

PacifiCorp
Washington Summarized Results of Operations
WUTC Bench Request No. 1

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Original Unadjusted Results (a)	Factor Change	Rebuttal Unadjusted Results (b)	Original Adjustments	Original Normalized Results	Rebuttal Adjustments	Rebuttal Normalized Results	Price Change	Results With Price Change
1 Operating Revenues:									
2 General Business Revenues	216,563,926	-	216,563,926	10,000,070	226,563,997	10,000,070	226,563,997	19,042,969	245,606,965
3 Interdepartmental	-	-	-	-	-	-	-	-	-
4 Special Sales	70,040,265	(2,408,486)	67,631,778	-	70,040,265	-	67,631,778	-	-
5 Other Operating Revenues	12,858,150	(97,865)	12,760,286	(301,019)	12,557,132	(327,651)	12,432,635	-	-
6 Total Operating Revenues	299,462,341	(2,506,351)	296,955,990	9,699,051	309,161,393	9,672,419	306,628,410	-	-
7									
8 Operating Expenses:									
9 Steam Production	39,215,319	(173,833)	39,041,486	-	39,215,319	-	39,041,486	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-
11 Hydro Production	5,398,239	(88,289)	5,309,949	-	5,398,239	-	5,309,949	-	-
12 Other Power Supply	106,559,228	(2,966,084)	103,593,144	20,462,042	127,021,270	18,927,501	122,520,645	-	-
13 Transmission	19,293,803	(315,554)	18,978,249	-	19,293,803	(254,998)	18,723,250	-	-
14 Distribution	11,409,387	-	11,409,387	(15,539)	11,393,848	(15,539)	11,393,848	-	-
15 Customer Accounting	7,937,764	-	7,937,764	(103,271)	7,834,493	(103,271)	7,834,493	92,326	7,926,820
16 Customer Service & Info	5,471,850	-	5,471,850	(4,960,687)	511,164	(4,960,687)	511,164	-	-
17 Sales	-	-	-	-	-	-	-	-	-
18 Administrative & General	17,593,731	(163,664)	17,430,067	(2,508,942)	15,084,789	(2,224,404)	15,205,663	-	-
19 Total O&M Expenses	212,879,320	(3,707,425)	209,171,895	12,873,604	225,752,925	11,368,603	220,540,498	-	-
20 Depreciation	28,733,363	(275,706)	28,457,657	(115,818)	28,617,546	(114,616)	28,343,041	-	-
21 Amortization	4,314,307	(46,416)	4,267,890	(357,706)	3,956,601	(352,000)	3,915,890	-	-
22 Taxes Other Than Income	13,139,570	(51,747)	13,087,823	(373,488)	12,766,082	(370,093)	12,717,730	773,716	13,491,446
23 Income Taxes - Federal	4,490,665	654,809	5,145,474	(1,925,948)	2,564,717	(1,669,608)	3,475,865	6,361,924	9,837,789
24 Income Taxes - State	-	-	-	-	-	-	-	-	-
25 Income Taxes - Def Net	6,573,773	12,335	6,586,107	(926,067)	5,647,706	(1,113,304)	5,472,804	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	(2,408,092)	(108)	(2,408,200)	2,008,443	(399,649)	2,008,443	(399,757)	-	-
28 Total Operating Expenses:	267,722,906	(3,414,258)	264,308,648	11,183,021	278,905,928	9,757,423	274,066,071	7,227,967	281,294,038
29									
30 Operating Rev For Return:	31,739,435	907,907	32,647,342	(1,483,970)	30,255,465	(85,004)	32,562,338	11,815,002	44,377,341
31									
32 Rate Base:									
33 Electric Plant In Service	1,054,370,908	(10,637,290)	1,043,733,618	15,977,660	1,070,348,568	16,031,966	1,059,765,583	-	-
34 Plant Held for Future Use	1,572	(26)	1,546	-	1,572	-	1,546	-	-
35 Misc Deferred Debits	2,814,534	(4,933)	2,809,600	(905,265)	1,909,268	(59,511)	2,750,089	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-
38 Prepayments	2,621,932	(22,249)	2,599,684	-	2,621,932	-	2,599,684	-	-
39 Fuel Stock	2,516,964	-	2,516,964	-	2,516,964	-	2,516,964	-	-
40 Material & Supplies	7,027,466	(56,535)	6,970,931	-	7,027,466	-	6,970,931	-	-
41 Working Capital	4,014,806	(61,994)	3,952,812	175,850	4,190,656	155,141	4,107,952	-	-
42 Weatherization	2,256,731	-	2,256,731	-	2,256,731	-	2,256,731	-	-
43 Misc Rate Base	394,024	(25,037)	368,987	(394,024)	0	(368,987)	0	-	-
44 Total Electric Plant:	1,076,018,937	(10,808,064)	1,065,210,873	14,854,221	1,090,873,158	15,758,608	1,080,969,481	-	1,080,969,481
45									
46 Rate Base Deductions:									
47 Accum Prov For Deprec	(423,740,177)	4,403,609	(419,336,568)	14,962,406	(408,777,771)	14,719,168	(404,617,400)	-	-
48 Accum Prov For Amort	(27,862,556)	251,027	(27,611,529)	3,896	(27,858,660)	3,832	(27,607,697)	-	-
49 Accum Def Income Tax	(79,425,339)	(34,605)	(79,459,944)	(9,327,331)	(88,752,670)	(9,121,334)	(88,581,278)	-	-
50 Unamortized ITC	(1,914,487)	-	(1,914,487)	365,750	(1,548,738)	270,143	(1,644,344)	-	-
51 Customer Adv For Const	(984,551)	-	(984,551)	984,551	-	984,551	-	-	-
52 Customer Service Deposits	-	-	-	-	-	(2,001,969)	(2,001,969)	-	-
53 Misc Rate Base Deductions	(7,140,575)	60,037	(7,080,538)	(2,333,878)	(9,474,452)	(2,347,961)	(9,428,499)	-	-
54									
55 Total Rate Base Deductions	(541,067,685)	4,680,068	(536,387,618)	4,655,394	(536,412,291)	2,506,431	(533,881,187)	-	(533,881,187)
56									
57 Total Rate Base:	534,951,251	(6,127,996)	528,823,255	19,509,615	554,460,866	18,265,039	547,088,294	-	547,088,294
58									
59 Return on Rate Base	5.933%	0.240%	6.174%	-0.476%	5.457%	-0.222%	5.952%	-	8.112%
60 Return on Equity	5.578%	0.409%	5.987%	-1.036%	4.543%	-0.482%	5.505%	-	10.200%
61									
62 TAX CALCULATION:									
63 Operating Revenue	42,803,873	1,575,051	44,378,923	(4,335,985)	38,467,888	(2,867,916)	41,511,007	18,176,926	59,687,933
64 Other Deductions	-	-	-	-	-	-	-	-	-
65 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
66 Interest	18,965,090	(187,928)	18,777,162	(654,020)	18,311,070	(422,350)	18,354,812	-	18,354,812
67 Schedule "M" Additions	40,792,555	(324,733)	40,467,822	1,336,257	42,128,812	1,355,585	41,823,407	-	41,823,407
68 Schedule "M" Deductions	51,800,867	(432,636)	51,368,231	1,359,695	53,160,562	1,883,023	53,251,254	-	53,251,254
69 Income Before Tax	12,830,471	1,870,882	14,701,353	(3,705,403)	9,125,068	(2,973,004)	11,728,349	18,176,926	29,905,275
70									
71 State Income Taxes	-	-	-	-	-	-	-	-	-
72 Taxable Income	12,830,471	1,870,882	14,701,353	(3,705,403)	9,125,068	(2,973,004)	11,728,349	18,176,926	29,905,275
73									
74 Federal Income Taxes + Other	4,490,665	654,809	5,145,474	(1,925,948)	2,564,717	(1,669,608)	3,475,865	6,361,924	9,837,789

(a) Exhibit No.____(PMW-4), Page 1.1, column (1).

(b) Exhibit No.____(PMW-7), Page 2 of 71, column (1).

**PACIFICORP
WASHINGTON
Normalized Results of Operations - West Control Area
12 Months Ended MARCH 2006**

Net Rate Base - Washington Jurisdiction	\$ 547,088,294
Return on Rate Base Requested	<u>8.112%</u>
Revenues Required to Earn Requested Return	44,377,341
Less Current Operating Revenues	<u>(32,562,338)</u>
Increase to Current Revenues	11,815,002
Net to Gross Bump-up	<u>161.18%</u>
Price Change Required for Requested Return	<u>\$ 19,042,969</u>
Requested Price Change	\$ 19,042,969
Uncollectible Percent	0.485%
Increased Uncollectible Expense	<u>\$ 92,326</u>
Requested Price Change	\$ 19,042,969
Franchise Tax	0.190%
Revenue Tax	3.873%
Resource Supplier Tax	0.000%
Gross Receipts	0.000%
Increase Taxes Other Than Income	<u>\$ 773,716</u>
Requested Price Change	\$ 19,042,969
Uncollectible Expense	(92,326)
Taxes Other Than Income	<u>(773,716)</u>
Income Before Taxes	<u>\$ 18,176,926</u>
State Effective Tax Rate	<u>0.000%</u>
State Income Taxes	<u>\$ -</u>
Taxable Income	\$ 18,176,926
Federal Income Tax Rate	35.00%
Federal Income Taxes	<u>\$ 6,361,924</u>
Operating Income	100.000%
Net Operating Income	<u>62.044%</u>
Net to Gross Bump-Up	<u>161.18%</u>

**PACIFICORP
WASHINGTON
Normalized Results of Operations - West Control Area
12 Months Ended MARCH 2006**

Operating Revenue	100.000%
Operating Deductions	
Uncollectable Accounts	0.485%
Taxes Other - Public Utility Tax	0.190% 1
Taxes Other - Revenue Tax	3.873%
Taxes Other - Resource Supplier	0.000%
Taxes Other - Gross Receipts	<u>0.000%</u>
Sub-Total	95.452%
State Income Tax @ 0.000%	<u>0.000%</u>
Sub-Total	95.452%
Federal Income Tax @ 35.00%	<u>33.408%</u>
Net Operating Income	<u>62.044%</u>

1. Updated on Feb. 21, 2007 to correct error identified by Tom Schooley of WUTC Staff per telephone conversation on Oct. 5, 2006

	3.1	3.2	3.3	3.4	3.5	3.6	4.1	4.2	4.3	4.4
	Temperature Normalization	ProForma Reduction in Load	Revenue Normalizing	Centralia Gain	Pole Attachment Revenue	SO2 Emission Allowances	Green Tag Removal	Miscellaneous General Expense Adj.	International Assignee Adj.	Out of Period Expense Adj.
Total Normalized										
1 Operating Revenues:										
2 General Business Revenues	10,000,070	(220,437)	(3,906,382)	14,126,889	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	(301,019)	-	-	(1,130,292)	(799,078)	-	-	-	-	-
6 Total Operating Revenues	9,699,051	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	-	-	-	-
7										
8 Operating Expenses:										
9 Steam Production	-	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-	-
12 Other Power Supply	20,462,042	-	-	-	-	-	(41,141)	-	-	-
13 Transmission	-	-	-	-	-	-	-	-	-	-
14 Distribution	(15,539)	-	-	-	-	-	-	-	(15,539)	-
15 Customer Accounting	(103,271)	-	-	-	-	-	-	-	-	-
16 Customer Service & Info	(4,960,687)	-	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-	-
18 Administrative & General	(2,508,942)	-	-	-	-	-	-	(33,507)	(131,991)	(68,874)
19 Total O&M Expenses	12,873,604	-	-	-	-	-	(41,141)	(33,507)	(147,530)	(68,874)
20 Depreciation	(115,818)	-	-	-	-	-	-	-	-	-
21 Amortization	(357,706)	-	-	-	-	-	-	-	-	-
22 Taxes Other Than Income	(373,488)	-	-	-	-	-	-	-	-	-
23 Income Taxes: Federal	(1,925,948)	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	-	14,399	11,728	51,635
24 State	-	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	(926,067)	-	-	-	-	(762,200)	-	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	2,008,443	-	-	-	-	2,008,443	-	-	-	-
28 Total Operating Expenses:	11,183,021	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	1,246,242	(26,741)	(21,780)	(95,894)
29										
30 Operating Rev For Return:	(1,483,970)	(143,284)	(2,539,148)	9,182,478	(734,690)	(519,401)	(1,246,242)	26,741	21,780	95,894
31										
32 Rate Base:										
33 Electric Plant In Service	15,977,660	-	-	-	-	-	-	-	-	-
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	(905,265)	-	-	-	-	-	-	-	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-	-
41 Working Capital	175,850	-	-	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	(394,024)	-	-	-	-	-	-	-	-	-
44 Total Electric Plant:	14,854,221	-	-	-	-	-	-	-	-	-
45										
46 Deductions:										
47 Accum Prov For Deprec	14,962,406	-	-	-	-	-	-	-	-	-
48 Accum Prov For Amort	3,896	-	-	-	-	-	-	-	-	-
49 Accum Def Income Tax	(9,327,331)	-	-	-	-	1,930,860	-	-	-	-
50 Unamortized ITC	365,750	-	-	-	-	-	-	-	-	-
51 Customer Adv For Const	984,551	-	-	-	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	(2,333,878)	-	-	-	-	(3,388,448)	-	-	-	-
54										
55 Total Deductions:	4,655,394	-	-	-	-	(1,457,588)	-	-	-	-
56										
57 Total Rate Base:	19,509,615	-	-	-	-	(1,457,588)	-	-	-	-
58										
59										
60 Effect on ROE	-0.058%	-1.032%	3.732%	-0.299%	-0.211%	-0.473%	0.011%	0.009%	0.039%	0.018%
61										
62										
63										
64 TAX CALCULATION:										
65										
66 Operating Revenue	(4,335,985)	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	(2,008,443)	41,141	33,507	147,530
67 Other Deductions	-	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-	-
69 Interest	(654,020)	-	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	1,336,257	-	-	-	-	2,449,857	-	-	-	-
71 Schedule "M" Deductions	1,359,695	-	-	-	-	441,415	-	-	-	-
72 Income Before Tax	(3,705,403)	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	-	41,141	33,507	147,530
73										
74 State Income Taxes	-	-	-	-	-	-	-	-	-	-
75										
76 Taxable Income	(3,705,403)	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	-	41,141	33,507	147,530
77										
78 Federal Income Tax - Calculated	(1,296,891)	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	-	14,399	11,728	51,635
79 Adjustments to Calculated Tax:	-	-	-	-	-	-	-	-	-	-
80 Wyoming Wind Tax Credit	(629,057)	-	-	-	-	-	-	-	-	-
81 Federal Income Taxes	(1,925,948)	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	-	14,399	11,728	51,635

	4.5	4.6	4.7	4.8	4.9	5.1	5.2	5.3	7.1	7.2	7.3
	Property Insurance	Affiliate Management Fee Commitment	DSM Amortization Removal	Corporate Cost Commitment	A&G Expense Commitment	BPA Exchange	James River Royalty Offset	Removal of Colstrip 3	Interest True Up	Utah Gross Receipts Tax Adj.	Deferred Income Tax Balance Reclassification
1 Operating Revenues:											
2 General Business Revenues	-	-	-	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	1,628,351	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-	-	1,628,351	-	-	-	-
7											
8 Operating Expenses:											
9 Steam Production	-	-	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-	-	-
12 Other Power Supply	-	-	-	-	-	20,052,696	-	-	-	-	-
13 Transmission	-	-	-	-	-	-	-	-	-	-	-
14 Distribution	-	-	-	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-	-	-	-	-	-	-
16 Customer Service & Info	-	-	(4,960,687)	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-	-	-
18 Administrative & General	168,801	(10,907)	-	(82,017)	(470,944)	-	-	-	-	-	-
19 Total O&M Expenses	168,801	(10,907)	(4,960,687)	(82,017)	(470,944)	20,052,696	-	-	-	-	-
20 Depreciation	-	-	-	-	-	-	-	(782,978)	-	-	-
21 Amortization	-	-	-	-	-	-	-	-	-	-	-
22 Taxes Other Than Income	-	-	-	-	-	-	-	(36,638)	-	(300,180)	-
23 Income Taxes: Federal	(59,080)	3,818	1,736,240	28,706	164,830	(7,018,443)	569,923	20,080	228,907	105,063	-
24 State	-	-	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	-	-	-	-	-	-	-	121,095	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	109,721	(7,090)	(3,224,446)	(53,311)	(306,114)	13,034,252	569,923	(678,442)	228,907	(195,117)	-
29											
30 Operating Rev For Return:	(109,721)	7,090	3,224,446	53,311	306,114	(13,034,252)	1,058,428	678,442	(228,907)	195,117	-
31											
32 Rate Base:											
33 Electric Plant In Service	-	-	-	-	-	-	-	(25,982,218)	-	-	-
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	-	-	-	-	-	-	-	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-	-	-
41 Working Capital	-	-	-	-	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-	-	-	-	-	-	-
44 Total Electric Plant:	-	-	-	-	-	-	-	(25,982,218)	-	-	-
45											
46 Deductions:											
47 Accum Prov For Deprec	-	-	-	-	-	-	-	15,505,207	-	-	-
48 Accum Prov For Amort	-	-	-	-	-	-	-	-	-	-	-
49 Accum Def Income Tax	-	-	-	-	-	-	-	566,765	-	-	(16,435)
50 Unamortized ITC	-	-	-	-	-	-	-	245,000	-	-	-
51 Customer Adv For Const	-	-	-	-	-	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-	-	-	-	-	-	-
54											
55 Total Deductions:	-	-	-	-	-	-	-	16,316,971	-	-	(16,435)
56											
57 Total Rate Base:	-	-	-	-	-	-	-	(9,665,247)	-	-	(16,435)
58											
59											
60 Effect on ROE	-0.045%	0.003%	1.310%	0.022%	0.124%	-5.297%	0.430%	0.518%	-0.093%	0.079%	0.000%
61											
62											
63											
64 TAX CALCULATION:											
65											
66 Operating Revenue	(168,801)	10,907	4,960,687	82,017	470,944	(20,052,696)	1,628,351	819,616	-	300,180	-
67 Other Deductions	-	-	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-	-	-
69 Interest	-	-	-	-	-	-	-	-	(654,020)	-	-
70 Schedule "M" Additions	-	-	-	-	-	-	-	(782,978)	-	-	-
71 Schedule "M" Deductions	-	-	-	-	-	-	-	(20,733)	-	-	-
72 Income Before Tax	(168,801)	10,907	4,960,687	82,017	470,944	(20,052,696)	1,628,351	57,371	654,020	300,180	-
73											
74 State Income Taxes	-	-	-	-	-	-	-	-	-	-	-
75											
76 Taxable Income	(168,801)	10,907	4,960,687	82,017	470,944	(20,052,696)	1,628,351	57,371	654,020	300,180	-
77											
78 Federal Income Tax - Calculated	(59,080)	3,818	1,736,240	28,706	164,830	(7,018,443)	569,923	20,080	228,907	105,063	-
79 Adjustments to Calculated Tax:											
80 Wyoming Wind Tax Credit	-	-	-	-	-	-	-	-	-	-	-
81 Federal Income Taxes	(59,080)	3,818	1,736,240	28,706	164,830	(7,018,443)	569,923	20,080	228,907	105,063	-

	7.4	7.5	7.6	7.7	7.8	7.9	8.1	8.2	8.3	8.4	8.5
	Malin Midpoint Adj.	Flow-Through Deferred Tax Adj.	WA IRS Settlement Amortization Adj.	Year-End Deferred Tax Adj.	Renewable Energy Tax Credit Adj.	Low Income Tax Credit	Cash Working Capital	Remove Deferred Debits	Jim Bridger Mine Rate Base Adj.	Grid West Loan	Relicensing Settlement Obligations
1 Operating Revenues:											
2 General Business Revenues	-	-	-	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	-	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-	-	-	-	-	-	-
7											
8 Operating Expenses:											
9 Steam Production	-	-	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-	-	-
12 Other Power Supply	-	-	-	-	-	-	-	-	-	-	-
13 Transmission	-	-	-	-	-	-	-	-	-	-	-
14 Distribution	-	-	-	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-	-	-	-	-	(103,271)	-
16 Customer Service & Info	-	-	-	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-	-	-
18 Administrative & General	-	-	-	-	-	-	-	-	-	-	-
19 Total O&M Expenses	-	-	-	-	-	-	-	-	-	(103,271)	-
20 Depreciation	-	-	-	-	-	-	-	-	-	-	-
21 Amortization	-	-	-	-	-	-	-	-	-	47,337	(121,971)
22 Taxes Other Than Income	-	-	-	-	-	(36,669)	-	-	-	-	-
23 Income Taxes: Federal	-	-	-	-	(629,057)	12,834	-	-	-	142,312	42,690
24 State	-	-	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	(297,441)	(1,217,863)	579,726	-	-	-	-	-	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	(297,441)	(1,217,863)	579,726	-	(629,057)	(23,835)	-	-	-	86,378	(79,281)
29											
30 Operating Rev For Return:	297,441	1,217,863	(579,726)	-	629,057	23,835	-	-	-	(86,378)	79,281
31											
32 Rate Base:											
33 Electric Plant In Service	-	-	-	-	-	-	-	-	20,311,983	-	(134,219)
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	-	-	-	-	-	(2,814,534)	-	112,424	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-	-	-
41 Working Capital	-	-	-	-	-	-	175,850	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-	-	-	-	-	-	-
44 Total Electric Plant:	-	-	-	-	-	-	175,850	(2,814,534)	20,311,983	112,424	(134,219)
45											
46 Deductions:											
47 Accum Prov For Deprec	-	-	-	-	-	-	-	-	-	-	-
48 Accum Prov For Amort	-	-	-	-	-	-	-	-	-	-	3,896
49 Accum Def Income Tax	(1,487,206)	(10,531,719)	1,159,454	(498,669)	-	-	-	-	-	-	-
50 Unamortized ITC	-	-	-	120,750	-	-	-	-	-	-	-
51 Customer Adv For Const	-	-	-	-	-	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-	-	-	-	-	-	-
54											
55 Total Deductions:	(1,487,206)	(10,531,719)	1,159,454	(377,919)	-	-	-	-	-	-	3,896
56											
57 Total Rate Base:	(1,487,206)	(10,531,719)	1,159,454	(377,919)	-	-	175,850	(2,814,534)	20,311,983	112,424	(130,323)
58											
59											
60 Effect on ROE	0.157%	0.764%	-0.263%	0.009%	0.256%	0.010%	-0.004%	0.068%	-0.472%	-0.038%	0.035%
61											
62											
63											
64 TAX CALCULATION:											
65											
66 Operating Revenue	-	-	-	-	-	36,669	-	-	-	55,934	121,971
67 Other Deductions	-	-	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-	-	-
69 Interest	-	-	-	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	-	-	-	-	-	-	-	-	-	(262,856)	-
71 Schedule "M" Deductions	-	-	-	-	-	-	-	-	-	(613,528)	-
72 Income Before Tax	-	-	-	-	-	36,669	-	-	-	406,607	121,971
73											
74 State Income Taxes	-	-	-	-	-	-	-	-	-	-	-
75											
76 Taxable Income	-	-	-	-	-	36,669	-	-	-	406,607	121,971
77											
78 Federal Income Tax - Calculated	-	-	-	-	-	12,834	-	-	-	142,312	42,690
79 Adjustments to Calculated Tax:											
80 Wyoming Wind Tax Credit	-	-	-	-	(629,057)	-	-	-	-	-	-
81 Federal Income Taxes	-	-	-	-	(629,057)	12,834	-	-	-	142,312	42,690

	8.6	8.7	8.8	8.9	8.10	8.11	8.12	8.13
	Yakama Sale	Customer Advances for Construction	Centralia Transmission Line Sale	Leaning Juniper	Miscellaneous Rate Base Adjustment	Colstrip 4 AFUDC Adj.	Trojan Removal	MEHC Transition Savings
1 Operating Revenues:								
2 General Business Revenues	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-	-	-	-
7								
8 Operating Expenses:								
9 Steam Production	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-
12 Other Power Supply	-	-	-	450,487	-	-	-	-
13 Transmission	-	-	-	-	-	-	-	-
14 Distribution	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-	-	-	-
16 Customer Service & Info	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-
18 Administrative & General	-	-	-	-	(657,375)	-	-	(1,222,127)
19 Total O&M Expenses	-	-	-	450,487	(657,375)	-	-	(1,222,127)
20 Depreciation	(9,369)	-	(1,114)	710,644	-	(33,000)	-	-
21 Amortization	-	-	-	-	-	-	(283,072)	-
22 Taxes Other Than Income	-	-	-	-	-	-	-	-
23 Income Taxes: Federal	3,279	-	390	(865,335)	230,081	-	2,456	427,745
24 State	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	-	-	-	650,617	-	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	(6,090)	-	(724)	946,413	(427,294)	(33,000)	(280,615)	(794,383)
29								
30 Operating Rev For Return:	6,090	-	724	(946,413)	427,294	33,000	280,615	794,383
31								
32 Rate Base:								
33 Electric Plant In Service	(532,097)	-	(66,760)	22,862,810	-	(481,839)	-	-
34 Plant Held for Future Use	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	-	-	-	-	-	1,796,844
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-
41 Working Capital	-	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-	-	(394,024)	-
44 Total Electric Plant:	(532,097)	-	(66,760)	22,862,810	-	(481,839)	(394,024)	1,796,844
45								
46 Deductions:								
47 Accum Prov For Deprec	90,231	-	26,852	(659,884)	-	-	-	-
48 Accum Prov For Amort	-	-	-	-	-	-	-	-
49 Accum Def Income Tax	-	-	977	(451,358)	-	-	-	-
50 Unamortized ITC	-	-	-	-	-	-	-	-
51 Customer Adv For Const	-	984,551	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-	-	1,054,570	-
54								
55 Total Deductions:	90,231	984,551	27,830	(1,111,242)	-	-	1,054,570	-
56								
57 Total Rate Base:	(441,866)	984,551	(38,930)	21,751,568	-	(481,839)	660,546	1,796,844
58								
59								
60 Effect on ROE	0.013%	-0.024%	0.001%	-0.874%	0.174%	0.025%	0.098%	0.279%
61								
62								
63								
64 TAX CALCULATION:								
65								
66 Operating Revenue	9,369	-	1,114	(1,161,131)	657,375	33,000	283,072	1,222,127
67 Other Deductions	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-
69 Interest	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	-	-	-	241,288	-	(33,000)	(276,054)	-
71 Schedule "M" Deductions	-	-	-	1,552,542	-	-	-	-
72 Income Before Tax	9,369	-	1,114	(2,472,385)	657,375	-	7,018	1,222,127
73								
74 State Income Taxes	-	-	-	-	-	-	-	-
75								
76 Taxable Income	9,369	-	1,114	(2,472,385)	657,375	-	7,018	1,222,127
77								
78 Federal Income Tax - Calculated	3,279	-	390	(865,335)	230,081	-	2,456	427,745
79 Adjustments to Calculated Tax:								
80 Wyoming Wind Tax Credit	-	-	-	-	-	-	-	-
81 Federal Income Taxes	3,279	-	390	(865,335)	230,081	-	2,456	427,745

**PacifiCorp
Washington Results of Operations March 2006
Temperature Normalization**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Revenue:						
Residential	440	1	79,319	WA	Situs	79,319
Commercial	442	1	(299,755)	WA	Situs	(299,755)
Total			<u>(220,437)</u>			<u>(220,437)</u>

Description of Adjustment:

This adjustment normalizes revenues in the test period by comparing actual loads to temperature normalized loads. Temperature normalization reflects weather or temperature patterns which were measurably different than normal, as defined by using 30-year historical studies by the National Oceanic & Atmospheric Administration. Only residential and commercial sales are considered weather sensitive. Industrial sales are more sensitive to specific economic factors. This revenue adjustment corresponds with temperature adjustments made to system peak, energy loads and net power costs.

PacifiCorp
Washington Results of Operations March 2006
ProForma Reduction in Load

PAGE 3.2

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Revenue						
Residential	440	1	(55,235)	WA	Situs	(55,235)
Commercial	442	1	(569,941)	WA	Situs	(569,941)
Industrial ¹	442	1	(3,281,206)	WA	Situs	(3,281,206)
Interdepartmental Revenues	448	1	-	WA	Situs	-
Public Street & Highway	444	1	-	WA	Situs	-
Total			<u>(3,906,382)</u>			<u>(3,906,382)</u>

¹ Includes Industrial and Irrigation.

Description of Adjustment:

This adjustment reflects the proforma decrease in revenues resulting from the loss of the Centralia Plant load (due to the sale of the Centralia Transmission Line) and the Yakama Nation load (due to the sale of distribution facilities to Yakama Power).

On March 15, 2006, in Docket No. UE-060020, the Washington Utilities and Transportation Commission issued its order authorizing PacifiCorp to sell and transfer its interest in the Centralia 230 KV transmission line. As a result of the sale, the Centralia Power Station will no longer be taking service from PacifiCorp.

On January 25, 2006, in Docket No. UE-051840, the Washington Utilities and Transportation Commission approved PacifiCorp's request to sell its interest in certain distribution assets serving the Yakama Nation, resulting in the loss of retail revenues to customers connected to the facilities.

PacifiCorp
Washington Results of Operations March 2006
Revenue Normalizing

PAGE 3.3

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Revenue:						
Residential	440	1	14,167,584	WA	Situs	14,167,584
Commercial	442	1	(670,644)	WA	Situs	(670,644)
Industrial ¹	442	1	639,877	WA	Situs	639,877
Interdepartmental Revenues	448	1	-	WA	Situs	-
Public Street & Highway	444	1	(9,929)	WA	Situs	(9,929)
Total			<u>14,126,889</u>			<u>14,126,889</u>

¹ Includes Industrial and Irrigation.

Description of Adjustment:

The Revenue Normalization Adjustment removes revenue adjustment items that should not be included in Regulatory results. These revenues are related to Schedule 98 (BPA Credit), Schedule 191 (Systems Benefits Charge), the Centralia Gain and the Merger Credit revenues. Expenses related to these items are also removed from Results of Operations. This adjustment also normalizes revenues by removing out of period adjustments.

PacifiCorp
Washington Results of Operations March 2006
Centralia Gain

PAGE 3.4

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Operating Income:						
Remove Revenue Reduction on Custom	456	1	(15,685,543)	OR	Situs	-
Remove Revenue Reduction on Custom	456	1	(1,130,292)	WA	Situs	(1,130,292)
			<u>(16,815,835)</u>			<u>(1,130,292)</u>

Description of Adjustment:

PacifiCorp recorded a regulatory liability recognizing the customers' share of the Centralia gain. This liability was interest bearing and amortized over five years. As customers receive credit on their bills, the Company offsets this customer credit by amortizing the liability to other revenues. This adjustment removes the Centralia gain from the results of operations since it is treated as a separate tariff rider on customers' bills and the amortization was completed during the test period.

PacifiCorp
Washington Results of Operations March 2006
Pole Attachment Revenue

PAGE 3.5

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Revenues:						
Rent of Electric Property	454	1	(149)	CA	Situs	-
Rent of Electric Property	454	1	(103)	ID	Situs	-
Rent of Electric Property	454	1	(538,270)	OR	Situs	-
Rent of Electric Property	454	1	(1,930,058)	UT	Situs	-
Rent of Electric Property	454	1	(799,078)	WA	Situs	(799,078)
Rent of Electric Property	454	1	(414,430)	WY-ALL	Situs	-
			<u>(3,682,088)</u>			<u>(799,078)</u>

Description of Adjustment:

PacifiCorp entered into settlement agreements relating to disputed pole attachment receivables due from Qwest, Charter Communications and Electric Lightwave Inc. in December 2005. Part of the amount received related to the period prior to FY 2006. These amounts had been fully reserved. When the payments were received, the provision for uncollectible joint use pole attachments was reversed, resulting in additional revenue credited to FY 2006 due to pole attachment income earned in prior periods.

PacifiCorp
Washington Results of Operations March 2006
SO2 Emission Allowances

PAGE 3.6

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Revenue:						
Gain from Sales of Allowances	4118	1	29,219,771	SE	8.384%	2,449,857
Allowed Gain from Sale of Allowances	4118	1	(5,264,810)	SE	8.384%	(441,415)
			<u>23,954,961</u>			<u>2,008,443</u>
Adjustment to Rate Base:						
Accum Deferred Income Taxes	190	1	23,029,624	SE	8.384%	1,930,860
Regulatory Deferred Sales	25398	1	(40,414,467)	SE	8.384%	(3,388,448)
			<u>(17,384,843)</u>			<u>(1,457,588)</u>
Adjustment to Tax:						
Schedule M Additions	SCHMAT	1	29,219,771	SE	8.384%	2,449,857
Schedule M Deduction	SCHMDT	1	5,264,810	SE	8.384%	441,415
DIT Expense	41110	1	(10,864,258)	SE	8.384%	(910,886)
DIT Expense	41010	1	1,773,396	SE	8.384%	148,686

Description of Adjustment:

This adjustment includes sales of emission allowances to reflect a 15-year amortization as approved in UE-940947.

**PacifiCorp
Washington Results of Operations March 2006
Green Tag Removal**

PAGE 4.1

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Green Tag Purchases	555	1	(490,690)	SE	8.384%	(41,141)

Description of Adjustment:

This adjustment removes from results the costs associated with Green Tags.

PacifiCorp
Washington Results of Operations March 2006
Miscellaneous General Expense Adj.

PAGE 4.2

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
Miscellaneous General Expense	920	1	(1,417)	SO	7.456%	(106)
Miscellaneous General Expense	921	1	(33,696)	SO	7.456%	(2,512)
Miscellaneous General Expense	923	1	(395,349)	SO	7.456%	(29,478)
Miscellaneous General Expense	930	1	(18,930)	SO	7.456%	(1,411)
Total			<u>(449,393)</u>			<u>(33,507)</u>

Description of Adjustment:

This adjustment removes from results of operations certain miscellaneous expenses that should have been charged to non-regulated accounts.

PacifiCorp
Washington Results of Operations March 2006
International Assignee Adj.

PAGE 4.3

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
<u>Removal of Actual Costs:</u>						
Distribution Expense	580	1	(218,188)	SNPD	7.122%	(15,539)
A&G Expense	921	1	<u>(2,061,928)</u>	SO	7.456%	<u>(153,739)</u>
			<u>(2,280,116)</u>			<u>(169,278)</u>
 <u>Include Prorated U.S. Compensation:</u>						
Distribution Expense	580	1	-	SNPD	7.122%	-
A&G Expense	921	1	<u>291,690</u>	SO	7.456%	<u>21,749</u>
			<u>291,690</u>			<u>21,749</u>

Description of Adjustment:

This adjustment removes international assignees (IA's) costs that are non-recurring or are out-of-period. In addition, ongoing positions filled by IA's are priced at either the lessor of US market compensation levels or actual compensation levels.

PacifiCorp
Washington Results of Operations March 2006
Out of Period Expense Adj.

PAGE 4.4

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
Operating & Maintenance expe	921	1	(1,341,731)	SO	7.456%	(100,041)
Operating & Maintenance expe	923	1	238,000	SO	7.456%	17,746
Operating & Maintenance expe	935	1	180,000	SO	7.456%	13,421
			<u>(923,731)</u>			<u>(68,874)</u>

Description of Adjustment:

Three accounting adjustments were made to expense accounts that are either one-time and non-recurring in nature or relate to a prior period. These transactions are removed from results of operations to normalize the test period results.

- 1) CWIP was written off for the "Identity management" project after the project was cancelled. This is a one-time, non-recurring event.
- 2) A legal expense liability set-up in 2003 was trued-up (Decreased) in 2005 to equal the billed amount. This is a one-time, non-recurring event.
- 3) A property tax refund associated with the Lloyd Center Tower building was recorded to the income statement in May 2005. This a one-time, non-recurring event.

PacifiCorp
Washington Results of Operations March 2006
Property Insurance

PAGE 4.5

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
Prov for Property Insurance	924	3	947,765	SO	7.456%	70,666
Prov for Property Insurance	925	3	<u>1,316,168</u>	SO	7.456%	<u>98,135</u>
			<u>2,263,933</u>			<u>168,801</u>

Description of Adjustment:

This adjustment adjusts expenses in Account 924, Property Insurance and Account 925, Injuries and Damages, to reflect the change in premiums and uninsured losses for property and liability insurance the Company expects to experience during the 12-months ending March 31, 2007.

PacifiCorp
Washington Results of Operations March 2006
Affiliate Management Fee Commitment

PAGE 4.6

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
Management Fee	929	1	(146,287)	SO	7.456%	(10,907)

Adjustment Detail

Group Expenses	18,065,587
Electric Operations Expenses	<u>16,711,874</u>
Affiliate Expenses	<u>1,353,713</u>
Stipulated Amount	<u>1,500,000</u>
Adjustment Amount	<u>(146,287)</u>

Description of Adjustment:

The Company committed in Washington UE-051090 Item Wa 4 to hold customers harmless to costs that were previously assigned to affiliates relating to management fees and sets the total company amount at \$1,500,000. For the 12 months ended March 31, 2006, \$1,353,713 was included in management fees. This adjustment removes an additional \$146,287 in expense to meet the \$1,500,000 million reduction commitment.

PacifiCorp
Washington Results of Operations March 2006
DSM Amortization Removal

PAGE 4.7

	<u>ACCOUNT</u>	<u>Type</u>	TOTAL <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	WASHINGTON <u>ALLOCATED</u>
Adjustment to Expense:						
Customer Assistance	908	1	(31,194,014)	UT	Situs	-
Customer Assistance	908	1	(4,960,687)	WA	Situs	(4,960,687)
Customer Assistance	908	1	(217,081)	CA	Situs	-
			<u>(36,371,782)</u>			<u>(4,960,687)</u>

Description of Adjustment:

This adjustment removes all expenses related to DSM that are recovered through separate tariff riders. The related regulatory assets are not included in rate base and therefore the expenses should not be included in regulatory results.

**PacifiCorp
Washington Results of Operations March 2006
Corporate Cost Commitment**

PAGE 4.8

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Corporate overhead charge	930	1	(1,100,000)	SO	7.456%	(82,017)

Adjustment Detail:

Total PPM Billing for FY 2006	6,800,000
Merger Commitment	7,900,000
Amount of Adjustment	<u>(1,100,000)</u>

Description of Adjustment:

The Company committed in Washington UE-051090 Item Wa 6 to hold customers harmless for increases in costs resulting from PacifiCorp corporate costs previously billed to PPM and other former affiliates of PacifiCorp. The value of the potential increase in total company revenue requirement if these costs are eliminated is \$7.9 million annually. This adjustment removes \$1.1 million additional expense to get to the \$7.9 million commitment level.

PacifiCorp
Washington Results of Operations March 2006
A&G Expense Commitment

PAGE 4.9

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
A&G Expense Cap Adj.	920	3	(6,316,230)	SO	7.456%	(470,944)

Description of Adjustment:

This adjustment reduces total company A&G expense to \$222.8 million per Commitment Wa 7b) in Docket No. UE-051090.

**PacifiCorp
 Washington Results of Operations March 2006
 BPA Exchange**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Net Power Costs						
Purchased Power Expense	555	1	63,680,126	OR	Situs	-
Purchased Power Expense	555	1	20,052,696	WA	Situs	20,052,696
Purchased Power Expense	555	1	35,178,766	ID	Situs	-
			<u>118,911,588</u>			<u>20,052,696</u>

Description of Adjustment:

The Company receives a monthly BPA purchase power credit from BPA. This credit is treated as a 100% pass-through to eligible customers. Both a revenue credit and a purchase power expense credit is posted to unadjusted results. Both of these transactions are to be removed from results. This adjustment reverses the BPA purchase power expense credit recorded during the test period. The BPA revenue credit is removed from results in revenue adjustment 3.2.

**PacifiCorp
 Washington Results of Operations March 2006
 James River Royalty Offset**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Other Electric Revenue	456	3	7,229,289	CAEW	22.524%	1,628,351

Adjustment Detail:

<u>James River Offset</u>	<u>CY 2006</u>	<u>CY 2007</u>	<u>FY 2007</u>
Capital Recovery \$	\$6,880,818	\$6,480,649	\$6,780,775
Major Maintenance Allowance	\$444,073	\$461,836	\$448,514
Total Offset	<u>\$7,324,891</u>	<u>\$6,942,485</u>	<u>\$7,229,289</u>

Description of Adjustment:

This adjustment credits Other Electric Revenues for the James River Royalty Offset as agreed in the January 13, 1993 agreement. This amount includes a credit for capital cost recovery and maintenance cost recovery.

**PacifiCorp
Washington Results of Operations March 2006
Removal of Colstrip 3**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Pre-merger Depreciation Expense	403SP	1	(3,319,518)	CAEW	22.524%	(747,700)
Post-merger Depreciation Expense	403SP	1	(156,621)	CAEW	22.524%	(35,278)
Taxes Other	408	1	(491,386)	GPS	7.456%	(36,638)
Tax Depreciation Expense - Sch M	SCHMDT	1	(271,094)	TAXDEPR	7.648%	(20,733)
Pre-merger Book Depr Exp - Sch M	SCHMAT	1	(3,319,518)	CAEW	22.524%	(747,700)
Post-merger Book Depr Exp - Sch M	SCHMAT	1	(156,621)	CAEW	22.524%	(35,278)
Deferred Income Tax Expense	41110	1	1,211,050	DITEXP	9.999%	121,095
Adjustment to Rate Base:						
Pre-merger Plant	310	1	(110,283,000)	CAEW	22.524%	(24,840,540)
Post-merger Plant	310	1	(5,068,636)	CAEW	22.524%	(1,141,678)
Pre-merger Depreciation Reserve	108SP	1	67,495,721	CAEW	22.524%	15,202,979
Post-merger Depreciation Reserve	108SP	1	1,341,780	CAEW	22.524%	302,227
Deferred Income Tax Balance	282	1	8,170,418	DITBAL	6.937%	566,765
Deferred ITC	255	1	1,727,786	ITC84	14.180%	245,000

Description of Adjustment:

This adjustment removes the Colstrip #3 plant investment and associated costs from results of operations. This treatment was authorized in Cause No. U-86-02.

**PacifiCorp
Washington Results of Operations March 2006
Interest True Up**

PAGE 7.1

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Other Interest Expense - Type 1	427	1	(1,556,198)	WA	Situs	(1,556,198)
Other Interest Expense - Type 2	427	2	-	WA	Situs	-
Other Interest Expense - Type 3	427	3	902,178	WA	Situs	902,178
			<u>(654,020)</u>			<u>(654,020)</u>

Adjustment Detail:

Type 1						
Jurisdiction Specific Adjusted Rate Base						527,142,834
Weighted Cost of Debt:						<u>3.303%</u>
Trued-up Interest Expense						<u>17,408,892</u>
Actual Interest Expense						<u>18,965,090</u>
Total Interest True-up Adjustment						<u>(1,556,198)</u>

Type 2						
Jurisdiction Specific Adjusted Rate Base						527,142,834
Weighted Cost of Debt:						<u>3.303%</u>
Trued-up Interest Expense						<u>17,408,892</u>

Type 1 Interest Expense						<u>17,408,892</u>
Total Interest True-up Adjustment						<u>-</u>

Type 3						
Jurisdiction Specific Adjusted Rate Base						554,460,866
Weighted Cost of Debt:						<u>3.303%</u>
Trued-up Interest Expense						<u>18,311,070</u>

Type 2 Interest Expense						<u>17,408,892</u>
Total Interest True-up Adjustment						<u>902,178</u>

Description of Adjustment:

This reflects interest expense based on the jurisdictional allocated rate base times the Company's weighted cost of debt.

**PacifiCorp
Washington Results of Operations March 2006
Utah Gross Receipts Tax Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Taxes - Other	408	1	(4,025,972)	GPS	7.4561%	(300,180)

Description of Adjustment:

This adjustment removes the Utah Gross Receipts Tax Expense from actual results. The reason is the Utah Legislature has discontinued the gross receipts tax.

**PacifiCorp
Washington Results of Operations March 2006
Deferred Income Tax Balance Reclassification**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Accumulated Deferred Income Taxes	282	1	44,236	CA	Situs	-
Accumulated Deferred Income Taxes	282	1	458,206	OR	Situs	-
Accumulated Deferred Income Taxes	282	1	(16,435)	WA	Situs	(16,435)
Accumulated Deferred Income Taxes	282	1	114,281	ID	Situs	-
Accumulated Deferred Income Taxes	282	1	779,487	UT	Situs	-
Accumulated Deferred Income Taxes	282	1	164,671	WYE	Situs	-
Accumulated Deferred Income Taxes	282	1	37,438	WYW	Situs	-
Accumulated Deferred Income Taxes	282	1	4,301	FERC	Situs	-
Accumulated Deferred Income Taxes	282	1	151,093	NUTIL	0.0000%	-
Net Rate Base Change to Accum. DIT			<u>1,737,278</u>			<u>(16,435)</u>

Description of Adjustment:

This adjustment reflects the reallocation of the ending balances for the situs balances maintained in Power Tax. This effects only the 282 balance account and only the specific 282 that relates to the depreciation difference balances. These depreciation difference balances are maintained in the Power Tax system by jurisdiction.

**PacifiCorp
Washington Results of Operations March 2006
Malin Midpoint Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Deferred Income Tax - Federal	41110	1	(1,320,531)	CAEW	22.5244%	(297,441)
Adjustment to Rate Base:						
Accumulated DIT - Amortization	282	1	(6,602,656)	CAEW	22.5244%	(1,487,206)

Description of Adjustment:

In 1981, the Company built a transmission line called Malin-Midpoint and placed it into service. The Company was eligible for investment tax credits and accelerated depreciation. The Company entered into a Safe Harbor Lease transaction to transfer the tax benefits to an unrelated third party. The amount of the cash transfer was \$43 million. The Washington Commission wants to treat the transaction as a sale of part of the benefits associated with the property and amortize the cash receipts over the life of the assets, as ordered in Docket UE-050684. The gain will be amortized over 30 years (composite book life of the plant) with a rate base deduction for the unamortized balance. This treatment was authorized in Cause Nos. U-8212/35, U-83-33 and UE-032065. In 1988, the substation was sold to Amoco and therefore the only amortization left is on the transmission line which is what is reflected in this adjustment.

PacifiCorp
Washington Results of Operations March 2006
Flow-Through Deferred Tax Adj.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Accumulated Deferred Income Taxes	190	1	(14,156,039)	WA	Situs	(14,156,039)
Accumulated Deferred Income Taxes	281	1	120,489	WA	Situs	120,489
Accumulated Deferred Income Taxes	282	1	(1,416,521)	WA	Situs	(1,416,521)
Accumulated Deferred Income Taxes	283	1	4,920,352	WA	Situs	4,920,352
Net Rate Base Change to Accum. DIT			<u>(10,531,719)</u>			<u>(10,531,719)</u>
Adjustment to Expense:						
Deferred Tax Expense	41010	1	(12,018,547)	WA	Situs	(12,018,547)
Deferred Tax Expense	41110	1	10,800,684	WA	Situs	10,800,684
Net Deferred Tax Expense Change			<u>(1,217,863)</u>			<u>(1,217,863)</u>

Description of Adjustment:

This adjustment reflects the removal of the Beg/Ending average balances for all non-depreciation related deferred taxes, and the removal of the associated deferred tax expenses. This in effect flows through to income the current tax impacts on these items. This is the treatment allowed according to the Company's last general rate order, Cause No. U-86-02, and more recently, the General Rate Case settlement in Washington Docket No. UE-03-2065.

PacifiCorp
Washington Results of Operations March 2006
WA IRS Settlement Amortization Adj.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
IRS Tax Settlement	41010	1	579,726	WA	Situs	579,726
Adjustment to Rate Base:						
Accum Deferred Income Tax Balance	190	1	1,159,454	WA	Situs	1,159,454

Description of Adjustment:

In FY2003, PacifiCorp made settlement payments to the IRS totaling \$64,217,849. Per settlement agreement in UE-03-2065, 50% of Washington's portion of these costs were allowed in rates. This adjustment adds the unamortized balance of payments to rate base which will be amortized over a 5-year period as well as the annual amortization expense, beginning the effective date of the settlement agreement, November 2004. There were no findings on this issue in WA Order Docket UE-050684.

**PacifiCorp
Washington Results of Operations March 2006
Year-End Deferred Tax Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
Accumulated Deferred Income Taxes	282	1	(498,669)	WA	Situs	(498,669)
Accumulated Investment Tax Credit	255	1	120,750	WA	Situs	120,750

Description of Adjustment:

This adjustment reflects year-end balances rather than average balances for deferred taxes. This is consistent with previous authorized Washington treatment in Cause Nos. U-86-02 and U-84-65.

**PacifiCorp
 Washington Results of Operations March 2006
 Renewable Energy Tax Credit Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Renewable Energy Tax Credit	40910	1	(2,792,784)	CAEW	22.5244%	(629,057)

Description of Adjustment:

This adjustment normalizes a federal renewable energy income tax credit the Company is entitled to take as a result of placing Leaning Juniper, OR wind generating plant into service. The tax credit is based on the generation of the plant, and the credit can be taken for ten years on qualifying property. Generation from Leaning Juniper will begin by September 2006.

**PacifiCorp
Washington Results of Operations March 2006
Low Income Tax Credit**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Taxes - Other	408	3	(36,669)	WA	Situs	(36,669)

Description of Adjustment:

This adjustment increases the Low Income tax credit for 2007 as allowed by the Washington Department of Revenue.

**PacifiCorp
Washington Results of Operations March 2006
Cash Working Capital**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
Cash Working Capital	CWC	1	195,395	WA	Situs	195,395
Cash Working Capital	CWC	2	-	WA	Situs	-
Cash Working Capital	CWC	3	(19,545)	WA	Situs	(19,545)
			<u>175,850</u>			<u>175,850</u>

Adjustment Detail:

	Type1	Type 2	Type 3
O&M Expense	226,826,708	226,826,708	225,752,925
Taxes Other Than Income Tax	12,802,751	12,802,751	12,766,082
Federal Income Tax	2,629,562	2,629,562	2,564,717
State Income Tax	-	-	-
Total	242,259,021	242,259,021	241,083,724
Divided by Days in Year	365	365	365
Average Daily Cost of Service	663,723	663,723	660,503
Net Lag Days	6.1	6.1	6.1
Cash Working Capital	4,028,801	4,028,801	4,009,255
Unadjusted Cash Working Capital	3,833,405	4,028,801	4,028,801
Cash Working Capital Adjustment	<u>195,395</u>	-	<u>(19,545)</u>

Description of Adjustment:

This adjustment is necessary to true-up the cash working capital for the normalizing adjustments made in this filing. Cash working capital is calculated by taking total operation and maintenance expense allocated to the jurisdiction (excluding depreciation and amortization) and adding it's share of allocated taxes, including state and federal income taxes and taxes other than income. This total is divided by the number of days in the year to determine the Company's adjusted daily cost of service. The daily cost of service is multiplied by net lag days to produce the adjusted cash working capital balance.

PacifiCorp
Washington Results of Operations March 2006
Remove Deferred Debits

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>	<u>REF#</u>
Adjustment to Rate Base:							
Misc. Regulatory Assets	182M	1	(1,054,832)	CA	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	266,414	ID	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	(27,235,053)	OR	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	(24,972,095)	OTHER	0.000%	-	8.2.1
Misc. Regulatory Assets	182M	1	(4,155,744)	CAEE	0.000%	-	8.2.1
Misc. Regulatory Assets	182M	1	(13,282,030)	CAEE	0.000%	-	8.2.1
Misc. Regulatory Assets	182M	1	(6,353,675)	SO	7.456%	(473,736)	8.2.1
Misc. Regulatory Assets	182M	1	(13,106,411)	UT	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	685,959	WA	Situs	685,959	8.2.1
Misc. Regulatory Assets	182M	1	(430,477)	WYE	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	(76,171)	WYW	Situs	-	8.2.1
			<u>(89,714,115)</u>			<u>212,223</u>	
Misc. Deferred Debits	186M	1	(2,292)	ID	Situs	-	8.2.1
Misc. Deferred Debits	186M	1	(4,260,786)	OTHER	0.000%	-	8.2.1
Misc. Deferred Debits	186M	1	(7,372,714)	SE	8.384%	(618,146)	8.2.1
Misc. Deferred Debits	186M	1	(26,737,025)	SG	8.438%	(2,255,951)	8.2.1
Misc. Deferred Debits	186M	1	(210,644)	SO	7.456%	(15,706)	8.2.1
Misc. Deferred Debits	186M	1	(136,953)	WA	Situs	(136,953)	8.2.1
			<u>(38,720,414)</u>			<u>(3,026,757)</u>	

Description of Adjustment:

This adjustment removes deferred debits, Accounts 182M and 186M, based on the order in the last General Rate Case, Docket UE-050684.

**PacifiCorp
Washington Results of Operations March 2006
Jim Bridger Mine Rate Base Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>	<u>REF#</u>
Adjustment to Rate Base:							
Other Tangible Property	399	1	73,854,447	CAEW	22.524%	16,635,242	
Other Tangible Property	399	3	<u>16,323,400</u>	CAEW	22.524%	<u>3,676,741</u>	
			<u>90,177,846</u>			<u>20,311,983</u>	

Adjustment Detail

March 2006 Balance	73,854,447
March 2007-13 month Averaging Balance	<u>90,177,846</u>
Additions through March 2007	<u>16,323,400</u>

Description of Adjustment:

PacifiCorp owns a two-thirds interest in the Bridger Coal Company (BCC), which supplies coal to the Jim Bridger generating plant. The company's investment in BCC is recorded on the books of Pacific Minerals, INC (PMI), a wholly-owned subsidiary. Because of this ownership arrangement, the coal mine investment is not included in Account 101 -Electric Plant in Service. The normalized costs for BCC provide no return on investment. The return on investment for BCC is removed in the fuels credit which the company has included as an offset to fuel prices leaving no return in results. This adjustment is necessary to properly reflect the BCC plant investment in the 12-month period.

**PacifiCorp
Washington Results of Operations March 2006
Grid West Loan**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Uncollectible Accounts	904	1	(1,377,143)	CN	7.499%	(103,271)
Uncollectible Accounts	904	1	<u>1,377,143</u>	OTHER	0.000%	<u>-</u>
			<u>-</u>			<u>(103,271)</u>
Adjustment to Rate Base:						
Misc. Regulatory Assets-Grid W	186M	3	112,424	WA	Situs	112,424
Amortization Expense-Grid We	404IP	3	<u>47,337</u>	WA	Situs	<u>47,337</u>
			<u>159,761</u>			<u>159,761</u>
Adjustment to Taxes:						
Contra RTO Grid West N/R Allc	SCHMAT	1	(1,377,143)	CAEW	22.524%	(310,193)
Contra RTO Grid West N/R Allc	SCHMAT	1	1,377,143	OTHER	0.000%	-
RTO Grid West N/R Allowance	SCHMDT	1	(2,723,844)	CAEW	22.524%	(613,528)
RTO Grid West N/R Allowance	SCHMDT	1	2,723,844	OTHER	0.000%	-
Book Amortization Exp-Grid We	SCHMAT	3	47,337	WA	Situs	47,337

Description of Adjustment:

This adjustment corrects the allocation factor for Account 904, recorded in March 2006 related to the Grid West Loan. Additionally, the WUTC approved the accounting treatment of the Grid West Loan costs in UE-060703, subject to approval in the next rate case. This adjustment shows the annual amortization expense and tax treatment for this deferred debit.

PacifiCorp
Washington Results of Operations March 2006
North Umpqua Relicensing Settlement Obligations

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
North Umpqua Asset Accumulated Amor	111IP	1	17,296	CAEW	22.524%	3,896
North Umpqua Settlement Asset	302	1	(595,883)	CAEW	22.524%	(134,219)
Adjustment to Expense:						
North Umpqua Amortization	404IP	1	(541,506)	CAEW	22.524%	(121,971)

Description of Adjustment:

The Company is required to make various cash payments as a result of agreements with intervening parties while relicensing its North Umpqua hydroelectric facilities with the FERC. The accrual accounting entries for the assets, liabilities, and accumulated amortization related to these hydro relicensing settlements have been removed from results through use of the "NUTIL" starting in April 2005. The beginning balance for these items were allocated using SG and need to be removed from results. The amortization expense is still being mapped to SG instead of "NUTIL" and needs to be removed from results also.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Electric Plant In Service:						
Poles, Towers & Fixtures	364	1	(12,931)	WA	Situs	(12,931)
Overhead Conductors	365	1	(450)	WA	Situs	(450)
Underground Conduit	366	1	(239,440)	WA	Situs	(239,440)
Underground Conductors	367	1	(137,011)	WA	Situs	(137,011)
Line Transformers	368	1	(113,784)	WA	Situs	(113,784)
Meters	370	1	(28,482)	WA	Situs	(28,482)
			<u>(532,097)</u>			<u>(532,097)</u>
Accumulated Depreciation:						
Poles, Towers & Fixtures	108364	1	1,742	WA	Situs	1,742
Overhead Conductors	108365	1	121	WA	Situs	121
Underground Conduit	108366	1	32,320	WA	Situs	32,320
Underground Conductors	108367	1	22,620	WA	Situs	22,620
Line Transformers	108368	1	24,349	WA	Situs	24,349
Meters	108370	1	9,078	WA	Situs	9,078
			<u>90,231</u>			<u>90,231</u>
Depreciation Expense:						
Poles, Towers & Fixtures	403364	1	(201)	WA	Situs	(201)
Overhead Conductors	403365	1	17	WA	Situs	17
Underground Conduit	403366	1	(3,734)	WA	Situs	(3,734)
Underground Conductors	403367	1	(2,711)	WA	Situs	(2,711)
Line Transformers	403368	1	(2,094)	WA	Situs	(2,094)
Meters	403370	1	(646)	WA	Situs	(646)
			<u>(9,369)</u>			<u>(9,369)</u>

Description of Adjustment:

On January 25, 2006, in Docket No. UE-051840 the Washington Utilities and Transportation Commission authorized the Company to sell and transfer its interest in the distribution assets serving certain Yakama Nation accounts.

This adjustment removes the electric plant in service, accumulated depreciation and depreciation expense associated with the assets to be sold.

PacifiCorp
Washington Results of Operations March 2006
Customer Advances for Construction

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment Rate Base:						
Customer Advance	252	1	7,083	CA	Situs	-
Customer Advance	252	1	13,139,450	CN	7.499%	985,316
Customer Advance	252	1	(1,174,104)	ID	Situs	-
Customer Advance	252	1	(14,787)	OR	Situs	-
Customer Advance	252	1	(12,905,067)	UT	Situs	-
Customer Advance	252	1	(765)	WA	Situs	(765)
Customer Advance	252	1	909,883	WYE	Situs	-
Customer Advance	252	1	38,307	WYW	Situs	-
			<u>0</u>			<u>984,551</u>

Description of Adjustment:

Customer advances for construction are booked into account 252. When they are booked, the entries do not reflect the proper allocation. This adjustment corrects the allocation of customer advances for construction in the account.

**PacifiCorp
Washington Results of Operations March 2006
Centralia Transmission Line Sale**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Electric Plant In Service:						
Land and Land Rights	350	1	(33,885)	CAEW	22.524%	(7,632)
Station Equipment	353	1	(96,732)	CAEW	22.524%	(21,788)
Towers and Fixtures	354	1	(16,532)	CAEW	22.524%	(3,724)
Poles and Fixtures	355	1	(44,409)	CAEW	22.524%	(10,003)
Overhead Conductors and Dev	356	1	(104,830)	CAEW	22.524%	(23,612)
			<u>(296,389)</u>			<u>(66,760)</u>
Accumulated Depreciation:						
Tranmission Plant	108TP	1	119,215	CAEW	22.524%	26,852
Depreciation Expense:						
Transmission	403TP	1	(4,946)	CAEW	22.524%	(1,114)
Accumulated Deferred Income Taxes:						
Transmission Plant	282	1	14,088	DITBAL	6.937%	977

Description of Adjustment:

On March 15, 2006, the Washington Utilities and Transportation Commission authorized the Company to sell and transfer its interest in the Centralia 230 kV transmission line and related facilities, associated easements and rights-of-way.

This adjustment removes the electric plant in service, accumulated depreciation and depreciation expense associated with the transferred assets.

**PacifiCorp
Washington Results of Operations March 2006
Leaning Juniper**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
Other Production Plant	343	3	101,502,593	CAEW	22.524%	22,862,810
Other Production Accum Depr Reserve	108OP	3	(2,929,646)	CAEW	22.524%	(659,884)
Tax Adjustments:						
Accumulated Deferred Income Tax	282	3	(6,506,723)	DITBAL	6.937%	(451,358)
Schedule M Deduction for Tax Depreciat	SCHMDT	3	20,300,519	TAXDEPR	7.648%	1,552,542
Schedule M Addition for Book Depreciati	SCHMAT	3	3,155,003	SCHMDEXP	7.648%	241,288
Deferred Income Tax	41010	3	6,506,723	DITEXP	9.999%	650,617
Depr. Expense - Other Production	403OP	3	3,155,003	CAEW	22.524%	710,644
O&M Expense - Other Production	548	3	2,000,000	CAEW	22.524%	450,487

Description of Adjustment:

This adjustment includes the Leaning Juniper Wind Plant addition, to be placed into service by October 1, 2006. This adjustment adjusts one half of the plant addition into rate base to reflect the 13-month average methodology used by Washington. Also, the associated depreciation expense, depreciation reserve, taxes and O&M expense are also included.

PacifiCorp
Washington Results of Operations March 2006
Miscellaneous Rate Base Adjustment

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense						
Misc A&G Expense - ID Transition Plan	930	1	(462,486)	ID	Situs	-
Misc A&G Expense - UT Transition Plan	930	1	(2,147,630)	UT	Situs	-
Misc A&G Expense - WA Transition Plan	930	1	(657,375)	WA	Situs	(657,375)
Misc A&G Expense - WYE Transition Pla	930	1	(1,291,432)	WYE	Situs	-
Misc A&G Expense - WYW Transition Pl	930	1	(228,514)	WYW	Situs	-
			<u>(4,787,438)</u>			<u>(657,375)</u>

Description of Adjustment:

This adjustment removes from the test period regulatory assets and associated amortization for the ScottishPower transition plan that were fully amortized as of March 2006. This adjustment also adjusts into results an accrual for severance costs related to the company's rebasing program.

Adjustments to FERC 182M and 186M are included in adjustment 8.2 that adjust deferred debits.

**PacifiCorp
 Washington Results of Operations March 2006
 Colstrip 4 AFUDC Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense: Depreciation	403GP	1	(33,000)	WA	Situs	(33,000)
Adjustment to Tax: Schedule M Adjustment	SCHMAT	1	(33,000)	WA	Situs	(33,000)
Adjustment to Rate Base: Remove Unamortized Balance	310	1	(481,839)	WA	Situs	(481,839)

Description of Adjustment:

This adjustment removes AFUDC from plant in service for the period that Colstrip Construction Work in Progress (CWIP) was allowed in rate base. This treatment was authorized in Cause No. U-81-17 and contained in all cases since this adjustment began in July 1984.

**PacifiCorp
Washington Results of Operations March 2006
Trojan Removal**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Trojan Amort of Unrecovered Plant	407	1	(1,674,863)	TROJP	16.901%	(283,072)
Trojan Amort of Unrecovered Plant	407	1	-	WA	Situs	-
Total Adjustment to Expense			<u>(1,674,863)</u>			<u>(283,072)</u>
Adjustment to Rate Base:						
Trojan Unrecovered Plant	18222	1	1,470,750	WA	Situs	1,470,750
Trojan Unrecovered Plant	18222	1	(6,381,641)	TROJD	17.610%	(1,123,804)
Trojan Unrecovered Plant	18222	1	(4,384,127)	TROJP	16.901%	(740,969)
Accum Prov for Decommissioning	22842	1	2,796,137	TROJD	17.610%	492,399
Asset Retirement Obligations	230	1	2,348,552	TROJP	16.901%	396,933
FAS 143 ARO Regulatory Liability	254105	1	977,676	TROJP	16.901%	165,239
Total Adjustment to Rate Base			<u>(3,172,653)</u>			<u>660,546</u>
Adjustment to Tax						
Schedule M Addition	SCHMAT	1	(1,567,601)	TROJD	17.610%	(276,054)

Description of Adjustment:

This adjustment removes the Trojan amortization expense and the amortized balance from results as ordered by the WUTC in Docket No. UE-991832, item #15.

PacifiCorp
Washington Results of Operations March 2006
MEHC Transition Savings

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Unamortized Change-in-Control Sever:	182M	3	23,244,342	SO	7.456%	1,733,120
Unamortized Fiscal Year Conversion C	182M	3	854,661	SO	7.456%	63,724
			<u>24,099,003</u>			<u>1,796,844</u>
Adjustment to Expense:						
Severance - A&G	930	3	(2,630,526)	SO	7.456%	(196,134)
Fiscal Year Conversion Costs - A&G	930	3	341,864	SO	7.456%	25,490
MEHC Transition Savings	930	3	(14,102,326)	SO	7.456%	(1,051,483)
			<u>(16,390,988)</u>			<u>(1,222,127)</u>

Description of Adjustment:

On May 18, 2006, PacifiCorp filed a petition with the WUTC for an accounting order seeking approval for deferral of certain costs related to the MidAmerican Energy Holdings Company Transition. The petition has been assigned Docket No. UE-060817. The Company anticipates both savings and costs related to the MEHC Transition. This adjustment reflects known employee severance costs and savings through August 31, 2006 and actual and estimated software conversion costs through December 31, 2006.

PacifiCorp
WUTC Bench Request No. 1
Adjustment Summary - Rebuttal Filing

	3.1	3.2	3.3	3.4	3.5	3.6	4.1	4.2	
	Temperature	ProForma	Revenue	Centralia	Pole Attachment	SO2 Emission	Green Tag	Miscellaneous	
Total Normalized	Normalization	Reduction in Load	Normalizing	Gain	Revenue	Allowances	Removal	General Expense Adj.	
1 Operating Revenues:									
2 General Business Revenues	10,000,070	(220,437)	(3,906,382)	14,126,889	-	-	-	-	
3 Interdepartmental	-	-	-	-	-	-	-	-	
4 Special Sales	-	-	-	-	-	-	-	-	
5 Other Operating Revenues	(327,651)	-	-	(1,130,292)	(799,078)	-	-	-	
6 Total Operating Revenues	9,672,419	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	-	-	
7									
8 Operating Expenses:									
9 Steam Production	-	-	-	-	-	-	-	-	
10 Nuclear Production	-	-	-	-	-	-	-	-	
11 Hydro Production	-	-	-	-	-	-	-	-	
12 Other Power Supply	18,927,501	-	-	-	-	-	(41,141)	-	
13 Transmission	(254,998)	-	-	-	-	-	-	-	
14 Distribution	(15,539)	-	-	-	-	-	-	-	
15 Customer Accounting	(103,271)	-	-	-	-	-	-	-	
16 Customer Service & Info	(4,960,687)	-	-	-	-	-	-	-	
17 Sales	-	-	-	-	-	-	-	-	
18 Administrative & General	(2,224,404)	-	-	-	-	-	-	(33,169)	
19 Total O&M Expenses	11,368,603	-	-	-	-	-	(41,141)	(33,169)	
20 Depreciation	(114,616)	-	-	-	-	-	-	-	
21 Amortization	(352,000)	-	-	-	-	-	-	-	
22 Taxes Other Than Income	(370,093)	-	-	-	-	-	-	-	
23 Income Taxes: Federal	(1,669,608)	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	14,399	11,609	
24 State	-	-	-	-	-	-	-	-	
25 Deferred Income Taxes	(1,113,304)	-	-	-	-	(762,200)	-	-	
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	
27 Misc Revenue & Expense	2,008,443	-	-	-	-	2,008,443	-	-	
28 Total Operating Expenses:	9,757,423	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	(26,741)	(21,560)	
29									
30 Operating Rev For Return:	(85,004)	(143,284)	(2,539,148)	9,182,478	(734,690)	(519,401)	(1,246,242)	26,741	21,560
31									
32 Rate Base:									
33 Electric Plant In Service	16,031,966	-	-	-	-	-	-	-	
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	
35 Misc Deferred Debits	(59,511)	-	-	-	-	-	-	-	
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	
37 Nuclear Fuel	-	-	-	-	-	-	-	-	
38 Prepayments	-	-	-	-	-	-	-	-	
39 Fuel Stock	-	-	-	-	-	-	-	-	
40 Material & Supplies	-	-	-	-	-	-	-	-	
41 Working Capital	155,141	-	-	-	-	-	-	-	
42 Weatherization Loans	-	-	-	-	-	-	-	-	
43 Misc Rate Base	(368,987)	-	-	-	-	-	-	-	
44 Total Electric Plant:	15,758,608	-	-	-	-	-	-	-	
45									
46 Deductions:									
47 Accum Prov For Deprec	14,719,168	-	-	-	-	-	-	-	
48 Accum Prov For Amort	3,832	-	-	-	-	-	-	-	
49 Accum Def Income Tax	(9,121,334)	-	-	-	-	1,930,860	-	-	
50 Unamortized ITC	270,143	-	-	-	-	-	-	-	
51 Customer Adv For Const	984,551	-	-	-	-	-	-	-	
52 Customer Service Deposits	(2,001,969)	-	-	-	-	-	-	-	
53 Miscellaneous Deductions	(2,347,961)	-	-	-	-	(3,388,448)	-	-	
54									
55 Total Deductions:	2,506,431	-	-	-	-	(1,457,588)	-	-	
56									
57 Total Rate Base:	18,265,039	-	-	-	-	(1,457,588)	-	-	
58									
59									
60 Effect on ROE	-0.059%	-1.044%	3.775%	-0.302%	-0.214%	-0.477%	0.011%	0.009%	
61									
62									
63									
64 TAX CALCULATION:									
65									
66 Operating Revenue	(2,867,916)	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	(2,008,443)	41,141	33,169
67 Other Deductions	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
69 Interest	(422,350)	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	1,355,585	-	-	-	-	2,449,857	-	-	-
71 Schedule "M" Deductions	1,883,023	-	-	-	-	441,415	-	-	-
72 Income Before Tax	(2,973,004)	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	41,141	33,169	
73									
74 State Income Taxes	-	-	-	-	-	-	-	-	
75									
76 Taxable Income	(2,973,004)	(220,437)	(3,906,382)	14,126,889	(1,130,292)	(799,078)	41,141	33,169	
77									
78 Federal Income Tax - Calculated	(1,040,552)	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	14,399	11,609	
79 Adjustments to Calculated Tax:	-	-	-	-	-	-	-	-	
80 Wyoming Wind Tax Credit	(629,057)	-	-	-	-	-	-	-	
81 Federal Income Taxes	(1,669,608)	(77,153)	(1,367,234)	4,944,411	(395,602)	(279,677)	14,399	11,609	

PacifiCorp
WUTC Bench Request No. 1
Adjustment Summary - Rebuttal FI

	4.3	4.4	4.5	4.6	4.7	4.8	4.9	5.1	5.2
	International Assignee Adj.	Out of Period Expense Adj.	Property Insurance	Affiliate Management Fee Commitment	DSM Amortization Removal	Corporate Cost Commitment	A&G Expense Commitment	BPA Exchange	James River Royalty Offset
1 Operating Revenues:									
2 General Business Revenues	-	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	-	-	1,601,719
6 Total Operating Revenues	-	-	-	-	-	-	-	-	1,601,719
7									
8 Operating Expenses:									
9 Steam Production	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-
12 Other Power Supply	-	-	-	-	-	-	-	20,052,696	-
13 Transmission	-	-	-	-	-	-	-	-	-
14 Distribution	(15,539)	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-	-	-	-	-
16 Customer Service & Info	-	-	-	-	(4,960,687)	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-
18 Administrative & General	(130,660)	(68,180)	167,100	(10,797)	-	(81,190)	(466,197)	-	-
19 Total O&M Expenses	(146,199)	(68,180)	167,100	(10,797)	(4,960,687)	(81,190)	(466,197)	20,052,696	-
20 Depreciation	-	-	-	-	-	-	-	-	-
21 Amortization	-	-	-	-	-	-	-	-	-
22 Taxes Other Than Income	-	-	-	-	-	-	-	-	-
23 Income Taxes: Federal	51,170	23,863	(58,485)	3,779	1,736,240	28,417	163,169	(7,018,443)	560,602
24 State	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	-	-	-	-	-	-	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	(95,029)	(44,317)	108,615	(7,018)	(3,224,446)	(52,774)	(303,028)	13,034,252	560,602
29									
30 Operating Rev For Return:	95,029	44,317	(108,615)	7,018	3,224,446	52,774	303,028	(13,034,252)	1,041,117
31									
32 Rate Base:									
33 Electric Plant In Service	-	-	-	-	-	-	-	-	-
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	-	-	-	-	-	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-
41 Working Capital	-	-	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-	-	-	-	-
44 Total Electric Plant:	-	-	-	-	-	-	-	-	-
45									
46 Deductions:									
47 Accum Prov For Deprec	-	-	-	-	-	-	-	-	-
48 Accum Prov For Amort	-	-	-	-	-	-	-	-	-
49 Accum Def Income Tax	-	-	-	-	-	-	-	-	-
50 Unamortized ITC	-	-	-	-	-	-	-	-	-
51 Customer Adv For Const	-	-	-	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-	-	-	-	-
54									
55 Total Deductions:	-	-	-	-	-	-	-	-	-
56									
57 Total Rate Base:	-	-	-	-	-	-	-	-	-
58									
59									
60 Effect on ROE	0.039%	0.018%	-0.045%	0.003%	1.326%	0.022%	0.125%	-5.358%	0.428%
61									
62									
63									
64 TAX CALCULATION:									
65									
66 Operating Revenue	146,199	68,180	(167,100)	10,797	4,960,687	81,190	466,197	(20,052,696)	1,601,719
67 Other Deductions	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
69 Interest	-	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	-	-	-	-	-	-	-	-	-
71 Schedule "M" Deductions	-	-	-	-	-	-	-	-	-
72 Income Before Tax	146,199	68,180	(167,100)	10,797	4,960,687	81,190	466,197	(20,052,696)	1,601,719
73									
74 State Income Taxes	-	-	-	-	-	-	-	-	-
75									
76 Taxable Income	146,199	68,180	(167,100)	10,797	4,960,687	81,190	466,197	(20,052,696)	1,601,719
77									
78 Federal Income Tax - Calculated	51,170	23,863	(58,485)	3,779	1,736,240	28,417	163,169	(7,018,443)	560,602
79 Adjustments to Calculated Tax:									
80 Wyoming Wind Tax Credit	-	-	-	-	-	-	-	-	-
81 Federal Income Taxes	51,170	23,863	(58,485)	3,779	1,736,240	28,417	163,169	(7,018,443)	560,602

PacifiCorp
WUTC Bench Request No. 1
Adjustment Summary - Rebuttal FI

	5.3	7.1	7.2	7.3	7.4	7.5	7.6	7.7	7.8
	Removal of Colstrip 3	Interest True Up	Utah Gross Receipts Tax Adj.	Deferred Income Tax Balance Reclassification	Malin Midpoint Adj.	Flow-Through Deferred Tax Adj.	WA IRS Settlement Amortization Adj.	Year-End Deferred Tax Adj.	Renewable Energy Tax Credit Adj.
1 Operating Revenues:									
2 General Business Revenues	-	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-	-	-	-	-
7									
8 Operating Expenses:									
9 Steam Production	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-
12 Other Power Supply	-	-	-	-	-	-	-	-	-
13 Transmission	-	-	-	-	-	-	-	-	-
14 Distribution	-	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-	-	-	-	-
16 Customer Service & Info	-	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-
18 Administrative & General	-	-	-	-	-	-	-	-	-
19 Total O&M Expenses	-	-	-	-	-	-	-	-	-
20 Depreciation	(770,172)	-	-	-	-	-	-	-	-
21 Amortization	-	-	-	-	-	-	-	-	-
22 Taxes Other Than Income	(36,269)	-	(297,155)	-	-	-	-	-	-
23 Income Taxes: Federal	19,881	147,822	104,004	-	-	-	-	-	(629,057)
24 State	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	121,095	-	-	-	(292,576)	(1,217,863)	579,726	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	(665,466)	147,822	(193,151)	-	(292,576)	(1,217,863)	579,726	-	(629,057)
29									
30 Operating Rev For Return:	665,466	(147,822)	193,151	-	292,576	1,217,863	(579,726)	-	629,057
31									
32 Rate Base:									
33 Electric Plant In Service	(25,557,273)	-	-	-	-	-	-	-	-
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	-	-	-	-	-	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-
41 Working Capital	-	-	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-	-	-	-	-
44 Total Electric Plant:	(25,557,273)	-	-	-	-	-	-	-	-
45									
46 Deductions:									
47 Accum Prov For Deprec	15,251,616	-	-	-	-	-	-	-	-
48 Accum Prov For Amort	-	-	-	-	-	-	-	-	-
49 Accum Def Income Tax	566,765	-	-	(16,435)	(1,462,882)	(10,531,719)	1,159,454	(498,669)	-
50 Unamortized ITC	245,000	-	-	-	-	-	-	120,750	-
51 Customer Adv For Const	-	-	-	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-	-	-	-	-
54									
55 Total Deductions:	16,063,380	-	-	(16,435)	(1,462,882)	(10,531,719)	1,159,454	(377,919)	-
56									
57 Total Rate Base:	(9,493,893)	-	-	(16,435)	(1,462,882)	(10,531,719)	1,159,454	(377,919)	-
58									
59									
60 Effect on ROE	0.524%	-0.061%	0.079%	0.000%	0.158%	0.784%	-0.267%	0.010%	0.259%
61									
62									
63									
64 TAX CALCULATION:									
65									
66 Operating Revenue	806,441	-	297,155	-	-	-	-	-	-
67 Other Deductions	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
69 Interest	-	(422,350)	-	-	-	-	-	-	-
70 Schedule "M" Additions	(770,172)	-	-	-	-	-	-	-	-
71 Schedule "M" Deductions	(20,534)	-	-	-	-	-	-	-	-
72 Income Before Tax	56,803	422,350	297,155	-	-	-	-	-	-
73									
74 State Income Taxes	-	-	-	-	-	-	-	-	-
75									
76 Taxable Income	56,803	422,350	297,155	-	-	-	-	-	-
77									
78 Federal Income Tax - Calculated	19,881	147,822	104,004	-	-	-	-	-	-
79 Adjustments to Calculated Tax:									
80 Wyoming Wind Tax Credit	-	-	-	-	-	-	-	-	(629,057)
81 Federal Income Taxes	19,881	147,822	104,004	-	-	-	-	-	(629,057)

PacifiCorp
WUTC Bench Request No. 1
Adjustment Summary - Rebuttal FI

	7.9	8.1	8.2	8.3	8.4	8.5	8.6	8.7	8.8
	Low Income Tax Credit	Cash Working Capital	Remove Deferred Debits	Jim Bridger Mine Rate Base Adj.	Grid West Loan	Relicensing Settlement Obligations	Yakama Sale	Customer Advances for Construction	Centralia Transmission Line Sale
1 Operating Revenues:									
2 General Business Revenues	-	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-	-	-	-	-
7									
8 Operating Expenses:									
9 Steam Production	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-
12 Other Power Supply	-	-	-	-	-	-	-	-	-
13 Transmission	-	-	-	-	-	-	-	-	-
14 Distribution	-	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	(103,271)	-	-	-	-
16 Customer Service & Info	-	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-
18 Administrative & General	-	-	-	-	-	-	-	-	-
19 Total O&M Expenses	-	-	-	-	(103,271)	-	-	-	-
20 Depreciation	-	-	-	-	-	-	(9,369)	-	(1,096)
21 Amortization	-	-	-	-	47,337	(119,976)	-	-	-
22 Taxes Other Than Income	(36,669)	-	-	-	-	-	-	-	-
23 Income Taxes: Federal	12,834	-	-	-	140,576	41,992	3,279	-	384
24 State	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	-	-	-	-	-	-	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	(23,835)	-	-	-	84,642	(77,984)	(6,090)	-	(712)
29									
30 Operating Rev For Return:	23,835	-	-	-	(84,642)	77,984	6,090	-	712
31									
32 Rate Base:									
33 Electric Plant In Service	-	-	-	20,311,983	-	(132,024)	(532,097)	-	(65,668)
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	(2,809,600)	-	112,424	-	-	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-
41 Working Capital	-	155,141	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-	-	-	-	-
44 Total Electric Plant:	-	155,141	(2,809,600)	20,311,983	112,424	(132,024)	(532,097)	-	(65,668)
45									
46 Deductions:									
47 Accum Prov For Deprec	-	-	-	-	-	-	90,231	-	26,413
48 Accum Prov For Amort	-	-	-	-	-	3,832	-	-	-
49 Accum Def Income Tax	-	-	-	-	-	-	-	-	977
50 Unamortized ITC	-	-	-	-	-	-	-	-	-
51 Customer Adv For Const	-	-	-	-	-	-	-	984,551	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-	-	-	-	-
54									
55 Total Deductions:	-	-	-	-	-	3,832	90,231	984,551	27,391
56									
57 Total Rate Base:	-	155,141	(2,809,600)	20,311,983	112,424	(128,191)	(441,866)	984,551	(38,277)
58									
59									
60 Effect on ROE	0.010%	-0.004%	0.072%	-0.496%	-0.038%	0.035%	0.014%	-0.025%	0.001%
61									
62									
63									
64 TAX CALCULATION:									
65									
66 Operating Revenue	36,669	-	-	-	55,934	119,976	9,369	-	1,096
67 Other Deductions	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
69 Interest	-	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	-	-	-	-	(257,783)	-	-	-	-
71 Schedule "M" Deductions	-	-	-	-	(603,494)	-	-	-	-
72 Income Before Tax	36,669	-	-	-	401,645	119,976	9,369	-	1,096
73									
74 State Income Taxes	-	-	-	-	-	-	-	-	-
75									
76 Taxable Income	36,669	-	-	-	401,645	119,976	9,369	-	1,096
77									
78 Federal Income Tax - Calculated	12,834	-	-	-	140,576	41,992	3,279	-	384
79 Adjustments to Calculated Tax:									
80 Wyoming Wind Tax Credit	-	-	-	-	-	-	-	-	-
81 Federal Income Taxes	12,834	-	-	-	140,576	41,992	3,279	-	384

PacifiCorp
WUTC Bench Request No. 1
Adjustment Summary - Rebuttal FI

	8.9	8.10	8.11	8.12	8.13	9.1	9.2	9.3	9.4
	Leaning Juniper	Miscellaneous Rate Base Adjustment	Colstrip 4 AFUDC Adj.	Trojan Removal	MEHC Transition Savings	EEl Dues	Yellowtail Tribe Right-of-Way	Pro Forma Wages	IRS Settlement Amort. Correction
1 Operating Revenues:									
2 General Business Revenues	-	-	-	-	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-	-	-	-	-
4 Special Sales	-	-	-	-	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-	-	-	-	-
7									
8 Operating Expenses:									
9 Steam Production	-	-	-	-	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-	-	-	-	-
11 Hydro Production	-	-	-	-	-	-	-	-	-
12 Other Power Supply	443,119	-	-	-	-	-	-	-	-
13 Transmission	-	-	-	-	-	-	(254,998)	-	-
14 Distribution	-	-	-	-	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-	-	-	-	-
16 Customer Service & Info	-	-	-	-	-	-	-	-	-
17 Sales	-	-	-	-	-	-	-	-	-
18 Administrative & General	-	(657,375)	-	-	(1,209,809)	(33,700)	-	1,059,785	-
19 Total O&M Expenses	443,119	(657,375)	-	-	(1,209,809)	(33,700)	(254,998)	1,059,785	-
20 Depreciation	699,021	-	(33,000)	-	-	-	-	-	-
21 Amortization	-	-	-	(279,361)	-	-	-	-	-
22 Taxes Other Than Income	-	-	-	-	-	-	-	-	-
23 Income Taxes: Federal	(854,284)	230,081	-	2,475	423,433	11,795	89,249	(370,925)	-
24 State	-	-	-	-	-	-	-	-	-
25 Deferred Income Taxes	650,617	-	-	-	-	-	-	-	(192,102)
26 Investment Tax Credit Adj.	-	-	-	-	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-	-	-	-	-
28 Total Operating Expenses:	938,473	(427,294)	(33,000)	(276,886)	(786,376)	(21,905)	(165,749)	688,860	(192,102)
29									
30 Operating Rev For Return:	(938,473)	427,294	33,000	276,886	786,376	21,905	165,749	(688,860)	192,102
31									
32 Rate Base:									
33 Electric Plant In Service	22,488,883	-	(481,839)	-	-	-	-	-	-
34 Plant Held for Future Use	-	-	-	-	-	-	-	-	-
35 Misc Deferred Debits	-	-	-	-	1,778,733	-	-	-	-
36 Elec Plant Acq Adj	-	-	-	-	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-	-	-	-	-
38 Prepayments	-	-	-	-	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-	-	-	-	-
41 Working Capital	-	-	-	-	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-	-	-	-	-
43 Misc Rate Base	-	-	-	(368,987)	-	-	-	-	-
44 Total Electric Plant:	22,488,883	-	(481,839)	(368,987)	1,778,733	-	-	-	-
45									
46 Deductions:									
47 Accum Prov For Deprec	(649,091)	-	-	-	-	-	-	-	-
48 Accum Prov For Amort	-	-	-	-	-	-	-	-	-
49 Accum Def Income Tax	(451,358)	-	-	-	-	-	-	-	164,932
50 Unamortized ITC	-	-	-	-	-	-	-	-	-
51 Customer Adv For Const	-	-	-	-	-	-	-	-	-
52 Customer Service Deposits	-	-	-	-	-	-	-	-	-
53 Miscellaneous Deductions	-	-	-	1,040,487	-	-	-	-	-
54									
55 Total Deductions:	(1,100,449)	-	-	1,040,487	-	-	-	-	164,932
56									
57 Total Rate Base:	21,388,434	-	(481,839)	671,500	1,778,733	-	-	-	164,932
58									
59									
60 Effect on ROE	-0.893%	0.176%	0.026%	0.097%	0.277%	0.009%	0.068%	-0.283%	0.075%
61									
62									
63									
64 TAX CALCULATION:									
65									
66 Operating Revenue	(1,142,141)	657,375	33,000	279,361	1,209,809	33,700	254,998	(1,059,785)	-
67 Other Deductions	-	-	-	-	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-	-	-	-	-
69 Interest	-	-	-	-	-	-	-	-	-
70 Schedule "M" Additions	238,973	-	(33,000)	(272,290)	-	-	-	-	-
71 Schedule "M" Deductions	1,537,645	-	-	-	-	-	-	-	-
72 Income Before Tax	(2,440,813)	657,375	-	7,071	1,209,809	33,700	254,998	(1,059,785)	-
73									
74 State Income Taxes	-	-	-	-	-	-	-	-	-
75									
76 Taxable Income	(2,440,813)	657,375	-	7,071	1,209,809	33,700	254,998	(1,059,785)	-
77									
78 Federal Income Tax - Calculated	(854,284)	230,081	-	2,475	423,433	11,795	89,249	(370,925)	-
79 Adjustments to Calculated Tax:									
80 Wyoming Wind Tax Credit	-	-	-	-	-	-	-	-	-
81 Federal Income Taxes	(854,284)	230,081	-	2,475	423,433	11,795	89,249	(370,925)	-

PacifiCorp
WUTC Bench Request No. 1
Adjustment Summary - Rebuttal F1

	9.5	9.6	9.7	9.8	9.9
	Production Activity Tax Deduction	Customer Deposits	Revised MEHC Transition Savings	Net Power Cost Revisions	Month Average Deferred Tax Balances
1 Operating Revenues:					
2 General Business Revenues	-	-	-	-	-
3 Interdepartmental	-	-	-	-	-
4 Special Sales	-	-	-	-	-
5 Other Operating Revenues	-	-	-	-	-
6 Total Operating Revenues	-	-	-	-	-
7					
8 Operating Expenses:					
9 Steam Production	-	-	-	-	-
10 Nuclear Production	-	-	-	-	-
11 Hydro Production	-	-	-	-	-
12 Other Power Supply	-	-	-	(1,527,173)	-
13 Transmission	-	-	-	-	-
14 Distribution	-	-	-	-	-
15 Customer Accounting	-	-	-	-	-
16 Customer Service & Info	-	-	-	-	-
17 Sales	-	-	-	-	-
18 Administrative & General	-	37,483	(797,693)	-	-
19 Total O&M Expenses	-	37,483	(797,693)	(1,527,173)	-
20 Depreciation	-	-	-	-	-
21 Amortization	-	-	-	-	-
22 Taxes Other Than Income	-	-	-	-	-
23 Income Taxes: Federal	(184,797)	(13,119)	279,193	534,511	-
24 State	-	-	-	-	-
25 Deferred Income Taxes	-	-	-	-	-
26 Investment Tax Credit Adj.	-	-	-	-	-
27 Misc Revenue & Expense	-	-	-	-	-
28 Total Operating Expenses:	(184,797)	24,364	(518,500)	(992,663)	-
29					
30 Operating Rev For Return:	184,797	(24,364)	518,500	992,663	-
31					
32 Rate Base:					
33 Electric Plant In Service	-	-	-	-	-
34 Plant Held for Future Use	-	-	-	-	-
35 Misc Deferred Debits	-	-	858,931	-	-
36 Elec Plant Acq Adj	-	-	-	-	-
37 Nuclear Fuel	-	-	-	-	-
38 Prepayments	-	-	-	-	-
39 Fuel Stock	-	-	-	-	-
40 Material & Supplies	-	-	-	-	-
41 Working Capital	-	-	-	-	-
42 Weatherization Loans	-	-	-	-	-
43 Misc Rate Base	-	-	-	-	-
44 Total Electric Plant:	-	-	858,931	-	-
45					
46 Deductions:					
47 Accum Prov For Deprec	-	-	-	-	-
48 Accum Prov For Amort	-	-	-	-	-
49 Accum Def Income Tax	-	-	-	-	16,741
50 Unamortized ITC	-	-	-	-	(95,606)
51 Customer Adv For Const	-	-	-	-	-
52 Customer Service Deposits	-	(2,001,969)	-	-	-
53 Miscellaneous Deductions	-	-	-	-	-
54					
55 Total Deductions:	-	(2,001,969)	-	-	(78,865)
56					
57 Total Rate Base:	-	(2,001,969)	858,931	-	(78,865)
58					
59					
60 Effect on ROE	0.076%	0.041%	0.191%	0.408%	0.002%
61					
62					
63					
64 TAX CALCULATION:					
65					
66 Operating Revenue	-	(37,483)	797,693	1,527,173	-
67 Other Deductions	-	-	-	-	-
68 Interest (AFUDC)	-	-	-	-	-
69 Interest	-	-	-	-	-
70 Schedule "M" Additions	-	-	-	-	-
71 Schedule "M" Deductions	527,991	-	-	-	-
72 Income Before Tax	(527,991)	(37,483)	797,693	1,527,173	-
73					
74 State Income Taxes	-	-	-	-	-
75					
76 Taxable Income	(527,991)	(37,483)	797,693	1,527,173	-
77					
78 Federal Income Tax - Calculated	(184,797)	(13,119)	279,193	534,511	-
79 Adjustments to Calculated Tax:					
80 Wyoming Wind Tax Credit	-	-	-	-	-
81 Federal Income Taxes	(184,797)	(13,119)	279,193	534,511	-

**PacifiCorp
 Washington Results of Operations March 2006
 Temperature Normalization**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Revenue:						
Residential	440	1	79,319	WA	Situs	79,319
Commercial	442	1	(299,755)	WA	Situs	(299,755)
Total			<u>(220,437)</u>			<u>(220,437)</u>

Description of Adjustment:

This adjustment normalizes revenues in the test period by comparing actual loads to temperature normalized loads. Temperature normalization reflects weather or temperature patterns which were measurably different than normal, as defined by using 30-year historical studies by the National Oceanic & Atmospheric Administration. Only residential and commercial sales are considered weather sensitive. Industrial sales are more sensitive to specific economic factors. This revenue adjustment corresponds with temperature adjustments made to system peak, energy loads and net power costs.

**PacifiCorp
Washington Results of Operations March 2006
ProForma Reduction in Load**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Revenue						
Residential	440	1	(55,235)	WA	Situs	(55,235)
Commercial	442	1	(569,941)	WA	Situs	(569,941)
Industrial ¹	442	1	(3,281,206)	WA	Situs	(3,281,206)
Interdepartmental Revenues	448	1	-	WA	Situs	-
Public Street & Highway	444	1	-	WA	Situs	-
Total			<u><u>(3,906,382)</u></u>			<u><u>(3,906,382)</u></u>

¹ Includes Industrial and Irrigation.

Description of Adjustment:

This adjustment reflects the proforma decrease in revenues resulting from the loss of the Centralia Plant load (due to the sale of the Centralia Transmission Line) and the Yakama Nation load (due to the sale of distribution facilities to Yakama Power).

On March 15, 2006, in Docket No. UE-060020, the Washington Utilities and Transportation Commission issued its order authorizing PacifiCorp to sell and transfer its interest in the Centralia 230 KV transmission line. As a result of the sale, the Centralia Power Station will no longer be taking service from PacifiCorp.

On January 25, 2006, in Docket No. UE-051840, the Washington Utilities and Transportation Commission approved PacifiCorp's request to sell its interest in certain distribution assets serving the Yakama Nation, resulting in the loss of retail revenues to customers connected to the facilities.

**PacifiCorp
Washington Results of Operations March 2006
Revenue Normalizing**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Revenue:						
Residential	440	1	14,167,584	WA	Situs	14,167,584
Commercial	442	1	(670,644)	WA	Situs	(670,644)
Industrial ¹	442	1	639,877	WA	Situs	639,877
Interdepartmental Revenues	448	1	-	WA	Situs	-
Public Street & Highway	444	1	(9,929)	WA	Situs	(9,929)
Total			<u><u>14,126,889</u></u>			<u><u>14,126,889</u></u>

¹ Includes Industrial and Irrigation.

Description of Adjustment:

The Revenue Normalization Adjustment removes revenue adjustment items that should not be included in Regulatory results. These revenues are related to Schedule 98 (BPA Credit), Schedule 191 (Systems Benefits Charge), the Centralia Gain and the Merger Credit revenues. Expenses related to these items are also removed from Results of Operations. This adjustment also normalizes revenues by removing out of period adjustments.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Operating Income:						
Remove Revenue Reduction on Custom	456	1	(15,685,543)	OR	Situs	-
Remove Revenue Reduction on Custom	456	1	<u>(1,130,292)</u>	WA	Situs	<u>(1,130,292)</u>
			<u>(16,815,835)</u>			<u>(1,130,292)</u>

Description of Adjustment:

PacifiCorp recorded a regulatory liability recognizing the customers' share of the Centralia gain. This liability was interest bearing and amortized over five years. As customers receive credit on their bills, the Company offsets this customer credit by amortizing the liability to other revenues. This adjustment removes the Centralia gain from the results of operations since it is treated as a separate tariff rider on customers' bills and the amortization was completed during the test period.

**PacifiCorp
Washington Results of Operations March 2006
Pole Attachment Revenue**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Revenues:						
Rent of Electric Property	454	1	(149)	CA	Situs	-
Rent of Electric Property	454	1	(103)	ID	Situs	-
Rent of Electric Property	454	1	(538,270)	OR	Situs	-
Rent of Electric Property	454	1	(1,930,058)	UT	Situs	-
Rent of Electric Property	454	1	(799,078)	WA	Situs	(799,078)
Rent of Electric Property	454	1	(414,430)	WY-ALL	Situs	-
			<u>(3,682,088)</u>			<u>(799,078)</u>

Description of Adjustment:

PacifiCorp entered into settlement agreements relating to disputed pole attachment receivables due from Qwest, Charter Communications and Electric Lightwave Inc. in December 2005. Part of the amount received related to the period prior to FY 2006. These amounts had been fully reserved. When the payments were received, the provision for uncollectible joint use pole attachments was reversed, resulting in additional revenue credited to FY 2006 due to pole attachment income earned in prior periods.

PacifiCorp
Washington Results of Operations March 2006
SO2 Emission Allowances

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Revenue:						
Gain from Sales of Allowances	4118	1	29,219,771	SE	8.384%	2,449,857
Allowed Gain from Sale of Allowances	4118	1	<u>(5,264,810)</u>	SE	8.384%	<u>(441,415)</u>
			<u>23,954,961</u>			<u>2,008,443</u>
Adjustment to Rate Base:						
Accum Deferred Income Taxes	190	1	23,029,624	SE	8.384%	1,930,860
Regulatory Deferred Sales	25398	1	<u>(40,414,467)</u>	SE	8.384%	<u>(3,388,448)</u>
			<u>(17,384,843)</u>			<u>(1,457,588)</u>
Adjustment to Tax:						
Schedule M Additions	SCHMAT	1	29,219,771	SE	8.384%	2,449,857
Schedule M Deduction	SCHMDT	1	5,264,810	SE	8.384%	441,415
DIT Expense	41110	1	(10,864,258)	SE	8.384%	(910,886)
DIT Expense	41010	1	1,773,396	SE	8.384%	148,686

Description of Adjustment:

This adjustment includes sales of emission allowances to reflect a 15-year amortization as approved in UE-940947.

**PacifiCorp
Washington Results of Operations March 2006
Green Tag Removal**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Green Tag Purchases	555	1	(490,690)	SE	8.384%	(41,141)

Description of Adjustment:

This adjustment removes from results the costs associated with Green Tags.

PacifiCorp
Washington Results of Operations March 2006
Miscellaneous General Expense Adj.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense:						
Miscellaneous General Expense	920	1	(1,417)	SO	7.381%	(105)
Miscellaneous General Expense	921	1	(33,696)	SO	7.381%	(2,487)
Miscellaneous General Expense	923	1	(395,349)	SO	7.381%	(29,181)
Miscellaneous General Expense	930	1	(18,930)	SO	7.381%	(1,397)
Total			<u>(449,393)</u>			<u>(33,169)</u>

Description of Adjustment:

This adjustment removes from results of operations certain miscellaneous expenses that should have been charged to non-regulated accounts.

**PacifiCorp
Washington Results of Operations March 2006
International Assignee Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
<u>Removal of Actual Costs:</u>						
Distribution Expense	580	1	(218,188)	SNPD	7.122%	(15,539)
A&G Expense	921	1	<u>(2,061,928)</u>	SO	7.381%	<u>(152,190)</u>
			<u>(2,280,116)</u>			<u>(167,729)</u>
 <u>Include Prorated U.S. Compensation:</u>						
Distribution Expense	580	1	-	SNPD	7.122%	-
A&G Expense	921	1	<u>291,690</u>	SO	7.381%	<u>21,529</u>
			<u>291,690</u>			<u>21,529</u>

Description of Adjustment:

This adjustment removes international assignees (IA's) costs that are non-recurring or are out-of-period. In addition, ongoing positions filled by IA's are priced at either the lessor of US market compensation levels or actual compensation levels.

**PacifiCorp
 Washington Results of Operations March 2006
 Out of Period Expense Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Operating & Maintenance expe	921	1	(1,341,731)	SO	7.381%	(99,032)
Operating & Maintenance expe	923	1	238,000	SO	7.381%	17,567
Operating & Maintenance expe	935	1	180,000	SO	7.381%	13,286
			<u>(923,731)</u>			<u>(68,180)</u>

Description of Adjustment:

Three accounting adjustments were made to expense accounts that are either one-time and non-recurring in nature or relate to a prior period. These transactions are removed from results of operations to normalize the test period results.

- 1) CWIP was written off for the "Identity management" project after the project was cancelled. This is a one-time, non-recurring event.
- 2) A legal expense liability set-up in 2003 was trued-up (Decreased) in 2005 to equal the billed amount. This is a one-time, non-recurring event.
- 3) A property tax refund associated with the Lloyd Center Tower building was recorded to the income statement in May 2005. This a one-time, non-recurring event.

**PacifiCorp
Washington Results of Operations March 2006
Property Insurance**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Prov for Property Insurance	924	3	947,765	SO	7.381%	69,954
Prov for Property Insurance	925	3	<u>1,316,168</u>	SO	7.381%	<u>97,146</u>
			<u><u>2,263,933</u></u>			<u><u>167,100</u></u>

Description of Adjustment:

This adjustment adjusts expenses in Account 924, Property Insurance and Account 925, Injuries and Damages, to reflect the change in premiums and uninsured losses for property and liability insurance the Company expects to experience during the 12-months ending March 31, 2007.

**PacifiCorp
 Washington Results of Operations March 2006
 Affiliate Management Fee Commitment**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Management Fee	929	1	(146,287)	SO	7.381%	(10,797)

Adjustment Detail

Group Expenses	18,065,587
Electric Operations Expenses	16,711,874
Affiliate Expenses	<u>1,353,713</u>
Stipulated Amount	<u>1,500,000</u>
Adjustment Amount	<u>(146,287)</u>

Description of Adjustment:

The Company committed in Washington UE-051090 Item Wa 4 to hold customers harmless to costs that were previously assigned to affiliates relating to management fees and sets the total company amount at \$1,500,000. For the 12 months ended March 31, 2006, \$1,353,713 was included in management fees. This adjustment removes an additional \$146,287 in expense to meet the \$1,500,000 million reduction commitment.

**PacifiCorp
 Washington Results of Operations March 2006
 DSM Amortization Removal**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Customer Assistance	908	1	(31,194,014)	UT	Situs	-
Customer Assistance	908	1	(4,960,687)	WA	Situs	(4,960,687)
Customer Assistance	908	1	(217,081)	CA	Situs	-
			<u>(36,371,782)</u>			<u>(4,960,687)</u>

Description of Adjustment:

This adjustment removes all expenses related to DSM that are recovered through separate tariff riders. The related regulatory assets are not included in rate base and therefore the expenses should not be included in regulatory results.

**PacifiCorp
 Washington Results of Operations March 2006
 Corporate Cost Commitment**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Corporate overhead charge	930	1	(1,100,000)	SO	7.381%	(81,190)

Adjustment Detail:

Total PPM Billing for FY 2006	6,800,000
Merger Commitment	7,900,000
Amount of Adjustment	<u>(1,100,000)</u>

Description of Adjustment:

The Company committed in Washington UE-051090 Item Wa 6 to hold customers harmless for increases in costs resulting from PacifiCorp corporate costs previously billed to PPM and other former affiliates of PacifiCorp. The value of the potential increase in total company revenue requirement if these costs are eliminated is \$7.9 million annually. This adjustment removes \$1.1 million additional expense to get to the \$7.9 million commitment level.

**PacifiCorp
Washington Results of Operations March 2006
A&G Expense Commitment**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
A&G Expense Cap Adj.	920	3	(6,316,230)	SO	7.381%	(466,197)

Description of Adjustment:

This adjustment reduces total company A&G expense to \$222.8 million per Commitment Wa 7b) in Docket No. UE-051090.

**PacifiCorp
Washington Results of Operations March 2006
BPA Exchange**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Net Power Costs						
Purchased Power Expense	555	1	63,680,126	OR	Situs	-
Purchased Power Expense	555	1	20,052,696	WA	Situs	20,052,696
Purchased Power Expense	555	1	35,178,766	ID	Situs	-
			<u>118,911,588</u>			<u>20,052,696</u>

Description of Adjustment:

The Company receives a monthly BPA purchase power credit from BPA. This credit is treated as a 100% pass-through to eligible customers. Both a revenue credit and a purchase power expense credit is posted to unadjusted results. Both of these transactions are to be removed from results. This adjustment reverses the BPA purchase power expense credit recorded during the test period. The BPA revenue credit is removed from results in revenue adjustment 3.2.

**PacifiCorp
 Washington Results of Operations March 2006
 James River Royalty Offset**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Other Electric Revenue	456	3	7,229,289	CAGW	22.156%	1,601,719

Adjustment Detail:

James River Offset

	<u>CY 2006</u>	<u>CY 2007</u>	<u>FY 2007</u>
Capital Recovery \$	\$6,880,818	\$6,480,649	\$6,780,775
Major Maintenance Allowance	\$444,073	\$461,836	\$448,514
Total Offset	<u>\$7,324,891</u>	<u>\$6,942,485</u>	<u>\$7,229,289</u>

Description of Adjustment:

This adjustment credits Other Electric Revenues for the James River Royalty Offset as agreed in the January 13, 1993 agreement. This amount includes a credit for capital cost recovery and maintenance cost recovery.

**PacifiCorp
Washington Results of Operations March 2006
Removal of Colstrip 3**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Pre-merger Depreciation Expense	403SP	1	(3,319,518)	CAGW	22.156%	(735,471)
Post-merger Depreciation Expense	403SP	1	(156,621)	CAGW	22.156%	(34,701)
Taxes Other	408	1	(491,386)	GPS	7.381%	(36,269)
Tax Depreciation Expense - Sch M	SCHMDT	1	(271,094)	TAXDEPR	7.574%	(20,534)
Pre-merger Book Depr Exp - Sch M	SCHMAT	1	(3,319,518)	CAGW	22.156%	(735,471)
Post-merger Book Depr Exp - Sch M	SCHMAT	1	(156,621)	CAGW	22.156%	(34,701)
Deferred Income Tax Expense	41110	1	1,211,050	DITEXP	9.999%	121,095
Adjustment to Rate Base:						
Pre-merger Plant	310	1	(110,283,000)	CAGW	22.156%	(24,434,268)
Post-merger Plant	310	1	(5,068,636)	CAGW	22.156%	(1,123,005)
Pre-merger Depreciation Reserve	108SP	1	67,495,721	CAGW	22.156%	14,954,331
Post-merger Depreciation Reserve	108SP	1	1,341,780	CAGW	22.156%	297,284
Deferred Income Tax Balance	282	1	8,170,418	DITBAL	6.937%	566,765
Deferred ITC	255	1	1,727,786	ITC84	14.180%	245,000

Description of Adjustment:

This adjustment removes the Colstrip #3 plant investment and associated costs from results of operations. This treatment was authorized in Cause No. U-86-02.

**PacifiCorp
Washington Results of Operations March 2006
Interest True Up**

PAGE 7.1

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Other Interest Expense - Type 1	427	1	(1,361,824)	WA	Situs	(1,361,824)
Other Interest Expense - Type 2	427	2	384	WA	Situs	384
Other Interest Expense - Type 3	427	3	939,090	WA	Situs	939,090
			<u>(422,350)</u>			<u>(422,350)</u>

Adjustment Detail:

Type 1						
Jurisdiction Specific Adjusted Rate Base						519,086,087
Weighted Cost of Debt:						<u>3.355%</u>
Trued-up Interest Expense						<u>17,415,338</u>
Actual Interest Expense						<u>18,777,162</u>
Total Interest True-up Adjustment						<u>(1,361,824)</u>

Type 2						
Jurisdiction Specific Adjusted Rate Base						519,097,541
Weighted Cost of Debt:						<u>3.355%</u>
Trued-up Interest Expense						<u>17,415,722</u>

Type 1 Interest Expense						<u>17,415,338</u>
Total Interest True-up Adjustment						<u>384</u>

Type 3						
Jurisdiction Specific Adjusted Rate Base						547,088,294
Weighted Cost of Debt:						<u>3.355%</u>
Trued-up Interest Expense						<u>18,354,812</u>

Type 2 Interest Expense						<u>17,415,722</u>
Total Interest True-up Adjustment						<u>939,090</u>

Description of Adjustment:

This reflects interest expense based on the jurisdictional allocated rate base times the Company's weighted cost of debt.

**PacifiCorp
Washington Results of Operations March 2006
Utah Gross Receipts Tax Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Taxes - Other	408	1	(4,025,972)	GPS	7.3809%	(297,155)

Description of Adjustment:

This adjustment removes the Utah Gross Receipts Tax Expense from actual results. The reason is the Utah Legislature has discontinued the gross receipts tax.

**PacifiCorp
Washington Results of Operations March 2006
Deferred Income Tax Balance Reclassification**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Accumulated Deferred Income Taxes	282	1	44,236	CA	Situs	-
Accumulated Deferred Income Taxes	282	1	458,206	OR	Situs	-
Accumulated Deferred Income Taxes	282	1	(16,435)	WA	Situs	(16,435)
Accumulated Deferred Income Taxes	282	1	114,281	ID	Situs	-
Accumulated Deferred Income Taxes	282	1	779,487	UT	Situs	-
Accumulated Deferred Income Taxes	282	1	164,671	WYE	Situs	-
Accumulated Deferred Income Taxes	282	1	37,438	WYW	Situs	-
Accumulated Deferred Income Taxes	282	1	4,301	FERC	Situs	-
Accumulated Deferred Income Taxes	282	1	151,093	NUTIL	0.0000%	-
Net Rate Base Change to Accum. DIT			<u>1,737,278</u>			<u>(16,435)</u>

Description of Adjustment:

This adjustment reflects the reallocation of the ending balances for the situs balances maintained in Power Tax. This effects only the 282 balance account and only the specific 282 that relates to the depreciation difference balances. These depreciation difference balances are maintained in the Power Tax system by jurisdiction.

**PacifiCorp
Washington Results of Operations March 2006
Malin Midpoint Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Deferred Income Tax - Federal	41110	1	(1,320,531)	CAGW	22.1560%	(292,576)
Adjustment to Rate Base:						
Accumulated DIT - Amortization	282	1	(6,602,656)	CAGW	22.1560%	(1,462,882)

Description of Adjustment:

In 1981, the Company built a transmission line called Malin-Midpoint and placed it into service. The Company was eligible for investment tax credits and accelerated depreciation. The Company entered into a Safe Harbor Lease transaction to transfer the tax benefits to an unrelated third party. The amount of the cash transfer was \$43 million. The Washington Commission wants to treat the transaction as a sale of part of the benefits associated with the property and amortize the cash receipts over the life of the assets, as ordered in Docket UE-050684. The gain will be amortized over 30 years (composite book life of the plant) with a rate base deduction for the unamortized balance. This treatment was authorized in Cause Nos. U-8212/35, U-83-33 and UE-032065. In 1988, the substation was sold to Amoco and therefore the only amortization left is on the transmission line which is what is reflected in this adjustment.

PacifiCorp
Washington Results of Operations March 2006
Flow-Through Deferred Tax Adj.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Accumulated Deferred Income Taxes	190	1	(14,156,039)	WA	Situs	(14,156,039)
Accumulated Deferred Income Taxes	281	1	120,489	WA	Situs	120,489
Accumulated Deferred Income Taxes	282	1	(1,416,521)	WA	Situs	(1,416,521)
Accumulated Deferred Income Taxes	283	1	4,920,352	WA	Situs	4,920,352
Net Rate Base Change to Accum. DIT			<u>(10,531,719)</u>			<u>(10,531,719)</u>
Adjustment to Expense:						
Deferred Tax Expense	41010	1	(12,018,547)	WA	Situs	(12,018,547)
Deferred Tax Expense	41110	1	10,800,684	WA	Situs	10,800,684
Net Deferred Tax Expense Change			<u>(1,217,863)</u>			<u>(1,217,863)</u>

Description of Adjustment:

This adjustment reflects the removal of the Beg/Ending average balances for all non-depreciation related deferred taxes, and the removal of the associated deferred tax expenses. This in effect flows through to income the current tax impacts on these items. This is the treatment allowed according to the Company's last general rate order, Cause No. U-86-02, and more recently, the General Rate Case settlement in Washington Docket No. UE-03-2065.

PacifiCorp
Washington Results of Operations March 2006
WA IRS Settlement Amortization Adj.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
IRS Tax Settlement	41010	1	579,726	WA	Situs	579,726
Adjustment to Rate Base:						
Accum Deferred Income Tax Balance	190	1	1,159,454	WA	Situs	1,159,454

Description of Adjustment:

In FY2003, PacifiCorp made settlement payments to the IRS totaling \$64,217,849. Per settlement agreement in UE-03-2065, 50% of Washington's portion of these costs were allowed in rates. This adjustment adds the unamortized balance of payments to rate base which will be amortized over a 5-year period as well as the annual amortization expense, beginning the effective date of the settlement agreement, November 2004. There were no findings on this issue in WA Order Docket UE-050684.

**PacifiCorp
Washington Results of Operations March 2006
Year-End Deferred Tax Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
Accumulated Deferred Income Taxes	282	1	(498,669)	WA	Situs	(498,669)
Accumulated Investment Tax Credit	255	1	120,750	WA	Situs	120,750

Description of Adjustment:

This adjustment reflects year-end balances rather than average balances for deferred taxes. This is consistent with previous authorized Washington treatment in Cause Nos. U-86-02 and U-84-65.

**PacifiCorp
Washington Results of Operations March 2006
Renewable Energy Tax Credit Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Renewable Energy Tax Credit	40910	1	(2,792,784)	CAEW	22.5244%	(629,057)

Description of Adjustment:

This adjustment normalizes a federal renewable energy income tax credit the Company is entitled to take as a result of placing Leaning Juniper, OR wind generating plant into service. The tax credit is based on the generation of the plant, and the credit can be taken for ten years on qualifying property. Generation from Leaning Juniper will begin by September 2006.

**PacifiCorp
Washington Results of Operations March 2006
Low Income Tax Credit**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Taxes - Other	408	3	(36,669)	WA	Situs	(36,669)

Description of Adjustment:

This adjustment increases the Low Income tax credit for 2007 as allowed by the Washington Department of Revenue.

PacifiCorp
Washington Results of Operations March 2006
Cash Working Capital

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Cash Working Capital	CWC	1	175,071	WA	Situs	175,071
Cash Working Capital	CWC	2	11,454	WA	Situs	11,454
Cash Working Capital	CWC	3	(31,384)	WA	Situs	(31,384)
			<u>155,141</u>			<u>155,141</u>

Adjustment Detail:

	Type1	Type 2	Type 3
O&M Expense	221,344,193	222,403,979	220,540,498
Taxes Other Than Income Tax	12,754,400	12,754,400	12,717,730
Federal Income Tax	3,833,941	3,462,882	3,475,865
State Income Tax	-	-	-
Total	237,932,534	238,621,260	236,734,094
Divided by Days in Year	365	365	365
Average Daily Cost of Service	651,870	653,757	648,587
Net Lag Days	6.1	6.1	6.1
Cash Working Capital	3,956,851	3,968,304	3,936,920
Unadjusted Cash Working Capital	3,781,779	3,956,851	3,968,304
Cash Working Capital Adjustment	<u>175,071</u>	<u>11,454</u>	<u>(31,384)</u>

Description of Adjustment:

This adjustment is necessary to true-up the cash working capital for the normalizing adjustments made in this filing. Cash working capital is calculated by taking total operation and maintenance expense allocated to the jurisdiction (excluding depreciation and amortization) and adding it's share of allocated taxes, including state and federal income taxes and taxes other than income. This total is divided by the number of days in the year to determine the Company's adjusted daily cost of service. The daily cost of service is multiplied by net lag days to produce the adjusted cash working capital balance.

PacifiCorp
Washington Results of Operations March 2006
Remove Deferred Debits

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>	<u>REF#</u>
Adjustment to Rate Base:							
Misc. Regulatory Assets	182M	1	(1,054,832)	CA	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	266,414	ID	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	(27,235,053)	OR	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	(24,972,095)	OTHER	0.000%	-	8.2.1
Misc. Regulatory Assets	182M	1	(4,155,744)	CAEE	0.000%	-	8.2.1
Misc. Regulatory Assets	182M	1	(13,282,030)	CAGE	0.000%	-	8.2.1
Misc. Regulatory Assets	182M	1	(6,353,675)	SO	7.381%	(468,961)	8.2.1
Misc. Regulatory Assets	182M	1	(13,106,411)	UT	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	685,959	WA	Situs	685,959	8.2.1
Misc. Regulatory Assets	182M	1	(430,477)	WYE	Situs	-	8.2.1
Misc. Regulatory Assets	182M	1	(76,171)	WYW	Situs	-	8.2.1
			<u>(89,714,115)</u>			<u>216,998</u>	
Misc. Deferred Debits	186M	1	(2,292)	ID	Situs	-	8.2.1
Misc. Deferred Debits	186M	1	(4,260,786)	OTHER	0.000%	-	8.2.1
Misc. Deferred Debits	186M	1	(7,372,714)	SE	8.384%	(618,146)	8.2.1
Misc. Deferred Debits	186M	1	(26,737,025)	SG	8.438%	(2,255,951)	8.2.1
Misc. Deferred Debits	186M	1	(210,644)	SO	7.381%	(15,548)	8.2.1
Misc. Deferred Debits	186M	1	(136,953)	WA	Situs	(136,953)	8.2.1
			<u>(38,720,414)</u>			<u>(3,026,598)</u>	

Description of Adjustment:

This adjustment removes deferred debits, Accounts 182M and 186M, based on the order in the last General Rate Case, Docket UE-050684.

**PacifiCorp
Washington Results of Operations March 2006
Jim Bridger Mine Rate Base Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>	<u>REF#</u>
Adjustment to Rate Base:							
Other Tangible Property	399	1	73,854,447	CAEW	22.524%	16,635,242	
Other Tangible Property	399	3	<u>16,323,400</u>	CAEW	22.524%	<u>3,676,741</u>	
			<u>90,177,846</u>			<u>20,311,983</u>	

Adjustment Detail

March 2006 Balance	73,854,447
March 2007-13 month Averaging Balance	<u>90,177,846</u>
Additions through March 2007	<u>16,323,400</u>

Description of Adjustment:

PacifiCorp owns a two-thirds interest in the Bridger Coal Company (BCC), which supplies coal to the Jim Bridger generating plant. The company's investment in BCC is recorded on the books of Pacific Minerals, INC (PMI), a wholly-owned subsidiary. Because of this ownership arrangement, the coal mine investment is not included in Account 101 -Electric Plant in Service. The normalized costs for BCC provide no return on investment. The return on investment for BCC is removed in the fuels credit which the company has included as an offset to fuel prices leaving no return in results. This adjustment is necessary to properly reflect the BCC plant investment in the 12-month period.

**PacifiCorp
Washington Results of Operations March 2006
Grid West Loan**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Uncollectible Accounts	904	1	(1,377,143)	CN	7.499%	(103,271)
Uncollectible Accounts	904	1	<u>1,377,143</u>	OTHER	0.000%	<u>-</u>
			<u>-</u>			<u>(103,271)</u>
Adjustment to Rate Base:						
Misc. Regulatory Assets-Grid W	186M	3	112,424	WA	Situs	112,424
Amortization Expense-Grid We	404IP	3	<u>47,337</u>	WA	Situs	<u>47,337</u>
			<u>159,761</u>			<u>159,761</u>
Adjustment to Taxes:						
Contra RTO Grid West N/R Allc	SCHMAT	1	(1,377,143)	CAGW	22.156%	(305,119)
Contra RTO Grid West N/R Allc	SCHMAT	1	1,377,143	OTHER	0.000%	-
RTO Grid West N/R Allowance	SCHMDT	1	(2,723,844)	CAGW	22.156%	(603,494)
RTO Grid West N/R Allowance	SCHMDT	1	2,723,844	OTHER	0.000%	-
Book Amortization Exp-Grid We	SCHMAT	3	47,337	WA	Situs	47,337

Description of Adjustment:

This adjustment corrects the allocation factor for Account 904, recorded in March 2006 related to the Grid West Loan. Additionally, the WUTC approved the accounting treatment of the Grid West Loan costs in UE-060703, subject to approval in the next rate case. This adjustment shows the annual amortization expense and tax treatment for this deferred debit.

**PacifiCorp
Washington Results of Operations March 2006
North Umpqua Relicensing Settlement Obligations**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
North Umpqua Asset Accumulated Amor	1111P	1	17,296	CAGW	22.156%	3,832
North Umpqua Settlement Asset	302	1	(595,883)	CAGW	22.156%	(132,024)
Adjustment to Expense:						
North Umpqua Amortization	404IP	1	(541,506)	CAGW	22.156%	(119,976)

Description of Adjustment:

The Company is required to make various cash payments as a result of agreements with intervening parties while relicensing its North Umpqua hydroelectric facilities with the FERC. The accrual accounting entries for the assets, liabilities, and accumulated amortization related to these hydro relicensing settlements have been removed from results through use of the "NUTIL" starting in April 2005. The beginning balance for these items were allocated using SG and need to be removed from results. The amortization expense is still being mapped to SG instead of "NUTIL" and needs to be removed from results also.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Electric Plant In Service:						
Poles, Towers & Fixtures	364	1	(12,931)	WA	Situs	(12,931)
Overhead Conductors	365	1	(450)	WA	Situs	(450)
Underground Conduit	366	1	(239,440)	WA	Situs	(239,440)
Underground Conductors	367	1	(137,011)	WA	Situs	(137,011)
Line Transformers	368	1	(113,784)	WA	Situs	(113,784)
Meters	370	1	(28,482)	WA	Situs	(28,482)
			<u>(532,097)</u>			<u>(532,097)</u>
Accumulated Depreciation:						
Poles, Towers & Fixtures	108364	1	1,742	WA	Situs	1,742
Overhead Conductors	108365	1	121	WA	Situs	121
Underground Conduit	108366	1	32,320	WA	Situs	32,320
Underground Conductors	108367	1	22,620	WA	Situs	22,620
Line Transformers	108368	1	24,349	WA	Situs	24,349
Meters	108370	1	9,078	WA	Situs	9,078
			<u>90,231</u>			<u>90,231</u>
Depreciation Expense:						
Poles, Towers & Fixtures	403364	1	(201)	WA	Situs	(201)
Overhead Conductors	403365	1	17	WA	Situs	17
Underground Conduit	403366	1	(3,734)	WA	Situs	(3,734)
Underground Conductors	403367	1	(2,711)	WA	Situs	(2,711)
Line Transformers	403368	1	(2,094)	WA	Situs	(2,094)
Meters	403370	1	(646)	WA	Situs	(646)
			<u>(9,369)</u>			<u>(9,369)</u>

Description of Adjustment:

On January 25, 2006, in Docket No. UE-051840 the Washington Utilities and Transportation Commission authorized the Company to sell and transfer its interest in the distribution assets serving certain Yakama Nation accounts.

This adjustment removes the electric plant in service, accumulated depreciation and depreciation expense associated with the assets to be sold.

**PacifiCorp
Washington Results of Operations March 2006
Customer Advances for Construction**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment Rate Base:						
Customer Advance	252	1	7,083	CA	Situs	-
Customer Advance	252	1	13,139,450	CN	7.499%	985,316
Customer Advance	252	1	(1,174,104)	ID	Situs	-
Customer Advance	252	1	(14,787)	OR	Situs	-
Customer Advance	252	1	(12,905,067)	UT	Situs	-
Customer Advance	252	1	(765)	WA	Situs	(765)
Customer Advance	252	1	909,883	WYE	Situs	-
Customer Advance	252	1	38,307	WYW	Situs	-
			<u>0</u>			<u>984,551</u>

Description of Adjustment:

Customer advances for construction are booked into account 252. When they are booked, the entries do not reflect the proper allocation. This adjustment corrects the allocation of customer advances for construction in the account.

**PacifiCorp
Washington Results of Operations March 2006
Centralia Transmission Line Sale**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Electric Plant In Service:						
Land and Land Rights	350	1	(33,885)	CAGW	22.156%	(7,508)
Station Equipment	353	1	(96,732)	CAGW	22.156%	(21,432)
Towers and Fixtures	354	1	(16,532)	CAGW	22.156%	(3,663)
Poles and Fixtures	355	1	(44,409)	CAGW	22.156%	(9,839)
Overhead Conductors and Dev	356	1	(104,830)	CAGW	22.156%	(23,226)
			<u>(296,389)</u>			<u>(65,668)</u>
Accumulated Depreciation:						
Tranmission Plant	108TP	1	119,215	CAGW	22.156%	26,413
Depreciation Expense:						
Transmission	403TP	1	(4,946)	CAGW	22.156%	(1,096)
Accumulated Deferred Income Taxes:						
Transmission Plant	282	1	14,088	DITBAL	6.937%	977

Description of Adjustment:

On March 15, 2006, the Washington Utilities and Transportation Commission authorized the Company to sell and transfer its interest in the Centralia 230 kV transmission line and related facilities, associated easements and rights-of-way.

This adjustment removes the electric plant in service, accumulated depreciation and depreciation expense associated with the transferred assets.

**PacifiCorp
Washington Results of Operations March 2006
Leaning Juniper**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
Other Production Plant	343	3	101,502,593	CAGW	22.156%	22,488,883
Other Production Accum Depr Reserve	108OP	3	(2,929,646)	CAGW	22.156%	(649,091)
Tax Adjustments:						
Accumulated Deferred Income Tax	282	3	(6,506,723)	DITBAL	6.937%	(451,358)
Schedule M Deduction for Tax Depreciat	SCHMDT	3	20,300,519	TAXDEPR	7.574%	1,537,645
Schedule M Addition for Book Depreciati	SCHMAT	3	3,155,003	SCHMDEXP	7.574%	238,973
Deferred Income Tax	41010	3	6,506,723	DITEXP	9.999%	650,617
Depr. Expense - Other Production	403OP	3	3,155,003	CAGW	22.156%	699,021
O&M Expense - Other Production	548	3	2,000,000	CAGW	22.156%	443,119

Description of Adjustment:

This adjustment includes the Leaning Juniper Wind Plant addition, to be placed into service by October 1, 2006. This adjustment adjusts one half of the plant addition into rate base to reflect the 13-month average methodology used by Washington. Also, the associated depreciation expense, depreciation reserve, taxes and O&M expense are also included.

PacifiCorp
Washington Results of Operations March 2006
Miscellaneous Rate Base Adjustment

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Expense						
Misc A&G Expense - ID Transition Plan	930	1	(462,486)	ID	Situs	-
Misc A&G Expense - UT Transition Plan	930	1	(2,147,630)	UT	Situs	-
Misc A&G Expense - WA Transition Plan	930	1	(657,375)	WA	Situs	(657,375)
Misc A&G Expense - WYE Transition Pla	930	1	(1,291,432)	WYE	Situs	-
Misc A&G Expense - WYW Transition Pl	930	1	(228,514)	WYW	Situs	-
			<u>(4,787,438)</u>			<u>(657,375)</u>

Description of Adjustment:

This adjustment removes from the test period regulatory assets and associated amortization for the ScottishPower transition plan that were fully amortized as of March 2006. This adjustment also adjusts into results an accrual for severance costs related to the company's rebasing program.

Adjustments to FERC 182M and 186M are included in adjustment 8.2 that adjust deferred debits.

**PacifiCorp
 Washington Results of Operations March 2006
 Colstrip 4 AFUDC Adj.**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense: Depreciation	403GP	1	(33,000)	WA	Situs	(33,000)
Adjustment to Tax: Schedule M Adjustment	SCHMAT	1	(33,000)	WA	Situs	(33,000)
Adjustment to Rate Base: Remove Unamortized Balance	310	1	(481,839)	WA	Situs	(481,839)

Description of Adjustment:

This adjustment removes AFUDC from plant in service for the period that Colstrip Construction Work in Progress (CWIP) was allowed in rate base. This treatment was authorized in Cause No. U-81-17 and contained in all cases since this adjustment began in July 1984.

**PacifiCorp
Washington Results of Operations March 2006
Trojan Removal**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Trojan Amort of Unrecovered Plant	407	1	(1,674,863)	TROJP	16.680%	(279,361)
Trojan Amort of Unrecovered Plant	407	1	-	WA	Situs	-
Total Adjustment to Expense			<u>(1,674,863)</u>			<u>(279,361)</u>
Adjustment to Rate Base:						
Trojan Unrecovered Plant	18222	1	1,470,750	WA	Situs	1,470,750
Trojan Unrecovered Plant	18222	1	(6,381,641)	TROJD	17.370%	(1,108,481)
Trojan Unrecovered Plant	18222	1	(4,384,127)	TROJP	16.680%	(731,256)
Accum Prov for Decommissioning	22842	1	2,796,137	TROJD	17.370%	485,684
Asset Retirement Obligations	230	1	2,348,552	TROJP	16.680%	391,730
FAS 143 ARO Regulatory Liability	254105	1	977,676	TROJP	16.680%	163,073
Total Adjustment to Rate Base			<u>(3,172,653)</u>			<u>671,500</u>
Adjustment to Tax						
Schedule M Addition	SCHMAT	1	(1,567,601)	TROJD	17.370%	(272,290)

Description of Adjustment:

This adjustment removes the Trojan amortization expense and the amortized balance from results as ordered by the WUTC in Docket No. UE-991832, item #15.

**PacifiCorp
Washington Results of Operations March 2006
MEHC Transition Savings**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Adjustment to Rate Base:						
Unamortized Change-in-Control Sever:	182M	3	23,244,342	SO	7.381%	1,715,651
Unamortized Fiscal Year Conversion C	182M	3	854,661	SO	7.381%	63,082
			<u>24,099,003</u>			<u>1,778,733</u>
Adjustment to Expense:						
Severance - A&G	930	3	(2,630,526)	SO	7.381%	(194,158)
Fiscal Year Conversion Costs - A&G	930	3	341,864	SO	7.381%	25,233
MEHC Transition Savings	930	3	(14,102,326)	SO	7.381%	(1,040,884)
			<u>(16,390,988)</u>			<u>(1,209,809)</u>

Description of Adjustment:

On May 18, 2006, PacifiCorp filed a petition with the WUTC for an accounting order seeking approval for deferral of certain costs related to the MidAmerican Energy Holdings Company Transition. The petition has been assigned Docket No. UE-060817. The Company anticipates both savings and costs related to the MEHC Transition. This adjustment reflects known employee severance costs and savings through August 31, 2006 and actual and estimated software conversion costs through December 31, 2006.

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Revenues/Expenses:						
EEI Dues	930	1	(456,585)	SO	7.381%	(33,700)

Description of Adjustment:

Remove EEI Dues included in test period results. As of February 2007, MEHC has withdrawn its membership in EEI and will no longer be contributing dues. Total Company amount of \$456,585 is based on Company response to ICNU data request 1.95

**PacifiCorp
 Washington Results of Operations March 2006
 Yellowtail Tribe Right-of-Way**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Rents - Transmission	567	1	(1,150,923)	CAGW	22.156%	(254,998)

Description of Adjustment:

The Company should have included the liability reserve to account 567 in adjustment 4.4 to reverse the Yellowtail Tribe Right-of-Way out of period adjustment. Attachment WUTC 70 shows a correction of adjustment 4.4 to include the liability reserve amount of (\$1,150,923).

**PacifiCorp
 Washington Results of Operations March 2006
 Pro Forma Wages**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Pro Forma Wage Increase	920	2	6,311,384	SO	7.381%	465,840
Pro Forma Wage Increase	920	2	<u>8,047,018</u>	SO	7.381%	<u>593,946</u>
			<u>14,358,402</u>			<u>1,059,785</u>

Description of Adjustment:

This is a pro forma wage adjustment for non-executive employees proposed by WUTC Staff witness, Tom Schooley (see Exhibit No. ___T(TES-1T), page 10, line17 - page 11, line 2). The adjustment is based on the response to WUTC data request 54.

**PacifiCorp
 Washington Results of Operations March 2006
 IRS Settlement Amort. Correction**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
IRS Settlement Correction	41010	1	(192,102)	WA	Situs	(192,102)
Adjustment to Rate Base:						
Accum Deferred Income Tax Balance	190	1	164,932	WA	Situs	164,932

Amortization:

Amortization per filing	579,726
Revised Amort.	387,624
Adjustment	<u>(192,102)</u>

Deferred Tax Balance:

Def Tax Bal per filing	1,159,454
Revised Balance	1,324,386
Adjustment	<u>164,932</u>

Description of Adjustment:

Update IRS Settlement amortization to correct amount based on revised amortization schedule provided by the Tax Department.

**PacifiCorp
Washington Results of Operations March 2006
Production Activity Tax Deduction**

PAGE

9.5

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Revenue:						
JCA-Qualified Prod Activites Deductior	SCHMDP	3	6,257,635	SG	8.438%	527,991

Description of Adjustment:

The deduction for production activity under the American Jobs Creation Act of 2004 increases from 3% in 2005 and 2006 to 6% for tax years 2007-2009. PacifiCorp calculated the deduction at the 3% rate for the GRC test period. This adjustment reflects an increase to the 6% level since the change is known and measurable and falls within the rate effective period. The Schedule M deduction used in this adjustment is the same amount as shown in Tab B6, page 4 of 6, of Exhibit No.____(PMW-4).

**PacifiCorp
 Washington Results of Operations March 2006
 Customer Deposits**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Interest Expense on Customer Deposit	930	1	37,483	WA	Situs	37,483
Adjustment to Rate Base:						
Customer Service Deposits	235	1	(2,001,969)	WA	Situs	(2,001,969)

Description of Adjustment:

This adjustment records the interest paid on customer deposits and the liability for Washington customer service deposits for the GRC test period. The amounts are based on data provided by the Company in response to WUTC Staff Data Request 32.

**PacifiCorp
Washington Results of Operations March 2006
Revised MEHC Transition Savings**

PAGE

9.7

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Rate Base:						
Unamort.Change-in-Control Severance	182M	3	12,491,812	SO	7.381%	922,013
Unamort.Fiscal Year Conversion Costs	182M	3	(854,661)	SO	7.381%	(63,082)
			<u>11,637,151</u>			<u>858,931</u>
Adjustment to Expense:						
Severance - A&G	930	3	4,996,725	SO	7.381%	368,805
Fiscal Year Conversion Costs - A&G	930	3	(341,864)	SO	7.381%	(25,233)
MEHC Transition Savings	930	3	(21,778,560)	SO	7.381%	(1,607,463)
			<u>(17,123,699)</u>			<u>(1,263,890)</u>
Adjustment to Expense:						
A&G Expense Cap Adj.	920	3	6,316,230	SO	7.381%	466,197

Description of Adjustment:

This adjustment updates adjustment 8.13, MEHC Transition Savings, through December 31, 2006. The updated unamortized severance costs and severance amortization expense are based on the Company's response to ICNU Data Request 6.4. Additionally, this adjustment reverses the software costs for conversion from a fiscal year to a calendar year; correctly removes the change-in-control severance costs from the test year as identified by Tom Schooley; and reverses the A&G expense cap adjustment, 4.9, since this revised adjustment takes total company A&G costs below the \$22.8 million specified in Commitment Wa 7b) in Docket UE-051090.

**PacifiCorp
 Washington Results of Operations March 2006
 Net Power Cost Revisions**

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON ALLOCATED</u>
Adjustment to Expense:						
Corrections and Load Updates	555	1	(2,131,627)	CAEW	22.524%	(480,135)
Eastern Market Modification	555	1	<u>(4,648,469)</u>	CAEW	22.524%	<u>(1,047,038)</u>
			<u><u>(6,780,096)</u></u>			<u><u>(1,527,173)</u></u>

Description of Adjustment:

This adjustment revises net power costs to reflect corrections and load updates (\$2,131,627) and eastern market modifications (\$4,648,627). The source for the adjustment is WUTC Staff witness Alan Buckley's Exhibit No. ___(APB-3).

PacifiCorp
Washington Results of Operations March 2006
Conversion to 13 Month Average Deferred Tax Balances

PAGE

9.9

	<u>ACCOUNT</u>	<u>Type</u>	<u>TOTAL</u> <u>COMPANY</u>	<u>FACTOR</u>	<u>FACTOR %</u>	<u>WASHINGTON</u> <u>ALLOCATED</u>
Removal of Colstrip 3 (Adj. 5.3):						
Deferred Income Tax Balance	282	1	605,525	DITBAL	6.937%	42,004
Deferred ITC	255	1	177,314	ITC84	14.180%	25,143
Reallocation of Power Tax Def Tax Balances (Adj. 7.7):						
Deferred Income Tax Balance	282	1	60,401	WA	Situs	60,401
Malin Midpoint (Adj. 7.4):						
Accumulated DIT - Amortization	282	1	(660,263)	CAGW	22.156%	(146,288)
Leaning Juniper Wind Plant (Adj. 8.9):						
Accumulated Deferred Income Tax	282	3	2,982,248	DITBAL	6.937%	206,872
SO2 Emission Allowances (Adj. 3.6):						
Accum Deferred Inc Taxes	190	1	(7,692,018)	SE	8.384%	(644,918)
Reverse Year-End Deferred Tax Adjustment (Adj. 7.7)						
Accumulated Deferred Income Taxes	282	1	498,669	WA	Situs	498,669
Accumulated Investment Tax Credit	255	1	(120,750)	WA	Situs	(120,750)

Description of Adjustment:

This adjustment restates deferred tax balances in the test year from year-end balances to 13-month average balances based on PSE IRS Private Letter Ruling.

PacifiCorp
WUTC Bench Request No. 1

	<u>Original Filing</u>			<u>Rebuttal Filing</u>		
	<u>Capital Structure</u>	<u>Embedded Cost</u>	<u>Weighted Cost</u>	<u>Capital Structure</u>	<u>Embedded Cost</u>	<u>Weighted Cost</u>
Debt	53.00%	6.23%	3.303%	53.00%	6.33%	3.355%
Preferred	1.00%	6.46%	0.065%	1.00%	6.46%	0.065%
Common	46.00%	10.20%	4.692%	46.00%	10.20%	4.692%
	<u>100.00%</u>		<u>8.059%</u>	<u>100.00%</u>		<u>8.112%</u>

Federal Income Tax Rate: 35%