

1 **Q. Please state your name, business address and present position.**

2 A. My name is Bruce N. Williams. My business address is 825 NE Multnomah, Suite
3 1900, Portland, Oregon 97232. I am the Vice President and Treasurer of
4 PacifiCorp (the “Company”).

5 **Q. Please briefly describe your education and business experience.**

6 A. I received a Bachelor of Science degree in Business Administration with a
7 concentration in Finance from Oregon State University in 1980. I also received
8 the Chartered Financial Analyst designation upon passing the examination in
9 1986. I have been employed by the Company for 27 years. My business
10 experience has included financing of the Company’s electric operations and non-
11 utility activities, responsibility for the investment management of the Company’s
12 retirement plan assets, other long-term investment assets, and investor relations.

13 **Q. Please describe your present duties.**

14 A. I am responsible for the Company’s treasury, credit risk management, pension
15 and other investment management activities.

16 **Q. What is the purpose of your testimony?**

17 A. My testimony describes generally how the Company will finance the
18 recommended transactions from the 2012 Gas Request for Proposals (the “Gas
19 Resources”).

20 **Q. What do you expect the source of funds to be for the Gas Resources?**

21 A. The Company expects to use a reasonable mix of capital designed to provide a
22 competitive cost of capital and predictable capital market access to allow the
23 Company to remain financially stable. The Company anticipates utilizing funds

24 from sources similar to those used in the past, including operating cash flows and
25 the issuance of new long-term and short-term debt and, if necessary, new equity
26 capital to finance the Gas Resources.

27 **Q. Is the Company capable of financing the Gas Resources?**

28 A. Yes. As I mentioned earlier, the Company has a variety of funding sources
29 available including cash from operations. For example, during the nine months
30 ended September 30, 2012, the Company generated net cash flows from operating
31 activities of approximately \$1.4 billion. In addition to the internally generated
32 funds, the Company currently has access to the capital markets and expects to
33 have the ability to borrow any funds necessary to help finance the Gas Resources.
34 This access was evidenced most recently by the Company's issuance earlier this
35 year of \$750 million of first mortgage bonds. PacifiCorp senior secured debt is
36 currently rated 'A2' and 'A' by Moody's Investors Service and Standard &
37 Poor's, respectively, both of which are investment grade ratings. In addition, the
38 Company has received cash equity contributions from its parent company in the
39 past and, if necessary, may again in the future. The Company's access to the
40 capital markets in the future will be influenced by a variety of factors, including
41 outcomes of regulatory matters, credit ratings, industry developments and
42 regulatory authority to issue securities.

43 **Q. Does the Company have regulatory authority sufficient to allow it to finance**
44 **the Gas Resources?**

45 A. Yes. Should internally generated funds be insufficient to finance the Gas
46 Resources, the Company has authority to issue sufficient amounts of short-term

47 and long-term debt and common equity for the acquisition of the Gas Resources.

48 **Q. Does this conclude your direct testimony?**

49 A. Yes.