

SERVICE DATE

MAY 24 1995

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of )  
 PACIFICORP for an order establishing )  
 compliance with RCW 80.08.040 with )  
 respect to its proposed borrowing )  
 of the proceeds of not more than )  
 \$125,000,000 of Pollution Control )  
 Revenue Bonds. )

DOCKET UE-950490  
 ORDER GRANTING  
 APPLICATION

On April 25, 1995, PacifiCorp (Company) filed an application under the provisions of Chapter 80.08 RCW for an order of the Commission affirming that the Company has complied with the requirements of RCW 80.08.040 with respect to its proposed borrowing of the proceeds of not more than \$125,000,000 of Pollution Control Revenue Bonds (Bonds) to be issued by one or more of the following Counties or municipalities therein: Emery, Utah; Carbon, Utah; Lincoln, Wyoming; Sweetwater, Wyoming; Converse, Wyoming; Campbell, Wyoming; Moffat, Colorado; Routt, Colorado; and Lewis, Washington (Issuers).

Background

The Issuers will issue the Bonds. The Company will enter into an agreement with the Issuers pursuant to which it will receive the proceeds of any such issuance and agree to make payments sufficient to pay principal of, interest on, and premium (if any) on the Bonds, and to cover certain additional expenses. The aggregate principal amount of the Bonds will not exceed \$125,000,000. In order to achieve a lower cost of money, the Company also expects to enter into one or more agreements with unrelated third parties, such as commercial banks or insurance companies, to provide further assurance to the purchasers of the Bonds that the principal of, the interest on, and the premium (if any) on the Bonds will be paid on a timely basis. These arrangements may involve the issuance of the Company's First Mortgage and Collateral Trust Bonds as collateral for the Bonds in an amount not greater than the aggregate principal amount of the Bonds.

These borrowings will be made in connection with the issuance of Bonds by the Issuers to finance or refinance air and water pollution control, solid waste disposal and sewage facilities (Facilities) at one or more of the following electric generating plants: Jim Bridger, Carbon, Wyodak, Dave Johnston, Huntington, Hunter, Naughton, Craig, Hayden and Centralia (Plants). The Facilities consist principally of systems to remove and finally dispose of particulates and sulfur dioxide from flue gases and certain solid and sewage wastes.

The Bonds will be issued with floating or fixed interest rates in several series with an aggregate principal amount not to exceed \$125,000,000.

Over the life of the Bonds, it may be necessary or desirable to replace one or more letters of credit or alternative credit enhancement arrangements from time to time as, for example, the credit ratings of the various banks (and thus the Company's interest costs) fluctuate or market rates for letters of credit change. The Company therefore expects to substitute, as necessary or desirable from time to time, letters of credit or other credit enhancement arrangements for letters of credit or other credit enhancement arrangements then in effect with respect to the Bonds.

FINDINGS

## THE COMMISSION FINDS:

1. PacifiCorp, an Oregon corporation which conducts its electric utility operations in the State of Washington under the assumed business name of Pacific Power & Light Company, is a public service company subject to the jurisdiction of this Commission under the provisions of Chapter 80.08 RCW.

2. As to form, the application herein meets the requirements of Chapter 80.08 RCW and the rules and regulations of the Commission adopted pursuant thereto.

3. The proposed borrowings will be used for a legal and proper purpose.

4. An order consistent with the above findings should be entered.

ORDER

## THE COMMISSION ORDERS:

1. PacifiCorp has complied with the requirements of RCW 80.08.040 with respect to its proposed borrowing of the proceeds of not more than \$125,000,000 of Pollution Control Revenue Bonds (Bonds) to be issued by one or more of the following Counties or municipalities therein: Emery, Utah, Carbon, Utah, Lincoln, Wyoming, Sweetwater, Wyoming, Converse, Wyoming, Campbell, Wyoming, Moffat, Colorado, Routt, Colorado, and Lewis, Washington.

2. PacifiCorp file, as soon as available:

1. The Report of Securities Issued required by 18 CFR 34.10 Chapter 80.
2. Verified copies of any agreement entered into in connection with any transaction pursuant to this order.
3. Verified copies of any credit enhancement arrangements entered into pursuant to this order.

3. This order shall in no way affect the authority of this Commission over rates, service, accounts, valuations, estimates or determination of costs, or any matters whatsoever that may come before it, nor shall anything herein be construed as an acquiescence in any estimate or determination of costs, or any valuation of property claimed or asserted.

DATED at Olympia, Washington, and effective this 24th day of May 1995.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

  
Steve McLellan  
Secretary