

“Direct Access Customers” means retail electricity consumers located in PacifiCorp’s service territory that either: a) purchase electricity directly from a supplier other than PacifiCorp pursuant to a Direct Access Program or b) elect to have all or a portion of the electricity they purchase from PacifiCorp priced based upon market prices rather than the Company’s traditional cost-of-service rate. If a State implements a Direct Access Program pursuant to which Freed-Up Resources are transferred between customer classes, such transfers shall be considered Direct Access Purchases and Sales.

“Direct Access Program” means a law or regulation that permits retail consumers located in PacifiCorp’s service territory to purchase electricity directly from a supplier other than PacifiCorp.

“Direct Access Purchases and Sales” means Wholesale Contracts and Short-Term Purchases and Sales entered into by PacifiCorp either to supply customers who have become Direct Access Customers or to dispose of Freed-Up Resources.

“Energy-Related Costs” means costs, such as fuel costs that vary with the amount of energy delivered by the Company to its customers during any hour plus any portion of Fixed Costs that have been deemed to have been incurred by the Company in order to meet its energy requirements.

“Existing Resources” means Resources whose costs were committed to prior to Direct Access Customers making an election to permanently forego being served by the Company at a cost-of-service rate.

“FERC” means the Federal Energy Regulatory Commission.

“Fixed Costs” means costs incurred by the Company that do not vary with the amount of energy delivered by the Company to its customers during any hour.

“Forecasted Embedded Costs – Hydro-Electric Resources” means PacifiCorp’s total forecasted production costs contained in the Company’s Baseline Study, for calendar years 2011 through 2016, expressed in dollars per MWh, associated with Hydro-Electric Resources as recorded in the FERC Accounts listed in Appendix E to the 2010 Protocol.

“Forecasted Embedded Costs – Pre-2005 Resources” means PacifiCorp’s total forecasted production costs of Pre-2005 Resources contained in the Company’s Baseline Study, for calendar years 2011 through 2016, expressed in dollars per MWh, other than costs associated with Hydro-Electric Resources, and Mid-Columbia Contracts, as recorded in the FERC Accounts listed in Appendix E to the 2010 Protocol.

“Forecasted Mid-Columbia Contract Costs” means the total forecasted net costs incurred by PacifiCorp contained in the Company’s Baseline Study, for calendar years 2011 through 2016, expressed in dollars per MWh, under the Mid-Columbia Contracts.

“Freed-Up Resources” means Resources made available to the Company as a result of its customers becoming Direct Access Customers.

“General Plant” means capital investment included in FERC accounts 389 through 399.

“Grant County” means Public Utility District No. 2 of Grant County, Washington

“Hydro-Electric Resources” means Company-owned hydro-electric plants located in Oregon, Washington or California.

“Intangible Plant” means capital investment included in FERC accounts 301 through 303.

“Klamath Dam Removal Surcharge” means the tariffs collected from customers in California and Oregon for the purpose of providing funding to remove specific Klamath River dams, as detailed in the Klamath Hydroelectric Settlement Agreement.

“Klamath Hydroelectric Settlement Agreement” means the Klamath Hydroelectric Settlement Agreement executed on February 18, 2010 for the purpose of resolving specific FERC relicensing proceedings by establishing a process for potential facilities removal and operation of hydroelectric projects until that time.

“Load-Based Dynamic Allocation Factor” means an allocation factor that is calculated using States’ monthly energy usage and/or States’ contribution to monthly system Coincident Peak.

“Mid-Columbia Contracts” means the Power Sales Contract with Grant County dated May 22, 1956; the Power Sales Contract with Grant County dated June 22, 1959; the Priest Rapids Project Product Sales Contract with Grant County dated December 31, 2001; the Additional Products Sales Agreement with Grant County dated December 31, 2001; the Priest Rapids Project Reasonable Portion Power Sales Contract with Grant County dated December 31, 2001; the Power Sales Contract with Douglas County PUD dated September 18, 1963; the Power Sales Contract with Chelan County PUD dated November 14, 1957 and all successor contracts thereto.

“Net Power Costs” means PacifiCorp’s fuel and wheeling expenses and costs and revenues associated with Wholesale Contracts, Seasonal Contracts, Short-Term Purchases and Sales and Non-Firm Purchases and Sales.

“New QF Contracts” means Qualifying Facility Contracts that are entered into subsequent to September 15, 2010.

“New Resources” means Resources that are not Existing Resources as established pursuant to Paragraph XA2 of the 2010 Protocol.

“Non-Firm Purchases and Sales” means transactions at wholesale that are not Wholesale Contracts, Seasonal Contracts, Short-Term Purchases and Sales or Direct Access Purchases and Sales.

“Portfolio Standard” means a State law or regulation that requires PacifiCorp to acquire: (a) a particular type of Resource, (b) a particular quantity of Resources, (c) Resources in a prescribed manner or (d) Resources located in a particular geographic area.

“Pre-2005 Resources” means Resources (other than Mid-Columbia Contracts and Hydro-Electric Resources) that were part of the Company’s integrated system prior to January 1, 2005.

“Qualifying Facility Contracts” means contracts to purchase the output of small power production or cogeneration facilities developed under the Public Utility Regulatory Policies Act of 1978 (PURPA) and related State laws and regulations.

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	DESCRIPTION	ALLOCATION FACTOR
SCHMDT	Deductions - Temporary	
	Direct assigned - Jurisdiction	S
	Bad Debt	BADDEBT
	Miscellaneous	SNP
	Pacific Hydro	SG
	Mining related	SE
	Production, Transmission	SG
	Property Tax	GPS
	General	SO
	Depreciation	TAXDEPR
	Distribution	SNPD
	Customer Related	CN
State Income Taxes		
40911	State Income Taxes (Internal calculation using blended statutory state and local income tax rate)	S
40910	FIT True-up	S
40910	Wyoming Wind Tax Credit	SG
Steam Production Plant		
310 - 316	Steam Plants	SG
Nuclear Production Plant		
320-325	Nuclear Plant	SG
Hydraulic Plant		
330-336	Pacific Hydro	SG
	East Hydro	SG
Other Production Plant		
340-346	Other Production Plant	SG
TRANSMISSION PLANT		
350-359	Transmission Plant	SG
DISTRIBUTION PLANT		
360-373	Direct assigned - Jurisdiction	S

Allocation Factor Applied to each Component of Revenue Requirement

FERC ACCT	<u>DESCRIPTION</u>	ALLOCATION FACTOR
GENERAL PLANT		
389 - 398	Distribution	S
	Pacific Hydro	SG
	East Hydro	SG
	Production / Transmission	SG
	Customer Related	CN
	General	SO
	Mining	SE
399	Coal Mine	
	Remaining Mining Plant	SE
399L	WIDCO Capital Lease	
	WIDCO Capital Lease	SE
1011390	General Capital Leases	
	Direct assigned - Jurisdiction	S
	General	SO
	Production / Transmission	SG
INTANGIBLE PLANT		
301	Organization	
	Direct assigned - Jurisdiction	S
302	Franchise & Consent	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
303	Miscellaneous Intangible Plant	
	Distribution	S
	Pacific Hydro	SG
	East Hydro	SG
	Production / Transmission	SG
	Customer Related	CN
	General	SO
	Mining	SE
303	Less Non-Utility Plant	
	Direct assigned - Jurisdiction	S
Rate Base Additions		
105	Plant Held For Future Use	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	Mining Plant	SE
114	Electric Plant Acquisition Adjustments	
	Direct assigned - Jurisdiction	S
	Production Plant	SG
115	Accum Provision for Asset Acquisition Adjustments	
	Direct assigned - Jurisdiction	S
	Production Plant	SG

Allocation Factor Applied to each Component of Revenue Requirement

FERC <u>ACCT</u>		<u>DESCRIPTION</u>	<u>ALLOCATION FACTOR</u>
120	Nuclear Fuel	Nuclear Fuel	SE
124	Weatherization	Direct assigned - Jurisdiction	S
		General	SO
182W	Weatherization	Direct assigned - Jurisdiction	S
186W	Weatherization	Direct assigned - Jurisdiction	S
151	Fuel Stock	Steam Production Plant	SE
152	Fuel Stock - Undistributed	Steam Production Plant	SE
25316	DG&T Working Capital Deposit	Mining Plant	SE
25317	DG&T Working Capital Deposit	Mining Plant	SE
25319	Provo Working Capital Deposit	Mining Plant	SE
154	Materials and Supplies	Direct assigned - Jurisdiction	S
		Production, Transmission	SG
		Mining	SE
		General	SO
		Production - Common	SG
		Hydro	SG
		Distribution	SNPD
		Production, Other	SG
163	Stores Expense Undistributed	General	SO
25318	Provo Working Capital Deposit	Provo Working Capital Deposit	SG
165	Prepayments	Direct assigned - Jurisdiction	S
		Property Tax	GPS
		Production, Transmission	SG
		Mining	SE
		General	SO

Allocation Factor Applied to each Component of Revenue Requirement

FERC <u>ACCT</u>	<u>DESCRIPTION</u>	ALLOCATION <u>FACTOR</u>
182M	Misc Regulatory Assets	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	Mining	SE
	General	SO
	Production, Other	SGCT
186M	Misc Deferred Debits	
	Direct assigned - Jurisdiction	S
	Production, Transmission	SG
	General	SO
	Mining	SE
	Production - Common	SG
Working Capital		
CWC	Cash Working Capital	
	Direct assigned - Jurisdiction	S
OWC	Other Working Capital	
131	Cash	SNP
135	Working Funds	SG
143	Other Accounts Receivable	SO
232	Accounts Payable	SO
232	Accounts Payable	SE
253	Deferred Hedge	SE
25330	Other Deferred Credits - Misc	SE
230	Other Deferred Credits - Misc	SE
Miscellaneous Rate Base		
18221	Unrec Plant & Reg Study Costs	
	Direct assigned - Jurisdiction	S
18222	Nuclear Plant - Trojan	
	Trojan Plant	TROJP
	Trojan Plant	TROJD
141	Notes Receivable	
	Employee Loans - Hunter Plant	SG
Rate Base Deductions		
235	Customer Service Deposits	
	Direct assigned - Jurisdiction	S
2281	Prov for Property Insurance	SO
2282	Prov for Injuries & Damages	SO

Allocation Factor Applied to each Component of Revenue Requirement

FERC <u>ACCT</u>	<u>DESCRIPTION</u>	<u>ALLOCATION FACTOR</u>
2283	Prov for Pensions and Benefits	SO
22841	Accum Misc Oper Prov-Black Lung Mining	SE
22842	Accum Misc Oper Prov-Trojan Trojan Plant	TROJD
254105	FAS 143 ARO Regulatory Liability Trojan Plant	TROJP
230	Asset Retirement Obligation Trojan Plant	TROJP
252	Customer Advances for Construction Direct assigned - Jurisdiction Production, Transmission Customer Related	S SG CN
25399	Other Deferred Credits Direct assigned - Jurisdiction Production, Transmission Mining	S SG SE
254	Regulatory Liabilities Regulatory Liabilities Insurance Provision	SE SO
190	Accumulated Deferred Income Taxes Direct assigned - Jurisdiction Bad Debt Pacific Hydro Production, Transmission Customer Related General Miscellaneous Trojan Distribution Mining Plant	S BADDEBT SG SG CN SO SNP TROJD SNPD SE
281	Accumulated Deferred Income Taxes Production, Transmission	SG
282	Accumulated Deferred Income Taxes Direct assigned - Jurisdiction Depreciation Hydro Pacific Production, Transmission Customer Related General Miscellaneous Trojan Depreciation Depreciation	S DITBAL SG SG CN SO SNP TROJP TAXDEPR SCHMDEXP

$SG_i^* = SG_i$ if i is a Pacific jurisdiction, otherwise

$SG_i^* = 0$.

$SG_i =$ System Generation for jurisdiction i .

Division Generation - Utah Factor (“DGU”)

$$DGU_i = \frac{SG_i^*}{\sum_{i=1}^{i=8} SG_i^*}$$

where:

$DGU_i =$ **Division Generation - Utah Factor** for jurisdiction i .

$SG_i^* = SG_i$ if i is a Utah jurisdiction, otherwise

$SG_i^* = 0$.

$SG_i =$ System Generation for jurisdiction i .

System Net Plant - Distribution Factor (“SNPD”)

$$SNPD_i = \frac{PD_i - ADPD_i}{(PD - ADPD)}$$

where:

- $SNPD_i$ = System Net Plant - Distribution Factor for jurisdiction i.
- PD_i = Distribution Plant - for jurisdiction i.
- $ADPD_i$ = Accumulated Depreciation Distribution Plant - for jurisdiction i.
- PD = Distribution Plant.
- $ADPD$ = Accumulated Depreciation Distribution Plant.

System Overhead - Gross Factor (“SO”)

$$SOG_i = \frac{PP_i + PT_i + PD_i + PG_i + PI_i - PP_{oi} - PT_{oi} - PD_{oi} - PG_{oi} - PI_{oi}}{\sum_{i=1}^{i=8} (PP_i + PT_i + PD_i + PG_i + PP_i - PP_{oi} - PT_{oi} - PD_{oi} - PG_{oi} - PI_{oi})}$$

- SOG_i = **System Overhead - Gross Factor** for jurisdiction i.
- PP_i = Gross Production Plant for jurisdiction i.
- PT_i = Gross Transmission Plant for jurisdiction i.
- PD_i = Gross Distribution Plant for jurisdiction i.
- PG_i = Gross General Plant for jurisdiction i.
- PI_i = Gross Intangible Plant for jurisdiction i.
- PP_{oi} = Gross Production Plant for jurisdiction i allocated on a SO factor.
- PT_{oi} = Gross Transmission Plant for jurisdiction i allocated on a SO factor
- PD_{oi} = Gross Distribution Plant for jurisdiction i allocated on a SO factor
- PG_{oi} = Gross General Plant for jurisdiction i allocated on a SO factor
- PI_{oi} = Gross Intangible Plant for jurisdiction i allocated on a SO factor

Schedule M - Deductions (“SCHMDEXP”)

$$SCHMDEXP_i = \frac{DEPRC_i}{\sum_{i=1}^{i=8} DEPRC_i}$$

where:

$SCHMDEXP_i =$ **Schedule M - Deductions (SCHMDEXP) Factor** for jurisdiction i.
 $DEPRC_i =$ Depreciation in Accounts 403.1 - 403.9 for jurisdiction i.

Trojan Plant (“TROJJP”)

$$TROJJP_i = \frac{ACCT18222_i}{\sum_{i=1}^{i=8} ACCT18222_i}$$

where:

$TROJJP_i =$ **Trojan Plant (TROJJP) Factor** for jurisdiction i.
 $ACCT18222_i =$ Allocated Adjusted Balance in Account 182.22 for jurisdiction i.

Trojan Decommissioning (“TROJD”)

$$TROJD_i = \frac{ACCT22842_i}{\sum_{i=1}^{i=8} ACCT22842_i}$$

where:

$TROJD_i =$ **Trojan Decommissioning (TROJD) Factor** for jurisdiction i.
 $ACCT22842_i =$ Allocated Adjusted Balance in Account 228.42 for jurisdiction i.