

**BEFORE THE  
PUBLIC SERVICE COMMISSION OF UTAH**

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| In the Matter of the Application of PACIFICORP<br>for Approval of Its Proposed Electric Service<br>Schedules & Electric Service Regulations | DOCKET NO. 04-035-____<br><br><b>STIPULATION</b> |
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1. This Stipulation (“Stipulation”) is entered into by and among the parties whose signatures appear on the signature pages hereof (collectively referred to as the “Parties”).

**I. INTRODUCTION**

2. The terms and conditions of this Stipulation are set forth herein. The Parties represent that this Stipulation is in the public interest and recommend that the Public Service Commission (the “Commission”) approve the Stipulation and all of its terms and conditions.

**II. BACKGROUND**

3. Recently, the Parties have engaged in discussions regarding scheduling and test period issues for PacifiCorp’s proposed general rate case filing. As a result of those discussions, the Parties have reached the agreement set forth herein.

**III. TERMS OF THE STIPULATION**

4. PacifiCorp Revenue Requirement Filing. The parties agree that PacifiCorp will file its Application and direct revenue requirement testimony by August 4, 2004. The parties further agree that, for purposes of this rate case proceeding only, PacifiCorp’s August 4, 2004 filing will constitute the date when “the utility’s schedules are filed” that starts the 240 day time limit wherein the Commission must issue its order granting or revising a revenue increase under Utah Code section 54-7-12 (3) (c), despite the fact that PacifiCorp will not file its Cost of Service filing as agreed in paragraph 6 of this stipulation until, August 13, 2004.

5. Hearing Schedule. The Parties agree to enter into discussions by August 11, 2004 with the purpose of reaching agreement on the applicable schedule for the remainder of the rate case proceeding.

6. PacifiCorp Cost of Service Filing. The Parties agree that PacifiCorp will file its class cost of service study and supporting direct testimony by August 13, 2004. This filing will include class cost-of-service study results under the Revised Protocol method compared to the class cost-of-service study results under the Rolled-In method employed in the last Utah general rate case. Specifically, these class cost-of-service study results will be provided based on revenue requirement calculated using the: (1) Revised Protocol; (2) Rolled-In plus the Rate Mitigation Cap; and (3) Rolled-In Methods.

7. PacifiCorp Rate Design Filing. The Parties agree that PacifiCorp will file its direct rate spread and rate design testimony by August 27, 2004.

8. Technical Conference. The Parties agree that the first technical conference to discuss PacifiCorp's filing will be held at 9:00 a.m. on August 24, 2004. Additional technical conferences will be scheduled as required.

9. Test Period Hearing. The Parties will discuss at the August 24 Technical Conference any proposals for a Test Period Hearing, including proposed dates for that hearing.

10. Discovery. The Parties agree that discovery in this proceeding can begin on August 4, 2004, and that responses to discovery requests regarding revenue requirement shall be due within 21 calendar days and responses to discovery requests regarding cost of service and rate spread and design shall be due within 15 calendar days.

11. Grid Model. PacifiCorp will provide the latest version of the GRID model, as used in this rate case filing to each party, as requested in writing, by August 11, 2004, or as soon

as possible, if the request is made by the party after that date.

12. Obligations of the Parties. The Parties agree that their obligations under this Stipulation are subject to the Commission's approval of this Stipulation in accordance with its terms and conditions.

13. Recommendation and Support. The Parties recommend that the Commission adopt this Stipulation in its entirety. No Party shall appeal any portion of this Stipulation and no Party shall oppose the adoption of this Stipulation in any appeal filed by any person not a party to the Stipulation. The Company and the Division shall make witnesses available to testify in support of this Stipulation and other parties may make such witnesses available. In the event other parties introduce witnesses opposing approval of the Stipulation, the Parties agree to cooperate in cross-examination and in providing testimony as necessary to rebut the testimony of opposing witnesses.

14. Reservation of Right to Withdraw from Stipulation. In the event the Commission rejects any or all of this Stipulation, or imposes any additional material conditions on approval of this Stipulation, or in the event the Commission's approval of this Stipulation is rejected or conditioned in whole or in part by an appellate court, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding delivered no later than ten (10) business days after the issuance date of the applicable Commission or court order, to withdraw from this Stipulation. In such case, no Party shall be bound or prejudiced by the terms of this Stipulation, and each Party shall be entitled to undertake any steps it deems appropriate.

15. Public Interest. The Parties agree that this Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable.

16. Waiver. No Party is bound by any position asserted in the negotiation of this Stipulation, except to the extent expressly stated herein, nor shall this Stipulation be construed as a waiver of the rights of any Party unless such rights are expressly waived herein. Execution of this Stipulation shall not be deemed to constitute an acknowledgement by any Party of the validity or invalidity of any particular method, theory or principle of regulation or cost recovery, and no Party shall be deemed to have agreed that any method, theory or principle of regulation or cost recovery employed in arriving at this Stipulation is appropriate for resolving any issues in any other proceeding in the future. No findings of fact or conclusions of law other than those stated herein shall be deemed to be implicit in this Stipulation.

Dated this \_\_\_\_\_ day of July, 2004.

PACIFICORP

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D. Douglas Larson  
Vice President, Regulation  
PacifiCorp

UTAH DIVISION OF PUBLIC UTILITIES

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