BACK UP 10K DATA

Except for Oregon and Washington, PacifiCorp has an exclusive right to serve retail customers within its service territories, and in turn, has the obligation to provide service to those customers. Under Oregon law, PacifiCorp has the exclusive right and obligation to provide electric distribution services to all customers within its allocated service territory; however, nonresidential customers have the right to choose alternative electricity service suppliers. The impact of this right on PacifiCorp's consolidated financial results has not been material. In Washington, state law does not provide for exclusive service territory allocation. PacifiCorp's service territory in Washington is surrounded by other public utilities with whom PacifiCorp has from time to time entered into service area agreements under the jurisdiction of the WUTC.

In addition to recovery through base rates, PacifiCorp also achieves recovery of certain costs through various adjustment mechanisms as summarized below.

State Regulator	Base Rate Test Period	Adjustment Mechanism
UPSC	Forecasted or historical with known and measurable changes (1)	BBA under which 70% of the difference between base net power costs set during a general rate case and actual net power costs is deferred and reflected in future rates.
		Balancing account to provide for the recovery or refund of the difference between the level of REC revenues included in base rates and actual REC revenues.
		Recovery mechanism for single capital investments that in total exceed 1% of existing rate base when a general rate case has occurred within the preceding 18 months.
OPUC	Forecasted	Annual TAM based on forecasted net variable power costs; no true-up to actual net variable power costs.
		RAC to recover the revenue requirement of new renewable resources and associated transmission that are not reflected in general rates.
		Balancing account to provide for the refund of actual REC revenues.
WPSC	Forecasted or historical with known and measurable changes (1)	ECAM under which 70% of the difference between base net power costs set during a general rate case and actual net power costs is deferred and reflected in future rates.
		REC and sulfur dioxide revenue adjustment mechanism to provide for recovery or refund of 100% of any difference between actual REC and sulfur dioxide revenues and the level forecasted in base rates.
WUTC	Historical with known and measurable changes	Deferral mechanism of costs for up to 24 months of new base load generation resources and eligible renewable resources and related transmission that qualify under the state's emissions performance standard and are not reflected in base rates.
		REC revenue tracking mechanism to provide for the refund of Washington-allocated REC revenues.
IPUC	Historical with known and measurable changes	ECAM under which 90% of the difference between base net power costs set during a general rate case and actual net power costs is deferred and reflected in future rates. Also provides for recovery or refund of 100% of the difference between the level of REC and sulfur dioxide revenues included in base rates and actual REC and sulfur dioxide revenues.
CPUC	Forecasted	PTAM for major capital additions that allows for rate adjustments outside of the context of a traditional general rate case for the revenue requirement associated with capital additions exceeding $50 million on a total-company basis. Filed as eligible capital additions are placed into service.
		ECAC that allows for an annual update to actual and forecasted net variable power costs.
		PTAM for attrition, a mechanism that allows for an annual adjustment to costs other than net variable power costs.

(1) PacifiCorp has relied on both historical test periods with known and measurable adjustments, as well as forecasted test periods.

Generally, PacifiCorp's DSM program costs are collected through separately established rates that are adjusted periodically based on actual and expected costs as approved by the respective state regulatory commission. As such, DSM program activities have no impact on net income.

Regulatory Matters

PacifiCorp is subject to comprehensive regulation. In addition to the discussion contained herein regarding regulatory matters, refer to Item 1 of this Form 10-K for further discussion regarding PacifiCorp's general regulatory framework.

State Regulatory Matters

Utah

In March 2009, PacifiCorp filed for an ECAM with the UPSC. The filing recommended that the UPSC adopt the mechanism to recover the difference between base net power costs set in the next Utah general rate case and actual net power costs. In July 2010, the UPSC issued an order approving a stipulation that would establish deferred accounts for both net power costs and REC revenues in excess of the levels currently included in rates, subject to the UPSC's final determination of the ratemaking treatment of the deferrals. In December 2010, the UPSC approved a separate stipulation that provided a $3 million monthly credit to customers effective January 1, 2011 to be applied toward the UPSC's final decision. In March 2011, the UPSC issued its final order approving the use of an EBA in Utah to begin at the conclusion of the general rate case described below. Under the EBA, which has been established as a four year pilot program, 70% of any difference between actual net power costs incurred and the amount of net power costs recovered through base rates are deferred during the calendar year. PacifiCorp must then file by March 15 of the following year to initiate collection or refund of the deferred balance. In April 2011, PacifiCorp filed a petition with the UPSC for clarification and reconsideration of certain aspects of the EBA order, including reconsideration of the UPSC's decision to exclude financial swaps from the EBA, which was granted in May 2011.

In January 2011, PacifiCorp filed a general rate case with the UPSC requesting a rate increase of $232 million, or an average price increase of 14%. In June 2011, PacifiCorp filed its rebuttal testimony with the UPSC reducing the requested rate increase to $188 million, or an average price increase of 11%. In July 2011, PacifiCorp filed a settlement with the UPSC, which was approved by the UPSC in August 2011 and resulted in a $117 million rate increase, or an average price increase of 7% effective September 21, 2011. The settlement resolved all major dockets outstanding before the UPSC. Under the terms of the settlement, financial swaps are included in the EBA and a collaborative process with Utah stakeholders may result in future modifications to PacifiCorp's risk management and hedging policies. The settlement also concluded the ratemaking treatment of deferred accounts for net power costs and estimated sales of RECs in excess of the levels included in rates since the 2009 general rate case. The settlement provides for $60 million of net power costs in excess of amounts included in base rates to be recovered from Utah customers over a three-year period beginning June 1, 2012, without carrying charges. The settlement also provides for a $33 million credit to customers related to sales of RECs that substantially occurred in prior years and that will be credited to Utah customers over a period of approximately nine months beginning September 21, 2011, plus carrying charges. The settlement also establishes a balancing account for prospective REC sales. The settlement stipulation defers decisions regarding the ratemaking treatment associated with the Klamath hydroelectric system's four mainstem dams and relicensing and settlement costs as described in Note 8 of Notes to Consolidated Financial Statements in Item 8 of this Form 10-K.

In November 2011, PacifiCorp filed with the UPSC to decrease its DSM cost recovery tariff in Utah by 1% of a customer's eligible monthly charges. In January 2012, the UPSC approved an all-party stipulation to reduce the DSM surcharge by 0.4% effective February 1, 2012. In addition, approximately $5 million will be credited to customers over a one-year period beginning June 1, 2012.

In February 2012, PacifiCorp filed a general rate case with the UPSC requesting a rate increase of $172 million, or an average price increase of 10%.

Oregon

In March 2011, PacifiCorp made its initial filing for the annual TAM with the OPUC for an annual increase of $62 million to recover the anticipated net power costs forecasted for calendar year 2012. In July 2011, PacifiCorp filed updated net power costs, reflecting an increase in the overall request to $63 million. In August 2011, PacifiCorp filed its surrebuttal testimony in the TAM proceeding decreasing the overall request to $59 million due to a reduction in forecasted net power costs. In September 2011, PacifiCorp reached a settlement with several parties, including the OPUC staff, to reduce the requested increase to $51 million, or an average price increase of 4%, subject to final net power cost updates in November 2011. In November 2011, the OPUC approved the overall rate increase of $51 million, or an average price increase of 4%. The new rates were effective January 1, 2012.

In October 2010, PacifiCorp filed its 2009 tax report under SB 408. In January 2011, PacifiCorp entered into a stipulation with the OPUC staff and the Citizens' Utility Board of Oregon, whereby PacifiCorp, the OPUC staff and the Citizens' Utility Board of Oregon agreed to a surcharge of $13 million, plus interest. In April 2011, the OPUC issued an order adopting the stipulation without significant modification. The $13 million, plus interest, was recorded in earnings in the second quarter of 2011 and is being collected over a one-year period that began in June 2011.

In May 2011, Oregon Senate Bill 967 ("SB 967") was enacted into law. SB 967 repealed and replaced SB 408, and as a result, PacifiCorp will no longer be required to file tax reports under SB 408. Among other matters, SB 967 directs the OPUC to consider the income tax component of rates when conducting ratemaking proceedings. The enactment of SB 967 did not impact PacifiCorp's consolidated financial results.

Wyoming

In April 2010, PacifiCorp filed an application with the WPSC requesting approval of a new ECAM to replace the existing PCAM. The PCAM concluded with the final deferral of net power costs in November 2010 and collection through March 2012. In February 2011, the WPSC issued an order approving an ECAM effective December 1, 2010, under which 70% of any difference between actual net power costs incurred and the amount of net power costs recovered through base rates, subject to certain other adjustments, are deferred as incurred during the calendar year. PacifiCorp must then file by March 15 of the following year to initiate collection or refund of the deferred balance beginning June 1.

In November 2010, PacifiCorp filed a general rate case with the WPSC requesting a rate increase of $98 million, or an average price increase of 17%. In May 2011, PacifiCorp filed its rebuttal testimony with the WPSC reducing the requested rate increase to $80 million. In June 2011, the WPSC approved a multi-party stipulation resulting in an annual rate increase of $62 million, or an average price increase of 11%. The stipulation also established a surcredit and a balancing account to pass on to or collect from customers any difference between the amount of the REC sales established in the surcredit and actual REC sales. The surcredit will be established annually based on PacifiCorp's forecasted REC sales, and the difference between the surcredit and actual REC sales will be tracked in the balancing account. For 2011, the surcredit was set at $17 million, or a 3% reduction. The rates were effective September 22, 2011.

In February 2011, PacifiCorp filed its final PCAM application with the WPSC requesting recovery of $16 million in deferred net power costs over the 12-month period ending March 31, 2012. PacifiCorp requested and received approval from the WPSC to implement an $11 million interim rate increase over the $5 million reflected in the tariff to be effective from April 1, 2011 until the WPSC issues a final order. In September 2011, PacifiCorp reached an agreement with intervening parties and filed a stipulation with the WPSC to recover $14 million in deferred net power costs. In October 2011, the WPSC approved the stipulation with an effective date of November 1, 2011.

In December 2011, PacifiCorp filed a general rate case with the WPSC requesting an annual increase of $63 million, or an average price increase of 10%. If approved by the WPSC, the new rates are expected to be effective October 9, 2012.

Washington

In May 2010, PacifiCorp filed a general rate case with the WUTC requesting an annual increase of $57 million, or an average price increase of 21%. In November 2010, the requested annual increase was reduced to $49 million, or an average price increase of 18%. In March 2011, the WUTC issued a final order and clarification letter approving an annual increase of $33 million, or an average price increase of 12%, reduced in the first year by a customer bill credit of $5 million, or 2%, related to the sale of RECs expected during the twelve-month period ended March 31, 2012, as well as requiring PacifiCorp to submit additional information to the WUTC regarding the sales of RECs. The new rates were effective in April 2011. Although both PacifiCorp and the WUTC staff filed petitions for reconsideration of various items on the final order, the WUTC denied the petitions for reconsideration. In May 2011, PacifiCorp submitted to the WUTC the additional information required by the March 2011 order regarding PacifiCorp's proceeds from sales of RECs for the period January 1, 2009 forward and a detailed proposal for a tracking mechanism for proceeds of RECs. Intervening parties and WUTC staff are proposing that PacifiCorp refund to customers the amount of REC sales in excess of the amount included in base rates since January 1, 2009. Initial and reply briefs from all parties were filed in November 2011. Oral arguments were held before the WUTC in January 2012 and an order is expected during the first quarter of 2012.

In July 2011, PacifiCorp filed a general rate case with the WUTC requesting an annual increase of $13 million, or an average price increase of 4%, with an effective date no later than June 1, 2012. In February 2012, the parties to the proceeding filed a settlement agreement with the WUTC reflecting an annual increase of $5 million, or an average price increase of 2%. A hearing on the settlement agreement is scheduled for March 2012.

Idaho

In May 2010, PacifiCorp filed a general rate case with the IPUC requesting an annual increase of $28 million, or an average price increase of 14%. In November 2010, the requested annual increase was reduced to $25 million, or an average price increase of 12%. In December 2010, the IPUC issued an interim order approving an annual increase of $14 million, or an average price increase of 7% with an effective date of December 28, 2010. In February 2011, the IPUC issued its final order with no revisions to the December 2010 increase. In March 2011, PacifiCorp petitioned the IPUC seeking reconsideration or rehearing on certain aspects of the order, including the IPUC's conclusion that 27% of PacifiCorp's Populus to Terminal transmission line investment is not currently used and useful and should be carried as plant held for future use. The Idaho-allocated share of 27% of the investment is approximately $13 million. In April 2011, the IPUC issued an order, accepting in part and rejecting in part, PacifiCorp's motion for reconsideration, resulting in no significant changes to the IPUC's initial order. In May 2011, PacifiCorp filed an appeal of the Populus to Terminal decision to the Idaho Supreme Court requesting a determination on the legality of the IPUC's decision to exclude 27% of the Populus to Terminal line as a result of its conclusion that the line is not fully used and useful. As a result of the general rate case settlement process discussed below, PacifiCorp joined in a motion filed with the Idaho Supreme Court in October 2011, to stay the procedural schedule associated with the appeal until January 30, 2012, and the Idaho Supreme Court granted the motion. The matter was settled in the general rate case described below and the appeal was dismissed.

In May 2011, PacifiCorp filed a general rate case with the IPUC requesting an annual increase of $33 million, or an average price increase of 15%. In October 2011, a settlement was reached with the majority of parties in the case providing for a two-year agreement to increase rates by $17 million each year effective January 1, 2012 and January 1, 2013, representing average price increases of 8% and 7%, respectively. The settlement also resolved the dispute over the 27% of PacifiCorp's Populus to Terminal investment, providing for recovery of PacifiCorp's investment beginning on or after January 1, 2014. In January 2012, PacifiCorp received an order from the IPUC approving the settlement.

In February 2011, PacifiCorp filed an ECAM application with the IPUC requesting recovery of $13 million in deferred net power costs. In March 2011, the IPUC issued an order approving recovery of $10 million beginning April 1, 2011 and the remaining $3 million beginning in 2012.

In February 2012, PacifiCorp filed an ECAM application with the IPUC requesting recovery of $18 million in deferred net power costs through an increase to the current ECAM surcharge rate established in 2011. If approved, the new rates will be effective April 1, 2012.

California

In October 2011, PacifiCorp filed its annual PTAM attrition adjustment with the CPUC. The filing requested an increase of $1 million, or an average price increase of 1%. The CPUC approved the new rates, which became effective January 1, 2012.

In January 2012, PacifiCorp and the California Division of Ratepayer Advocates filed a joint motion for commission adoption and approval of a written stipulation for an overall rate increase of $2 million, or an average price increase of 2%, under the ECAC. If approved by the CPUC, PacifiCorp expects that the new rates will be effective in the first quarter of 2012.

FERC

As a result of a 2007 multi-party settlement with the FERC regarding long-term shared usage, coordinated operation and maintenance, and planning of certain 500-kV transmission lines, PacifiCorp agreed to file a Federal Power Act Section 205 rate change filing for its system-wide transmission service rates no later than June 1, 2011. In May 2011, PacifiCorp filed its Federal Power Act Section 205 rate case seeking to modify its transmission and ancillary services rates and adopt a formula transmission rate. In August 2011, the FERC issued an order accepting PacifiCorp's filing and allowing the proposed rates to become effective December 25, 2011, subject to refund. Billing at the new rates commenced in early 2012. The FERC established settlement proceedings to encourage the parties to reach agreement on final rates. If a settlement is not reached, hearings will be held before the FERC to arrive at final approved rates. Settlement discussions are underway with the parties to the case.

As of December 31, 2011, PacifiCorp had approximately $13 million of additional letters of credit issued on its behalf to provide credit support for certain transactions as required by third parties. These letters of credit were all undrawn as of December 31, 2011 and have provisions that automatically extend the annual expiration dates for an additional year unless the issuing bank elects not to renew a letter of credit prior to the expiration date.

(9) Long-term Debt and Capital Lease Obligations

PacifiCorp's long-term debt and capital lease obligations were as follows as of December 31 (in millions):

	2011			2010	
	Par Value	Amount	Average Interest Rate	Amount	Average Interest Rate
First mortgage bonds:					
5.0% to 8.8%, due through 2016	$ 457	$ 457	5.6%	$ 1,043	6.5%
3.9% to 8.5%, due 2017 to 2021	1,271	1,268	5.1	869	5.7
6.7% to 8.3%, due 2022 to 2026	404	404	7.4	404	7.4
7.7% due 2031	300	299	7.7	299	7.7
5.3% to 6.1% due 2034 to 2036	850	848	5.8	848	5.8
5.8 % to 6.4%, due 2037 to 2039	2,150	2,142	6.0	2,142	6.0
Tax-exempt bond obligations:					
Variable rates, due 2013 (1)(2)	41	41	0.1	41	0.4
Variable rates, due 2014 to 2025 (2)	325	325	0.2	325	0.3
Variable rates, due 2016 to 2024 (1)(2)	221	221	0.1	221	0.3
Variable rates, due 2014 to 2025 (1)(3)	68	68	4.0	68	4.0
5.6 to 5.7%, due 2021 to 2023 (1)	71	71	5.6	71	5.6
6.2%, due 2030	13	13	6.2	13	6.2
Total long-term debt	6,171	6,157		6,344	
Capital lease obligations:					
8.8% to 14.8%, due through 2036	56	56	11.4	57	11.4
Total long-term debt and capital lease obligations	$ 6,227	$ 6,213		$ 6,401	

Reflected as:

	2011	2010
Current portion of long-term debt and capital lease obligations	$ 19	$ 588
Long-term debt and capital lease obligations	6,194	5,813
Total long-term debt and capital lease obligations	$ 6,213	$ 6,401

(1) Secured by pledged first mortgage bonds registered to and held by the tax-exempt bond trustee generally with the same interest rates, maturity dates and redemption provisions as the tax-exempt bond obligations.

(2) Supported by $601 million of letters of credit issued under committed bank arrangements. These letters of credit were undrawn as of December 31, 2011 and expire periodically through November 2012.

(3) Interest rates are currently fixed at 3.9% to 4.1% and are scheduled to reset in 2013.

PacifiCorp's long-term debt may include provisions that allow PacifiCorp to redeem the long-term debt in whole or in part at any time. These provisions generally include make-whole premiums.

In January 2012, PacifiCorp issued $350 million of its 2.95% First Mortgage Bonds due February 1, 2022 and $300 million of its 4.10% First Mortgage Bonds due February 1, 2042. The net proceeds were used to repay short-term debt, fund capital expenditures and for general corporate purposes. PacifiCorp currently has regulatory authority from the Oregon Public Utility Commission ("OPUC") and the Idaho Public Utilities Commission to issue an additional $950 million of long-term debt. PacifiCorp must make a notice filing with the Washington Utilities and Transportation Commission prior to any future issuance. PacifiCorp currently has an effective shelf registration statement filed with the United States Securities and Exchange Commission expected to provide for future first mortgage bond issuances through November 2013.

In May 2011, PacifiCorp issued $400 million of its 3.85% First Mortgage Bonds due June 15, 2021. The net proceeds were used to fund capital expenditures, repay short-term debt and for general corporate purposes.

In September 2010, PacifiCorp completed a re-offering of variable-rate tax-exempt bond obligations totaling $38 million. Letters of credit totaling $39 million were issued under one of PacifiCorp's unsecured revolving credit facilities to provide credit enhancement and liquidity support for these previously unenhanced obligations.

In June 2010, PacifiCorp completed a re-offering of a $45 million series of tax-exempt bond obligations. The interest rate for this obligation was previously fixed for a term which, upon scheduled expiration, was converted to a variable rate with credit enhancement and liquidity support provided by a $46 million letter of credit issued under one of PacifiCorp's unsecured revolving credit facilities.

The issuance of PacifiCorp's first mortgage bonds is limited by available property, earnings tests and other provisions of PacifiCorp's mortgage. Approximately $22 billion of PacifiCorp's eligible property (based on original cost) was subject to the lien of the mortgage as of December 31, 2011.

PacifiCorp's letters of credit agreements generally contain similar covenants and default provisions as those contained in PacifiCorp's revolving credit facilities, including a covenant not to exceed a specified debt-to-capitalization ratio of 0.65 to 1.0. PacifiCorp monitors these covenants on a regular basis in order to ensure that events of default do not occur. As of December 31, 2011, PacifiCorp was in compliance with these covenants.

PacifiCorp has entered into long-term agreements that qualify as capital leases and expire at various dates through October 2036 for transportation services, power purchase agreements, real estate and for the use of certain equipment. The transportation services agreements included as capital leases are for the right to use pipeline facilities to provide natural gas to three of PacifiCorp's generating facilities. Net capital lease assets of $56 million and $57 million as of December 31, 2011 and 2010, respectively, were included in property, plant and equipment, net in the Consolidated Balance Sheets.

As of December 31, 2011, the annual maturities of long-term debt and capital lease obligations, excluding unamortized discounts and including interest on capital lease obligations, for 2012 and thereafter are as follows (in millions):

	Long-term Debt	Capital Lease Obligations	Total
2012	$ 17	$ 7	$ 24
2013	261	12	273
2014	253	8	261
2015	122	7	129
2016	57	7	64
Thereafter	5,461	80	5,541
Total	6,171	121	6,292
Unamortized discount	(14)	—	(14)
Amounts representing interest	—	(65)	(65)
Total	$ 6,157	$ 56	$ 6,213