

Edward A. Hunter
John M. Eriksson
STOEL RIVES LLP
201 South Main Street, Suite 1100
Salt Lake City, Utah 84111
Telephone: (801) 578-6936
Telecopier: (801) 578-6999

Attorneys for PacifiCorp

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application	:	Docket No. 99-035-10
of PacifiCorp for Approval of Its	:	
Proposed Electric Rate Schedules and	:	APPLICATION
Electric Service Regulations	:	
	:	

PacifiCorp, doing business as Utah Power & Light Company (“PacifiCorp” or “Company”), hereby applies to the Utah Public Service Commission, pursuant to Utah Code Ann. §54-7-12, for an order approving its proposed electric service schedules and electric service regulations. PacifiCorp respectfully represents as follows:

1. PacifiCorp is a public utility in the state of Utah and is subject to the Commission’s jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. PacifiCorp provides electric service to approximately 1.3 million retail customers in the states of Oregon, Utah, Washington, California, Idaho and Wyoming. Its principal place of business in Utah is located at 201 South Main Street, Salt Lake City, Utah.
2. Communications regarding this filing should be addressed to:

Anne E. Eakin
Vice President, Regulation
PacifiCorp
825 N.E. Multnomah, Suite 800
Portland, Oregon 97232
Telephone (503) 813-6065
Telecopier (503) 813-6060

Doug Larson
PacifiCorp
201 South Main Street, Suite 2300
Salt Lake City, Utah 84140
Telephone (801) 220-2190
Telecopier (801) 220-3116

and,

Edward A. Hunter
John M. Eriksson
Stoel Rives LLP
201 South Main Street, Suite 1100
Salt Lake City, Utah 84111
Telephone (801) 536-6736
Telecopier (801) 536-6999

3. PacifiCorp's proposed electric service schedules, which are filed herewith, effect an increase in prices for Utah tariff customers of \$67 million, or 9.9%, based upon normalized results of operations for the test period ending December 31, 1998, a return on equity of 11.25%, and a capital structure comprised of 47.4% long term debt, 3.8% preferred stock, and 48.8% common equity.

4. PacifiCorp's direct case consists of the testimony and exhibits of nine witnesses:

(a) Richard T. O'Brien, Executive Vice President and Chief Operating Officer of PacifiCorp, presents an overview of the Company's filing, including a discussion of the relationship between this filing and the pending ScottishPower merger application.

(b) William E. Peressini, Vice President and Treasurer for PacifiCorp, presents the Company's position regarding the return PacifiCorp should earn on its rate base in

Utah with specific recommendations on capital structure. In addition, Mr. Peressini also analyzes the Company's embedded cost of debt and preferred stock.

(c) Samuel C. Hadaway, a Principal in FINANCO, Inc., Austin, Texas, addresses the appropriate cost of equity for PacifiCorp.

(d) Jeffrey K. Larsen, Director of Revenue Requirement for PacifiCorp, presents evidence on the Company's revenue requirement based on its Utah results of operations for the 12 months ended December 31, 1998.

(e) Robert R. Dalley, Controller and Chief Accounting Officer for PacifiCorp, addresses the accounting and ratemaking treatment for Dave Johnston mine (Glenrock) closure costs, software and hardware writedowns, business process re-engineering and re-design costs, Condit Dam removal costs, 1998 workforce reduction costs and savings, and SAP Software costs.

(f) Mark Widmer, Principal System Planner for PacifiCorp, presents testimony addressing the Company's net power costs and the Wyoming Wind Project.

(g) David L. Taylor, Cost of Service Manager for PacifiCorp, presents PacifiCorp's Class Cost of Service Study which was used in developing the proposed allocation of the revenue increase in this filing to the various customer classes. Mr. Taylor also presents the functionalization of PacifiCorp's 1998 results of operations.

(h) William R. Griffith, Manager of Pricing in PacifiCorp's Regulation Department, presents the Company's rate spread and rate design proposals.

(i) Royal Drager, Senior Tariff Policy Analyst, Regulation Department, supports recommended changes to the Company's line extension policy.

WHEREFORE, PacifiCorp respectfully requests that the Commission issue its Order:

1. Approving PacifiCorp's proposed electric service schedules and electric service regulations; and
2. Providing such further relief as the Commission deems just and reasonable.

DATED this 20th day of September, 1999.

Respectfully submitted,

Edward A. Hunter
John M. Eriksson
Stoel Rives LLP