discharging of obligations; description of the obligations to be refunded or discharged, including the character, principal amounts discount or premium applicable thereto, date of issue and date of maturity, purposes to which the proceeds were applied and all other material facts concerning such obligations.

- (D) Improvement or maintenance of service; description of the type of expenditures and the estimated cost in reasonable detail.
- (m) **Statement as to whether or not any application, registration statement, etc., with respect to the transaction or any part thereof, is required to be filed with any federal or other state regulatory body.**

In addition to this Application, the Company is filing an application with the Idaho Public Utilities Commission and will provide a notice to the Washington Utilities and Transportation Commission prior to the Bonds being issued.

(n) **Facts relied upon by the Company to show that the issue:**

(A) **Is for some lawful object within the corporate purposes of the Company.**

As a public utility, the Company is expected to acquire, construct, improve, and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. The proposed arrangements are part of an overall plan to finance the cost of the Facilities taking into consideration prudent capital ratios, earnings coverage tests, market uncertainties and the relative merits of the various types of securities the Company could sell or other financing it could arrange.

The proposed arrangements will provide the Company access to funds in the municipal, tax-exempt bond market which are believed to be less costly than other means of financing the Facilities.

Given the current capital structure and the condition of the securities' markets, the Company believes that the proposed financing arrangements constitute the financing of choice to fund the Facilities.

(B) **Is compatible with the public interest.**

See (n)(A).

(C) **Is necessary or appropriate for or consistent with the proper performance by the Company of service as a utility.**

See (n)(A).

(D) **Will not impair the Company's ability to perform utility service.**

See (n)(A).

(E) Is reasonably necessary or appropriate for such purposes.

See (n)(A).

(F) If filed under ORS 757.495, is fair and reasonable and not contrary to the public interest.

The Company is not filing this Application pursuant to ORS 757.495. Therefore,

(n)(F) is not applicable. The Company respectfully requests a waiver of this provision.

(o) Statement of all rights to be a corporation, franchises, permits and contracts for consolidation, merger or lease included as assets of the Company or any predecessor thereof, the amounts actually paid as consideration therefore, respectively, and the facts relied upon to show the issuance of the securities for which approval is requested will not result in the capitalization of the right to be a corporation of or any franchise, permit or contract for consolidation, merger or lease in excess of the amount (exclusive of any tax or annual charge) actually paid as the consideration for such right, franchise, permit or contract.

(p) If filed under ORS 757.490, ORS 757.495:

The Company is not filing this Application pursuant to ORS 757.490 or ORS 757.495. Therefore, (p) is not applicable. The Company respectfully requests a waiver of this provision.

II. Exhibits.

<u>Exhibit</u>	<u>Docket</u>	<u>Exhibit</u>	<u>Description</u>
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A	UF 4193	A	Third Restated Articles of Incorporation effective November 20, 1996, as amended effective November 29, 1999
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B	UF 4237	A-2	A copy of the Bylaws with amendments to date.
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C**			Resolutions of the Board of Directors authorizing the proposed issuances
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D**			A copy of mortgage indenture, or other agreement under which it is proposed to issue the securities, also a copy of any mortgage, indenture, or other agreement securing other funded obligations of the Company.
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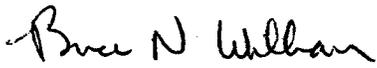
- E Balance Sheet, actual and pro forma, dated March 31, 2008.
- F A statement of all known contingent liabilities, except minor items such as damage claims and similar items involving relatively small amounts, as of the date of this application.
- G Income Statement, actual and pro forma, for the 12 months ended March 31, 2008.
- H Analysis of surplus for the period covered by the income statements referred to in Exhibit G.
- J** Copy of the proposed and of the published invitation of proposals for the purchase of underwriting of the securities to be issued; of each proposal received; and of each contract, underwriting, and other arrangement entered into for the sale or marketing of the securities. When a contract or underwriting is not in final form so as to permit filing, a preliminary draft or a summary identifying parties thereto and setting forth the principal terms thereof, may be filed ending filing of conformed copy in the form executed by final amendment to the application.
- K** Copies of the stock certificates, notes, or other evidence of indebtedness proposed to be issued.
- M Map showing PacifiCorp service territories.
- **Exhibit or supplement to the Exhibit is to be filed as soon as available.

III. Conclusion.

PacifiCorp respectfully requests that the Commission enter an order in this matter, effective upon issuance, authorizing PacifiCorp to (1) borrow the proceeds of not more than \$300,345,000 of Pollution Control Revenue Refunding Bonds to be issued by the Counties of Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, and Moffat, Colorado, (2) borrow the proceeds of not more than \$150,000,000 of Pollution Control Revenue Bonds to be issued by one or more of the following Counties or municipalities therein: Emery, Utah, Converse, Wyoming, Lincoln, Wyoming, Sweetwater, Wyoming, City of Gillette, Wyoming, Navajo County, Arizona and Routt County, Colorado, (3) enter into such agreements or arrangements with the Refunding Counties and New

Money Issuers and with other entities as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Refunding Bonds and the New Money Bonds, including the issuance of its First Mortgage and Collateral Trust Bonds as collateral, and (4) replace or modify from time to time the credit enhancement arrangements supporting the Refunding Bonds or the New Money Bonds.

DATED June 27, 2008.

By: 

Bruce N. Williams
Vice President and Treasurer
PacifiCorp

EXHIBIT E

EXHIBIT E
PACIFICORP
PRO FORMA UNCONSOLIDATED BALANCE SHEET
MARCH 31, 2008

ASSETS	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
UTILITY PLANT			
UTILITY PLANT (101-106, 114)	16,710,813,210		16,710,813,210
CONSTRUCTION WORK IN PROGRESS (107)	1,164,054,181	152,225,692	1,316,279,873
TOTAL UTILITY PLANT	17,874,867,391	152,225,692	18,027,093,083
ACCUM PROV FOR DEPR.AMORT.DEPL. (108,110,111,115)	6,744,457,194		6,744,457,194
UTILITY PLANT - NET	11,130,410,197	152,225,692	11,282,635,889
OTHER PROPERTY AND INVESTMENTS			
NONUTILITY PROPERTY (121)	9,407,795		9,407,795
ACCUM PROV FOR DEPR/AMORT OF NONUTILITY PROP (122)	1,424,907		1,424,907
INVESTMENT IN ASSOCIATED COMPANIES (123)	8,122,014		8,122,014
INVESTMENT IN SUBSIDIARY COMPANIES (123.1)	154,436,192		154,436,192
OTHER INVESTMENTS (124)	84,057,070		84,057,070
OTHER SPECIAL FUNDS (128)	8,999,972		8,999,972
LONG-TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS (175)	185,759,946		185,759,946
TOTAL OTHER PROPERTY AND INVESTMENTS	449,358,082	0	449,358,082
CURRENT AND ACCRUED ASSETS			
CASH (131)	21,740,620	(13,917,312)	7,823,308
SPECIAL DEPOSITS (132-134)	2,935,410		2,935,410
WORKING FUNDS (135)	2,270		2,270
TEMPORARY CASH INVESTMENTS (136)	182,840,186		182,840,186
NOTES RECEIVABLE (141)	241,393		241,393
CUSTOMER ACCOUNTS RECEIVABLE (142)	325,033,761		325,033,761
OTHER ACCOUNTS RECEIVABLE (143)	15,990,091		15,990,091
ACCUMULATED PROV FOR UNCOLLECTIBLE ACCOUNTS (144)	8,080,980		8,080,980
NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (145)	27,388,330		27,388,330
ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (146)	12,766,039		12,766,039
FUEL STOCK (151-152)	104,127,907		104,127,907
MATERIALS AND SUPPLIES (154-163)	159,989,795		159,989,795
PREPAYMENTS (165)	63,603,991		63,603,991
INTEREST AND DIVIDENDS RECEIVABLE (171)	13,787,945		13,787,945
RENTS RECEIVABLE (172)	3,030,432		3,030,432
ACCRUED UTILITY REVENUES (173)	172,311,000		172,311,000
MISCELLANEOUS CURRENT AND ACCRUED ASSETS (174)	11,676,268		11,676,268
DERIVATIVE INSTRUMENT ASSETS (175)	389,709,391		389,709,391
LONG-TERM PORTION OF DERIVATIVE INSTRUMENT ASSETS (175)	185,759,946		185,759,946
DERIVATIVE INSTRUMENT ASSETS - HEDGES (176)	0		0
TOTAL CURRENT AND ACCRUED ASSETS	1,313,333,903	(13,917,312)	1,299,416,591
DEFERRED DEBITS			
UNAMORTIZED DEBT EXPENSE (181)	26,564,100	8,051,844	34,615,944
EXTRAORDINARY PROPERTY LOSSES (182.1)	0		0
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)	14,301,577		14,301,577
OTHER REGULATORY ASSETS (182.3)	1,194,507,381		1,194,507,381
PRELIMINARY SURVEY & INVESTIGATION CHARGES (183)	0		0
CLEARING ACCOUNTS (184)	0		0
TEMPORARY FACILITIES (185)	101,562		101,562
MISCELLANEOUS DEFERRED DEBITS (186)	64,629,458		64,629,458
RESEARCH DEVELOPMENT DEMONSTRATION EXPENDITURES (188)	0		0
UNAMORTIZED LOSS ON REACQUIRED DEBT (189)	19,631,127	5,005,373	24,636,500
ACCUMULATED DEFERRED INCOME TAXES (190)	469,945,252		469,945,252
TOTAL DEFERRED DEBITS	1,789,680,457	13,057,217	1,802,737,674
TOTAL ASSETS	14,682,782,639	151,365,597	14,834,148,236

EXHIBIT E
PACIFICORP
PRO FORMA UNCONSOLIDATED BALANCE SHEET
MARCH 31, 2008

LIABILITIES AND STOCKHOLDER EQUITY	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
PROPREITARY CAPITAL			
COMMON STOCK ISSUED (201)	3,417,945,896.00		3,417,945,896
PREFERRED STOCK ISSUED (204)	41,463,300.00		41,463,300
COMMON STOCK LIABILITY FOR CONVERSION (203)	0.00		0
PREMIUM ON CAPITAL STOCK (207)	0.00		0
OTHER PAID-IN CAPITAL (208-211)	427,063,956.00		427,063,956
INSTALLMENTS RECEIVED ON CAPITAL STOCK (212)	0.00		0
CAPITAL STOCK EXPENSE (214)	41,288,207.00		41,288,207
RETAINED EARNINGS (215,215.1, 216)	1,339,633,366.00	588,757	1,340,222,123
UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (216.1)	6,796,764.00		6,796,764
REACQUIRED CAPITAL STOCK (217)	0.00		0
ACCUMULATED OTHER COMPREHENSIVE INCOME (219)	(4,190,741.00)		(4,190,741)
TOTAL PROPREITARY CAPITAL	5,187,424,334.00	588,757	5,188,013,091
LONG-TERM DEBT			
BONDS (221)	5,123,205,000.00	150,000,000	5,273,205,000
POLLUTION CONTROL FUNDS ON DEPOSIT WITH TRUSTEE (221.4, 5)	0.00	0	0
ADVANCES FROM ASSOCIATED COMPANIES (223)	0.00		0
OTHER LONG-TERM DEBT (224)	0.00		0
UNAMORTIZED PREMIUM ON LONG-TERM DEBT (225)	40,320.00		40,320
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT (226)	5,862,083.00	(416,754)	5,445,329
TOTAL LONG-TERM DEBT	5,117,383,237.00	150,416,754	5,267,799,991
OTHER NONCURRENT LIABILITIES			
OBLIGATIONS UNDER CAPITAL LEASES (227)	47,530,817.00		47,530,817
ACCUMULATED PROVISION FOR PROPERTY INSURANCE (228.1)	0.00		0
ACCUMULATED PROVISION FOR INJURIES & DAMAGES (228.2)	7,244,573.00		7,244,573
ACCUMULATED PROVISION FOR PENSIONS & BENEFITS (228.3)	271,822,781.00		271,822,781
ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS (228.4)	37,508,082.00		37,508,082
ACCUMULATED PROVISION FOR RATE REFUNDS (229)	0.00		0
LONG-TERM PORTION OF DERIVATIVE INSTRUMENT LIABILITIES (244)	595,281,828.00		595,281,828
ASSET RETIREMENT OBLIGATION (230)	74,922,102.00		74,922,102
TOTAL OTHER NONCURRENT LIABILITIES	1,034,310,183.00	0	1,034,310,183
CURRENT AND ACCRUED LIABILITIES			
NOTES PAYABLE (231)	0.00		0
ACCOUNTS PAYABLE (232)	456,120,010.00		456,120,010
NOTES PAYABLE TO ASSOCIATED COMPANIES (233)	0.00		0
ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (234)	13,264,131.00		13,264,131
CUSTOMER DEPOSITS (235)	21,743,502.00		21,743,502
TAXES ACCRUED (236)	57,815,132.00	360,086	58,175,218
INTEREST ACCRUED (237)	109,591,168.00		109,591,168
DIVIDENDS DECLARED (239)	520,947.00		520,947
MATURED LONG-TERM DEBT (239)	0.00		0
MATURED INTEREST (240)	0.00		0
TAX COLLECTIONS PAYABLE (241)	11,175,872.00		11,175,872
MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (242)	75,405,379.00		75,405,379
OBLIGATIONS UNDER CAPITAL LEASES (243)	1,469,512.00		1,469,512
DERIVATIVE INSTRUMENT LIABILITIES (244)	778,365,335.00		778,365,335
CURRENT PORTION OF DERIVATIVE INSTRUMENT LIABILITIES (244)	595,281,828.00		595,281,828
DERIVATIVE INSTRUMENT LIABILITIES - HEDGES (245)	0.00		0
TOTAL CURRENT AND ACCRUED LIABILITIES	930,189,160.00	360,086	930,549,246
DEFERRED CREDITS			
CUSTOMER ADVANCES FOR CONSTRUCTION (252)	20,980,107.00		20,980,107
OTHER DEFERRED CREDITS (253)	55,482,370.00		55,482,370
OTHER REGULATORY LIABILITIES (254)	75,407,967.00		75,407,967
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (255)	53,047,575.00		53,047,575
UNAMORTIZED GAIN ON REACQUIRED DEBT (257)	0.00		0
ACCUM DEFERRED INCOME TAXES - ACCEL AMORTIZTN (281)	0.00		0
ACCUM DEFERRED INCOME TAXES-OTHER PROPERTY (282)	1,878,364,201.00		1,878,364,201
ACCUMULATED DEFERRED INCOME TAXES-OTHER (283)	330,193,505.00		330,193,505
TOTAL DEFERRED CREDITS	2,413,475,725.00	0	2,413,475,725
TOTAL LIABILITIES AND OTHER CREDITS	14,682,782,639	151,365,597	14,834,148,236

PacifiCorp
Pro Forma Refunding of insured variable rate PCRBs

Pro Forma Journal Entries for the 12 Months Ended March 31, 2008

Unamortized Debt Expense	181	5,774,957	
Cash	131		5,774,957
<i>Issuance expenses incurred in connection with the \$216,470,000 refunding of PCRBs.</i>			
Unamortized Loss on Reacquired Debt	189	2,814,762	
Unamortized Debt Expense	181		2,814,762
<i>To transfer unamortized debt issuance expenses associated with the retired bonds to unamortized loss on reacquired debt.</i>			
Cash	131	3,008,933	
Interest on Long-Term Debt	427 / 216		3,008,933
<i>Interest savings on \$216,470,000 of debt for twelve months, at an assumed savings rate of 1.39%.</i>			
Interest on Long-Term Debt	427 / 216	1,623,525	
Cash	131		1,623,525
<i>Letter of Credit fee, at an assumed rate of 0.75%.</i>			
Amortization of Debt Expense	428 / 216	401,039	
Unamortized Debt Expense	181		401,039
<i>Amortization of issuance expense for twelve months for refunding bonds at the assumed weighted average remaining life of the refunded bonds of 14.4 years.</i>			
Amortization of Loss on Reacquired Debt	428.1 / 216	202,893	
Amortization of Debt Discount and Expense	428 / 216		202,893
<i>Reclass of twelve months of amortization for the unamortized issuance expense associated with the refunded bonds now recognized as loss on reacquired debt.</i>			
Income Taxes - Federal	409 / 216	328,878	
Income Taxes - State	409 / 216	44,690	
Taxes Accrued	236		373,568
<i>Net tax effect of above interest expense amounts</i>			

Pro Forma Assumptions:

Term

- 1) Maturity will be determined based upon an engineer's certificate verifying the economic life of the qualifying facilities. For purposes of this pro forma the maturity of the refunding bonds is assumed to be the same as the refunded bonds.

Interest Rate

- 2) The interest rate on the refunding bonds will vary depending upon the pricing mode selected in marketing the bonds. Pricing modes may include one or more of the following options: daily, weekly, term or fixed rate. For purposes of this pro forma the interest rate savings was based on a comparison of rates since 12/31/07 on insured daily mode programs vs existing daily mode programs with letters of credit.

Issuance Fees

- 3a) The underwriting fee is not expected to exceed 1.25 percent of the principal amount of the refunding bonds. The annual remarketing fee is not expected to exceed 0.125 percent of the principal amount of the refunding bonds.
- b) The Company may be required to pay an Issuer's fee to the Counties to compensate the Counties for providing the Company the opportunity to issue the refunding bonds. Not all Counties have historically charged such a fee and for purposes of this pro forma, it is assumed that two of the Counties represented will require the Company to pay an Issuer's Fee. Issuer's Fees are not expected to exceed an effective cost of 0.125 percent per annum of the principal amount over the life of the refunding bonds.

PacifiCorp
Pro Forma Refunding of insured variable rate PCRBs

c) Estimated Other Expenses are as follows:

Regulatory Agency Fees	481
Issuer Fees (b)	2,300,000
Trustee Fees	24,034
Company Counsel Fees	60,084
Bond Counsel Fees	108,152
Underwriters' Counsel Fees	60,084
Accountants Fees	36,051
Credit Enhancement Fees	271,582
Rating Agency Fees	96,135
Printing Fees	36,051
Miscellaneous	76,428
	<u>3,069,082</u>

Income Tax Rate

4) Effective federal income tax rate of 33.41% and effective state tax rate of 4.54%.

PacifiCorp
Pro Forma Refunding of fixed rate PCRBs

Pro Forma Journal Entries for the 12 Months Ended March 31, 2008

Unamortized Loss on Reacquired Debt	189	126,750	
Unamortized Debt Expense	181	2,341,201	
Cash	131		2,467,951

Call premium and issuance expenses incurred in connection with the \$83,875,000 refunding of PCRBs.

Unamortized Loss on Reacquired Debt	189	2,071,590	
Unamortized Debt Expense	181		1,654,836
Unamortized Debt Discount	226		416,754

To transfer unamortized debt discount and issuance expenses associated with the retired bonds to unamortized loss on reacquired debt.

Cash	131	545,188	
Interest on Long-Term Debt	427 / 216		545,188

Interest savings on \$83,875,000 of debt for twelve months, at assumed new weighted issue rate of 5.07%.

Amortization of Loss on Reacquired Debt	428.1 / 216	7,729	
Amortization of Debt Expense	428 / 216	142,756	
Unamortized Loss on Reacquired Debt	189		7,729
Unamortized Debt Expense	181		142,756

Amortization of call premium and issuance expenses for refunding bonds for twelve months at the assumed weighted average remaining life of the refunded bonds of 16.4 years.

Amortization of Loss on Reacquired Debt	428.1 / 216	125,385	
Amortization of Debt Discount and Expense	428 / 216		125,385

Reclass of twelve months of amortization for the unamortized debt discount and issuance expense associated with the refunded bonds now recognized as loss on reacquired debt.

Income Taxes - Federal	409 / 216	131,870	
Income Taxes - State	409 / 216	17,920	
Taxes Accrued	236		149,790

Net tax effect of above interest expense amounts

Pro Forma Assumptions:

Term

- 1) Maturity will be determined based upon an engineer's certificate verifying the economic life of the qualifying facilities. For purposes of this pro forma the maturity of the refunding bonds is assumed to be the same as the refunded bonds.

Interest Rate

- 2) The interest rate on the refunding bonds will vary depending upon the pricing mode selected in marketing the bonds. Pricing modes may include one or more of the following options: daily, weekly, term or fixed rate. For purposes of this pro forma a fixed rate mode was selected.

Issuance Fees

- 3a) The underwriting fee is not expected to exceed 1.25 percent of the principal amount of the refunding bonds.
- b) The Company may be required to pay an Issuer's fee to the Counties to compensate the Counties for providing the Company the opportunity to issue the refunding bonds. Not all Counties have historically charged such a fee but for purposes of this pro forma, it is assumed that the two Counties represented will require the Company to pay an Issuer's Fee. Issuer's Fees are not expected to exceed an effective cost of 0.125 percent per annum of the principal amount over the life of the refunding bonds.

PacifiCorp
Pro Forma Refunding of fixed rate PCRBs

c) Estimated Other Expenses are as follows:

Regulatory Agency Fees	186
Issuer Fees (b)	1,100,000
Trustee Fees	9,312
Company Counsel Fees	23,281
Bond Counsel Fees	41,905
Underwriters' Counsel Fees	23,281
Accountants Fees	13,968
Rating Agency Fees	37,249
Printing Fees	13,968
Miscellaneous	29,613
	<u>1,292,763</u>

Income Tax Rate

4) Effective federal income tax rate of 33.41% and effective state tax rate of 4.54%.

PacifiCorp
Pro Forma Issuance of new money PCRBs

Pro Forma Journal Entries for the 12 Months Ended March 31, 2008

Construction Fund on Deposit with Trustee	221	144,880,263	
Unamortized Debt Expense	181	5,119,737	
Bonds	221		150,000,000
<i>Proceeds of issuing pro forma \$150,000,000 in PCRBs.</i>			
Construction Work In Progress	107	144,880,263	
Construction Fund on Deposit with Trustee	221		144,880,263
<i>Proceeds of issuance used to finance qualifying pro forma pollution control facilities.</i>			
Interest on Long-Term Debt	427 / 216	7,605,000	
Cash	131		7,605,000
<i>Interest due on pro forma bond issuance at 5.07% for twelve months.</i>			
Construction Work In Progress	107	7,345,429	
AFUDC - borrowed funds	432 / 216		7,345,429
<i>Capitalized interest from increased CWIP (AFUDC rate assumed at new bond issuance rate).</i>			
Amortization of Debt Expense	428 / 216	170,658	
Unamortized Debt Expense	181		170,658
<i>Amortization of debt expense for twelve months for pro forma bond issuance with 30 year term.</i>			
Taxes Accrued	236	163,272	
Income Taxes - Federal	409 / 216		143,740
Income Taxes - State	409 / 216		19,532
<i>Net tax effect of above interest expense amounts.</i>			

Pro Forma Assumptions:

Term

- 1) Maturity will be determined based upon an engineer's certificate verifying the economic life of the qualifying facilities. For purposes of this pro forma the maturity of the bonds is assumed to be 30 years.

Interest Rate

- 2) The interest rate on the bonds will vary depending upon the pricing mode selected in marketing the bonds. Pricing modes may include one or more of the following options: daily, weekly, term or fixed rate. For purposes of this pro forma a fixed rate mode was selected.

Issuance Fees

- 3a) The underwriting fee is not expected to exceed 1.25 percent of the principal amount of the bonds.
- b) The Company may be required to pay an Issuer's fee to the Counties to compensate the Counties for providing the Company the opportunity to issue the bonds. Not all Counties have historically charged such a fee but for purposes of this pro forma, it is assumed that all Counties will require the Company to pay an Issuer's Fee. Issuer's Fees are not expected to exceed an effective cost of 0.125 percent per annum of the principal amount over the life of the bonds.

PacifiCorp
Pro Forma Issuance of new money PCRBs

c) Estimated Other Expenses are as follows:

Regulatory Agency Fees	333
Issuer Fees (b)	2,900,000
Trustee Fees	16,654
Company Counsel Fees	41,635
Bond Counsel Fees	74,943
Underwriters' Counsel Fees	41,635
Accountants Fees	24,981
Rating Agency Fees	66,616
Printing Fees	24,981
Miscellaneous	52,959
	<u>3,244,737</u>

Income Tax Rate

4) Effective federal income tax rate of 33.41% and effective state tax rate of 4.54%.

EXHIBIT F

(15) Contingencies

Legal Matters

PacifiCorp is party to a variety of legal actions arising out of the normal course of business. Plaintiffs occasionally seek punitive or exemplary damages. PacifiCorp does not believe that such normal and routine litigation will have a material effect on its consolidated financial results. PacifiCorp is also involved in other kinds of legal actions, some of which assert or may assert claims or seek to impose fines and penalties in substantial amounts and are described below.

In February 2007, the Sierra Club and the Wyoming Outdoor Council filed a complaint against PacifiCorp in the federal district court in Cheyenne, Wyoming, alleging violations of the Wyoming state opacity standards at PacifiCorp's Jim Bridger plant in Wyoming. Under Wyoming state requirements, which are part of the Jim Bridger plant's Title V permit and are enforceable by private citizens under the federal Clean Air Act, a potential source of pollutants such as a coal-fired generating facility must meet minimum standards for opacity, which is a measurement of light that is obscured in the flue of a generating facility. The complaint alleges thousands of violations of asserted six-minute compliance periods and seeks an injunction ordering the Jim Bridger plant's compliance with opacity limits, civil penalties of \$32,500 per day per violation, and the plaintiffs' costs of litigation. The court granted a motion to bifurcate the trial into separate liability and remedy phases. A five-day trial on the liability phase is scheduled to begin on April 21, 2008. The remedy-phase trial has not yet been set. PacifiCorp believes it has a number of defenses to the claims. PacifiCorp intends to vigorously oppose the lawsuit but cannot predict its outcome at this time. PacifiCorp has already committed to invest at least \$812 million in pollution control equipment at its generating facilities, including the Jim Bridger plant. This commitment is expected to significantly reduce system-wide emissions, including emissions at the Jim Bridger plant.

Environmental Matters

PacifiCorp is subject to numerous environmental laws, including the federal Clean Air Act, related air quality standards promulgated by the Environmental Protection Agency and various state air quality laws; the Endangered Species Act, particularly as it relates to certain endangered species of fish; the Comprehensive Environmental Response, Compensation and Liability Act, and similar state laws relating to environmental cleanups; the Resource Conservation and Recovery Act and similar state laws relating to the storage and handling of hazardous materials; and the Clean Water Act, and similar state laws relating to water quality. These laws have the potential for impacting PacifiCorp's operations. Specifically, the Clean Air Act will likely continue to impact the operations of PacifiCorp's generating facilities and will likely require PacifiCorp to reduce emissions from those facilities through the installation of additional or improved emission controls, the purchase of additional emission allowances, or some combination thereof. As of December 31, 2007, PacifiCorp's environmental contingencies principally consist of air quality matters. Pending or proposed air regulations would, if enacted, require PacifiCorp to reduce its electricity plant emissions of sulfur dioxide, nitrogen oxide and other pollutants at its generating plants below current levels. PacifiCorp believes it is in material compliance with current environmental requirements.

PacifiCorp's policy is to accrue environmental cleanup-related costs of a non-capital nature when those costs are believed to be probable and can be reasonably estimated. The quantification of environmental exposures is based on assessments of many factors, including changing laws and regulations, advancements in environmental technologies, the quality of information available related to specific sites, the assessment stage of each site investigation, preliminary findings and the length of time involved in remediation or settlement, PacifiCorp's proportionate share and any coverage provided by insurance policies. Remediation costs that are fixed and determinable have been discounted to their present value using credit-adjusted, risk-free discount rates based on the expected future annual borrowing costs of PacifiCorp. The liability recorded was \$29 million at December 31, 2007 and \$40 million at December 31, 2006 and is included in Deferred credits - Other in the Consolidated Balance Sheets. The December 31, 2007 recorded liability included \$18 million of discounted liabilities. Had none of the liabilities included in the \$29 million balance recorded at December 31, 2007 been discounted, the total would have been \$32 million. The expected undiscounted payments for each of the years ending December 31, 2008 through 2012 and thereafter are as follows: \$9 million in 2008, \$3 million in 2009, \$2 million in 2010, \$2 million in 2011, \$1 million in 2012 and \$15 million thereafter.

It is possible that future findings or changes in estimates could require that additional amounts be accrued. Should current circumstances change, it is possible that PacifiCorp could incur an additional undiscounted obligation of up to approximately \$17 million relating to existing sites. However, management believes that completion or resolution of these matters will have no material adverse effect on PacifiCorp's consolidated financial position, results of operations or cash flows.

Hydroelectric Relicensing

PacifiCorp's hydroelectric portfolio consists of 47 plants with an aggregate plant net owned capacity of 1,158 MW. The FERC regulates 98% of the net capacity of this portfolio through 16 individual licenses. Several of PacifiCorp's hydroelectric projects are in some stage of relicensing with the FERC. Hydroelectric relicensing and the related environmental compliance requirements and litigation are subject to uncertainties. PacifiCorp expects that future costs relating to these matters may be significant and will consist primarily of additional relicensing costs, operations and maintenance expense, and capital expenditures. Electricity generation reductions may result from the additional environmental requirements. PacifiCorp had incurred \$89 million and \$79 million in costs as of December 31, 2007 and 2006, respectively, for ongoing hydroelectric relicensing, which are reflected in Construction work-in-progress in the Consolidated Balance Sheets.

In February 2004, PacifiCorp filed with the FERC a final application for a new license to operate the 169-MW (nameplate rating) Klamath hydroelectric project in anticipation of the March 2006 expiration of the existing license. PacifiCorp is currently operating under an annual license issued by the FERC and expects to continue to operate under annual licenses until the new operating license is issued. As part of the relicensing process, the United States Departments of Interior and Commerce filed proposed licensing terms and conditions with the FERC in March 2006, which proposed that PacifiCorp construct upstream and downstream fish passage facilities at the Klamath hydroelectric project's four mainstem dams. In April 2006, PacifiCorp filed alternatives to the federal agencies' proposal and requested an administrative hearing to challenge some of the federal agencies' factual assumptions supporting their proposal for the construction of the fish passage facilities. A hearing was held in August 2006 before an administrative law judge. The administrative law judge issued a ruling in September 2006 generally supporting the federal agencies' factual assumptions. In January 2007, the United States Departments of Interior and Commerce filed modified terms and conditions consistent with the March 2006 filings and rejected the alternatives proposed by PacifiCorp. PacifiCorp is prepared to meet and implement the federal agencies' terms and conditions as part of the project's relicensing. However, PacifiCorp expects to continue in settlement discussions with various parties in the Klamath Basin area who have intervened with the FERC licensing proceeding to try to achieve a mutually acceptable outcome for the project.

Also, as part of the relicensing process, the FERC is required to perform an environmental review. In September 2006, the FERC issued its draft environmental impact statement on the Klamath hydroelectric project license. PacifiCorp filed comments on the draft statement by the close of the public comment period on December 1, 2006. Subsequently, in November 2007, the FERC issued its final environmental impact statement. The United States Fish and Wildlife Service and the National Marine Fisheries Service issued final biological opinions in December 2007 analyzing the hydroelectric project's impact on endangered species under the proposed new FERC license. The United States Fish and Wildlife Service asserts the hydroelectric project is currently not covered by previously issued biological opinions, and that

consultation under the Endangered Species Act is required by the issuance of annual license renewals. PacifiCorp disputes these assertions, and believes federal case law is clear that consultation on annual FERC licenses is not required. PacifiCorp will need to obtain water quality certifications from Oregon and California prior to the FERC issuing a final license. PacifiCorp currently has applications pending before each state.

In the relicensing of the Klamath hydroelectric project, PacifiCorp had incurred \$48 million and \$42 million in costs at December 31, 2007 and 2006, respectively, which are reflected in Construction work-in-progress in the Consolidated Balance Sheets. While the costs of implementing new license provisions cannot be determined until such time as a new license is issued, such costs could be material.

FERC Issues

California Refund Case

In June 2007, the FERC approved PacifiCorp's settlement and release of claims agreement ("Settlement") with Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, the People of the State of California, ex rel. Edmund G. Brown Jr., Attorney General, the California Electricity Oversight Board, and the California Public Utilities Commission (collectively, the "California Parties"), certain of which purchased energy in the California Independent System Operator ("ISO") and the California Power Exchange ("PX") markets during past periods of high energy prices in 2000 and 2001. The Settlement, which was executed by PacifiCorp in April 2007, settles claims brought by the California Parties against PacifiCorp for refunds and remedies in numerous related proceedings (together, the "FERC Proceedings"), as well as certain potential civil claims, arising from events and transactions in Western United States energy markets during the period January 2000 through June 2001 (the "Refund Period"). Under the Settlement, PacifiCorp made cash payments to escrows controlled by the California Parties in the amount of \$16 million in April 2007, and upon FERC approval of the agreement in June 2007, PacifiCorp allowed the PX to release an additional \$12 million to such escrows, which represented PacifiCorp's estimated unpaid receivable from the transactions in the PX and ISO markets during the Refund Period, plus interest. The monies held in escrow are for distribution to buyers from the ISO and PX markets that purchased power during the Refund Period. The agreement provides for the release of claims by the California Parties (as well as additional parties that join in the Settlement) against PacifiCorp for refunds, disgorgement of profits, or other monetary or non-monetary remedies in the FERC Proceedings, and provides a mutual release of claims for civil damages and equitable relief.

Northwest Refund Case

In June 2003, the FERC terminated its proceeding relating to the possibility of requiring refunds for wholesale spot-market bilateral sales in the Pacific Northwest between December 2000 and June 2001. The FERC concluded that ordering refunds would not be an appropriate resolution of the matter. In November 2003, the FERC issued its final order denying rehearing. Several market participants filed petitions in the United States Court of Appeals for the Ninth Circuit (the "Ninth Circuit") for review of the FERC's final order. In August 2007, the Ninth Circuit issued its order on this appeal, concluding that the FERC failed to adequately explain how it considered or examined new evidence showing intentional market manipulation in California and its potential ties to the Pacific Northwest and that the FERC should not have excluded from the Pacific Northwest refund proceeding purchases of energy made by the California Energy Resources Scheduling ("CERS") division in the Pacific Northwest spot market. The Ninth Circuit remanded the case to the FERC to (i) address the new market manipulation evidence in detail and account for it in any future orders regarding the award or denial of refunds in the proceedings, (ii) include sales to CERS in its analysis, and (iii) further consider its refund decision in light of related, intervening opinions of the court. The Ninth Circuit offered no opinion on the FERC's findings based on the record established by the administrative law judge and did not rule on the merits of the FERC's November 2003 decision to deny refunds. Due to the remand, PacifiCorp cannot predict the impact of this ruling at this time.

EXHIBIT G

EXHIBIT G
PACIFICORP
PRO FORMA UNCONSOLIDATED STATEMENT OF INCOME
12 MONTHS ENDED MARCH 31, 2008

	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
UTILITY OPERATING INCOME			
OPERATING REVENUES	4,358,751,889		4,358,751,889
OPERATION AND MAINTENANCE EXPENSE			
OPERATION	2,499,477,709		2,499,477,709
MAINTENANCE	370,200,571		370,200,571
TOTAL OPERATION AND MAINTENANCE EXPENSE	2,869,678,280	0	2,869,678,280
DEPRECIATION	413,667,104		413,667,104
DEPRECIATION EXPENSE FOR ASSET RETIREMENT COSTS	0		0
AMORTIZATION	63,969,101		63,969,101
TAXES OTHER THAN INCOME TAXES	102,508,993		102,508,993
CURRENT INCOME TAXES	90,909,322		90,909,322
PROVISION FOR DEFERRED INCOME TAXES	122,756,874		122,756,874
INVESTMENT TAX CREDIT ADJUSTMENTS – NET	(4,875,908)		(4,875,908)
GAINS FROM DISPOSITION OF UTILITY PLANT CR	0		0
LOSSES FROM DISPOSITION OF UTILITY PLANT	0		0
ACCRETION EXPENSE	0		0
GAINS FROM DISPOSITION OF ALLOWANCES CR	12,340,998		12,340,998
OTHER UTILITY OPERATING INCOME - STEAM HTG	0		0
UTILITY OPERATING INCOME	712,479,121	0	712,479,121
OTHER INCOME AND DEDUCTIONS			
OTHER INCOME			
INCOME FROM MERCHANDISING	(227,765)		(227,765)
INCOME FROM NONUTILITY OPERATIONS	150,022		150,022
NONOPERATING RENTAL INCOME	64,194		64,194
EQUITY IN EARNINGS OF SUBSIDIARIES	(905,275)		(905,275)
INTEREST AND DIVIDEND INCOME	13,899,334		13,899,334
ALLOW FOR FUNDS USED DURING CONSTRUCTION	43,263,280		43,263,280
MISCELLANEOUS NONOPERATING INCOME	145,084,481		145,084,481
GAIN ON DISPOSITION OF PROPERTY	1,938,413		1,938,413
TOTAL OTHER INCOME	203,266,684	0	203,266,684
OTHER INCOME DEDUCTIONS			
LOSS ON DISPOSITION OF PROPERTY	1,762,139		1,762,139
MISCELLANEOUS AMORTIZATION	1,121,665		1,121,665
MISCELLANEOUS INCOME DEDUCTIONS	150,797,108		150,797,108
TOTAL OTHER INCOME DEDUCTIONS	153,680,912	0	153,680,912
TAXES APPLIC TO OTHER INCOME & DEDUCTIONS			
TAXES OTHER THAN INCOME TAXES	216,657		216,657
INCOME TAXES	24,776,742	360,086	25,136,828
DEFERRED INCOME TAXES	(3,635,138)		(3,635,138)
INVESTMENT TAX CREDITS	(1,784,427)		(1,784,427)
TOTAL TAXES APPLIC TO OTHER INC & DED	19,573,834	360,086	19,933,920
NET OTHER INCOME AND DEDUCTIONS	30,011,938	(360,086)	29,651,852
INCOME BEFORE INTEREST CHARGES	742,491,059	(360,086)	742,130,973
INTEREST CHARGES			
INTEREST ON LONG-TERM DEBT	291,782,616	5,674,404	297,457,020
AMORTIZATION OF DEBT DISCOUNT AND EXPENSE	2,985,303	386,175	3,371,478
AMORTIZATION OF LOSS ON REACQUIRED DEBT	4,633,178	336,007	4,969,185
AMORTIZATION OF PREMIUM ON DEBT	(2,718)		(2,718)
AMORTIZATION OF GAIN ON REACQUIRED DEBT	(35,104)		(35,104)
INTEREST ON DEBT TO ASSOCIATED COMPANIES	0		0
OTHER INTEREST EXPENSE	25,614,121		25,614,121
ALLOW FOR BRD FUNDS USED DURING CONSTR	(29,625,725)	(7,345,429)	(36,971,154)
NET INTEREST CHARGES	295,351,671	(948,843)	294,402,828
INCOME BEFORE EXTRAORD. ITEMS	447,139,388	588,757	447,728,145
EXTRAORDINARY ITEMS – NET OF INCOME TAX			
INCOME TAX ON CUM. EFFECT OF CHANGE IN ACCT. PRINC	0		0
CUMULATIVE EFFECT OF CHANGE IN ACCT. PRINCIPLE	0		0
NET INCOME	447,139,388	588,757	447,728,145

EXHIBIT H

EXHIBIT H
PACIFICORP
PRO FORMA UNCONSOLIDATED STATEMENT OF RETAINED EARNINGS
12 MONTHS ENDED MARCH 31, 2008

	TOTAL CORPORATION	PROPOSED FINANCING	TOTAL PROFORMA
RETAINED EARNINGS (215, 215.1, 216, 216.1)			
BALANCE AT BEGINNING OF PERIOD	901,374,532		901,374,532
NET INCOME	447,139,388	588,757	447,728,145
	1,348,513,920	588,757	1,349,102,677
DIVIDENDS DECLARED			
PREFERRED STOCK	2,083,790		2,083,790
COMMON STOCK	0		0
BALANCE AT END OF PERIOD	1,346,430,130	588,757	1,347,018,887

EXHIBIT M

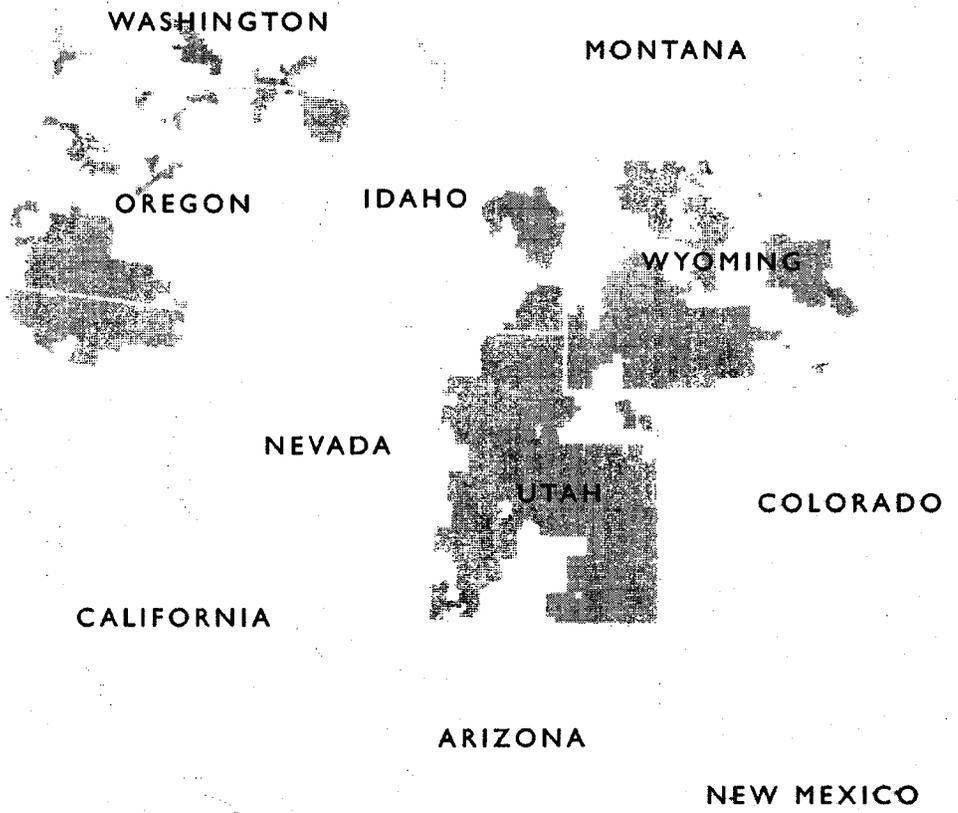


Exhibit D-2

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**In the Matter of the Application of
ROCKY MOUNTAIN POWER for
authority to (1) borrow the proceeds of
not more than \$450,345,000 of Pollution
Control Revenue Bonds, (2) enter into
such agreements or arrangements as may
be reasonably necessary to effect the
borrowings and to provide credit
enhancement for the Bonds, including the
issuance of First Mortgage and Collateral
Trust Bonds, and (3) replace or modify
from time to time the credit enhancement
arrangements supporting the Bonds.**

CASE NO. PAC-E-08-____

ORDER NO. _____

On June , 2008, Rocky Mountain Power (Company) filed an Application that requested authority to: (1) borrow the proceeds of not more than \$300,345,000 of Pollution Control Revenue Refunding Bonds (“Refunding Bonds”) to be issued by the Counties of Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, and Moffat, Colorado (“Refunding Counties”), (2) borrow the proceeds of not more than \$150,000,000 of Pollution Control Revenue Bonds (“New Money Bonds”) to be issued by one or more of the following Counties or municipalities: Emery, Utah, Converse, Wyoming, Lincoln, Wyoming, Sweetwater, Wyoming, City of Gillette, Wyoming, Navajo County, Arizona and Routt County, Colorado (“New Money Issuers”), (3) enter into such agreements or arrangements with the Refunding Counties and New Money Issuers and with other entities as may be reasonably necessary to effect the borrowings and to provide credit enhancement for the Refunding Bonds and the New Money Bonds, including the issuance of the Company’s First Mortgage and Collateral Trust Bonds as collateral, and (4) replace or modify from time-to-time the credit enhancement arrangements supporting the Refunding Bonds or the New Money Bonds.

These borrowings will be in connection with the financing, or refinancing, of the cost of certain pollution control, solid waste disposal and sewage facilities at the Company's electric generating plants including Jim Bridger, Carbon, Cholla, Craig, Dave Johnston, Hayden, Hunter, Huntington, Naughton and Wyodak.

After reviewing the Application, the Commission grants the Company's request.

STAFF RECOMMENDATION

[To be inserted.]

FINDINGS OF FACT

The Company was incorporated under Oregon law in August 1987 for the purpose of facilitating consummation of a merger with Utah Power & Light Company, a Utah corporation, and changing the state of incorporation of PacifiCorp from Maine to Oregon. The Company currently serves customers as Rocky Mountain Power in Idaho, Utah and Wyoming and as Pacific Power in California Oregon and Washington.

Pollution Control Revenue Bonds will be issued by municipalities in an amount not more than \$450,345,000 in several series. Up to \$300,345,000 will be issued as Refunding Bonds and up to \$150,000,000 will be issued as New Money Bonds (Refunding Bonds and New Money Bonds will collectively be referred to as "Bonds"). The proceeds from the sale of the Bonds will be loaned to the Company who will be responsible to pay the principal and interest on the Bonds. These Bonds will either bear a fixed interest rate or a floating interest rate. If these Bonds bear a fixed interest rate, the rate will be set at the time of issuance. If these bonds bear a floating interest rate, the rate will be set periodically based upon market conditions. The Company expects these bonds to be issued and the related agreements to be executed from time-to-time. Dates of maturity will be determined based upon an engineer's certificate verifying the economic life of the qualifying pollution control equipment and solid and sewage waste facilities ("Qualifying Facilities").

While floating rate Bonds have a nominal long-term maturity, the obligations will be remarketed and bear interest at one or more frequencies, including, but not limited to, daily, weekly, monthly, flexible or term periods. Because of the remarketing feature, combined with the support of a letter of credit, investors are indifferent to the final maturity of the instrument; as a result, the floating rate Bonds may be structured with the longest maturity justified by the underlying assets being financed, while obtaining rates reflective of short maturities.

The Company will enter into an agreement with a remarketing agent who will agree in advance to seek new purchasers for the floating rate Bonds on a best-efforts basis if existing investors no longer wish to hold their bonds at the end of the interest period. To satisfy the investment criteria of potential purchasers, the Company expects to arrange for a letter of credit or insurance contract as a source of credit support and liquidity. For example, a letter of credit will provide amounts required to purchase tendered floating rate Bonds that have not been successfully remarketed immediately, as well as amounts required for payment of scheduled interest and principal at maturity or through acceleration. The floating rate bonds not immediately remarketed may then be sold to other investors.

The floating rate Bonds' structure may include the selection of one of several tax-exempt market rate pricing modes, including pricing modes as short as daily and as long as annually. The Bonds may also include an option to convert to a term mode in which the rate is fixed for a certain period of time. The operation of those modes will be described in the official statement for floating rate Bonds.

The pricing mode selection will depend upon a number of factors, including expectations as to which mode offers the lowest relative rates at the time of issuance. During the time the floating rate Bonds carry a floating rate, the Bonds would be prepayable at par plus accrued interest at the end of any interest rate period.

Subject to market conditions, the Bonds may be issued at fixed interest rates. The Company expects to pay interest on a semi-annual basis. The fixed rate Bonds may include call provisions at fixed prices at future dates. To achieve lower borrowing costs, the Company may purchase credit enhancement from insurance companies, which would give the Bonds an AAA/Aaa rating. The insurance companies may require the Company to collateralize the Bonds with the Company's First Mortgage and Collateral Trust Bonds. However, if the anticipated interest savings are not sufficient or the terms relating to the bond insurance are considered to be unduly restrictive, the Company may choose not to obtain insurance. In this situation, the Company may collateralize the Bonds with the Company's First Mortgage and Collateral Trust Bonds in an aggregate principal amount not exceeding the principal amount of the Bonds, thereby providing the Bonds with a credit rating equal to its senior debt (A-/A3). The Commission previously authorized the Company to incur the lien of the PacifiCorp Mortgage in Case No. U-1046-158, Order No. 22157.

The net proceeds of the proposed financings will be used for one or more of the utility purposes authorized by *Idaho Code* § 61-901. To the extent that any funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally incurred in furtherance of a utility purpose.

The proposed financings are part of an overall plan to finance the cost of the Company's facilities taking into consideration prudent capital ratios, earnings coverage tests and market uncertainties as to the relative merits of the various types of securities the Company could sell.

The Company has paid the fees required by *Idaho Code* § 61-905.

CONCLUSIONS OF LAW

PacifiCorp doing business as Rocky Mountain Power is an electrical corporation within the definition of *Idaho Code* § 61-119 and is a public utility within the definition of *Idaho Code* § 61-129.

The Idaho Public Utilities Commission has jurisdiction over this matter pursuant to the provisions of *Idaho Code* § 61-901 *et seq.*, and the Application reasonably conforms to Rules 141 through 150 of the Commission's Rules of Procedure, IDAPA 31.01.01.141-150.

The method of issuance is proper.

The general purposes to which the proceeds will be put are lawful purposes under the Public Utilities Law of the State of Idaho and are compatible with the public interest. However, this general approval of the general purposes to which the proceeds will be put is neither a finding of fact nor a conclusion of law that any particular construction program of the Company which may be benefited by the approval of this Application has been considered or approved by this Order, and this Order shall not be construed to that effect.

The issuance of an Order authorizing the proposed financing does not constitute agency determination/approval of the type of financing or the related costs for ratemaking purposes, which determination the Commission expressly reserves until the appropriate proceeding.

The Application should be approved.

ORDER

IT IS THEREFORE ORDERED that the Company's Application for authority to: (1) borrow the proceeds of not more than \$300,345,000 of Pollution Control Revenue Refunding Bonds ("Refunding Bonds") to be issued by the Counties of Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, and Moffat, Colorado ("Refunding Counties"), (2) borrow the proceeds of not more than \$150,000,000 of Pollution Control Revenue Bonds ("New Money Bonds") to be issued by one or more of the following Counties or municipalities: Emery, Utah, Converse, Wyoming, Lincoln, Wyoming, Sweetwater, Wyoming, City of Gillette, Wyoming, Navajo County, Arizona and Routt County, Colorado ("New Money Issuers"), (3) enter into such agreements or arrangements with the Refunding Counties and New Money Issuers and with other entities as may be reasonably necessary to

effect the borrowings and to provide credit enhancement for the Refunding Bonds and the New Money Bonds, including the issuance of the Company's First Mortgage and Collateral Trust Bonds as collateral, and (4) replace or modify from time-to-time the credit enhancement arrangements supporting the Refunding Bonds or the New Money Bonds.

These borrowings will be in connection with the financing, or refinancing, of the cost of certain pollution control, solid waste disposal and sewage facilities at the Company's electric generating plants including Jim Bridger, Carbon, Cholla, Craig, Dave Johnston, Hayden, Hunter, Huntington, Naughton and Wyodak.

IT IS FURTHER ORDERED that the Company shall file the following as they become available:

- a. The "Report of Securities Issued" required by 18 C.F.R. § 34.10.
- b. Verified copies of any agreement entered into in connection with the issuance of Debt pursuant to this order.
- c. A verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this order.

IT IS FURTHER ORDERED that this authorization is without prejudice to the regulatory authority of this Commission with respect to rates, service, accounts, valuation, estimates, or determination of costs, or any other matter that may come before this Commission pursuant to this jurisdiction and authority as provided by law.

IT IS FURTHER ORDERED that nothing in this Order and no provision of Chapter 9, Title 61, *Idaho Code*, or any act or deed done or performed in connection with this Order shall be construed to obligate the State of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed, or guaranteed under the provisions of Chapter 9, Title 61, *Idaho Code*.

IT IS FURTHER ORDERED that the Company notify the Commission as soon as possible prior to the issuance with as much information as possible on the issue. The notice may

be by telephone or facsimile to be followed with letter of verification if notice is less than seven days.

IT IS FURTHER ORDERED that issuance of this Order does not constitute acceptance of the Company's exhibits or other material accompanying the Application for any purpose other than the issuance of this Order.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code § 61-626.*

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this _____ day of _____, 2008.

JIM KEMPTON, Commissioner

MACK A. REDFORD, Commissioner

MARSHA H. SMITH, Commissioner

ATTEST:

JEAN JEWELL
Commission Secretary