

– BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH –

In the Matter of the Application of)	DOCKET NO.: 88-2035-03
PACIFICORP for authority to enter into)	
an Umbrella Loan Agreement with its)	AMENDED REPORT AND ORDER
wholly owned subsidiaries and to issue)	
promissory notes to evidence the short-)	
term indebtedness)	

ISSUED: _____, 2006

By The Commission:

On April 21, 1988, PC/Merging Corp., doing business in Utah as Utah Power & Light Company, now known as PacifiCorp (Company), filed with this Commission its Verified Petition requesting authority to enter into an Umbrella Loan Agreement (Agreement) with certain of its subsidiaries to borrow short-term under the Agreement in aggregate principal amounts of not more than \$200,000,000 and to issue promissory notes to evidence the indebtedness. The Agreement also provides for the subsidiaries to borrow from the Company to the same extent it allows the Company to borrow from the subsidiaries. On September 29, 1988, the Commission granted the requested authority in Docket No. 88-2035-03.

On October 20, 1997, the Company filed an amendment to its original application requesting an order authorizing the Company to borrow from its subsidiaries and issue promissory notes to its subsidiaries without limitation, provided that such borrowings bear interest at rates that do not exceed the interest rates that the Company would otherwise incur externally. All other terms and conditions under Docket No. 88-2035-03 would remain the same.

On March ____, 2006, the Company filed with this Commission a further amendment to its original application requesting an order authorizing the Company to enter into the Agreement with its current and future consolidated subsidiaries, including without limitation Pacific

Minerals, Inc. (collectively, Subsidiaries), on the same terms and conditions described in the Company's original application (as amended) and the Commission's 1988 order (as amended in 1997) in this Docket. Pacific Minerals, Inc. is currently the only Subsidiary that is party to the Agreement with the Company. All other terms and conditions under Docket No. 88-2035-03 would remain the same.

Having fully considered the application and all of the exhibits, documents and matters pertaining thereto, the Commission makes the following Findings of Fact and Conclusions of Law, together with the Order based thereon:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. This Commission has jurisdiction over this application pursuant to the provisions of Section 54-4-31(1), *Utah Code Annotated*, 1953, as amended 1997.
2. The proposed issuance of securities will be for a lawful purpose and the proposed transactions are consistent with the public interest and are necessary and appropriate for and consistent with proper performance by the Company of service as a public utility.
3. The Company proposes to enter into the Agreement with its Subsidiaries as contemplated in the Company's original application (as amended in 1997 and in 2006) in this Docket.
4. The Company represents that the proposed issuance of securities, as amended, will be substantially as set forth in its original application in this Docket.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The amended application of the Company requesting authority to enter into the Agreement with the Subsidiaries is hereby approved.

2. Except as modified by this Order, the orders previously issued by the Commission in Docket No. 88-2035-03 on September 29, 1988, and as amended on November 19, 1997, shall remain in full force and effect.

3. Nothing in this Order shall be construed to affect the Company's exemption from the provisions of Subsection 54-4-31(1), *Utah Code Annotated* 1953, as amended 1997, previously granted in Docket No. 00-035-16, until such time as the sale of all of the Company's issued and outstanding common stock to MidAmerican Energy Holdings Company (or a subsidiary thereof), as contemplated in Docket No. 05-035-54, has been completed.

4. Nothing in this Order shall be construed to obligate the State of Utah to pay or guarantee in any manner whatsoever, any securities authorized, issued, assumed or guaranteed hereunder.

5. The issuance of an Order authorizing the proposed transactions does not constitute determination or approval of the type of financing or the related costs for ratemaking purposes, which determination the Commission expressly reserves for the appropriate proceeding.

AGENCY REVIEW AND JUDICIAL APPEAL

This Report and Order constitutes final agency action in this docket. Pursuant to Utah Code Ann. §§ 63-46b-12 and 54-7-15, agency review or rehearing of this order may be obtained by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by

filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann.

§§ 63-46b-14, 63-46b-16 and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this _____ day of _____, 2006.

Ric Campbell
Commissioner

Ted Boyer
Commissioner

Ron Allen
Commissioner

Attest:

Julie Orchard
Commission Secretary