

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND )  
TRANSPORTATION COMMISSION, )  
Complainant, )  
v. )  
PACIFICORP d/b/a PACIFIC POWER & )  
LIGHT COMPANY, )  
Respondent. )

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Docket No. UE-100749

**EXHIBIT NO.\_\_(MPG-21)**

**ACCURACY OF INTEREST RATE FORECASTS**

October 5, 2010

## PacifiCorp

### Accuracy of Interest Rate Forecasts (Long-Term Treasury Bond Yields - Projected Vs. Actual)

| Line | Date   | Publication Data                     |                           |                             | Actual Yield<br>in Projected<br>Quarter | Projected Yield<br>Higher (Lower)<br>Than Actual Yield* |
|------|--------|--------------------------------------|---------------------------|-----------------------------|---|---|
|      |        | Prior Quarter<br>Actual Yield<br>(1) | Projected<br>Yield<br>(2) | Projected<br>Quarter<br>(3) |   |   |
| 1    | Dec-00 | 5.8%                                 | 5.8%                      | 1Q, 02                      | 5.6%                                    | 0.2%  |
| 2    | Mar-01 | 5.7%                                 | 5.6%                      | 2Q, 02                      | 5.8%                                    | -0.2%   |
| 3    | Jun-01 | 5.4%                                 | 5.8%                      | 3Q, 02                      | 5.2%                                    | 0.6%  |
| 4    | Sep-01 | 5.7%                                 | 5.9%                      | 4Q, 02                      | 5.1%                                    | 0.8%  |
| 5    | Dec-01 | 5.5%                                 | 5.7%                      | 1Q, 03                      | 5.0%                                    | 0.7%  |
| 6    | Mar-02 | 5.3%                                 | 5.9%                      | 2Q, 03                      | 4.7%                                    | 1.2%  |
| 7    | Jun-02 | 5.6%                                 | 6.2%                      | 3Q, 03                      | 5.2%                                    | 1.0%  |
| 8    | Sep-02 | 5.8%                                 | 5.9%                      | 4Q, 03                      | 5.2%                                    | 0.7%  |
| 9    | Dec-02 | 5.2%                                 | 5.7%                      | 1Q, 04                      | 4.9%                                    | 0.8%  |
| 10   | Mar-03 | 5.1%                                 | 5.7%                      | 2Q, 04                      | 5.4%                                    | 0.3%  |
| 11   | Jun-03 | 5.0%                                 | 5.4%                      | 3Q, 04                      | 5.1%                                    | 0.3%  |
| 12   | Sep-03 | 4.7%                                 | 5.8%                      | 4Q, 04                      | 4.9%                                    | 0.9%  |
| 13   | Dec-03 | 5.2%                                 | 5.9%                      | 1Q, 05                      | 4.8%                                    | 1.1%  |
| 14   | Mar-04 | 5.2%                                 | 5.9%                      | 2Q, 05                      | 4.6%                                    | 1.4%  |
| 15   | Jun-04 | 4.9%                                 | 6.2%                      | 3Q, 05                      | 4.5%                                    | 1.7%  |
| 16   | Sep-04 | 5.4%                                 | 6.0%                      | 4Q, 05                      | 4.8%                                    | 1.2%  |
| 17   | Dec-04 | 5.1%                                 | 5.8%                      | 1Q, 06                      | 4.6%                                    | 1.2%  |
| 18   | Mar-05 | 4.9%                                 | 5.6%                      | 2Q, 06                      | 5.1%                                    | 0.5%  |
| 19   | Jun-05 | 4.8%                                 | 5.5%                      | 3Q, 06                      | 5.0%                                    | 0.5%  |
| 20   | Sep-05 | 4.6%                                 | 5.2%                      | 4Q, 06                      | 4.7%                                    | 0.5%  |
| 21   | Dec-05 | 4.5%                                 | 5.3%                      | 1Q, 07                      | 4.8%                                    | 0.5%  |
| 22   | Mar-06 | 4.8%                                 | 5.1%                      | 2Q, 07                      | 5.0%                                    | 0.1%  |
| 23   | Jun-06 | 4.6%                                 | 5.3%                      | 3Q, 07                      | 4.9%                                    | 0.4%  |
| 24   | Sep-06 | 5.1%                                 | 5.2%                      | 4Q, 07                      | 4.6%                                    | 0.6%  |
| 25   | Dec-06 | 5.0%                                 | 5.0%                      | 1Q, 08                      | 4.4%                                    | 0.6%  |
| 26   | Mar-07 | 4.7%                                 | 5.1%                      | 2Q, 08                      | 4.6%                                    | 0.5%  |
| 27   | Jun-07 | 4.8%                                 | 5.1%                      | 3Q, 08                      | 4.5%                                    | 0.7%  |
| 28   | Sep-07 | 5.0%                                 | 5.2%                      | 4Q, 08                      | 3.7%                                    | 1.5%  |
| 29   | Dec-07 | 4.9%                                 | 4.8%                      | 1Q, 09                      | 3.5%                                    | 1.4%  |
| 30   | Mar-08 | 4.6%                                 | 4.8%                      | 2Q, 09                      | 4.0%                                    | 0.8%  |
| 31   | Jun-08 | 4.4%                                 | 4.9%                      | 3Q, 09                      | 4.3%                                    | 0.6%  |
| 32   | Sep-08 | 4.6%                                 | 5.1%                      | 4Q, 09                      | 4.3%                                    | 0.8%  |
| 33   | Dec-08 | 4.5%                                 | 4.6%                      | 1Q, 10                      | 4.6%                                    | 0.0%  |
| 34   | Jan-09 | 3.8%                                 | 4.0%                      | 2Q, 10                      |   |   |
| 35   | Feb-09 | 3.7%                                 | 3.9%                      | 2Q, 10                      |   |   |
| 36   | Mar-09 | 3.7%                                 | 4.1%                      | 2Q, 10                      |   |   |
| 37   | Apr-09 | 3.5%                                 | 4.3%                      | 3Q, 10                      |   |   |
| 38   | May-09 | 3.5%                                 | 4.3%                      | 3Q, 10                      |   |   |
| 39   | Jun-09 | 3.5%                                 | 4.6%                      | 3Q, 10                      |   |   |
| 40   | Jul-09 | 4.0%                                 | 5.0%                      | 4Q, 10                      |   |   |
| 41   | Aug-09 | 4.0%                                 | 5.0%                      | 4Q, 10                      |   |   |
| 42   | Sep-09 | 4.0%                                 | 5.0%                      | 4Q, 10                      |   |   |
| 43   | Oct-09 | 4.3%                                 | 5.1%                      | 1Q, 11                      |   |   |
| 44   | Nov-09 | 4.3%                                 | 5.0%                      | 1Q, 11                      |   |   |
| 45   | Dec-09 | 4.3%                                 | 5.0%                      | 1Q, 11                      |   |   |
| 46   | Jan-10 | 4.3%                                 | 5.2%                      | 2Q, 11                      |   |   |
| 47   | Feb-10 | 4.3%                                 | 5.2%                      | 2Q, 11                      |   |   |
| 48   | Mar-10 | 4.3%                                 | 5.2%                      | 2Q, 11                      |   |   |
| 49   | Apr-10 | 4.6%                                 | 5.3%                      | 3Q, 11                      |   |   |
| 50   | May-10 | 4.6%                                 | 5.3%                      | 3Q, 11                      |   |   |
| 51   | Jun-10 | 4.6%                                 | 5.2%                      | 3Q, 11                      |   |   |
| 52   | Jul-10 | 4.4%                                 | 5.1%                      | 4Q, 11                      |   |   |
| 53   | Aug-10 | 4.4%                                 | 4.9%                      | 4Q, 11                      |   |   |

Source:  
Blue Chip Financial Forecasts, Various Dates.  
\* Col. 2 - Col. 4.