

FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT

Dated as of March 27, 2013

by and between

**PACIFICORP,
as Borrower**

and

**JPMORGAN CHASE BANK, N.A.
as the "Bank"**

**\$45,000,000
City of Forsyth, Rosebud County, Montana
Customized Purchase Pollution Control
Revenue Refunding Bonds (PacifiCorp
Project), Series 1988**

FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT

THIS FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT dated as of March 27, 2013 (this "*First Amendment*") amends that certain Reimbursement Agreement dated as of April 18, 2012 (the "*Reimbursement Agreement*") between PACIFICORP, an Oregon corporation (the "*Borrower*"), and JPMORGAN CHASE BANK, N.A. ("*JPMCB*"), a national banking association, as the issuer of the Letter of Credit referred to in the Reimbursement Agreement (the "*Bank*").

WITNESSETH:

WHEREAS, in support of the Bonds (such term and each other capitalized term used herein and not otherwise defined having the meaning referred to in Article I hereof or set forth in Section 2.01 hereof), the Bank issued its Letter of Credit No. [REDACTED] (the "*Letter of Credit*") on April 18, 2012 pursuant to the terms and conditions of the Reimbursement Agreement and the Initial Credit Agreement;

WHEREAS, the Borrower has requested (a) that the Letter of Credit remain outstanding and subject to the terms and conditions of the Reimbursement Agreement, as may be amended from time to time, but, in lieu of being subject to the terms and conditions of the Initial Credit Agreement, that it constitute an "Existing Bond Letter of Credit" under, and be subject to the terms of, the Credit Agreement and (b) that the Stated Expiration Date of the Letter of Credit be extended to March 27, 2015; and

WHEREAS, in accordance with the foregoing, the parties have agreed to amend the Reimbursement Agreement and extend the Letter of Credit as set forth herein;

NOW THEREFORE, in consideration of the premises and agreements herein set forth, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Initially capitalized terms and phrases used in this First Amendment and not defined elsewhere in this First Amendment shall have the meanings ascribed to them in the Reimbursement Agreement.

ARTICLE II

AMENDMENTS OF REIMBURSEMENT AGREEMENT

Subject to the satisfaction of the conditions in Article IV, the Reimbursement Agreement is hereby amended as follows:

SECTION 2.01. Amendments to Section 1.01 of the Reimbursement Agreement.

(a) The definition of "Bank" is deleted in its entirety and the following is substituted therefor:

"Bank" means JPMorgan Chase Bank, N.A., as issuer of the Letter of Credit, and its successors and assigns, and as an LC Issuing Bank under the Credit Agreement.

(b) The definition of “Credit Agreement” is deleted in its entirety and the following is substituted therefor:

“Credit Agreement” means that certain Credit Agreement dated as of March 27, 2013 among the Borrower, the banks, financial institutions and other institutional lenders party thereto from time to time, JPMCB, as the administrative agent thereunder and the letter of credit issuing banks party thereto from time to time, as amended or supplemented from time to time.

(c) The definition of “Fee Letter” is deleted in its entirety and the following is substituted therefor:

“Fee Letter” means, collectively, (i) the letter agreement dated February 19, 2013 among the Borrower, JPMCB, Barclays Bank PLC and Wells Fargo Bank, National Association, and (ii) the letter agreement dated March 27, 2013 between the Borrower and JPMCB relating to this Agreement.

(d) The definition of “Official Statement” is deleted in its entirety and the following is substituted therefor:

“Official Statement” means the Supplement to Official Statement dated March 27, 2013 relating to the Bonds, including the documents incorporated therein by reference.

(e) New definitions are added to Section 1.01 as follows:

“Effective Date” means March 27, 2013.

“Initial Credit Agreement” means that certain Amended and Restated Credit Agreement dated as of July 6, 2006 among the Borrower, various banks identified therein and JPMCB, as the administrative agent, as amended or supplemented from time to time.

SECTION 2.02. Amendment to Section 1.02 of the Reimbursement Agreement.

Section 1.02 of the Reimbursement Agreement is hereby amended by striking the second sentence thereof and substituting the following therefor:

“To the extent any provision of this Agreement conflicts with any provision of the Credit Agreement, the provisions of the Credit Agreement shall control as between the Borrower and the Bank.”

SECTION 2.03. Amendments to Section 2.01 of the Reimbursement Agreement.

Section 2.01 of the Reimbursement Agreement is hereby amended by striking the first sentence thereof and substituting the following therefor:

“The Bank issued the Letter of Credit to the Trustee as beneficiary on the Closing Date pursuant to the terms and conditions of this Agreement and the Initial Credit Agreement. As of the Effective Date, the Letter of Credit shall remain outstanding and subject to the terms and conditions of this Agreement but, in lieu of being additionally subject to the terms and conditions

of the Initial Credit Agreement, shall constitute an “Existing Bond Letter of Credit” (as defined in the Credit Agreement) and be subject to the terms and conditions of the Credit Agreement.”

SECTION 2.04. Amendment to Section 2.04 of the Reimbursement Agreement.

Section 2.04(a) of the Reimbursement Agreement is hereby amended by striking the first sentence thereof and substituting the following therefor:

“The Borrower agrees to reimburse the Bank for the full amount of any drawing made under the Letter of Credit, upon payment by the Bank of each such drawing, on the date specified pursuant to Section 2.04(d) of the Credit Agreement.”

SECTION 2.05. Amendments to Section 2.11 of the Reimbursement Agreement.

The text of Section 2.11(a) of the Reimbursement Agreement is hereby deleted in its entirety and the following is substituted therefor:

“The Bank issued the Letter of Credit pursuant to the terms and conditions of this Agreement and the Initial Credit Agreement. As set forth in Section 2.01 of this Agreement, as of the Effective Date the Letter of Credit shall remain outstanding and subject to the terms and conditions of this Agreement but, in lieu of being additionally subject to the terms and conditions of the Initial Credit Agreement, shall constitute an “Existing Bond Letter of Credit” (as defined in the Credit Agreement) and be subject to the terms and conditions of the Credit Agreement. The parties hereto covenant and agree that the provisions of the Credit Agreement shall apply to and govern with respect to the issuance of the Letter of Credit, the LC Outstandings arising as a result thereof and all other matters relating thereto.”

Section 2.11(b) of the Reimbursement Agreement is hereby amended by striking the phrase “any Reimbursement Obligation under Section 2.17(c) of the Credit Agreement” and substituting therefor the new phrase “any Reimbursement Amount under Section 2.04(d) of the Credit Agreement”.

SECTION 2.06. Amendment to Section 2.12(a) of the Reimbursement Agreement.

Section 2.12(a) of the Reimbursement Agreement is hereby amended by striking the first sentence thereof and substituting the following therefor:

“At any time there shall remain no less than ninety (90) days to the then current Stated Expiration Date of the Letter of Credit, the Borrower may request the Bank to extend the then current Stated Expiration Date for a period of not less than one year.”

Amendment to Section 2.13 of the Reimbursement Agreement.

Section 2.13 of the Reimbursement Agreement is hereby amended by inserting the following new sentence at the beginning thereof:

“The occurrence of an Event of Default under the Credit Agreement shall constitute the occurrence of an Event of Default under this Agreement.”

ARTICLE III

EXTENSION OF LETTER OF CREDIT

Subject to the satisfaction of the conditions in Article IV, the Stated Expiration Date shall be extended to March 27, 2013 by execution and delivery by the Bank on the Effective Date of a Notice of Extension Amendment substantially in the form attached to the Letter of Credit as Annex K.

ARTICLE IV

CONDITIONS PRECEDENT

The Bank's execution and delivery of this First Amendment and its extension of the Stated Expiration Date of the Letter of Credit to March 27, 2013 shall be subject to the satisfaction of the following on or before the Effective Date:

- (a) the Bank shall have received a counterpart hereof signed by the Borrower;
- (b) the Bank shall have received from counsel for the Borrower an opinion in form and substance reasonably satisfactory to the Bank;
- (c) (i) the conditions precedent set forth in Section 3.01 and 3.02 of the Credit Agreement shall have been satisfied and the Credit Agreement shall be in full force and effect and (ii) the Bank shall constitute an "LC Issuing Bank" and the Letter of Credit shall constitute an "Existing Bond Letter of Credit" under the Credit Agreement;
- (d) the Bank shall have received a certificate of a duly authorized officer of the Borrower, dated the Effective Date, stating the Related Documents are in full force and effect and for each Related Document either (a) such certificate shall state such Related Document has not been amended since the date of issuance of the Letter of Credit or (b) there shall be attached to such certificate a true and correct copy of any amendment entered into after the date of issuance of the Letter of Credit; and
- (e) the Bank shall have received such other documents, certificates, instruments, approvals and, if requested by the Bank, certified duplicates of executed copies thereof, and opinions as the Bank may reasonably request.

ARTICLE V

MISCELLANEOUS PROVISIONS

SECTION 5.01. Ratification.

Except for those provisions specifically amended pursuant to Article II hereof, all other provisions of the Reimbursement Agreement shall and do remain in effect and unchanged. In executing and delivering this First Amendment, the Bank shall be entitled to all of the privileges and immunities afforded to the Bank under the terms and provisions of the Reimbursement Agreement. Upon the effectiveness of this First Amendment, each reference in the Reimbursement Agreement to "this Agreement", this "Reimbursement Agreement", "hereunder", "hereof" or words of like import referring to the Reimbursement Agreement shall mean and be a reference to the Reimbursement Agreement as amended by this First Amendment.

SECTION 5.02. Counterparts.

This First Amendment may be executed in counterparts, and each such counterpart shall be considered an original and all shall constitute one and the same instrument.

SECTION 5.03. Applicable Law.

This First Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 5.04. Waiver of Jury.

To the fullest extent permitted by law, each of the parties hereto waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under or in connection with this First Amendment. Each party further waives any right to consolidate any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

SECTION 5.05. Severability.

If any provision of this First Amendment shall be held or deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

SECTION 5.06. Captions.

The captions in this First Amendment are for convenience of reference only and shall not define or limit the provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Reimbursement Agreement to be executed by their respective officers thereunto duly authorized, all as of the date first written above.

PACIFICORP, as Borrower

By: Bruce N Williams
Name: Bruce N. Williams
Title: Vice President and Treasurer

JPMORGAN CHASE BANK, N.A., as the Bank


By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Reimbursement Agreement to be executed by their respective officers thereunto duly authorized, all as of the date first written above.

PACIFICORP, as Borrower

By: _____
Name: Bruce N. Williams
Title: Vice President and Treasurer

JPMORGAN CHASE BANK, N.A., as the Bank

By:  _____
Name: Peter Christensen
Title: Vice President