

Exhibit No. 8
Docket No. UE-06_____

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of

PACIFICORP,

For an Order Authorizing the Sale of Its
Interest in the Centralia Transmission Line

Docket No. UE-06_____

APPLICATION

PACIFICORP

APPLICATION EXHIBIT NO. 8

Notice of TransAlta's Exercise of the Option

January 2006

RECEIVED
RECORDS MANAGEMENT
06 JAN -5 AM 9:31
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

TransAlta Centralia Generation LLC
913 Big Hanaford Road
Centralia, Washington
USA 98531

(360) 736-9901
www.transalta.com

TransAlta

May 5, 2005

Mr. Gerit Hull
PacifiCorp
825 NE Multnomah, Suite 1700
Portland, OR 97232

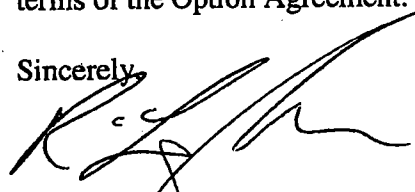
Dear Mr. Hull,

Re: Exercise of Option Agreement

TransAlta Centralia Mining, LLC and PacifiCorp are parties to an Option Agreement dated May 4, 2000 as amended, (the "Option Agreement"). The Option Agreement was assigned to TransAlta Centralia Generation, LLC ("TCG") pursuant to an assignment agreement effective October 18, 2004 attached hereto.

Pursuant to the Option Agreement, TCG hereby provides this written notice that it is exercising the option to purchase the 230 kV transmission facilities owned by PacifiCorp pursuant with the terms of the Option Agreement.

Sincerely,



Richard P. Langhammer
President

Enclosures

cc: Vice President
Power Supply
PacifiCorp
One Utah Center, 23rd Floor
Salt Lake City, Utah 84140

cc: George M. Galloway
Stoel Rives LLP
900 SW Fifth Ave
Portland, Oregon 97204

ASSIGNMENT OF OPTION AGREEMENT

THIS ASSIGNMENT ("Assignment") is entered into this 18th day of October, 2004, by, between, and among TRANSALTA CENTRALIA MINING, LLC ("TCM"), a Washington limited liability corporation, and TRANSALTA CENTRALIA GENERATION, LLC, a Washington limited liability corporation ("TCG").

WITNESSES

WHEREAS, TCM and PacificCorp are parties to the Option Agreement for the purchase and sale of a 230 kV transmission line dated May 4, 2000 as amended ("Option Agreement");

WHEREAS, TCM desires to assign all of its rights, interests and obligations under the Option Agreement to TCG.;

WHEREAS, TCG. desires to accept such assignment from TCM by assuming all the rights, interests, and obligations of TCM under the Option Agreement; and

NOW THEREFORE, in consideration of the premises and mutual covenants set forth herein, the parties agree as follows:

1. TCM hereby assigns to TCG all of the rights, interests and obligations arising out of and to be received or performed under the Option Agreement.
2. TCG hereby accepts such assignment of all TCM's rights, interest and obligations under the Option Agreement and TCG hereby agrees to fulfill all duties and obligations of TCM arising out of and to be performed under the Option Agreement.
3. This Assignment shall become effective the day first written above.

IN WITNESS WHEREOF, the parties have caused this Assignment to be executed by their duly authorized representatives as of the day and year first written above.

TRANSALTA CENTRALIA MINING, LLC

TRANSALTA CENTRALIA GENERATION, LLC

By: _____

By: _____

Name/Title: _____

Name/Title: _____

President

President