

STATE OF UTAH  
2003 Based on 2001 Financial Data  
COMPUTATION OF ANNUAL POLE ATTACHMENT RENTAL RATE  
PACIFICORP, d.b.a. PACIFIC POWER & UTAH POWER

A. <u>Net Investment Per Bare Pole (Distribution Only)</u>			
(1)	Investment in wood poles & fixtures	\$259,697,660	
(2)	Less depreciation reserve associated with Item (1)	(\$97,652,622)	
(3)	Less deferred Federal income taxes associated with Item (1)	<u>(\$22,178,197)</u>	
(4)	Net investment in poles and support equipment	\$139,866,841	
(5)	Less Crossarms & Appurtenances	<u>(\$27,633,485)</u>	
(6)	Net investment in poles and support equipment	\$112,233,356	
(7)	Total number of wood poles	<u>÷ 357,900</u>	
	Net Pole Value		<b><u>\$313.59 (PV)</u></b>
B. <u>Annual Carrying Charge</u>			
(1)	Depreciation Expenses	5.57%	
(2)	Administration and General Expenses	3.97%	
(3)	Maintenance Expenses	1.74%	
(4)	Taxes	6.77%	
(5)	Authorized Cost of capital	8.42%	
			<b><u>26.46% (CC)</u></b>
C. <u>Use Ratio Per Pole</u>			
(1)	Usable space on pole, in feet	13.5	
(2)	Effective space occupied by Licensee Attachment	1.0	
			<b><u>7.41% (PR)</u></b>
D. <u>Annual Pole Attachment Rate</u>			
	<b>(PV) X (CC) X (PR)</b>		<b><u>\$6.15</u></b>
E. <u>Annual Pole Attachment Audit Cost Rate</u>			
(1)	Average annual audit costs	\$3,000,000	
(2)	Total number of wood poles	<u>÷ 357,900</u>	
(3)	Average audit cost per pole	\$8.38	
(3)	Average number of "attachers" per pole	<u>÷ 4</u>	
			<b><u>\$2.10</u></b>
F. <u>Total Combined Pole Attachment Rental Rate</u>			<b><u>\$8.25</u></b>