

Exhibit No. ___ (KLE-4)
Docket No. UE-051090
Witness: Kenneth L. Elgin

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

IN THE MATTER OF THE JOINT
APPLICATION OF MIDAMERICAN
ENERGY HOLDING COMPANY AND
PACIFICORP DBA PACIFIC POWER
& LIGHT COMPANY FOR AN
ORDER AUTHORIZING PROPOSED
TRANSACTION

DOCKET NO. UE-051090

EXHIBIT TO
TESTIMONY OF

Kenneth L. Elgin

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

*PacifiCorp and Subsidiaries
Consolidated Balance Sheets*

November 18, 2005

**PACIFICORP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

(Millions of dollars)

ASSETS	March 31,	
	2005	2004
Current assets:		
Cash and cash equivalents	\$ 199.3	\$ 58.5
Accounts receivable less allowance for doubtful accounts of \$11.6/2005 and \$23.3/2004	293.0	235.1
Unbilled revenue	143.8	127.8
Amounts due from affiliates	36.5	2.4
Inventories at average costs:		
Materials and supplies	114.7	101.0
Fuel	58.5	56.0
Current derivative contract asset	252.7	118.9
Current deferred tax asset	-	31.5
Other	115.8	25.2
Total current assets	<u>1,214.3</u>	<u>756.4</u>
Property, plant and equipment:		
Generation	5,238.7	5,135.7
Transmission	2,507.7	2,439.2
Distribution	4,308.7	4,104.7
Intangible plant	607.0	599.5
Other	1,596.9	1,533.7
Construction work-in-progress	593.4	345.4
Total	<u>14,852.4</u>	<u>14,158.2</u>
Accumulated depreciation and amortization	<u>(5,361.8)</u>	<u>(5,121.7)</u>
Total property, plant and equipment - net	<u>9,490.6</u>	<u>9,036.5</u>
Other assets:		
Regulatory assets	972.8	1,032.3
Derivative contract regulatory asset	170.0	422.2
Non-current derivative contract asset	360.3	110.3
Deferred charges and other	312.9	319.4
Total other assets	<u>1,816.0</u>	<u>1,884.2</u>
Total assets	<u>\$ 12,520.9</u>	<u>\$ 11,677.1</u>

The accompanying notes are an integral part of these consolidated financial statements.

PACIFICORP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS, continued

(Millions of dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	March 31,	
	2005	2004
Current liabilities:		
Accounts payable	\$ 350.4	\$ 262.6
Amounts due to affiliates	3.9	2.6
Accrued employee expenses	134.3	131.5
Taxes payable	39.8	54.2
Interest payable	64.8	66.1
Current derivative contract liability	136.7	76.9
Current deferred tax liability	2.0	-
Long-term debt and capital lease obligations, currently maturing	269.9	240.0
Preferred stock subject to mandatory redemption, currently maturing	3.7	3.7
Notes payable and commercial paper	468.8	124.9
Other	123.4	111.8
Total current liabilities	1,597.7	1,074.3
Deferred credits:		
Deferred income taxes	1,629.0	1,564.6
Investment tax credits	75.6	83.5
Regulatory liabilities	806.0	807.5
Non-current derivative contract liability	630.5	567.1
Pension liability	422.4	398.9
Other	304.8	284.7
Total deferred credits	3,868.3	3,706.3
Long-term debt and capital lease obligations, net of current maturities	3,629.0	3,520.2
Preferred stock subject to mandatory redemption, net of current maturities	48.8	56.3
Total liabilities	9,143.8	8,357.1
Commitments, contingencies and guarantees (See Notes 10 and 11)		
Shareholders' equity:		
Preferred stock	41.3	41.3
Common equity:		
Common shareholder's capital	2,894.1	2,892.1
Retained earnings	446.4	390.1
Accumulated other comprehensive income (loss):		
Unrealized gain on available-for-sale securities, net of tax of \$2.6/2005 and \$2.7/2004	4.3	4.5
Minimum pension liability, net of tax of \$(5.5)/2005 and \$(4.9)/2004	(9.0)	(8.0)
Total common equity	3,335.8	3,278.7
Total shareholders' equity	3,377.1	3,320.0
Total liabilities and shareholders' equity	\$ 12,520.9	\$ 11,677.1

The accompanying notes are an integral part of these consolidated financial statements.

PACIFICORP AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED INCOME

(Millions of dollars)

	Years Ended March 31,		
	2005	2004	2003
Revenues:			
Residential	\$ 1,004.6	\$ 994.5	\$ 914.7
Commercial	833.1	792.9	763.4
Industrial	774.8	725.6	699.2
Other retail	36.3	34.0	31.4
Wholesale sales and other	400.0	647.5	673.7
Total	<u>3,048.8</u>	<u>3,194.5</u>	<u>3,082.4</u>
Operating expenses:			
Purchased electricity	448.0	672.8	698.5
Fuel	500.0	483.9	482.2
Operations and maintenance	913.1	895.8	885.1
Depreciation and amortization	436.9	428.8	434.3
Taxes, other than income taxes	94.4	95.3	93.4
Total	<u>2,392.4</u>	<u>2,576.6</u>	<u>2,593.5</u>
Income from operations	<u>656.4</u>	<u>617.9</u>	<u>488.9</u>
Interest expense and other (income) expense:			
Interest expense	267.4	256.5	270.3
Interest income	(9.1)	(13.8)	(21.6)
Interest capitalized	(14.8)	(19.9)	(18.0)
Minority interest and other	(7.3)	1.6	19.0
Total	<u>236.2</u>	<u>224.4</u>	<u>249.7</u>
Income from operations before income tax expense and cumulative effect of accounting change	420.2	393.5	239.2
Income tax expense	<u>168.5</u>	<u>144.5</u>	<u>97.2</u>
Income before cumulative effect of accounting change	251.7	249.0	142.0
Cumulative effect of accounting change (less applicable income tax benefit of \$(0.6)/2004 and \$(1.1)/2003	<u>-</u>	<u>(0.9)</u>	<u>(1.9)</u>
Net income	251.7	248.1	140.1
Preferred dividend requirement	<u>(2.1)</u>	<u>(3.3)</u>	<u>(7.3)</u>
Earnings on common stock	<u>\$ 249.6</u>	<u>\$ 244.8</u>	<u>\$ 132.8</u>

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