

**AMENDMENT NO. 1 TO STANDBY BOND PURCHASE AGREEMENT
RELATING TO \$21,260,000 SWEETWATER COUNTY, WYOMING
POLLUTION CONTROL REVENUE REFUNDING BONDS
(PACIFICORP PROJECT) SERIES 1994**

AMENDMENT NO. 1 dated as of January 21, 2005 (this "**Amendment**") to the Standby Bond Purchase Agreement dated as of November 15, 2002 referred to above (the "**Agreement**") among PACIFICORP, an Oregon corporation (the "**Company**"), the Banks party thereto, and JPMORGAN CHASE BANK, N.A. (successor by merger to Bank One, NA; together with its successors, the "**Agent**").

W I T N E S S E T H :

WHEREAS, the parties hereto desire to amend the Agreement in order to, among other things, (i) extend the Stated Expiration Date from November 15, 2005 to January 21, 2010, (ii) modify the Applicable Margin for calculating interest rates, and (iii) modify the Commitment Fee Rate for calculating the commitment fee;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. *Defined Terms; References.* Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement has the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement or any other document issued or delivered thereunder shall, after this Amendment becomes effective, refer to the Agreement as amended hereby.

SECTION 2. *Amendments to Definitions.* (a) The following definitions in Section 1.01 of the Agreement are deleted in their entirety: "Company's 2002 Form 10-K," "Inter-Company Loan Agreement" and "Reference Bank."

(b) The definitions of "Authorized Officer," "Official Statement," "Prime Rate," "Tangible Net Worth," "Total Capitalization" and "Total Debt" in Section 1.01 of the Agreement are amended to read as follows:

"**Authorized Officer**" means the (i) President and Chief Executive Officer of the Company, (ii) the Chief Financial Officer of the Company, (iii) the Treasurer of the Company or (iv) any other officer of the Company designated as such by any of the officers referred to in clauses (i), (ii) and (iii) in a written instrument furnished to the Agent.

"**Official Statement**" means the Reoffering Circular, dated January 13, 2005, relating to the Bonds.

“Prime Rate” means the rate of interest publicly announced by the Agent in New York City from time to time as its Prime Rate.

“Tangible Net Worth” means at any date the consolidated shareholders’ equity of the Company and its Consolidated Subsidiaries less their Intangible Assets, all determined as of such date. For purposes of this definition “Intangible Assets” means the amount (to the extent reflected in determining such shareholders’ equity) of (i) all write-ups (other than write-ups resulting from foreign currency translations and write-ups of assets of a going concern business made within twelve months after the acquisition of such business) subsequent to March 31, 2004 in the book value of any asset owned by the Company or its Consolidated Subsidiaries, (ii) unamortized debt discount and expense and unamortized deferred charges, but only to the extent that such costs are not recoverable by the Company through inclusion in the Company’s utility rates and (iii) goodwill, patents, trademarks, service marks, trade names, copyrights, organization or developmental expenses and other intangible items.

“Total Capitalization” at any date means, without duplication and after intercompany eliminations among the Company and its Consolidated Subsidiaries, the sum of (i) all Debt of the Company and its Consolidated Subsidiaries, (ii) preferred stock of the Company and (iii) common stock equity of the Company, all determined as of such date; *provided that* Qualifying Junior Subordinated Debt shall be included in Total Capitalization only if and to the extent that the inclusion thereof does not cause the aggregate amount of all preferred stock and Qualifying Junior Subordinated Debt to exceed 15% of Total Capitalization.

“Total Debt” at any date means, without duplication and after intercompany eliminations among the Company and its Consolidated Subsidiaries, the sum of (i) all Debt of the Company and its Consolidated Subsidiaries (other than Qualifying Junior Subordinated Debt) and (ii) any portion of mandatorily redeemable preferred stock of the Company or any of its Consolidated Subsidiaries that is a current liability, all determined as of such date.

(c) The following definition is inserted in appropriate alphabetical order in Section 1.01 of the Agreement:

“Company’s 2004 Form 10-K” means the Company’s annual report on Form 10-K for the fiscal year ended March 31, 2004, as filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

(d) (i) The definition of “Agreement” in Section 1.01 of the Agreement is amended by inserting the phrase “, as amended from time to time” at the end thereof.

(ii) The definition of “Debt” in Section 1.01 of the Agreement is amended by inserting the following sentence at the end thereof: “Solely for the purpose of calculating compliance with the requirements of Section 6.14, Debt shall not include Debt of the Company or its Consolidated Subsidiaries arising from the application of Financial Interpretation Number 45 of the Financial Accounting Standards Board, Financial Interpretation Number 46 of the Financial Accounting Standards Board or Issue No. 01-08 of the Emerging Issues Task Force (EITF).”

(iii) The definition of “Domestic Business Day” in Section 1.01 of the Agreement is amended by replacing the reference to “Chicago, Illinois” with “New York City, New York”.

(iv) The definition of “Other Company Agreements” in Section 1.01 of the Agreement is amended by inserting the phrase “, in each case as amended from time to time” at the end thereof.

(v) The definition of “Stated Expiration Date” in Section 1.01 of the Agreement is amended by replacing the reference to “November 15, 2005” with “January 21, 2010”.

(vi) The definition of “Subsidiary” in Section 1.01 of the Agreement is amended by inserting the phrase “(or, solely for purposes of Section 7.01(t), ScottishPower)” at the end thereof.

SECTION 3. *Other Amendments.* (a) The cover page of the Agreement is amended by replacing the reference to “BANC ONE CAPITAL MARKETS, INC.” with “J.P. MORGAN SECURITIES INC.”

(b) Section 1.02 of the Agreement is amended by deleting the phrase “financial statements of the Company only and not” from the last sentence thereof.

(c) The definition of “Applicable Margin” in Section 2.05(b) of the Agreement is amended to read as follows:

“**Applicable Margin**” means, with respect to any Euro-Dollar Disbursement on any date, (a) for any date occurring prior to the Term Period Commencement Date relating to such Disbursement, (i) if the S&P Rating is A or higher or the Moody’s Rating is A2 or higher, 0.625% per annum; (ii) if the S&P Rating is lower than A and the Moody’s Rating is lower than A2, but the S&P Rating is A- or higher or the Moody’s Rating is A3 or higher, 0.700% per annum; (iii) if the S&P Rating is lower than A- and the Moody’s Rating is lower than A3, but the S&P Rating is BBB+ or higher or the Moody’s Rating is Baa1 or higher, 0.875% per annum; and (iv) if the S&P Rating is lower than BBB+ and the Moody’s Rating is lower than Baa1, 1.125% per annum; and (b) for any date occurring on or after the Term Period Commencement Date relating to such Disbursement,

the rate per annum that would otherwise be applicable pursuant to clause (a) above plus 0.50%.

(d) The definition of “London Interbank Offered Rate” in Section 2.05(b) of the Agreement is amended to read as follows:

“London Interbank Offered Rate” applicable to any Interest Period means the rate appearing on Page 3750 of the Dow Jones Market Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Euro-Dollar Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the “London Interbank Offered Rate” applicable to such Interest Period shall be the rate at which dollar deposits of \$5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Euro-Dollar Business Days prior to the commencement of such Interest Period.

(e) Section 2.05(e) of the Agreement is deleted in its entirety.

(f) The definition of “Commitment Fee Rate” in Section 2.07(a) of the Agreement is amended to read as follows:

“Commitment Fee Rate” means, for any day, (i) if the S&P Rating is A or higher or the Moody’s Rating is A2 or higher, 0.100% per annum; (ii) if the S&P Rating is lower than A and the Moody’s Rating is lower than A2, but the S&P Rating is A- or higher or the Moody’s Rating is A3 or higher 0.125% per annum; (iii) if the S&P Rating is lower than A- and the Moody’s Rating is lower than A3, but the S&P Rating is BBB+ or higher or the Moody’s Rating is Baa1 or higher, 0.150% per annum; and (iv) if the S&P Rating is lower than BBB+ and the Moody’s Rating is lower than Baa1, 0.175% per annum.

(g) Section 2.10 of the Agreement is amended by replacing the reference to “November 15, 2005” with “January 21, 2006”.

(h) Section 2.12(a)(i) of the Agreement is amended to read as follows: “the Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted London Interbank Offered Rate, as applicable, for such Interest Period, or”.

(i) Section 5.04 of the Agreement is amended by:

(i) (A) replacing the reference to “March 31, 2002” in clause (a) thereof with “March 31, 2004” and (B) replacing the reference to “Company’s 2002 Form 10-K” in clause (a) thereof with “Company’s 2004 Form 10-K”;

(ii) replacing each reference to “September 30, 2002” in clause (b) thereof with “September 30, 2004”;

(iii) replacing clause (c) thereof with “[Reserved]”;

(iv) replacing clause (d) thereof with “[Reserved]”; and

(v) replacing the reference to “June 30, 2002” in clause (e) thereof with “September 30, 2004”.

(j) Section 5.05 of the Agreement is amended by replacing the reference to “(except as disclosed in the Company’s 2002 Form 10-K or the Company’s quarterly reports on Form 10-Q for the fiscal quarters ended June 30, 2002 and September 30, 2002)” with “(except as disclosed in the Company’s 2004 Form 10-K or the Company’s quarterly reports on Form 10-Q for the fiscal quarters ended June 30, 2004 and September 30, 2004, in each case as filed with the Securities and Exchange Commission)”.

(k) Section 5.11 of the Agreement is amended by inserting “, or the information presented in the Official Statement under the caption “The Bond Insurer” or “Tax Exemption”” after “Bank Information”.

(l) Section 6.10 of the Agreement is amended by:

(i) replacing clause (b) thereof with “[Reserved]”;

(ii) replacing clause (d) thereof with “[Reserved]”;

(iii) replacing the reference to “clauses (a) through (d)” in clause (e) thereof with “clauses (a) and (c)”;

(iv) replacing the reference to “clauses (a) and (b)” in clause (f) thereof with “clause (a)”.

(m) Article 9 of the Agreement is amended by creating a new Section 9.20 to read as follows:

SECTION 9.20. *Patriot Act Notice.* Each Bank and the Agent hereby notifies the Company that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), it is required to obtain, verify and record information that

identifies the Company, which information includes the name and address of the Company and other information that will allow such Bank or the Agent, as applicable, to identify the Company in accordance with the Act.

SECTION 4. *Miscellaneous.* (a) The parties hereto agree that each reference to Bank One, NA contained in the Agreement or any other document issued or delivered thereunder (including in its capacity as a Bank and/or the Agent) shall be deemed to be a reference to JPMorgan Chase Bank, N.A.

(b) All notices and other communications provided for in the Agreement shall be given to the Agent at its address or telecopier number on the signature pages hereof.

SECTION 5. *Representations of Company.* The Company represents and warrants that (i) the representations and warranties of the Company set forth in Article 5 of the Agreement (as amended hereby) are true as though made on and as of the date hereof and will be true on and as of the Amendment Effective Date (as defined below) as though made on and as of such date and (ii) no Default has occurred and is continuing on the date hereof and no Default will have occurred and be continuing on the Amendment Effective Date.

SECTION 6. *Governing Law.* This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 7. *Counterparts.* This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

SECTION 8. *Effectiveness.* This Amendment shall become effective on the date (the “**Amendment Effective Date**”) when the Agent shall have received the following each in form and substance satisfactory to the Agent, each Bank and counsel for the Agent:

(a) From the Company and each of the Banks a counterpart hereof signed by such party or facsimile or other written confirmation that such party has signed a counterpart hereof.

(b) (i) A certificate of an Authorized Officer dated the Amendment Effective Date, stating that each of the Related Documents is in full force and effect in accordance with its respective terms and has not been amended and (ii) to the extent not already held by the Agent, (A) counterparts (or certified copies thereof) of each of the Related Documents (other than the Bonds and the Umbrella Mortgage) which, when taken together, bear the signatures of all of the respective parties thereto and which are in full force and effect in accordance with their respective terms, (B) a specimen of a Bond and (C) a conformed copy of the Umbrella Mortgage.

(c) Copies of the Official Statement and any amendments thereto.

(d) A certificate of an Authorized Officer, certifying the names and true signatures of the officers of the Company authorized to execute this Amendment on behalf of the Company.

(e) Evidence that all necessary action required to be taken by (i) the Issuer (including, without limitation, the adoption or enactment by the Issuer of all necessary resolutions and ordinances) and (ii) any governmental or utility regulatory authority, including the Public Utility Commission of Oregon, the Public Service Commission of Wyoming, the Washington Utilities and Transportation Commission, the Idaho Public Utilities Commission, the Public Utilities Commission of California and the Public Service Commission of Utah, in connection with the authorization, execution, issuance, delivery and performance of this Amendment, the Agreement and the Related Documents, and any other document or instrument required to be delivered pursuant hereto or thereto or in connection with the transactions contemplated hereby or thereby, has been taken.

(f) Evidence that the Bonds have been assigned credit ratings of Aaa/VMIG-1 or higher and AAA/A-1 or higher from Moody's and S&P, respectively.

(g) To the extent not already held by the Agent, a copy of the Bond Insurance Policy which shall provide that it insures all principal of and interest (at a rate per annum not in excess of 18% per annum) on the Bonds (including interest on Bank-Owned Bonds at the Bank Rate) executed by the Bond Insurer, together with evidence satisfactory to the Agent that the Bond Insurance Policy is in full force and effect and is non-cancellable and that all premiums required to be paid thereunder have been paid in full.

(h) Legal opinions of (i) Chapman and Cutler, as bond counsel, or a letter from Chapman and Cutler, as bond counsel, to the effect that the Banks are entitled to rely on its opinion dated November 17, 1994 as if it were addressed to them, (ii) Stoel Rives LLP, counsel for the Company, (iii) General Counsel to the Company and (iv) counsel to the Bond Insurer satisfactory to the Agent, in each case, as to such matters incident to this Amendment, the Agreement, the Related Documents and the transactions contemplated hereby and thereby as the Agent or any of the Banks shall have reasonably requested.

(i) Evidence of the power and authority of the Trustee to accept and execute its responsibilities under the Indenture.

(j) A copy of each of the documents required to be delivered to the Trustee under Section 4.03 of the Loan Agreement (together with, in the case of any opinion delivered thereunder, a letter from the counsel rendering such opinion to the effect that the Banks are entitled to rely on such opinion as if it were addressed to them).

(k) A certificate of the Company signed by an Authorized Officer dated the Amendment Effective Date, stating that, to the best of such official's knowledge after due inquiry:

(i) The representations and warranties of the Company contained in Article 5 of the Agreement (as amended hereby) are true and correct on and as of the Amendment Effective Date as though made on and as of the Amendment Effective Date; and

(ii) No event has occurred and is continuing, or would result from the effectiveness of this Amendment, which constitutes a Default.

(l) Payment in full of all fees and other sums required to be paid to or for the account of the Agent or the Banks on or prior to the Amendment Effective Date.

(m) Evidence that each of the participants party to the Master Participation Agreement entered into with respect to the Agreement shall have consented to this Amendment.

(n) Such other documents, instruments, opinions and approvals (and, if requested by the Agent or any Bank, certified duplicates or executed copies thereof) as the Agent or any Bank shall have reasonably requested.

Notwithstanding the foregoing, this Amendment shall not become effective unless each of the foregoing conditions is satisfied before 5:00 pm, New York City time, on January 31, 2005.

IN WITNESS WHEREOF, the parties hereto have caused this
Amendment to be duly executed as of the date first above written.

PACIFICORP

By: Bruce N. Williams
Name: Bruce N. Williams
Title: Treasurer

JPMORGAN CHASE BANK, N.A. as
Agent

By: 

Name: Thomas Casey

Title: Vice President

Address: 270 Park Avenue
Floor 4
New York, NY 10017

Attention: Thomas L. Casey

Telephone: (212) 270-5305

Telecopy (212) 270-3089

Wire Transfer Instructions

ABA No.: 021000021

A/C#.: 323224008

Attention: Thomas L. Casey

Reference: PacifiCorp

JPMORGAN CHASE BANK, N.A.

By: 

Name: Thomas Casey

Title: Vice President