



[Date 1]

Subject – 2008 All Source Request for Proposal - Suspension

Bidders:

PacifiCorp is suspending the 2008 All Source Request for Proposal (RFP) effective immediately. PacifiCorp is taking this action because of the great uncertainty caused by the ongoing financial crisis. We believe that ratepayers might get a better deal than the proposals submitted in the RFP as the year goes on and commodity and construction costs decline, and/or market prices fall. We also believe suppliers will be much more likely to secure financing once the banking sector has stabilized. Finally, our load forecasts are more uncertain than usual given current economic conditions.

Bidders who have submitted proposals have the option to either 1) withdraw their proposals or 2) leave their proposals in the RFP and have the opportunity to refresh them when the RFP resumes. Bidders' bid fees, less a pro rata share of independent evaluator fees, will be returned if they withdraw their proposals at this time. Existing Bidders who remain in the RFP will not be required to pay bid fees upon refreshing their existing proposals.

PacifiCorp will monitor the market over the next six ~~to eight~~ months with the intention to lift the suspension, issue an Amendment to the RFP and request updated proposals from the existing Bidders and ~~or~~ new proposals. PacifiCorp also intends to refresh its benchmark proposals at that time.

Information regarding the RFP will be updated over the next six ~~to eight~~ months on the Company website and on Merrimack Energy Group's, the independent evaluator's, website. The website addresses are: <http://www.pacificorp.com/Article/Article81264.html> and <http://www.merrimackenergy.com/PacifiCorp2008RFP/>.

For questions or more information, please send an e-mail to RFPAllSource@PacifiCorp.com. In addition, on [Date 2], PacifiCorp will host a teleconference to discuss the process going forward and respond to any questions from bidders.

Responses to questions and answers will be posted on the independent evaluator's website. (See above.)

PacifiCorp thanks all Bidders for their participation in the RFP thus far, and we encourage your continuous efforts in supplying cost-effective, reliable resources for PacifiCorp's customers.