Exhibit No.___(SCH-13)
Docket UE-130043
Witness: Samuel C. Hadaway

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. PACIFICORP d/b/a Pacific Power & Light Company Respondent.	Docket UE-130043

PACIFICORP

EXHIBIT OF SAMUEL C. HADAWAY

Update of Gorman Risk Premium Analysis

August 2, 2013

PacifiCorp
Update of Gorman Risk Premium Analysis - Treasury Bond (Projected)

	(1) TREASURY BOND YIELD	(2) AUTHORIZED ELECTRIC RETURNS	(3) INDICATED RISK PREMIUM
1986	7.80%	13.93%	6.13%
1987	8.58%	12.99%	4.41%
1988	8.96%	12.79%	3.83%
1989	8.45%	12.97%	4.52%
1990	8.61%	12.70%	4.09%
1991	8.14%	12.55%	4.41%
1992	7.67%	12.09%	4.42%
1993	6.60%	11.41%	4.81%
1994	7.37%	11.34%	3.97%
1995	6.88%	11.55%	4.67%
1996	6.70%	11.39%	4.69%
1997	6.61%	11.40%	4.79%
1998	5.58%	11.66%	6.08%
1999	5.87%	10.77%	4.90%
2000	5.94%	11.43%	5.49%
2001	5.49%	11.09%	5.60%
2002	5.43%	11.16%	5.73%
2003	4.96%	10.97%	6.01%
2004	5.05%	10.75%	5.70%
2005	4.65%	10.54%	5.89%
2006	4.99%	10.36%	5.37%
2007	4.83%	10.36%	5.53%
2008	4.28%	10.46%	6.18%
2009	4.07%	10.48%	6.41%
2010	4.25%	10.34%	6.09%
2011	3.91%	10.22%	6.31%
2012	2.92%	10.01%	7.09%
AVERAGE	6.10%	11.40%	5.30%

INDICATED COST OF EQUITY

PROJECTED TREASURY BOND YIELD*	3.70%
TREASURY BOND AVG ANNUAL YIELD DURING STUDY	6.10%
INTEREST RATE DIFFERENCE	-2.40%
INTEREST RATE CHANGE COEFFICIENT	-44.63%
ADUSTMENT TO BASIC RISK PREMIUM	1.07%
BASIC RISK PREMIUM	5.30%
INTEREST RATE ADJUSTMENT	1.07%
EQUITY RISK PREMIUM	6.37%
PROJECTED TREASURY BOND YIELD*	3.70%
INDICATED EQUITY RETURN	**10.07%**

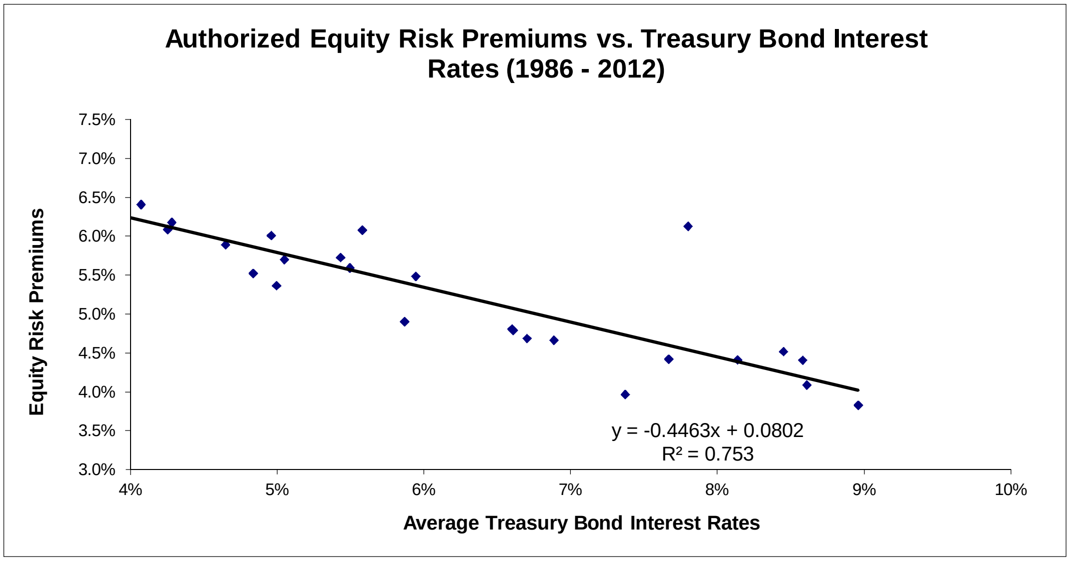
Notes:

Columns 1-3: Exhibit No.___(MPG-14).

*See Gorman Direct, page 32, lines 19-22 for Projected Treasury Bond Yield.

See regression data on page 2 of this Exhibit for derivation of "Interest Rate Change Coefficient."

PacifiCorp
Update of Gorman Risk Premium Analysis - Treasury Bond



SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.867782037
R Square	0.753045663
Adjusted R Square	0.74316749
Standard Error	0.004367231
Observations	27

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.001453975	0.001453975	76.23329	4.60035E-09
Residual	25	0.000476818	1.90727E-05		
Total	26	0.001930793			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	0.080216694	0.00322704	24.85767166	3.7933E-19	0.073570482	0.0868629	0.073570482	0.08686291
X Variable 1	-0.446298728	0.051115583	-8.73116773	4.60035E-09	-0.55157324	-0.341024	-0.55157324	-0.3410242

PacifiCorp
Update of Gorman Risk Premium Analysis - Utility Bond

	(1) MOODY'S "A" RATED PUBLIC UTILITY BOND YIELD	(2) AUTHORIZED ELECTRIC RETURNS	(3) INDICATED RISK PREMIUM
1986	9.58%	13.93%	4.35%
1987	10.10%	12.99%	2.89%
1988	10.49%	12.79%	2.30%
1989	9.77%	12.97%	3.20%
1990	9.86%	12.70%	2.84%
1991	9.36%	12.55%	3.19%
1992	8.69%	12.09%	3.40%
1993	7.59%	11.41%	3.82%
1994	8.31%	11.34%	3.03%
1995	7.89%	11.55%	3.66%
1996	7.75%	11.39%	3.64%
1997	7.60%	11.40%	3.80%
1998	7.04%	11.66%	4.62%
1999	7.62%	10.77%	3.15%
2000	8.24%	11.43%	3.19%
2001	7.76%	11.09%	3.33%
2002	7.37%	11.16%	3.79%
2003	6.58%	10.97%	4.39%
2004	6.16%	10.75%	4.59%
2005	5.65%	10.54%	4.89%
2006	6.07%	10.36%	4.29%
2007	6.07%	10.36%	4.29%
2008	6.53%	10.46%	3.93%
2009	6.04%	10.48%	4.44%
2010	5.46%	10.34%	4.88%
2011	5.04%	10.22%	5.18%
2012	4.13%	10.01%	5.88%
AVERAGE	7.51%	11.40%	3.89%

INDICATED COST OF EQUITY

CURRENT "Baa" UTILITY BOND YIELD*	4.63%
MOODY'S AVG ANNUAL YIELD DURING STUDY	7.51%
INTEREST RATE DIFFERENCE	-2.88%
INTEREST RATE CHANGE COEFFICIENT	-43.51%
ADUSTMENT TO BASIC RISK PREMIUM	1.25%
BASIC RISK PREMIUM	3.89%
INTEREST RATE ADJUSTMENT	1.25%
EQUITY RISK PREMIUM	5.14%
CURRENT "Baa" UTILITY BOND YIELD*	4.63%
INDICATED EQUITY RETURN	**9.77%**

Notes:
Columns 1-3: Exhibit No.___(MPG-15).
*See Gorman Direct, page 33, lines 6-8 for Current "Baa" Utility Bond Yield.
See regression data on page 4 of this Exhibit for derivation of "Interest Rate Change Coefficient."

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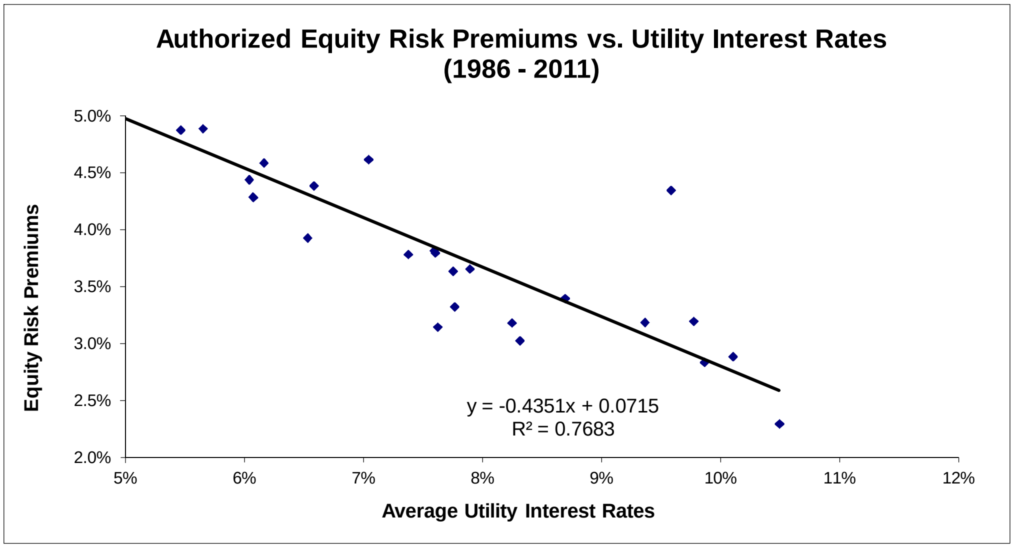
Update of Gorman Risk Premium Analysis - Utility Bond



SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.876539909
R Square	0.768322212
Adjusted R Square	0.759055101
Standard Error	0.004059461
Observations	27

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.0013663	0.001366267	82.90848898	2.05201E-09
Residual	25	0.000412	1.64792E-05		
Total	26	0.0017782			

	Coefficients	*tandard Errc*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	0.071545814	0.0036726	19.48099334	1.25624E-16	0.063981961	0.079109666	0.063981961	0.079109666
X Variable 1	-0.435111528	0.047786	-9.10540987	2.05201E-09	-0.53352873	-0.33669433	-0.53352873	-0.336694327