

December 30, 2011

Washington Demand-side Management Advisory Group and other interested parties:

In compliance with Washington Utilities and Transportation Commission (“WUTC”) Order 02 in Docket UE-100170, PacifiCorp (the “Company”) provides herein its projected cumulative ten-year conservation potential, including information related to distribution efficiency initiatives (“DEI”) and production efficiency potential in non-hydro generation facilities, for the period of 2012 through 2021. This projection reflects only conservation resources that are projected by the Company to be cost-effective, reliable and feasible during this period.

As allowed by WAC 480-109-010 (1)(b)(i), the source of the demand-side energy efficiency projection is the Company’s 2011 Integrated Resource Plan (filed with the WUTC on March 31, 2011, in Docket No. UE-100514). The demand-side energy efficiency projection has been adjusted to address key measure savings differences between the Company’s IRP, evolving Regional Technical Forum (“RTF”) data and Company evaluation data. DEI and production efficiency are respectively based on third-party potential studies conducted by Commonwealth Associates and Cascade Energy Inc. The results from these studies have been adjusted for matters ranging from extrapolating study savings to circuits and plants not fully studied in the initial analysis work, to challenges regarding the interpretation of Washington’s Initiative 937 compliance requirements as it pertains to issues such as joint ownership of generating facilities and cost recovery of project work at generating facility serving loads outside the state of Washington. The filing to be submitted to the WUTC on or before January 31, 2012, in compliance with WAC 480-109-010 (3) and Order 02 in Docket UE-100170 will detail the adjustments made to the Company’s IRP resource selections as well as those to the findings of the distribution and production efficiency studies to arrive at the 10-year potential provided herein.

The table below provides PacifiCorp’s ten-year conservation potential by year and in total as defined above, building off the preliminary energy efficiency conservation forecast provided September 15, 2011. PacifiCorp’s ten-year conservation resource potential for the period of 2012 through 2021 is estimated at between **45.8** and **46.2 aMW**.

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	10-yr	2-yr
<b>Energy Efficiency<sup>1</sup></b>	4.0	4.7	4.4	4.6	4.4	4.4	4.4	4.5	4.6	5.1	45.1	8.7
<b>Distribution Efficiency<sup>2</sup></b>	0.000 to 0.111	0.000 to 0.235	0.140	0.100	0.060	0.055	0.020	0.000	0.000	0.000	0.375 to 0.721	0 to 0.346
<b>Production Efficiency</b>	0.012	0.028	0.051	0.243	0.000	0.000	0.000	0.000	0.000	0.000	0.334	0.04
<b>Total</b>	4.012 to 4.123	4.728 to 4.963	4.591	4.943	4.46	4.455	4.420	4.5	4.6	5.1	45.809 to 46.155	8.74 to 9.086

PacifiCorp is appreciative of the input provided by the advisory group and other interested parties during the process of identifying the ten-year conservation potential. Please contact Beau Brown, demand-side regulatory manager, at (503) 813-6489 should you have any questions.

<sup>1</sup> The Energy Efficiency conservation potential provided herein is predicated on the assumption that quantifiable naturally occurring conservation is an eligible resource, in addition to savings from utility programs, for the purposes of meeting a utility’s biennial target.

<sup>2</sup> As discussed with the Company’s demand-side Advisory Group in the preparation of the conservation forecast, the Company intends to state the 2012-2013 biennial savings target in the form of a range in recognition of the potential challenge the Company may have in measuring savings associated with distribution efficiency project work. The range represents a pilot effort to measure and verify project savings in this biennium before fixing a target savings value for the next biennium.