

BEFORE THE PUBLIC UTILITY SERVICE COMMISSION OF UTAH

In the Matter of the Application of _____)
ROCKY MOUNTAIN POWER _____)
-for an Exemption _____) _____ DOCKET NO.
under Subsection 54-4-31(4) of the _____)
Utah Code Annotated _____)

ORDER

(Issued April ____, 2007)

On March __, 2007, PacifiCorp, doing business in Utah as Rocky Mountain ~~Power~~ Power, filed its application in the named matter requesting that the Commission issue an order exempting the Company from the provisions of Subsection 54-4-31(1) of the *Utah Code Annotated* relating to the issuance of securities and the assumption of obligations and liabilities as guarantor, endorser, surety, or otherwise, for any security of another person relating to the financing of pollution control revenue bonds. The Commission had previously granted such an exemption to the Company in Docket Nos. 98-2035-02 and 00-035-16, but that later exemption was effectively terminated in Docket No. 05-035-54 in connection with approval of the acquisition by MidAmerican Energy Holdings Company. [On _____, 2007 the Division of Public Utilities filed its Memorandum which stated that it had reviewed the Company's filing and supporting information and recommended granting the request. As there appears to be no opposition to the Company's request, the Commission will proceed pursuant to the provisions of Rule 110 of the Commission's rules; Rule 746-110, Utah Administrative Code.]

The Commission, having considered the application and appended exhibit, the information in its files concerning the Company, the applicable law, and being fully advised in the premises, FINDS and CONCLUDES:

1. The Commission has jurisdiction pursuant to Subsection 54-4-31(4), *Utah Code Annotated*, 1953, as amended 1997.
2. The Company is an Oregon corporation, having its principal administrative office at Portland, Oregon. It is qualified to do business in the State of Utah with its principal place of business in Salt Lake City.
3. The Company has requested that the Commission exempt the Company from the provisions of Subsection 54-4-31(1) of the *Utah Code Annotated* pursuant to the authority granted to the Commission under Subsection 54-4-31(4). Subsection 54-4-31(4) of the *Utah Code Annotated*, among other things, authorizes the Commission to exempt any electrical corporation from the provisions of Subsection 54-4-31(1) of the *Utah Code Annotated* if the Commission finds that the application of such provisions to such electrical corporation is not required by the public interest. The Commission may grant any such exemption on such terms and conditions as it may prescribe.
4. The application of Subsection 54-4-31(1) of the *Utah Code Annotated* to the Company is not required by the public interest, and events subsequent to the acquisition by MidAmerican Energy Holdings Company have not changed this conclusion. The Commission retains the ability to monitor the securities transactions of the Company and to determine the appropriate regulatory treatment of such transactions in subsequent proceedings. Accordingly, the request of the Company should be granted, subject to conditions as prescribed below. Such conditions will assure that the Commission and its staff shall remain apprised of the financing

activities of the Company and that the Company will have access to the capital markets during the term of the exemption.

IT IS THEREFORE ORDERED THAT:

1. The Company is hereby exempted from the provisions of Subsection 54-4-31(1) of the *Utah Code Annotated*, 1953, as amended 1997.
2. The exemption granted hereby shall remain in effect so long as the senior secured debt of the Company has investment grade ratings from at least two nationally recognized rating agencies; except that as to short-term securities of the Company, the exemption shall remain in effect for 60 days after the date fewer than two nationally recognized rating agencies so rate the senior secured debt of the Company.
3. The Company shall continue to file with the Commission, with copies to the Division of Public Utilities, Quarterly Financing Activity Reports and, to the extent not otherwise an obligation of the Company pursuant to Commitment U10 approved in Docket No. 05-035-54, all credit rating agency reports related to the Company issued during the applicable quarter.
4. The issuance of this Order does not constitute the determination of the Commission of any utility rate-making issues whatsoever, which issues are expressly reserved for decision until they are presented to the Commission in appropriate proceedings.
5. The issuance of this Order shall also not be construed as prior acceptance by the Commission of any expenditures of the Company for any purpose.

6. Nothing in this Order shall be construed to obligate the State of Utah to pay or guarantee in any manner whatsoever any security issued, assumed or guaranteed by the Company.

[7. This Order is entered on a tentative form, pursuant to Rule 110. Any person may file a protest hereto within 20 days from the date of issuance, or thereafter be barred from doing so. Should the Commission find such protest to be meritorious, the effective date shall be suspended by subsequent order pending further proceedings.]

MADE and ENTERED at Salt Lake City, Utah, this ____ day of ____2007.

PUBLIC SERVICE COMMISSION OF UTAH

RIC CAMPBELL, Chairman

(SEAL)

TED BOYER, Commissioner

RON ALLEN, Commissioner

Attest:

JULIE ORCHARD, Commission Secretary