Renewable Energy Action Plan
May 30, 2007

Background

MidAmerican Energy Holdings Company ("MEHC") made a commitment to work with the states to produce a Renewable Energy Action Plan ("the Renewable Plan") as part of its acquisition of PacifiCorp. PacifiCorp committed to filing a ten-year plan, concurrent with its next Integrated Resource Plan ("IRP") filing to acquire 1,400 megawatts of new cost-effective renewable resources by 2015, including specific milestones over a ten year planning period as to when resources will be added. The Renewable Plan also includes a ten-year plan for installing transmission that will facilitate the delivery of renewable energy and the achievement of PacifiCorp's goal of acquiring at least 1,400 megawatts of cost-effective renewable resources by 2015. Consistent with the commitments, MEHC and PacifiCorp filed a preliminary plan for achieving the 1,400 megawatt renewable target on September 21, 2006. This document is an updated Renewable Energy Action Plan and is being filed concurrent with PacifiCorp's 2007 Integrated Resource Plan in May 2007.

Overview

PacifiCorp's 2003 Integrated Resource Plan found that 1,400 megawatts of renewable resources, using generic wind projects as a proxy, formed part of the least cost portfolio of resources. This was reaffirmed in the 2004 IRP and the 2004 IRP Update (both filed in 2005) and was subsequently adopted by MEHC as part of the transaction commitments. This plan reviews progress toward the goal of acquiring 1,400 megawatts of renewable resources by 2015, and sets forth the Renewable Plan objectives and action items outlined to meet the MEHC commitment. The 2007 IRP filed concurrent with this filing raises the bar, selecting 2,000 megawatts of renewable resources targeted by the end of 2013.

This Renewable Plan defines what PacifiCorp intends to consider as renewable resources in meeting the objective, identifies renewable resource acquisitions to date and broadly characterizes activities currently underway (without revealing confidential commercially sensitive information). The Renewable Plan is divided into four categories: Resource Acquisition, Institutional, System Operations and Transmission. These components were designed to provide a foundation for the acquisition of cost-effective renewable resources by the target date. Finally, a summary is provided with a table showing the components of the plan together.

<u>Renewable Resources Definition for meeting the 1,400 Megawatt Target</u>

For the purposes of this document, PacifiCorp adopts a definition of renewable resources as follows:

- *wind;*
- *waste;* [1]

[1] Note, "waste" is included within the current Oregon definition of "renewable energy resources" (i.e., Oregon's restructuring legislation, Senate Bill 1149 (1999), see, http://www.leg.state.or.us/99reg/measures/sb1100.dir/sb1149.en.html). However the broad eligibility of "waste"

- *solar photovoltaic or solar thermal energy;*
- *geothermal;*
- *biomass and biomass byproducts, excluding municipal solid waste or wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol or copper chrome arsenic, which include:*
  (a) organic human or animal waste;
  (b) spent pulping liquor;
  (c) forest or rangeland woody debris from harvesting or thinning conducted to improve forest or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;
  (d) wood material from hardwood timber grown on private, managed, or timberlands;
  (e) agricultura1 residues;
  (f) dedicated energy crops; and
  (g) biogas produced from organic matter, wastewater, anaerobic digesters or municipal solid waste.
- *certified low impact hydroelectric or upgrades to existing hydroelectric facilities where the additional generation does not result in new water diversions or impoundments;*
- *wave, tidal, or ocean thermal energy; or*
- *hydrogen derived from photovoltaic electrolysis or a non-hydrocarbon derivation process.*

For the purposes of meeting the 1,400 megawatt target, PacifiCorp will utilize the nameplate generating capability of any renewable resource added to PacifiCorp's portfolio beginning in January 2003 (the date that PacifiCorp first committed to acquiring 1,400 megawatts of cost-effective renewable resources). These renewable resource additions will include all renewable resources as defined by the Renewable Resource definition. Purchases from Qualifying Facilities ("QFs") under the Public Utility Regulatory Policies Act of 1978 ("PURPA") will count towards satisfaction of the capacity goal whether or not PacifiCorp is able to secure the renewable energy credits ("RECs") associated with the QF production (refer to the QF discussion later in this Plan).

Renewable Resource Acquisitions and Current Activities

Table 1, below, shows a snapshot of the renewable resource capacity additions since January 1, 2003 that are either in service or have been committed to by the company as well as planned acquisitions through 2015. With the Marengo and Goodnoe Hills wind farms (currently under construction) in PacifiCorp's portfolio, PacifiCorp has met, and exceeded, its commitment to have 400 megawatts of new cost-effective renewable resources in its generation portfolio by December 31, 2007. PacifiCorp will need to acquire approximately 750 megawatts of additional cost-effective renewable resources to meet the 1,400 megawatt target by 2015. Of that total, over

projects is likely to be rescinded with the passage of an Oregon Senate Bill 838 (2007). PacifiCorp reserves the right to consider waste projects since it was an eligible renewable resource at the time the original 1,400 megawatt commitment was made.

500 additional megawatts are actively being pursued for addition to PacifiCorp's generation portfolio during 2008.

Table 1

Renewable Resource Acquisitions
(Nameplate MW)

Projects / Agreements		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Hydro Upgrades											
Lemolo #1		4	4	4	4	4	4	4	4	4	4
JC Boyle #1		3	3	3	3	3	3	3	3	3	3
JC Boyle #2		19	19	19	19	19	19	19	19	19	19
Rocky Reach			1	1	1	1	1	1	1	1	1
Swift 11 Upgrade							25	25	25	25	25
Swift 12Upgrade								25	25	25	25
Swift 13 Upgrade									25	25	25
Biomass/Biogas											
PPA1		20	20	20	20	20	20				
Douglas County Forest Products	QF	6	6	6	6	6	6	6	6	6	6
RickReal Dairy	QF	1	1	1	1	1	1	1	1	1	1
DeRuyter Dairy	QF	1	1	1	1	1	1	1	1	1	1
DryCreek Landfill	QF		3	3	3	3	3	3	3	3	3
Evergreen Biopower (Freres)	QF		10	10	10	10	10	10	10	10	10
Rough and Ready Lumber	QF		2	2	2	2	2	2	2	2	2
PPA2	QF			10	10	10	10	10	10	10	10
PPA3	QF			13	13	13	13	13	13	13	13
Geothermal											
Blundell Upgrade[2]			11	11	11	11	11	11	11	11	11
Cove Fort				20	20	20	20	20	20	20	20
Wind											
Combine Hills PPA		41	41	41	41	41	41	41	41	41	41
Wolverine Creek		65	65	65	65	65	65	65	65	65	65
Leaning Juniper		101	101	101	101	101	101	101	101	101	101
Pioneer Ridge	QF		70	70	70	70	70	70	70	70	70
Spanish Fork Wind Park	QF		19	19	19	19	19	19	19	19	19
Mountain Wind I	QF		60	60	60	60	60	60	60	60	60
Mountain Wind II	QF			80	80	80	80	80	80	80	80
Schwendiman Farms	QF			20	20	20	20	20	20	20	20
Under Construction											
Marengo			140	140	140	140	140	140	140	140	140
Goodnoe Hills			94	94	94	94	94	94	94	94	94
Under development and/or negotiations											
Alan Barklely 1 (Wasco)	QF			10	10	10	10	10	10	10	10
Alan Barkley 2 (The Dalles)	QF			10	10	10	10	10	10	10	10
Wind Project Ongoing Negotiations (4)				358	358	358	358	358	358	358	358
Proxy Resources (Unspecified)											
IRP Wind 2009					100	100	100	100	100	100	100
IRP Wind 2010						300	300	300	300	300	300
IRP Wind 2011							200	200	200	200	200
IRP Wind 2012								100	100	100	100
IRP Wind 2013									300	300	300
Total Renewable Additions		**260**	**671**	**1,192**	**1,292**	**1,592**	**1,817**	**1,922**	**2,247**	**2,247**	**2,247**

[2] PacifiCorp is continuing to evaluate the economics of further expansion of the Blundell facility

The table above includes several upgrades to existing hydroelectric facilities. These hydro upgrades provide capacity and energy without change to impoundments or existing stream flow régimes. Additional upgrades are under consideration but are not specified at this time.

Consistent with the 2007 IRP, PacifiCorp plans to continue to pursue additional renewable resources at an average rate of 200 megawatts per year through 2013, meeting the 1,400 megawatt commitment in 2010, well ahead of schedule. These are represented in the table above as proxy wind resources but will be selected from any available cost-effective renewable resources that meet the definition herein. In addition, PacifiCorp points out that the mix of renewable resources projected to be acquired beyond 2007 is today's projection. Future projections will be updated to account for changes in public policy, regulatory requirements, and technology advancements.

State Renewable Portfolio Standards (RPS)

A renewable portfolio standard (RPS) is a policy that obligates each retail seller of electricity to include in its resource portfolio (the resources procured by the retail seller to supply its retail customers) a certain amount of electricity from renewable energy resources, such as wind and solar energy. The retailer can satisfy this obligation by either (1) owning a renewable energy facility and producing its own power, or (2) purchasing renewable electricity from someone else's facility. Some RPS statutes or rules allow retailers to trade their obligation as a way of facilitating compliance with the RPS by avoiding the need to secure scarce or costly transmission service. Under this trading approach, the retailer, rather than maintaining renewable energy in its own energy portfolio, instead purchases tradable renewable energy credits ("RECs") that demonstrate that someone else has generated the required amount of renewable energy.

RPS policies are currently implemented at the state level, and vary considerably in their requirements with respect to time frame, resource eligibility, and treatment of existing plants, arrangements for enforcement and penalties, and whether they allow trading of RECs.[3] As of mid-2007, 23 states and the District of Columbia had adopted RPS regulations. The most recent adoption occurred in Washington, which passed a ballot measure in November 2006. Two states in PacifiCorp's service territory—California[4] and Washington—now have an RPS in place. Oregon is considering such a standard during the current 2007 legislative session.

Congress is expected to take up federal energy policy legislation, including the possibility of a federal RPS, as early as summer 2007. On the House side, Rep. Tom Udall (D-N.M.) has introduced legislation creating a 20 percent standard by 2020. Senate Energy and Natural Resources Committee Chairman Jeff Bingaman (D-N.M.) has indicated he is planning legislation with a level of 15 percent by 2020.

[3] See, http://www.eere.energy.gov/states/maps/renewable_portfolio_states.cfm

[4] California rulemaking, currently in progress, would strengthen the existing RPS, requiring a retail seller to increase its total procurement of eligible renewable resources to at least 33 percent of its retail sales no later than Dec. 31, 2020. Reference: Senate Bill 411 (2007)

The table below identifies each state's current or expected RPS procurement targets, expressed as a percentage of retail sales, as well as a federal RPS proposal currently being circulated by Senator Bingaman (D-N.M.).

Table 2

			Proposed	
Year	**California**	**Washington**	**Oregon**	**Federal**
2007	17%	0%	0%	0%
2008	18%	0%	0%	0%
2009	19%	0%	0%	0%
2010	20%	0%	0%	3.75%
2011	20%	0%	5%	3.75%
2012	20%	3%	5%	3.75%
2013	20%	3%	5%	7.50%
2014	20%	3%	5%	7.50%
2015	20%	3%	15%	7.50%
2016	20%	9%	15%	7.50%
2017	20%	9%	15%	11.25%
2018	20%	9%	15%	11.25%
2019	20%	9%	15%	11.25%
2020	33%	15%	20%	15%
2021	33%	15%	20%	15%
2022	33%	15%	20%	15%
2023	33%	15%	20%	15%
2024	33%	15%	20%	15%
2025	33%	15%	25%	15%

The remainder of this paper provides a description and status of the additional activities PacifiCorp is undertaking to ensure acquisition of sufficient resource and transmission capability to meet the 1,400 megawatt renewable resource objective.

Action Items

Resource Acquisition Action Items

The primary objective of the Renewable Energy Action Plan is to acquire the remaining renewable resources shown in Table 1, above, to achieve the 1,400 megawatt commitment by the 2015 target date. These additional renewable resources must be cost-effective and provide sufficient capability to PacifiCorp's renewable generation portfolio to ensure compliance with the mandatory RPS targets through the Plan's current time horizon; e.g., by 2015.[5] In order to secure cost-effective resources, the year by year acquisitions may vary from the schedule shown

[5] Actual compliance obligations are likely to be achieved using eligible renewable resources, renewable energy credits, or a combination of the two.

in Table 1. Issues that may affect attaining a systematic and constant rate of cost-effective acquisition are the unpredictable nature of the federal production tax credit (PTC), state-specific renewable portfolio standards, transmission limitations, carbon regulations, capital costs, and market prices.

Although the PTC has consistently been extended since its inception, the extension has not always happened prior to the end of the previous term. This has caused major boom and bust cycles as the industry waits for Congressional action on extending the PTC. In one of its last actions of 2006 Congress extended the PTC at current levels, adjusted for inflation, through the end of 2008[6]. However, there is no certainty that it will continue past this date or, if it does, how long it will be extended or that it will be renewed at current levels.[7] As long as acquisition of additional renewable resources remains cost-effective, PacifiCorp plans to continue to acquire such resources

Action Item: Continue to negotiate for the acquisition of cost-effective renewable resources until such time as the 1,400 megawatt goal is achieved.[8]

Action Status: Multiple resources are currently being pursued and transmission service for specific resources has been requested. Congress has extended the PTC through the end of 2008, improving the outlook for the systematic development of renewable resources. The Company continues to support multi-year extensions of the PTC to provide stability to the industry.

PacifiCorp maintains ownership of properties throughout its system. Given the proximity of some of these holdings to transmission facilities, the company proposes to engage in an assessment of wind resources on the existing properties that may have the potential for cost-effective resource development.

Action Item: Perform a wind resource inventory and assessment on PacifiCorp property holdings by June 30, 2007.

Action Status: The proposed inventory is currently underway and on schedule.

Renewable resources can face important impediments relating to the high voltage transmission system. Many potential renewable resources are located far from population centers where the power must ultimately be delivered. In addition, transmission lines are constructed to transfer the maximum capability of a power plant and wind projects usually have relatively low capacity

[6] Tax Relief and Health Care Act of 2006 (H.R. 6408)

[7] PacifiCorp's parent, MidAmerican Energy Holdings Company, is actively lobbying Congress for a long-term extension of the PTC.

[8] Consistent with the IRP PacifiCorp expects to continue pursuing renewable opportunities beyond the 1,400 megawatt commitment as long as cost effective resources are available.

factors, often generating about a third of the maximum capability on average. This can have the effect of tripling the cost of transmission service on a dollar-per-megawatt-hour basis. Another issue is that long distance transmission line construction may have more transfer capability than an individual project requires. This means that individual power project proposals often cannot absorb the costs of a full transmission construction project. Finally, the time required to site, permit, design, and construct new transmission lines often does not align with the time frame for development of new wind sites. Transmission can require five or more years, whereas permitted and fully developed wind generation sites can be constructed upon in less than a year.
.

PacifiCorp can help facilitate developing new areas for renewable resource development that are currently constrained by transmission transfer capability. This can be done through PacifiCorp's Integrated Resource Plan in which competing regions are evaluated against one another — including the cost of transmission and the relative value of power from renewable resources in the regions due to projected capacity factors and timing of generation (e.g., winter/summer, day/night). Once the most economic regions are determined, PacifiCorp can evaluate project proposals in those regions in combination with existing or possible future transmission facilities.

Action Item: Identify likely regions for new renewable resource development through the IRP and evaluate potential resources within those regions.

Action Status: The 2007 IRP identifies various potential wind projects located in specific locations throughout the Northwest and Western United States. These proxy resources were developed from PacifiCorp experience with wind developers and from responses to the 2003 renewable resource request for proposals.

As part of its renewable acquisition plan, PacifiCorp intends to conduct an economic assessment of biomass project opportunities, focusing on the Oregon biomass market segments. The main biomass market segments are wood mill waste and forest waste resulting from timber residue and forest thinning in the Pacific Northwest. The initial focus on Oregon biomass opportunities is a result of: 1) the greater number of economic incentives available in Oregon than other surrounding states and 2) the greater quantity of biomass generation that exists or is planned in Oregon than other surrounding states. Additional opportunities in the areas of sewage treatment plant digesters, dairy-based anaerobic digesters, and landfill gas to energy will be pursued as they are identified.

Action Item: Perform an economic assessment of biomass project opportunities, focusing on the Oregon biomass market segment.

Action Status: PacifiCorp has completed an overall biomass strategy and is in the process of implementing the biomass strategy. PacifiCorp has signed Purchase Power Agreements with multiple biomass/biogas projects and expects to

have at least 66 megawatts on line by the end of 2008, as shown in Table 1. Negotiations for additional development continue.

Institutional Action Items

PacifiCorp recognizes that a successful renewable resource acquisition plan necessitates active measures to lay a framework for continued progress. PacifiCorp's ability to meet the 1,400 megawatt target has been enhanced by the MEHC acquisition by MEHC's commitment to include an own/operate alternative in any commission-approved request for proposals for resources with a dependable life greater than ten years and greater than 100 megawatts.

Action Item: Evaluate staffing needs with regard to renewable resource acquisition, project management, and/or development by March 1, 2007.

Action Status: PacifiCorp has evaluated staffing needs with respect to new resource acquisition, re-allocated personnel to support the increased activity, and is currently evaluating the staffing need to support the future operational needs of recently acquired resources.

As described previously, the uncertainty around the PTC extension impacts the renewable resource market by disrupting the systematic addition of new renewable resources through time. It also exacerbates the timing issues related to combining wind resources with the needed transmission expansions. It is incumbent on PacifiCorp to maintain a political presence in support of efforts to reduce the uncertainty surrounding renewal of PTC legislation.

Action Item: Support efforts by renewable resource advocacy groups to reduce uncertainty in PTC extension and directly contact influential individuals to express PacifiCorp's support of certainty in the federal renewable resource production tax credit.

Action Status: Congress has extended the PTC through the end of 2008. The Company continues to support efforts by renewable resource advocacy groups to enable multi-year extensions of the PTC to provide stability to the industry.

An important mechanism for PacifiCorp's acquisition of renewable resources is through the acquisition of qualifying facilities (QFs) under the Public Utility Regulatory Policies Act (PURPA) of 1978. Under PURPA, utilities must purchase power from QFs at their avoided costs. The avoided cost methodologies are set by the various states, and the Federal Energy Regulatory Commission has deferred to the states the issue of whether the QF, or the purchasing utility, owns the RECs under QF contracts. Some states have granted ownership of RECs to the utilities, other states have granted ownership to the QF seller, and still others have not yet

addressed the ownership issue at all. PacifiCorp's service territory encompasses states in all three of those conditions.

As part of the contracting process, PacifiCorp will make a good faith effort to secure the RECs associated with a QF. However, those credits are a function of production (i.e., kilowatt-hour output); while PacifiCorp's commitment is a function of capacity (i.e., megawatts). Thus, if the QF otherwise satisfies the definition of a renewable resource, the QF capacity will count towards the satisfaction of the 1,400 megawatt commitment even if PacifiCorp is unsuccessful in securing the RECs.[9] Table 3, below, summarizes, by state, the current Commission treatment of REC ownership as it relates to QF contracts.

Table 3

	California	Idaho	Oregon	Utah	Washington	Wyoming
Renewable Energy Certificates position	No decision	Commission will decide when the QF contract is filed.	For new contracts, the QF owns but PacifiCorp is allowed to purchase RECs if not over market	PacifiCorp owns but QF can buy back	No decision	PacifiCorp owns the RECs for the term of the power purchase agreement

Action Item: Work with state regulators to clarify REC ownership for PURPA QF contracts and applicability toward Federal and/or state-specific RPS standards.

Action Status: PacifiCorp has been an active participant in each of its jurisdictions as the states works through the issues. Recent activity includes the treatment of RECs generated by QFs within the proposed Oregon RPS legislation, Senate Bill 838.

In the Washington Utilities and Transportation Commission RPS rulemaking, PacifiCorp filed comments[10] which include a clarifying question regarding the definition of "renewable energy certificate" and ownership rights of "non-power attributes."

[9] PacifiCorp acknowledges that for the purpose of certain regulatory reporting and customer disclosure provisions, it may not be able to identify the production of such QF resources as renewable if PacifiCorp does not own the RECs. The absence of REC ownership, however, does not change the underlying fact that the generation capacity in PacifiCorp's portfolio is powered by a renewable "fuel."

[10] PacifiCorp's comments may be downloaded from http://www.wutc.wa.gov/rms2.nsf/frm2005VwDSWeb?OpenForm&vw2005L1DktSh=061895-Documents&NAV999999.

Operational Action Items

Continuous concern has been expressed regarding operational issues surrounding the relatively volatile and less-predictable nature of some renewable resources. Considerable progress has been made at PacifiCorp and in the industry generally in understanding the interactions between wind resources and utility systems. PacifiCorp has worked for over five years to quantify the costs associated with integrating wind into its system. As the amount of wind on the system increases, it becomes ever more important for the utility to take operational actions to ensure that the system is capable of reliably integrating the amount of intermittent power anticipated. Resource variability can increase the intra hour regulation and load following requirements of the control area and increase overall ancillary service costs. As large blocks of variable resources are added to the system, new reserve resources capable of compensating for the intra hour variability may be required to insure system reliability.

Toward that end, the following action items are proposed:

Action Item: Continue an active role in the regional Northwest Power and Conservation Council Wind Integration efforts, and support the work of the American Wind Energy Association (AWEA) and the Utility Wind Integration Group.

Action Status: PacifiCorp has participated in the Wind Integration efforts which subsequently issued the Northwest Wind Integration Action Plan in April 2007. Sixteen specific actions are identified. PacifiCorp will continue to participate in the newly chartered Northwest Wind Integration Forum whose role it is to provide leadership through the prescribed actions.

Action Item: Continue to refine day-ahead hourly wind forecasts into daily system planning and scheduling.

Action Status: PacifiCorp has entered into a three-year contact to provide wind generation forecasts effective April 1, 2007. PacifiCorp will be gathering data to determine the value of the forecast.

Action Item: A wind penetration study to reappraise wind integration costs and cost-effective renewable energy levels will be completed in the 2007 IRP.

Action Status: In the 2007 IRP, Appendix J, PacifiCorp builds on earlier studies with upgraded and updated wind generation data. The benefits of geographic diversity, contribution to peak capacity, and the cost of incremental reserves are considered. Estimates of integration costs are consistent with earlier studies.

Transmission Action Items

PacifiCorp plans to facilitate the acquisition of wind projects through construction of new cost-effective transmission facilities. Two transmission paths have been identified: Path C from southeast Idaho into northern Utah, and Walla Walla to Yakima area loads. These paths are potentially cost-effective projects that can help to facilitate the development of economic wind projects.

Action Item a): Complete Walla Walla to Yakima area transmission upgrade by end of 2010 if cost-effective.

b): Complete Path C upgrade by end of 2010 if cost-effective.

c): An assessment of transmission options for PacifiCorp's system identified in the Rocky Mountain Area Transmission Study (RMATS), scenario 1 related to facilitating additional generation at Jim Bridger and, on equal footing, new cost-effective wind resources. An assessment of transmission options will be completed in the 2007 IRP.

Action Status: Transmission reviews have found that both of the planned transmission upgrades (Walla Walla to Yakima and the Path C Upgrade) are cost effective. These projects are in progress and expected to be available by the end of 2010.

In addition to the two transmission lines listed above, the 2007 IRP considered many transmission options and selected several new line segments from the Bridger area and throughout Utah to be available in 2012 and beyond. This new transmission would support the construction of new resources in Utah and Wyoming including Wyoming wind resources. The details are provided in Table 4, below.

Table 4

Transmission Resource Investment Schedule for All Group 2 Portfolios

		Transfer Capability, Megawatts									
	Resource	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
East	Path C Upgrade: Borah to Path-C South to Utah North				300						
	Utah - Desert Southwest (Includes Mona - Oquirrh)						600				
	Mona - Utah North						400				
	Craig-Hayden to Park City						176				
	Miners - Jim Bridger - Terminal						600				
	Jim Bridger - Terminal								500		
West	Walla Walla - Yakima				400						
	West Main - Walla Walla					630					
	Total Annual Additions	-	-	-	700	630	1,776	-	500	-	-

Source: PacifiCorp's 2007 IRP, Table 7.36

Action Plan Summary

The following table lists the action items identified above, and associated milestones.

Identifier	Action Items	Milestones	Status
RA1	Continue to seek acquisition of economic renewable resources to achieve or exceed the 1,400 megawatt target by 2015.	Ongoing	671 megawatts of renewable resources are in the portfolio for 2007.
RA3	Perform an inventory and assessment on PacifiCorp property holdings.	June 30, 2007	This activity is in progress and anticipates a report on schedule.
RA4	Identify likely regions for new wind development through the IRP and evaluate resource opportunities from those regions.	Complete	The 2007 IRP reviewed available data to develop proxy resources located in specific locations.
RA5	Perform an economic assessment of biomass project opportunities, focusing on the Oregon biomass market segment.	Complete	The biomass strategy has been completed and is currently being implemented. As a result several new projects have been identified and purchase power agreements are expected to lead to 66 megawatts of biomass / biogas by the end of 2008.
IA1	Evaluate staffing needs with regard to renewable resource acquisitions and operations by March 1, 2007.	Complete	Staffing needs have been evaluated and several staffing adjustments have been effected.
IA2	Support efforts by renewable resource advocacy groups to reduce uncertainty in PTC extension and directly contact influential individuals to express PacifiCorp's support of certainty in the federal renewable resource production tax credit.	Ongoing advocacy of PTC extension, maintain membership in AWEA.	PTC has been extended to the end of 2008. PacifiCorp continues to advocate for multi-year extensions.

Identifier	Action Items	Milestones	Status
IA3	Work with state regulators to clarify REC ownership for PURPA QF contracts and applicability toward Federal and/or state-specific RPS requirements.	Meet with Commission staff of every state in service territory by December 2007.	PacifiCorp is working to acquire RECs where possible and to clarify their applicability to State RPS requirements.
OA1	Continue an active role in the regional Northwest Power and Conservation Council Wind Integration efforts, and support the work of the American Wind Energy Association and the Utility Wind Integration Group.	Ongoing participation in wind integration meetings.	The Northwest Wind Integration Action Plan was published by the Northwest Power and Conservation Council in April 2007. PacifiCorp will continue participation in the newly chartered Wind Integration Forum.
OA2	Incorporate day-ahead hourly wind forecasts into pre-schedules for wind projects as part of the PacifiCorp system.	Complete	A third-party vendor has been contracted to provide hourly wind forecasts for current wind generation for the next three years.
OA3	A wind penetration study to reappraise wind integration costs and cost effective renewable energy levels will be completed in the 2007 IRP	Included in the 2007 IRP	Appendix J to the 2007 IRP includes an updated appraisal of integration costs and cost effective levels of wind resources.
TA1	Complete Walla Walla to Yakima area transmission upgrade	December 2010	PacifiCorp transmission is moving ahead with the Walla Walla to Yakama project.
TA2	Complete Path C upgrade	December 2010	PacifiCorp transmission is moving ahead with the Path C upgrade project.
TA3	Transmission assessment of additional generation on equal footing with wind resources	Included in the 2007 IRP	The 2007 IRP preferred plan includes new transmission facilities for the Wyoming/Utah area that will support the construction of new resources including wind in that area.