

April 29, 2005

D. Douglas Larson  
PacifiCorp  
825 NE Multnomah St., Suite 800  
Portland, OR 97232

RE: Docket No. 98-2035-04                      On the Application of PacifiCorp and Scottish Power plc  
for an Order Approving the Issuance of PacifiCorp  
Common Stock, Regarding Docket No. 04-035-T13

Dear Mr. Larson:

On December 2, 2004, PacifiCorp filed a tariff with the Public Service Commission regarding Rule 25 - Customer Guarantees, and Schedule 300 - Regulation Charges. In this letter, the company also proposed changes to various performance standards.

On March 14, 2005 the Division submitted its recommendation to the Commission, which included a recommendation to approve the tariff- dependent on modifications being made to certain performance standards. By letter dated April 11, 2005 PacifiCorp has agreed to and made the modifications. The purpose of this letter is to memorialize the modifications that PacifiCorp has made in response to the Division of Public Utilities' recommendations. The specific modifications to Performance Standards are shown below:

The last part of the paragraph headed "Description of Modified Customer Service Performance Standards" on Page 8 of Advice Filing 04-13 should be changed to reflect the fact that the Company will resolve at least 95% of Commission complaints within 5 business days in Utah and will resolve 100% of Commission complaints within 30 calendar days in Utah.

A clarification should be added after the first sentence in the paragraph headed "Network Performance Standard 3" on Page 7 of the above advice filing to say "After no more than an additional three years, the Company will measure the current CPI score for its targeted 20% improvement." The first part of this paragraph will now read "The Company will continue to select a maximum of five under-performing circuits in Utah on an annual basis and will undertake corrective measures to reduce the circuit performance indicator (CPI) by 20% within two years. After no more than an additional three years, the Company will

measure the current CPI score for its targeted 20% improvement...”

In addition to the two wording changes described above, the Company agrees to track the number of customers whose power was disconnected for non-payment and the length of time it takes to switch their power back on. This information will be reported to the Commission on an annual basis. The Company also agrees to provide quarterly reports on the Customer Guarantees to the Commission on a quarterly basis in Utah. Both of these changes were recommended by the Division in their February 23, 2005 memorandum to the Commission.

Each year, a docket will be opened up in order to file the Company’s Quarterly Reports, in compliance with the agreed upon performance standards. The Docket for the year 2005 will be designated: Docket No. 05-2035-02.

Sincerely,

/s/Julie Orchard  
Commission Secretary

JPO/am