Exhibit No	(SCH-8)
Docket No. 1	UE-09
Witness: Sar	nuel C. Hadaway

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	
Complainant,)	Docket No. UE-09
VS.		
PACIFICORP dba Pacific Power		
Respondent.		

PACIFICORP

EXHIBIT OF SAMUEL C. HADAWAY

Risk Premium Analysis (Current Interest Rates)

February 2009

PacifiCorp

Risk Premium Analysis

(Based on Current Interest Rates)

	•	ment interest Rates)		
MO	ODY'S AVERAGE	AUTHORIZED	INDICATED	
	PUBLIC UTILITY	ELECTRIC	RISK	
	BOND YIELD (1)	RETURNS (2)	PREMIUM	
1980	13.15%	14.23%	1.08%	
1981	15.62%	15.22%	-0.40%	
1982	15.33%	15.78%	0.45%	
1983	13.31%	15.36%	2.05%	
1984	14.03%	15.32%	1.29%	
1985	12.29%	15.20%	2.91%	
1986	9.46%	13.93%	4.47%	
1987	9.98%	12.99%	3.01%	
1988	10.45%	12.79%	2.34%	
1989	9.66%	12.97%	3.31%	
1990	9.76%	12.70%	2.94%	
1991	9.21%	12.55%	3.34%	
1992	8.57%	12.09%	3.52%	
1993	7.56%	11.41%	3.85%	
1994	8.30%	11.34%	3.04%	
1995	7.91%	11.55%	3.64%	
1996	7.74%	11.39%	3.65%	
1997	7.63%	11.40%	3.77%	
1998	7.00%	11.66%	4.66%	
1999	7.55%	10.77%	3.22%	
2000	8.14%	11.43%	3.29%	
2001	7.72%	11.09%	3.37%	
2002	7.53%	11.16%	3.63%	
2003	6.61%	10.97%	4.36%	
2004	6.20%	10.75%	4.55%	
2005	5.67%	10.54%	4.87%	
2006	6.08%	10.36%	4.28%	
2007	6.11%	10.36%	4.25%	
2008	6.65%	10.46%	3.81%	
AVERAGE	9.15%	12.34%	3.19%	
INDICATED COST OF EQUITY				
MOODY'S AVG ANNUAL YIELD DURING STUDY			7.23%	
			9.15%	
INTEREST RATE DIFFERENCE			-1.92%	
INTEREST RATE CHANGE COEFFICIENT			-41.34%	
ADUSTMENT TO AVG RISK PREMIUM			0.79%	
BASIC RISK PREMIUM			3.19%	
INTEREST RATE ADJUSTMENT			0.79%	
EQUITY RISK PREMIUM			3.98%	
CURRENT SINGLE-A UTILITY BOND YIELD*			7 220/	
INDICATED EQUITY RETURN			7.23% 11.21%	
INDICATED EQUIT RETURN			11.2170	

⁽¹⁾ Moody's Investors Service

⁽²⁾ Regulatory Focus, Regulatory Research Associates, Inc.

^{*}Current single-A utility bond yield is three month average of Moody's Single-A Public Utility Bond Yield Average through December 2008 from Exhibit No.__(SCH-4), p. 2.

PacifiCorpRisk Premium Analysis

