

PacifiCorp
Revised Protocol
Estimated State by State Revenue Requirement Impact
Percent Change in Revenue Requirement

	2005 NPV @ 8.823%	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
California (compared to Modified Accord)															
Modified Accord to Rolled In Adjustment	0.29%	0.91%	0.54%	0.29%	0.30%	0.22%	0.15%	0.12%	0.15%	0.24%	0.23%	0.15%	0.03%	-0.05%	0.37%
Company Owned Hydro	-0.06%	-1.28%	-1.25%	-1.50%	-1.08%	-0.67%	-0.18%	0.47%	0.69%	0.97%	1.26%	1.29%	1.19%	1.17%	1.12%
Total Mid C	0.57%	0.74%	0.72%	0.73%	0.75%	0.73%	0.67%	0.53%	0.46%	0.38%	0.38%	0.37%	0.35%	0.33%	0.34%
QFs	2.21%	2.05%	2.00%	2.00%	2.06%	2.01%	1.98%	2.03%	2.13%	2.44%	2.53%	2.58%	2.59%	2.62%	2.78%
Seasonal	-0.02%	0.00%	-0.01%	0.01%	0.00%	0.01%	-0.01%	-0.01%	-0.03%	-0.06%	-0.04%	-0.05%	-0.04%	-0.05%	-0.05%
TOTAL MSP Solution	2.99%	2.42%	1.99%	1.53%	2.03%	2.30%	2.60%	3.13%	3.41%	3.97%	4.37%	4.34%	4.13%	4.02%	4.56%
Oregon (compared to Modified Accord)															
Modified Accord to Rolled In Adjustment	0.41%	1.28%	0.77%	0.41%	0.43%	0.31%	0.21%	0.17%	0.22%	0.33%	0.32%	0.20%	0.04%	-0.05%	0.49%
Company Owned Hydro	-0.08%	-1.79%	-1.72%	-2.05%	-1.48%	-0.91%	-0.24%	0.65%	0.93%	1.30%	1.70%	1.74%	1.61%	1.57%	1.47%
Total Mid C	-1.71%	-2.08%	-2.06%	-2.15%	-2.22%	-2.21%	-1.92%	-1.64%	-1.47%	-1.22%	-1.23%	-1.21%	-1.15%	-1.10%	-1.12%
QFs	1.19%	2.16%	2.12%	1.92%	1.62%	1.59%	1.57%	1.55%	1.14%	0.09%	0.13%	0.11%	0.12%	0.12%	0.13%
Seasonal	-0.35%	-0.15%	-0.34%	-0.32%	-0.33%	-0.32%	-0.27%	-0.29%	-0.39%	-0.63%	-0.57%	-0.42%	-0.35%	-0.32%	-0.28%
TOTAL MSP Solution	-0.55%	-0.57%	-1.24%	-2.18%	-1.98%	-1.54%	-0.64%	0.44%	0.44%	-0.12%	0.34%	0.42%	0.27%	0.22%	0.68%
Washington (compared to Modified Accord)															
Modified Accord to Rolled In Adjustment	0.39%	1.28%	0.76%	0.40%	0.42%	0.30%	0.20%	0.16%	0.21%	0.32%	0.31%	0.20%	0.03%	-0.07%	0.47%
Company Owned Hydro	-0.06%	-1.81%	-1.74%	-2.08%	-1.49%	-0.91%	-0.24%	0.63%	0.94%	1.31%	1.71%	1.75%	1.62%	1.58%	1.43%
Total Mid C	-0.55%	-0.57%	-0.64%	-0.62%	-0.62%	-0.63%	-1.01%	-0.51%	-0.47%	-0.39%	-0.39%	-0.39%	-0.37%	-0.36%	-0.36%
QFs	-0.67%	-1.07%	-0.91%	-0.93%	-0.77%	-0.72%	-0.70%	-0.70%	-0.50%	-0.17%	-0.50%	-0.49%	-0.49%	-0.48%	-0.48%
Seasonal	0.06%	0.00%	0.00%	0.01%	0.05%	0.05%	0.04%	0.07%	0.10%	0.17%	0.15%	0.09%	0.08%	0.08%	0.06%
TOTAL MSP Solution	-0.82%	-2.16%	-2.52%	-3.21%	-2.40%	-1.92%	-1.71%	-0.36%	0.29%	1.24%	1.28%	1.16%	0.88%	0.76%	1.11%
Utah (compared to Rolled-In)															
Company Owned Hydro	0.04%	1.82%	1.69%	1.97%	1.39%	0.83%	0.22%	-0.57%	-0.81%	-1.12%	-1.45%	-1.47%	-1.36%	-1.31%	-1.17%
Total Mid C	0.78%	1.05%	1.02%	1.04%	1.05%	1.02%	0.93%	0.74%	0.65%	0.53%	0.53%	0.52%	0.49%	0.47%	0.45%
QFs	-0.37%	-0.74%	-0.78%	-0.70%	-0.58%	-0.56%	-0.53%	-0.51%	-0.37%	0.00%	0.02%	0.03%	0.02%	0.02%	0.03%
Seasonal	0.23%	0.10%	0.23%	0.22%	0.24%	0.22%	0.18%	0.19%	0.25%	0.40%	0.36%	0.28%	0.24%	0.21%	0.17%
TOTAL MSP Solution	0.68%	2.23%	2.16%	2.53%	2.10%	1.51%	0.79%	-0.15%	-0.28%	-0.18%	-0.53%	-0.66%	-0.61%	-0.61%	-0.51%
Idaho (compared to Rolled-In)															
Company Owned Hydro	0.19%	1.87%	1.71%	1.97%	1.38%	0.82%	0.21%	-0.55%	-0.79%	-1.09%	-1.40%	-1.43%	-1.31%	-1.25%	-1.12%
Total Mid C	0.79%	1.09%	1.03%	1.03%	1.04%	1.01%	0.92%	0.73%	0.63%	0.51%	0.52%	0.51%	0.47%	0.45%	0.44%
QFs	-0.41%	-0.83%	-0.67%	-0.59%	-0.49%	-0.53%	-0.57%	-0.56%	-0.43%	-0.07%	-0.04%	-0.03%	-0.05%	-0.07%	-0.11%
Seasonal	0.23%	0.21%	0.43%	0.36%	0.31%	0.30%	0.21%	0.18%	0.18%	0.28%	0.27%	0.12%	0.07%	0.04%	0.04%
TOTAL MSP Solution	0.80%	2.33%	2.49%	2.77%	2.24%	1.60%	0.77%	-0.21%	-0.41%	-0.36%	-0.66%	-0.83%	-0.82%	-0.83%	-0.75%
Wyoming (compared to Modified Accord)															
Modified Accord to Rolled In Adjustment	0.40%	1.00%	0.64%	0.39%	0.40%	0.32%	0.26%	0.24%	0.28%	0.36%	0.36%	0.27%	0.15%	0.06%	0.51%
Company Owned Hydro	0.03%	-1.24%	-1.21%	-1.47%	-1.07%	-0.66%	-0.18%	0.49%	0.74%	1.05%	1.37%	1.44%	1.40%	1.36%	1.24%
Total Mid C	0.81%	1.09%	1.05%	1.06%	1.08%	1.05%	0.95%	0.75%	0.65%	0.53%	0.54%	0.53%	0.49%	0.46%	0.45%
QFs	-1.06%	-1.88%	-1.67%	-1.42%	-1.25%	-1.19%	-1.16%	-1.16%	-0.94%	-0.54%	-0.50%	-0.50%	-0.50%	-0.49%	-0.49%
Seasonal	-0.26%	-0.08%	-0.20%	-0.23%	-0.27%	-0.26%	-0.19%	-0.22%	-0.29%	-0.47%	-0.44%	-0.36%	-0.30%	-0.27%	-0.22%
TOTAL MSP Solution	-0.09%	-1.10%	-1.39%	-1.67%	-1.11%	-0.74%	-0.33%	0.10%	0.44%	0.94%	1.32%	1.39%	1.24%	1.12%	1.49%

PACIFICORP
Washington
Normalized Results of Operations
12 Months Ended September 2004

Revenue Requirement Impacts of MSP Revised Protocol

	A	B
	Washington Revenue Requirement	
1	Modified Accord	260,533,770
	Washington Revenue Requirement Impacts of MSP Revised Protocol	
2	Modified Accord to Rolled-In Adjustment	6,562,550
3	Company Owned Hydro	(4,731,199)
4	Total Mid C	(1,390,697)
5	QFs	(2,549,809)
6	Seasonal	(580,154)
7	Total Revenue Requirement Impacts of MSP Revised Protocol	(2,689,310)
8		-1.03%
9	Revenue Requirement - Revised Protocol	257,844,460

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WASHINGTON**

**Normalized Results of Operations - REVISED PROTOCOL
12 Months Ended September 2004**

	(1)	(2)	(3)
	Total Adjusted		Results with
	Results	Price Change	Price Change
1 Operating Revenues:			
2 General Business Revenues	218,639,892	39,204,568	257,844,460
3 Interdepartmental	0		
4 Special Sales	66,195,696		
5 Other Operating Revenues	5,830,788		
6 Total Operating Revenues	<u>290,666,375</u>		
7			
8 Operating Expenses:			
9 Steam Production	61,006,362		
10 Nuclear Production	-		
11 Hydro Production	3,344,428		
12 Other Power Supply	87,845,657		
13 Transmission	9,677,440		
14 Distribution	13,775,850		
15 Customer Accounting	7,975,917	141,014	8,116,931
16 Customer Service & Info	476,545		
17 Sales	4,663		
18 Administrative & General	20,333,944		
19 Total O&M Expenses	<u>204,440,805</u>		
20 Depreciation	31,296,907		
21 Amortization	5,038,891		
22 Taxes Other Than Income	5,460,806	1,592,882	7,053,687
23 Income Taxes - Federal	388,487	12,519,326	12,907,813
24 Income Taxes - State	378,740	1,701,169	2,079,909
25 Income Taxes - Def Net	13,463,825		
26 Investment Tax Credit Adj.	-		
27 Misc Revenue & Expense	(404,369)		
28 Total Operating Expenses:	<u>260,064,093</u>	<u>15,954,391</u>	<u>276,018,483</u>
29			
30 Operating Rev For Return:	<u>30,602,283</u>	<u>23,250,177</u>	<u>53,852,460</u>
31			
32 Rate Base:			
33 Electric Plant In Service	1,143,924,522		
34 Plant Held for Future Use	103,004		
35 Misc Deferred Debits	7,596,981		
36 Elec Plant Acq Adj	7,969,300		
37 Nuclear Fuel	-		
38 Prepayments	2,022,441		
39 Fuel Stock	4,242,137		
40 Material & Supplies	7,538,018		
41 Working Capital	4,423,586		
42 Weatherization Loans	795,339		
43 Misc Rate Base	57,761		
44 Total Electric Plant:	<u>1,178,673,090</u>	-	<u>1,178,673,090</u>
45			
46 Rate Base Deductions:			
47 Accum Prov For Deprec	(446,246,158)		
48 Accum Prov For Amort	(26,340,998)		
49 Accum Def Income Tax	(75,898,736)		
50 Unamortized ITC	(2,261,530)		
51 Customer Adv For Const	(120,509)		
52 Customer Service Deposits	(1,606,372)		
53 Misc Rate Base Deductions	(11,044,616)		
54			
55 Total Rate Base Deductions	<u>(563,518,918)</u>	-	<u>(563,518,918)</u>
56			
57 Total Rate Base:	<u>615,154,172</u>	-	<u>615,154,172</u>
58			
59 Return on Rate Base	4.975%		8.754%
60 Return on Equity	3.490%		11.125%

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WASHINGTON**

**Normalized Results of Operations - ROLLED-IN
12 Months Ended September 2004**

	(1)	(2)	(3)
	Total Adjusted Results	Price Change	Results with Price Change
1 Operating Revenues:			
2 General Business Revenues	218,639,892	48,456,428	267,096,319
3 Interdepartmental	0		
4 Special Sales	66,195,696		
5 Other Operating Revenues	5,830,643		
6 Total Operating Revenues	<u>290,666,231</u>		
7			
8 Operating Expenses:			
9 Steam Production	60,871,028		
10 Nuclear Production	-		
11 Hydro Production	3,344,428		
12 Other Power Supply	96,803,986		
13 Transmission	9,677,440		
14 Distribution	13,775,850		
15 Customer Accounting	7,975,917	174,292	8,150,209
16 Customer Service & Info	476,545		
17 Sales	4,663		
18 Administrative & General	20,323,572		
19 Total O&M Expenses	<u>213,253,428</u>		
20 Depreciation	31,304,561		
21 Amortization	5,036,997		
22 Taxes Other Than Income	5,457,705	1,968,785	7,426,490
23 Income Taxes - Federal	(2,556,870)	15,473,754	12,916,884
24 Income Taxes - State	(40,826)	2,102,626	2,061,800
25 Income Taxes - Def Net	13,465,406		
26 Investment Tax Credit Adj.	-		
27 Misc Revenue & Expense	(404,369)		
28 Total Operating Expenses:	<u>265,516,032</u>	<u>19,719,456</u>	<u>285,235,489</u>
29			
30 Operating Rev For Return:	<u>25,150,199</u>	<u>28,736,971</u>	<u>53,887,170</u>
31			
32 Rate Base:			
33 Electric Plant In Service	1,143,822,213		
34 Plant Held for Future Use	103,004		
35 Misc Deferred Debits	7,566,396		
36 Elec Plant Acq Adj	7,969,300		
37 Nuclear Fuel	-		
38 Prepayments	2,021,498		
39 Fuel Stock	4,229,109		
40 Material & Supplies	7,529,557		
41 Working Capital	4,513,576		
42 Weatherization Loans	795,679		
43 Misc Rate Base	57,761		
44 Total Electric Plant:	<u>1,178,608,094</u>	-	<u>1,178,608,094</u>
45			
46 Rate Base Deductions:			
47 Accum Prov For Deprec	(445,799,983)		
48 Accum Prov For Amort	(26,331,470)		
49 Accum Def Income Tax	(75,896,282)		
50 Unamortized ITC	(2,261,530)		
51 Customer Adv For Const	(120,509)		
52 Customer Service Deposits	(1,606,372)		
53 Misc Rate Base Deductions	(11,041,293)		
54			
55 Total Rate Base Deductions	<u>(563,057,438)</u>	-	<u>(563,057,438)</u>
56			
57 Total Rate Base:	<u>615,550,656</u>	-	<u>615,550,656</u>
58			
59 Return on Rate Base	4.086%		8.754%
60 Return on Equity	1.694%		11.125%

**PACIFICORP
WASHINGTON**

**Normalized Results of Operations - MODIFIED ACCORD
12 Months Ended September 2004**

	(1)	(2)	(3)
	Total Adjusted		Results with
	Results	Price Change	Price Change
1 Operating Revenues:			
2 General Business Revenues	218,639,892	41,893,878	260,533,770
3 Interdepartmental	0		
4 Special Sales	66,195,696		
5 Other Operating Revenues	5,827,553		
6 Total Operating Revenues	<u>290,663,141</u>		
7			
8 Operating Expenses:			
9 Steam Production	56,798,668		
10 Nuclear Production	-		
11 Hydro Production	4,163,312		
12 Other Power Supply	96,814,227		
13 Transmission	9,521,190		
14 Distribution	13,775,850		
15 Customer Accounting	7,975,917	150,687	8,126,604
16 Customer Service & Info	476,545		
17 Sales	4,663		
18 Administrative & General	20,102,310		
19 Total O&M Expenses	<u>209,632,682</u>		
20 Depreciation	30,664,696		
21 Amortization	5,015,144		
22 Taxes Other Than Income	5,391,553	1,702,148	7,093,701
23 Income Taxes - Federal	(1,171,270)	13,378,113	12,206,843
24 Income Taxes - State	167,440	1,817,863	1,985,303
25 Income Taxes - Def Net	13,397,732		
26 Investment Tax Credit Adj.	-		
27 Misc Revenue & Expense	(392,611)		
28 Total Operating Expenses:	<u>262,705,366</u>	17,048,812	279,754,178
29			
30 Operating Rev For Return:	<u>27,957,774</u>	24,845,066	52,802,841
31			
32 Rate Base:			
33 Electric Plant In Service	1,121,214,104		
34 Plant Held for Future Use	101,659		
35 Misc Deferred Debits	7,579,364		
36 Elec Plant Acq Adj	8,469,141		
37 Nuclear Fuel	-		
38 Prepayments	2,001,386		
39 Fuel Stock	4,229,109		
40 Material & Supplies	7,333,782		
41 Working Capital	4,457,743		
42 Weatherization Loans	802,943		
43 Misc Rate Base	0		
44 Total Electric Plant:	<u>1,156,189,230</u>	-	1,156,189,230
45			
46 Rate Base Deductions:			
47 Accum Prov For Deprec	(435,831,260)		
48 Accum Prov For Amort	(26,289,487)		
49 Accum Def Income Tax	(75,945,249)		
50 Unamortized ITC	(2,261,530)		
51 Customer Adv For Const	(120,509)		
52 Customer Service Deposits	(1,606,372)		
53 Misc Rate Base Deductions	(10,970,408)		
54			
55 Total Rate Base Deductions	<u>(553,024,814)</u>	-	(553,024,814)
56			
57 Total Rate Base:	<u>603,164,416</u>	-	603,164,416
58			
59 Return on Rate Base	4.635%		8.754%
60 Return on Equity	2.804%		11.125%

**PACIFICORP
WASHINGTON**
Normalized Results of Operations
12 Months Ended September 2004

EMBEDDED COST DIFFERENTIAL CALCULATION

Company Owned Hydro - West

Account	Description	Amount	Mwh	\$/Mwh	\$/Mwh Diff	Embedded Costs Differential	
1	535 - 545	Hydro Operation & Maintenance Expense	26,846,775				
2	403HP	Hydro Depreciation Expense	10,410,576				
3	404IP	Hydro Relicensing Amortization	2,337,542				
4		Total West Hydro Operating Expense	39,594,892				
5	330 - 336	Hydro Electric Plant in Service	420,892,521				
6	302 & 182	Hydro Relicensing	47,108,368				
7	108HP	Hydro Accumulated Depreciation Reserve	(180,820,497)				
8	111IP & 22844	Hydro Relicensing Accumulated Reserve	(4,234,672)				
9	154	Materials and Supplies	(13,500)				
10		West Hydro Net Rate Base	282,932,220				
11		Pre-tax Return	12.17%				
12		Rate Base Revenue Requirement	34,423,408				
13		Annual Embedded Cost West Hydro-Electric Resources	74,018,300	3,917,609	18.89	(14.84)	(58,119,439)

Mid C Contracts

Account	Description	Amount	Mwh	\$/Mwh	\$/Mwh Diff	Embedded Costs Differential	
14	555	Annual Mid-C Contracts Costs	22,560,283	1,745,235	12.93	(20.80)	(36,305,051)

Qualified Facilities

Account	Description	Amount	Mwh	\$/Mwh	\$/Mwh Diff	Embedded Costs Differential	
15	555	Utah Annual Qualified Facilities Costs	24,067,544	388,463	61.96	28.23	10,965,014
16	555	Oregon Annual Qualified Facilities Costs	39,221,508	333,266	117.69	83.96	27,980,707
17	555	Idaho Annual Qualified Facilities Costs	3,496,594	75,730	46.17	12.44	942,296
18	555	WYU Annual Qualified Facilities Costs	-	-	-	(33.73)	-
19	555	WYP Annual Qualified Facilities Costs	578,883	11,639	49.74	16.01	186,302
20	555	California Annual Qualified Facilities Costs	3,684,232	35,981	102.39	68.66	2,470,624
21	555	Washington Annual Qualified Facilities Costs	1,693,532	13,847	122.30	88.57	1,226,477
22		Total Qualified Facilities Costs	72,742,292	858,926	84.69	50.96	43,771,420

All Other Generation Resources
(Excl. West Hydro, Mid C, and QF)

Account	Description	Amount	Mwh	\$/Mwh		
23	500 - 514	Steam Operation & Maintenance Expense	715,685,505			
24	535 - 545	East Hydro Operation & Maintenance Expense	11,918,919			
25	546 - 554	Other Generation Operation & Maintenance Expense	206,840,627			
26	555	Other Purchased Power Contracts	790,254,978			
27	4118	SO2 Emission Allowances	(4,777,847)			
28	403SP	Steam Depreciation Expense	132,335,460			
29	403HP	East Hydro Depreciation Expense	3,023,967			
30	403OP	Other Generation Depreciation Expense	22,062,933			
31	403MP	Mining Depreciation Expense	0			
32	404IP	East Hydro Relicensing Amortization	376,784			
33	406	Amortization of Plant Acquisition Costs	5,479,353			
34		Total All Other Operating Expenses	1,883,200,679			
35	310 - 316	Steam Electric Plant in Service	4,292,115,253			
36	330 - 336	East Hydro Electric Plant in Service	109,664,005			
37	302 & 182	East Hydro Relicensing	8,302,562			
38	340 - 346	Other Electric Plant in Service	638,902,211			
39	399	Mining	305,960,063			
40	108SP	Steam Accumulated Depreciation Reserve	(2,069,218,607)			
41	108OP	Other Generation Accumulated Depreciation Reserve	(59,357,704)			
42	108MP	Other Accumulated Depreciation Reserve	(157,611,352)			
43	108HP	East Hydro Accumulated Depreciation Reserve	(39,840,920)			
44	111IP & 22844	East Hydro Relicensing Accumulated Reserve	(1,486,107)			
45	114	Electric Plant Acquisition Adjustment	157,193,780			
46	115	Accumulated Provision Acquisition Adjustment	(64,820,594)			
47	151	Fuel Stock	53,142,764			
48	253.16 - 253.19	Joint Owner WC Deposit	(3,271,750)			
49	253.99	SO2 Emission Allowances	(41,085,692)			
50	154	Materials & Supplies	48,245,843			
51	154	East Hydro Materials & Supplies				
52		Total Net Rate Base	3,176,833,755			
53		Pre-tax Return	12.17%			
54		Rate Base Revenue Requirement	386,514,639			
55		Annual Embedded Cost All Other Generation Resources	2,269,715,318	67,292,342	33.73	
56		Total Annual Embedded Costs	2,439,036,194	73,814,113	33.04	

PacifiCorp
Cost Of Service By Rate Schedule
State of Washington
12 Months Ending September 2004
Commission Method - (100 Summer, 100 Winter Hours) - 13%D / 87%E
4.97% = Earned Return on Rate Base

A	B	C	D	E	F	G	H	I	J	K	L	M	
Line No.	Schedule No.	Description	Annual Revenue	Return on Rate Base	Rate of Return Index	Total Cost of Service	Generation Cost of Service	Transmission Cost of Service	Distribution Cost of Service	Retail Cost of Service	Misc Cost of Service	Increase (Decrease) to = ROR	Percentage Change from Current Revenues
1	16	Residential	91,101,365	4.24%	0.85	93,046,911	57,507,566	5,346,382	24,262,546	5,793,857	136,559	1,945,545	2.14%
2	24	General Service	31,242,454	8.49%	1.71	28,362,109	19,032,213	1,754,669	6,639,391	888,423	47,414	(2,880,345)	-9.22%
3	36	Large General Service	43,977,321	6.65%	1.34	42,000,110	31,722,069	2,899,954	7,138,546	192,510	47,032	(1,977,211)	-4.50%
4	48T	Large Power Service	41,508,459	2.71%	0.55	44,163,223	35,590,420	3,245,775	5,122,881	181,932	22,215	2,654,763	6.40%
5	40	Irrigation	8,988,365	4.53%	0.91	9,108,424	5,810,372	545,405	2,391,921	347,343	13,384	120,059	1.34%
6	5,52,54,5	Street Lighting	1,385,042	1.75%	0.35	1,522,231	481,422	47,446	888,583	100,946	3,833	137,189	9.91%
7		Total Washington Jurisdiction	218,203,007	4.97%	1.00	218,203,007	150,144,061	13,839,631	46,443,867	7,505,010	270,437	(0)	0.00%

Footnotes :

- Column C Annual revenues based on October 2003 thru September 2004 usage priced at current Washington Tariff.
- Column D Calculated Return on Ratebase per October 2003 thru September 2004 Embedded Cost of Service Study
- Column E Rate of Return Index. Rate of return by rate schedule, divided by Washington Jurisdiction's normalized rate of return.
- Column F Calculated Full Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study
- Column G Calculated Generation Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column H Calculated Transmission Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column I : Calculated Distribution Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column J : Calculated Retail Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column K Calculated Miscellaneous Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column L : Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service dollars.
- Column M Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service percent.

Column M : Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service Percent.

PacifiCorp
Cost Of Service By Rate Schedule
State of Washington
12 Months Ending September 2004
Commission Method - (100 Summer, 100 Winter Hours) - 13%D / 87%E
8.75% = Target Return on Rate Base

	A	B	C	D	E	F	G	H	I	J	K	L	M
Line No.	Schedule No.	Description	Annual Revenue	Return on Rate Base	Rate of Return Index	Total Cost of Service	Generation Cost of Service	Transmission Cost of Service	Distribution Cost of Service	Retail Cost of Service	Misc Cost of Service	Increase (Decrease) to = ROR	Percentage Change from Current Revenues
1	16	Residential	91,101,365	4.24%	0.85	110,035,767	64,354,404	8,597,662	30,877,058	6,056,198	150,445	18,934,402	20.78%
2	24	General Service	31,242,454	8.49%	1.71	33,579,682	21,286,274	2,824,523	8,482,115	934,638	52,132	2,337,228	7.48%
3	36	Large General Service	43,977,321	6.65%	1.34	49,507,780	35,463,177	4,675,586	9,106,957	206,813	55,246	5,530,458	12.58%
4	48T	Large Power Service	41,508,459	2.71%	0.55	51,643,449	39,789,753	5,239,395	6,389,926	192,647	31,728	10,134,990	24.42%
5	40	Irrigation	8,988,365	4.53%	0.91	10,847,300	6,508,538	876,459	3,040,078	407,442	14,784	1,858,935	20.68%
6	5,52,54,57	Street Lighting	1,385,042	1.75%	0.35	1,793,597	540,191	75,370	1,062,425	111,706	3,906	408,555	29.50%
7		Total Washington Jurisdiction	218,203,007	4.97%	1.00	257,407,575	167,942,337	22,288,995	58,958,558	7,909,444	308,241	39,204,568	17.97%

Footnotes :

- Column C Annual revenues based on October 2003 thru September 2004 usage priced at current Washington Tariff.
- Column D Calculated Return on Ratebase per October 2003 thru September 2004 Embedded Cost of Service Study
- Column E Rate of Return Index. Rate of return by rate schedule, divided by Washington Jurisdiction's normalized rate of return.
- Column F Calculated Full Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study
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- Column H Calculated Transmission Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column I : Calculated Distribution Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column J : Calculated Retail Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column K Calculated Miscellaneous Cost of Service at Jurisdictional Rate of Return per the October 2003 thru September 2004 Embedded COS Study.
- Column L : Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service dollars.
- Column M Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service Percent.

PacifiCorp
State of Washington
Classification of Generation and Transmission Costs

Simple Cycle Combustion Turbine

1 Fixed Cost per kW @ 2.28% Capacity Factor	\$65.19	
2 One-half of SCCT Fixed Costs	\$32.59	Line 1 X 50%
3 Fuel Cost per MWh	\$55.27	
4 Hours of Operation	200	
5 Total Fuel Costs	\$11,054	Line 3 X Line 4
6 Total Cost 1 MW, 200 Hours	\$43,648	Line 2 X 1000 + Line 5

Combined Cycle Combustion Turbine

7 Fixed Cost per kW @ 85% Capacity Factor	\$87.25	
8 Fuel Cost per MWh	\$32.11	
9 Hours of Operation	7446	8,760 Hours X 85%
10 Total Fuel Costs	\$239,104	Line 8 X Line 9
11 Total Cost 1 MW, 85% Capacity Factor	\$326,352	Line 7 X 1000 + Line 10
12 Demand Component	13%	Line 6 / Line 11
13 Energy Component	87%	100% - Line 12

Notes:

Lines 1 & 3 SCCT Total Resource Fixed Costs
Wa Commission Approved - AC Study (3.22.2004)
Adjusted to reflect 2.28% Capacity Factor (200 hours)

Lines 7 & 8 CCCT Total Resource Fixed Costs
Wa Commission Approved - AC Study (3.22.2004)

Table 8
Total Cost of Gas Turbine Resources

Year	Estimated Capital Cost \$/kW	Fixed Capital Cost at Real Levelized Rate \$/kW-yr	Fixed O&M \$/kW-yr	Variable O&M \$/MWH	Total O&M at Expected CF \$/kW-yr	Total Resource Fixed Costs \$/kW-yr	Fuel Cost \$/MMBtu	Fuel Cost \$/MWH	Total Avoided Costs \$/MWH
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	

Simple Cycle

2003	\$554	\$53.13	\$11.43	3.14	\$12.06	\$65.19	\$ 4.54	\$ 55.27	381.20
2004		\$54.46	\$11.72	\$3.22	\$12.36	\$66.82	\$ 4.51	\$ 54.93	389.01
2005		\$55.82	\$12.01	\$3.30	\$12.67	\$68.49	\$ 4.25	\$ 51.70	394.13
2006		\$57.21	\$12.31	\$3.38	\$12.99	\$70.20	\$ 4.25	\$ 51.71	402.71
2007		\$58.64	\$12.62	\$3.47	\$13.31	\$71.95	\$ 4.29	\$ 52.23	412.00
2008		\$60.11	\$12.93	\$3.55	\$13.64	\$73.75	\$ 4.38	\$ 53.31	422.07
2009		\$61.61	\$13.26	\$3.64	\$13.98	\$75.60	\$ 4.29	\$ 52.29	430.27
2010		\$63.15	\$13.59	\$3.73	\$14.33	\$77.49	\$ 3.97	\$ 48.34	435.77
2011		\$64.73	\$13.93	\$3.83	\$14.69	\$79.42	\$ 3.82	\$ 46.51	443.63
2012		\$66.35	\$14.27	\$3.92	\$15.06	\$81.41	\$ 3.94	\$ 47.99	455.04
2013		\$68.01	\$14.63	\$4.02	\$15.44	\$83.44	\$ 4.06	\$ 49.49	466.71
2014		\$69.71	\$15.00	\$4.12	\$15.82	\$85.53	\$ 3.64	\$ 44.31	471.96
2015		\$71.45	\$15.37	\$4.22	\$16.22	\$87.67	\$ 3.72	\$ 45.28	483.63
2016		\$73.24	\$15.76	\$4.33	\$16.62	\$89.86	\$ 3.97	\$ 48.36	497.66
2017		\$75.07	\$16.15	\$4.44	\$17.04	\$92.11	\$ 4.20	\$ 51.18	511.71
2018		\$76.95	\$16.55	\$4.55	\$17.46	\$94.41	\$ 4.32	\$ 52.60	524.65
2019		\$78.87	\$16.97	\$4.66	\$17.90	\$96.77	\$ 4.45	\$ 54.15	538.00
2020		\$80.84	\$17.39	\$4.78	\$18.35	\$99.19	\$ 4.58	\$ 55.80	551.74
2021		\$82.86	\$17.83	\$4.90	\$18.81	\$101.67	\$ 4.58	\$ 55.81	564.15
2022		\$84.93	\$18.27	\$5.02	\$19.28	\$104.21	\$ 4.71	\$ 57.32	578.37
2023		\$87.06	\$18.73	\$5.15	\$19.76	\$106.82	\$ 4.84	\$ 58.91	592.99
2024		\$89.23	\$19.20	\$5.27	\$20.25	\$109.49	\$ 4.97	\$ 60.56	607.99
2025		\$91.46	\$19.68	\$5.41	\$20.76	\$112.22	\$ 5.12	\$ 62.39	623.51
2026		\$93.75	\$20.17	\$5.54	\$21.28	\$115.03	\$ 5.27	\$ 64.22	639.36
2027		\$96.10	\$20.67	\$5.68	\$21.81	\$117.90	\$ 5.43	\$ 66.05	655.58

Combined Cycle

2003	\$767	\$66.04	\$8.03	1.77	\$21.21	\$87.25	\$ 4.54	\$ 32.11	43.83
2004		\$67.69	\$8.23	\$1.81	\$21.74	\$89.43	\$ 4.51	\$ 31.91	43.92
2005		\$69.38	\$8.44	\$1.86	\$22.28	\$91.67	\$ 4.25	\$ 30.04	42.35
2006		\$71.12	\$8.65	\$1.91	\$22.84	\$93.96	\$ 4.25	\$ 30.04	42.66
2007		\$72.89	\$8.86	\$1.95	\$23.41	\$96.31	\$ 4.29	\$ 30.35	43.28
2008		\$74.72	\$9.09	\$2.00	\$24.00	\$98.71	\$ 4.38	\$ 30.97	44.23
2009		\$76.58	\$9.31	\$2.05	\$24.60	\$101.18	\$ 4.29	\$ 30.38	43.97
2010		\$78.50	\$9.55	\$2.10	\$25.21	\$103.71	\$ 3.97	\$ 28.08	42.01
2011		\$80.46	\$9.78	\$2.16	\$25.84	\$106.30	\$ 3.82	\$ 27.02	41.30
2012		\$82.47	\$10.03	\$2.21	\$26.49	\$108.96	\$ 3.94	\$ 27.88	42.52
2013		\$84.54	\$10.28	\$2.27	\$27.15	\$111.68	\$ 4.06	\$ 28.75	43.75
2014		\$86.65	\$10.54	\$2.32	\$27.83	\$114.48	\$ 3.64	\$ 25.74	41.12
2015		\$88.81	\$10.80	\$2.38	\$28.52	\$117.34	\$ 3.72	\$ 26.31	42.07
2016		\$91.04	\$11.07	\$2.44	\$29.24	\$120.27	\$ 3.97	\$ 28.10	44.25
2017		\$93.31	\$11.35	\$2.50	\$29.97	\$123.28	\$ 4.20	\$ 29.73	46.29
2018		\$95.64	\$11.63	\$2.56	\$30.72	\$126.36	\$ 4.32	\$ 30.56	47.53
2019		\$98.03	\$11.92	\$2.63	\$31.49	\$129.52	\$ 4.45	\$ 31.46	48.86
2020		\$100.49	\$12.22	\$2.69	\$32.27	\$132.76	\$ 4.58	\$ 32.42	50.25
2021		\$103.00	\$12.52	\$2.76	\$33.08	\$136.08	\$ 4.58	\$ 32.42	50.70
2022		\$105.57	\$12.84	\$2.83	\$33.91	\$139.48	\$ 4.71	\$ 33.30	52.03
2023		\$108.21	\$13.16	\$2.90	\$34.75	\$142.97	\$ 4.84	\$ 34.23	53.43
2024		\$110.92	\$13.49	\$2.97	\$35.62	\$146.54	\$ 4.97	\$ 35.18	54.86
2025		\$113.69	\$13.82	\$3.05	\$36.51	\$150.20	\$ 5.12	\$ 36.25	56.42
2026		\$116.53	\$14.17	\$3.12	\$37.43	\$153.96	\$ 5.27	\$ 37.31	57.99
2027		\$119.45	\$14.52	\$3.20	\$38.36	\$157.81	\$ 5.43	\$ 38.38	59.57

Source: (a)(c)(d) Plant Costs - Page 214, Table C.20 IRP 2003
 (b) = (a) x Payment Factor - Page 214, Table C.20 IRP 2003
 (e) = (d) x (8.76 x 'Capacity Factor') + (c)
 (f) = (b) + (e)
 (g) Natural Gas Price Forecast (\$/MMBtu)
 (h) = 7074 x (g) / 1000
 (i) = (f) / (8.76 x 'Capacity Factor') + (h)

SCCT	CCCT	
9.59%	8.61%	Payment Factor - Page 214, Table C.20 IRP 2003
2.28%	85%	Assumed Capacity Factor
12,176	7,074	Heat Rate in btu/kWh - Page 209 , Table C.18 IRP 2003
2.50%	2.50%	Inflation Rate - page 358 IRP 2003

Table 9
Natural Gas Price Forecast (\$/MMBtu)

Year	Raw Fuel	Transport Cost	Distribution Cost	Combined Cycle CT Fuel Cost
	(a)	(b)	(c)	(d)
		(a) x .016 + 0.13	((a)+(b))x.015+0.09	(a) + (b) + (c)
2003	4.18	0.20	0.16	\$ 4.54
2004	4.15	0.20	0.16	\$ 4.51
2005	3.91	0.19	0.15	\$ 4.25
2006	3.91	0.19	0.15	\$ 4.25
2007	3.95	0.19	0.15	\$ 4.29
2008	4.04	0.19	0.15	\$ 4.38
2009	3.95	0.19	0.15	\$ 4.29
2010	3.63	0.19	0.15	\$ 3.97
2011	3.48	0.19	0.15	\$ 3.82
2012	3.60	0.19	0.15	\$ 3.94
2013	3.72	0.19	0.15	\$ 4.06
2014	3.32	0.18	0.14	\$ 3.64
2015	3.40	0.18	0.14	\$ 3.72
2016	3.63	0.19	0.15	\$ 3.97
2017	3.86	0.19	0.15	\$ 4.20
2018	3.98	0.19	0.15	\$ 4.32
2019	4.10	0.20	0.15	\$ 4.45
2020	4.22	0.20	0.16	\$ 4.58
2021	4.22	0.20	0.16	\$ 4.58
2022	4.35	0.20	0.16	\$ 4.71
2023	4.48	0.20	0.16	\$ 4.84
2024	4.61	0.20	0.16	\$ 4.97
2025	4.75	0.21	0.16	\$ 5.12
2026	4.89	0.21	0.17	\$ 5.27
2027	5.05	0.21	0.17	\$ 5.43

Columns

(a) Official Price Forecast July 2003 - Opal Index

		<u>Shrinkage</u>	<u>Fees</u>
(b)	Transport Cost	0.016	0.13
(c)	Distribution Cost	0.015	0.09

Quote Date:
July 2003 Official Forecast

TENOR	¹ Opal	Year	Year	Annual Average Price \$/MMBtu
8/31/03	3.97	2003	2003	4.18
9/30/03	3.95	2003	2004	4.15
10/31/03	4.02	2003	2005	3.91
11/30/03	4.28	2003	2006	3.91
12/31/03	4.68	2003	2007	3.95
1/31/04	4.87	2004	2008	4.04
2/29/04	4.83	2004	2009	3.95
3/31/04	4.62	2004	2010	3.63
4/30/04	4.07	2004	2011	3.48
5/31/04	3.94	2004	2012	3.60
6/30/04	3.94	2004	2013	3.72
7/31/04	3.77	2004	2014	3.32
8/31/04	3.77	2004	2015	3.40
9/30/04	3.76	2004	2016	3.63
10/31/04	3.79	2004	2017	3.86
11/30/04	4.15	2004	2018	3.98
12/31/04	4.29	2004	2019	4.10
1/31/05	4.38	2005	2020	4.22
2/28/05	4.35	2005	2021	4.22
3/31/05	4.22	2005	2022	4.35
4/30/05	3.78	2005	2023	4.48
5/31/05	3.71	2005	2024	4.61
6/30/05	3.70	2005	2025	4.75
7/31/05	3.70	2005	2026	4.89
8/31/05	3.71	2005	2027	5.05
9/30/05	3.70	2005		
10/31/05	3.72	2005		
11/30/05	3.87	2005		
12/31/05	4.04	2005		
1/31/06	4.15	2006		
2/28/06	4.11	2006		
3/31/06	4.05	2006		
4/30/06	3.81	2006		
5/31/06	3.74	2006		
6/30/06	3.74	2006		
7/31/06	3.74	2006		
8/31/06	3.80	2006		
9/30/06	3.80	2006		
10/31/06	3.83	2006		
11/30/06	3.97	2006		
12/31/06	4.14	2006		

486 12 MTH END SEPTEMBER 2004 MSP Revised Protocol

487 BEGINNING/ENDING

488	FERC	BUSINESS	PITA		UNADJUSTED RESULTS			WASHINGTON		
489	<u>ACCT</u>	<u>DESCF</u>	<u>FUNCTION</u>	<u>FACTOR</u>	<u>Ref</u>	<u>TOTAL</u>	<u>OTHER</u>	<u>WASHINGTON</u>	<u>ADJUSTMENT</u>	<u>ADJ TOTAL</u>
490	555	Purchased Power								
491		DMSC	S			(119,237,364)	(99,129,731)	(20,107,633)	20,107,633	-
492		P	SG			373,638,016	341,403,191	32,234,826	34,116,947	66,351,773
493		P	SE			98,567,274	90,254,184	8,313,091	(1,119,855)	7,193,236
494		Season P	SSGC			-	-	-	2,560,433	2,560,433
495			DGP			-	-	-	-	-
496										
497				B 2.3		<u>352,967,927</u>	<u>332,527,643</u>	<u>20,440,283</u>	<u>55,665,158</u>	<u>76,105,441</u>
498										
499	556	System Control & Load Dispatch								
500		P	SG			3,236,366	2,957,155	279,211	14,670	293,881
501										
502				B 2.3		<u>3,236,366</u>	<u>2,957,155</u>	<u>279,211</u>	<u>14,670</u>	<u>293,881</u>
503										
504										
505										
506	557	Other Expenses								
507		P	S			-	-	-	(97,006)	(97,006)
508		P	SG			30,323,034	27,706,979	2,616,055	254,831	2,870,886
509		P	SGCT			-	-	-	-	-
510		P	SE			-	-	-	-	-
511		P	TROJP			-	-	-	-	-
512										
513				B 2.3		<u>30,323,034</u>	<u>27,706,979</u>	<u>2,616,055</u>	<u>157,825</u>	<u>2,773,880</u>
514										
515		Embedded Cost Differentials								
516		Company Owned I P	DGP			(58,119,439)	(48,374,109)	(9,745,330)	-	(9,745,330)
517		Company Owned I P	SG			58,119,439	53,105,308	5,014,131	-	5,014,131
518		Mid-C Contract	P	MC		(36,305,051)	(31,782,213)	(4,522,838)	-	(4,522,838)
519		Mid-C Contract	P	SG		36,305,051	33,172,910	3,132,141	-	3,132,141
520		Existing QF Contra	P	S		43,771,420	42,544,943	1,226,477	-	1,226,477
521		Existing QF Contra	P	SG		(43,771,420)	(39,995,134)	(3,776,286)	-	(3,776,286)
522										
523						-	8,671,705	(8,671,705)	-	(8,671,705)
524										
525		Total Other Power Supply				<u>386,527,327</u>	<u>371,863,483</u>	<u>14,663,844</u>	<u>55,837,652</u>	<u>70,501,496</u>
526										
527		TOTAL PRODUCTION EXPENSE				<u>1,188,956,911</u>	<u>1,105,993,349</u>	<u>82,963,563</u>	<u>69,232,885</u>	<u>152,196,447</u>