DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

MYRNA WALTERS

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

SCOTT WOODBURY

DAVID SCOTT

TONYA CLARK

BEV BARKER

WORKING FILE

FROM:TERRI CARLOCK

DATE:SEPTEMBER 15, 1997

RE:PACIFICORP’S APPLICATION TO ISSUE AND SELL OR EXCHANGE NOT MORE THAN $750,000,000 OF DEBT, ENTER CREDIT SUPPORT ARRANGEMENTS AND CURRENCY EXCHANGES

CASE NO. PAC-E-97-3

RECOMMEND: APPROVAL

PacifiCorp was granted authority in Case No. PAC-S-96-1, Order No. 26393 to issue and sell up to the $750,000,000 of debt.  The Company has currently issued $700,000,000 of the $750,000,000 covered by Order No. 26393.  PacifiCorp requests at this time authority to issue an additional $400,000,000 in debt.  The current authority would then be for an additional $450,000,000 or a total of $1,150,000,000.  PacifiCorp requests the amended authority of $1,150,000,000 to remain in effect until December 31, 1999.  The proceeds of the debt will be utilized to reimburse PacifiCorp’s treasury, refinance current financings and for current construction projects.

The cost of the issuance is expected to be approximately 2% for the underwriting fees and $520,000 for other issuance expenses as follows:

Securities and Exchange Commission fees$136,038

Regulatory agency fees      1,000

Company’s counsel fees    70,000

Underwriters’ counsel fees and other expenses    90,000

Accounting fees    30,000

Printing and engraving fees    50,000

Rating agency fees    90,000

Trustee fees    20,000

Indenture recording fees    20,000

Miscellaneous costs   12,962

         TOTAL$520,000

STAFF RECOMMENDATION

Staff recommends approval of the application through December 31, 1999.  The Company as agreed to provide notice to the Staff of the final terms of any issuance prior to the issuance.

Terri Carlock

TC:udmemos/pace973.tc