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FEDERAL EXPRESS

January 9, 2002

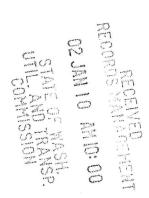
Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. P. O. Box 47250 Olympia, WA 98504-7250

Re: Docket No. UE-010594

Dear Commissioners:

Pursuant to ordering paragraph (3) of the Commission's Order dated September 26, 2001, in the docket referenced above, PacifiCorp, an Oregon corporation ("PacifiCorp"), hereby notifies the Commission as follows:

- 1. As approved in Docket No. UE-010594, PacifiCorp Holdings, Inc., a Delaware corporation ("PHI"), currently holds all of the issued and outstanding common stock of PacifiCorp. PacifiCorp, in turn, currently holds all of the issued and outstanding capital stock of PacifiCorp Group Holdings Company, a Delaware corporation ("PGHC"). PacifiCorp intends to transfer all of the capital stock of PGHC to PHI by means of a dividend of such shares on February 4, 2002.
- 2. PGHC is currently the holding company for PacifiCorp's nonutility subsidiaries, which operate in the areas of financial services and energy-related activities and hold various ownership interests in real estate and technology. Such subsidiaries include, without limitation, PacifiCorp Financial Services, Inc., PacifiCorp Energy Ventures, Inc., PacifiCorp Energy, Inc., PacifiCorp Energy Services, Inc., and PacifiCorp International Group Holdings Company.
- 3. PGHC is operated separately from PacifiCorp. There are no transactions between PGHC and PacifiCorp other than intercompany borrowing arrangements and certain administrative expenses which are "cross-charged" between the entities. The total amount of such expenses for the nine-month period ended December 31, 2001, was approximately \$144,000.00.



4. The following employees, including officers, are common to PacifiCorp's regulated activities and PGHC:

Bruce N. Williams is Treasurer of both PacifiCorp and PGHC.
Tanya S. Sacks is Assistant Treasurer of both PacifiCorp and PGHC.
Andrew P. Haller is Corporate Secretary of both PacifiCorp and PGHC.
Larry O. Martin is Assistant Secretary of both PacifiCorp and PGHC.

5. No property is jointly owned by PGHC and PacifiCorp's regulated activities.

Please do not hesitate to contact the undersigned should you have any questions or comments.

Sincerely,

Jeffery B. Erb

Senior Counsel