

PACIFICORP**Rate of Return Calculation**

	<u>% of Capital Structure</u>	<u>Pre-Tax</u>	<u>Cost After-Tax</u>	<u>Weighted Costs</u>
Cost of Debt	47.4%	7.134%	N/A	3.38%
Cost of Preferred Stock	3.8	N/A	6.017	0.23
Cost of Common Equity	<u>48.8</u>	<u>N/A</u>	<u>11.25</u>	<u>5.49</u>
PacifiCorp Rate of Return Requirement	<u>100.0%</u>			<u>9.10%</u>