

November 8, 2011

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission
550 Capitol Street NE, Suite 215
Salem, OR 97310-2551

RE: Docket UE 227 – 2012 Transition Adjustment Mechanism
Net Power Cost Indicative Update for 2012

Enclosed for filing by PacifiCorp d/b/a Pacific Power is the updated 2012 net power cost forecast for posting indicative transition adjustments. This filing shows the 2012 net power cost forecast at \$1,230.5 million, total Company. Based on this indicative forecast, Oregon-allocated net power costs are \$305.3 million after reflecting the adjustments agreed upon in the settlement stipulation in this docket. This is an approximate \$390,000 increase over the July Rebuttal Update.


In support of this filing, the following exhibits are attached:

- Exhibit A – Summary of the updates since the August Surrebuttal Update filing and impacts on net power costs.
- Exhibit B – Description of the updates.
- Exhibit C – Attestation of Stefan A. Bird, pursuant to paragraph 13 in the Stipulation adopted by Order No. 10-363 (Docket UE 216).
- Exhibit D – Update of Attachment A to Stipulation for Oregon allocation.
- Exhibit E – Copy of the indicative transition adjustments and Schedule 201 rates posted on the Company's website November 8, 2011.

Attached are CDs with the net power cost GRID project, report and workpapers supporting this filing, as required by the TAM Guidelines. The confidential material is provided subject to the protective order issued in this proceeding.

If you have any questions, please contact Joelle Steward, Regulatory Manager, at (503) 813-5542.

Very truly yours,


Andrea L. Kelly
Vice President, Regulation

Enclosure

cc: UE 227 Service List

CERTIFICATE OF SERVICE

I hereby certify that on this 8th of November, 2011, I caused to be served, via email and/or overnight delivery, a true and correct copy of the foregoing document on the following named person(s) at his or her last-known address(es) indicated below.

SERVICE LIST

UE-227

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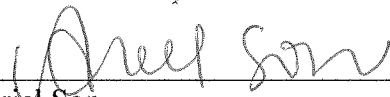
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Gregory M. Adams (C) (W)
Richardson & O'Leary
PO Box 7218
Boise, ID 83702
greg@richardsonandoleary.com

A handwritten signature in cursive script that reads "Ariel Son". The signature is written in black ink and is positioned above a horizontal line.

Ariel Son
Coordinator, Regulatory Operations

Exhibit A

Oregon TAM 2012 (Surrebuttal Filing)	NPC (\$) =	1,495,807,965
	\$/MWh = \$	24.74

Oregon TAM 2012 (November 2011 Indicative Filing):		Impact (\$)	NPC (\$)
Update, one-off			
1	Updated for Gem State's budget	26,800	
2	Updated for Small QF Contracts	397,710	
3	Updated Grant PUD Proforma	(2,438,898)	
4	Updated BPA Wheeling Rate per Final Record of Decision	147,647	
5	Updated for Douglas PUD Revised Preliminary Proforma	25,880	
6	Updated for Amended Power County QF Contracts	(289,065)	
7	Updated for Roseburg Dillard QF contract	120,004	
8	Add New West Valley Tolling Contract	745,006	
9	Updated for Monsanto Payment per Idaho GRC Settlement	1,509,439	
10	Add New Kennecott Incentive Contract	1,784,293	
11	Add New US Magnesium QF Contract	(505,532)	
12	Add New Kennecott Smelter and Refinery QF Contracts	(79,177)	
13	Add New Tesoro QF Contract	98,422	
14	Updated NuCor Rate for Impact of Utah GRC	459,000	
15	Updated for October 31, 2011 Official Forward Price Curve	<u>1,048,662</u>	
	Total Adjustments from Updated =	3,050,190	
	System balancing impact of all adjustments	<u>2,229,812</u>	
	Total Adjustments from Surrebuttal Filing =	<u>5,280,003</u>	
	Oregon TAM 2011 November Indicative NPC		1,501,087,967

**Oregon November 2011
Transition Adjustment Mechanism (TAM) Update
Update Explanations (Indicative)**

Update 1 — Gem State.

This update incorporates the City of Idaho Falls Gem State power purchase agreement's estimated budget for the period ending September 30, 2012, received on August 3, 2011. The impact of the 2012 budget increases net power costs by approximately \$0.03 million on a total Company basis. Supporting documents provided on September 30, 2011: Idaho_Falls_Corr_-_Notice_of_Gem_State_split_&_generation_forecast_for_oper_yr_2011-12.pdf.

Update 2 — New Small Qualified Facilities.

This update incorporates several new and revised QF contracts:

1. Lower Valley Energy QF: This update incorporates the 2nd Amended and Restated Power Purchase Agreement signed on May 6, 2011 and approved by Idaho Public Utilities Commission on August 10, 2011. Supporting documents provided on September 30, 2011:
 - Lower Valley Energy 5-17-11 TT 3854 QF 2nd Amended + Restated PPA.pdf and
 - Lower Valley IPUC Approval 8-10-2011 FINAL_ORDER_NO_32323.pdf.
2. J Bar 9 Ranch: new Wyoming QF power purchase agreement signed on August 15, 2011. Supporting documents provided on September 30, 2011: J Bar 9 Ranch PPA EXECUTED August 15 2011.pdf
3. Threemile Canyon Wind QF contract extended through March 31, 2012. Supporting documents provided with this filing: Threemile Canyon PPA Amend 6.pdf.

The impact of the new and revised QF contracts increases net power costs by approximately \$0.4 million on a total Company basis.

Update 3 — Updated Grant County Preliminary 2012 Pro-forma.

This update incorporates the preliminary 2012 pro-forma published by the Grant Public Utility district on September 10, 2011, and a final Estimated Unserved District Load (EUDL) projection provided by the Grant Public Utility District on October 11, 2011. The impact of this update decreases net power costs by approximately \$2.4 million on a total Company basis. The following supporting document was provided on September 30, 2011:

- Grant PUD Corr - Prelim 2012 Priest Rapids Proforma, 9-9-11.pdf

Supporting document provided with this filing:

- Grant PUD - Final EUDL calculation for 2012 from Priest Rapids + Wanapum projects.pdf

Update 4 — Bonneville Power Administration's Final Record of Decision (ROD).

This update incorporates the Bonneville Power Administration's Final Record of Decision (ROD) finalized on July 26, 2011. The impact of this update increases net

Exhibit B

power costs by approximately \$0.1 million on a total Company basis. The supporting workpapers are available online at:

<http://www.bpa.gov/corporate/ratecase/2012/docs/BP-12-A-02C.pdf> and
<http://www.bpa.gov/corporate/ratecase/2012/docs/BP-12-A-02B.pdf>

Update 5 — Douglas PUD Revised Preliminary Pro-forma.

This update incorporates the fiscal year September 1, 2011 – August 31, 2012 revised preliminary pro-forma published by the Douglas Public Utility district on August 23, 2011. The impact of this update increases net power costs by approximately \$0.03 million on a total Company basis. Supporting documents provided on September 30, 2011: Douglas_PUD_Corr_-_Wells_Fiscal_Year_2011-2012_REVISED_Preliminary_Proforma_Statement_Endur_PA_20625[1].pdf

Update 6 — Updated Power County Wind Park North and Power County Wind Park South QFs.

This update incorporates the First Revised and Restated Power Purchase Agreements signed on June 2, 2011 and approved by the Idaho Public Utility Commission on August 3, 2011. The impact of this update decreases net power costs by approximately \$0.3 million on a total Company basis. Supporting documents provided on September 30, 2011:

- Power County Wind Park North 6-16-11 TT3857 QF PPA Amend 1 - Final.pdf
- Power County Wind North FINAL_ORDER_NO_32314.pdf
- Power County Wind Park South 6-16-11 TT3856 QF PPA Amend 1 - Final.pdf
- Power County Wind Park South FINAL_ORDER_NO_32314.pdf

Update 7 — Roseburg Forest Products QF (Dillard Facility).

This update incorporates a new Roseburg Forest Products QF contract for 2012 signed on July 29, 2011. The impact of this new contract increases net power costs by approximately \$0.1 million on a total Company basis. Supporting documents provided on September 30, 2011: Roseburg Forest Products - Dillard Facility QF PPA.pdf.

Update 8 — West Valley Tolling Agreement.

This update incorporates a new West Valley Tolling Agreement for 2012 signed on August 12, 2011. The impact of this new contract increases net power costs by approximately \$0.7 million on a total Company basis. Supporting documents provided on September 30, 2011: CER Generation II, LLC 8-15-11 TT3575 Physical Tolling Agreement for West Valley Endur PA ID 20909.pdf.

Update 9 — Update Monsanto rate.

This update incorporates the payment for Monsanto's curtailment products for 2012 per the Idaho PAC-E-11-12 GRC Settlement filed on October 17, 2011. The impact of the stipulated curtailment product cost increases net power costs by approximately

Exhibit B

\$1.5 million on a total Company basis. Supporting documents provided with this filing: ID PAC-E-11-12 Stipulation CONF (10-17-11).pdf.

Update 10 — New Kennecott Generation Incentive.

This update includes the new contract for the Kennecott Generation Incentive contract for 2012. The impact of this new contract increases net power costs by approximately \$1.8 million on a total Company basis. Supporting documents provided with this filing: Kennecott 2012 GCA.PDF

Update 11 — New US Magnesium QF Contract.

This update incorporates a new US Magnesium QF contract for 2012. The impact of this new contract decreases net power costs by approximately \$0.5 million on a total Company basis. Supporting documents provided with this filing: US Magnesium 10-25-2011.pdf

Update 12 — New Kennecott QF Contracts.

This update incorporates the new Kennecott Smelter and Kennecott Refinery QF contracts for 2012. The impact of these new contracts decreases net power costs by approximately \$0.08 million on a total Company basis. Supporting documents provided with this filing:

- Kennecott 2012 ESA.pdf and
- Kennecott 2012 MOU.pdf

Update 13 — New Tesoro QF Contract.

This update incorporates a new Tesoro QF contract for 2012. The impact of this new contract increases net power costs by approximately \$0.1 million on a total Company basis. Supporting documents provided with this filing:

- Tesoro QF 10-25-2011.pdf

Update 14 – Update NuCor Rate.

This update incorporates the updated NuCor rate based on the impact of the Utah GRC 10-035-124, which was authorized by the Public Service Commission of Utah on September 13, 2011. The impact increases net power costs by approximately \$0.5 million on a total Company basis.

Update 15 — October 31, 2011 Forward Price Curve and October 31, 2011 STF Transactions.

This update incorporates the Company's forward price curves as of October 31, 2011 and new wholesale short term firm transactions for electricity and natural gas, both physical and financial transactions as of October 31, 2011. The impact of this update increases net power costs by approximately \$1.0 million on a total Company basis.

System balancing impact of all adjustments.

This update recalculates net power costs based on the inclusion of updates 1 through 15, along with the final screening of gas-fired units. The impact of this update increases net power costs by approximately \$2.2 million on a total Company basis.

Exhibit B

The total impact of all adjustments listed above increases net power costs by approximately \$5.3 million from the Company's August surrebuttal on a total Company basis.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 227

In the Matter of:
PACIFICORP, dba PACIFIC POWER
2012 Transition Adjustment Mechanism

ATTESTATION OF
STEFAN A. BIRD

STATE OF OREGON)
) ss
County of Multnomah)

I, Stefan A. Bird, being first duly sworn on oath, depose and say:

1. My full name is Stefan A. Bird. I am employed by PacifiCorp. My present position is Senior Vice President, Commercial and Trading for PacifiCorp Energy.

2. I am making this attestation in compliance with Paragraph 13 of the Stipulation adopted by the Public Utility Commission of Oregon in Order No. 10-363 in Docket UE 216 on September 16, 2010.

3. I understand that this attestation will be filed concurrently with the Indicative Filing of the Company's net power costs (NPC) on November 8, 2011 consistent with Paragraph 11 of the Stipulation filed in this docket on September 20, 2011.

4. I attest that all NPC contracts executed prior to the contract lockdown date of October 31 1, 2011 are included in the Indicative Filing, with the following exception:

- The 1.1 MW C-Drop Hydro qualifying facility purchase is not included in the Indicative Filing because the new contract was not processed by the contract lockdown date of October 31, 2011.

Exhibit C

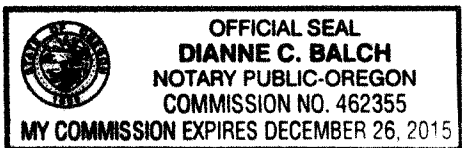
1 I declare under penalty of perjury under the laws of the state of Oregon that the
2 foregoing is true and correct based on my information and belief as of the date of this
3 attestation.

4 SIGNED this 8th day of November, 2011, at Portland, Oregon.

5 Signed: [Signature]

6 SUBSCRIBED AND SWORN to before me this 9th day of November 2011.

7
8 [Signature]
9 Notary Public, State of Oregon
10 My Commission Expires 12-26-2015



PACIFIC POWER
STATE OF OREGON

One-Year Option - Transition Adjustments (cents/kWh)
2012 Indicative Transition Adjustments (November 8, 2011)

	23/723 Secondary		23/723 Primary		28/728 Secondary		28/728 Primary		30/730 Secondary		30/730 Primary	
	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH
Jan-12	-0.544	-0.582	-0.632	-0.702	-0.554	-0.589	-0.770	-0.824	-0.602	-0.667	-0.648	-0.709
Feb-12	-0.512	-0.461	-0.616	-0.691	-0.519	-0.473	-0.746	-0.724	-0.566	-0.548	-0.611	-0.601
Mar-12	-0.293	-0.210	-0.372	-0.446	-0.309	-0.234	-0.543	-0.468	-0.356	-0.296	-0.405	-0.347
Apr-12	-0.242	0.431	-0.335	0.418	-0.249	0.389	-0.460	0.146	-0.298	0.361	-0.338	0.325
May-12	0.532	0.696	0.422	0.595	0.514	0.690	0.267	0.458	0.465	0.650	0.421	0.612
Jun-12	0.573	0.802	0.470	0.659	0.537	0.784	0.299	0.556	0.481	0.732	0.435	0.685
Jul-12	-0.575	-0.227	-0.674	-0.299	-0.588	-0.286	-0.812	-0.499	-0.625	-0.300	-0.678	-0.349
Aug-12	-1.654	-0.729	-1.729	-0.790	-1.649	-0.738	-1.847	-0.971	-1.683	-0.766	-1.731	-0.829
Sep-12	-1.286	-0.879	-1.378	-0.871	-1.290	-0.881	-1.508	-1.176	-1.332	-0.894	-1.377	-0.997
Oct-12	-0.819	-0.732	-0.948	-0.715	-0.832	-0.719	-1.070	-0.924	-0.881	-0.765	-0.927	-0.825
Nov-12	-0.988	-1.033	-1.106	-1.272	-1.007	-1.027	-1.244	-1.232	-1.053	-1.086	-1.099	-1.146
Dec-12	-1.219	-1.215	-1.330	-1.202	-1.233	-1.227	-1.453	-1.444	-1.278	-1.302	-1.323	-1.349

	41/741 Secondary		41/741 Primary		47,48 Secondary		47,48 Primary		47,48 Transmission		747,748 Secondary	
	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH
Jan-12			-0.600	-0.754	-0.708	-0.737	-0.718	-0.736	-0.675	-0.829		
Feb-12			-0.570	-0.641	-0.669	-0.602	-0.688	-0.614	-0.645	-0.716		
Mar-12			-0.330	-0.429	-0.459	-0.380	-0.487	-0.365	-0.405	-0.504		
Apr-12	-0.376	0.205	-0.297	0.321	-0.405	0.303	-0.419	0.247	-0.372	0.246		
May-12	0.390	0.561	-0.455	0.483	0.359	0.545	0.307	0.481	0.397	0.556		
Jun-12	0.408	0.638	0.312	0.559	0.370	0.619	0.307	0.561	0.420	0.613		
Jul-12	-0.644	-0.198	0.330	-0.276	0.688	-0.218	-0.722	-0.354	-0.666	-0.293		
Aug-12	-1.740	-0.733	-0.722	-0.812	-0.702	-0.702	-1.789	-0.831	-1.742	-0.837	-1.751	-0.777
Sep-12	-1.383	-0.812	-1.818	-0.891	-1.324	-0.817	-1.433	-0.949	-1.407	-0.918	-1.399	-0.892
Oct-12	-0.967	-0.895	-1.461	-0.973	-0.894	-0.786	-0.990	-0.842	-0.997	-0.848	-0.969	-0.861
Nov-12			-1.025	-1.160	-1.156	-1.160	-1.158	-1.134	-1.158	-1.134	-1.100	-1.235
Dec-12			-1.268	-1.387	-1.381	-1.427	-1.376	-1.364	-1.343	-1.364	-1.343	-1.462

	747,748 Primary		747,748 Transmission		51/751		52/752		53/753		54/754	
	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH
Jan-12	-0.783	-0.812	-0.793	-0.811	0.118	0.111	-0.698	-0.706	-2.221	-2.229	-1.409	-1.409
Feb-12	-0.744	-0.677	-0.763	-0.689	0.151	0.236	-0.665	-0.581	-2.188	-2.104	-1.284	-1.284
Mar-12	-0.534	-0.455	-0.562	-0.440	0.359	0.483	-0.458	-0.334	-1.981	-1.857	-1.037	-1.037
Apr-12	-0.480	0.228	-0.494	0.172	0.419	1.156	-0.397	0.339	-1.920	-1.184	-0.364	-0.364
May-12	0.284	0.470	0.232	0.406	1.180	1.357	0.363	0.540	-1.160	-0.983	-0.163	-0.163
Jun-12	0.295	0.544	0.232	0.486	1.185	1.440	0.368	0.624	-1.155	-0.899	-0.079	-0.079
Jul-12	-0.797	-0.374	-0.798	-0.429	0.110	0.494	-0.706	-0.322	-2.229	-1.845	-1.025	-1.025
Aug-12	-1.864	-0.906	-1.817	-0.912	-0.948	-0.016	-1.765	-0.833	-3.288	-2.356	-1.535	-1.535
Sep-12	-1.508	-1.024	-1.482	-0.993	-0.594	-0.110	-1.411	-0.927	-2.934	-2.450	-1.630	-1.630
Oct-12	-1.065	-0.917	-1.072	-0.923	-0.168	-0.015	-0.985	-0.831	-2.508	-2.354	-1.534	-1.534
Nov-12	-1.231	-1.226	-1.233	-1.209	-0.336	-0.313	-1.152	-1.130	-2.675	-2.653	-1.833	-1.833
Dec-12	-1.456	-1.502	-1.451	-1.439	-0.563	-0.536	-1.379	-1.352	-2.902	-2.875	-2.055	-2.055

PACIFIC POWER
STATE OF OREGON

**Three-Year Option - Transition Adjustments (cents/kWh)
For Customers Electing Option During the November 2011 Window
2012 **Indicative** Transition Adjustments (November 8, 2011)**

	30/730 Secondary		30/730 Primary	
	HLH	LLH	HLH	LLH
2012	-0.437	-0.541	-0.480	-0.613
2013	-1.142	-1.091	-1.174	-1.162
2014	-1.806	-1.645	-1.823	-1.717

	47/747, 48/748 Secondary		47/747, 48/748 Primary		47/747, 48/748 Transmission	
	HLH	LLH	HLH	LLH	HLH	LLH
2012	-0.423	-0.382	-0.538	-0.624	-0.572	-0.616
2013	-1.185	-0.927	-1.240	-1.153	-1.243	-1.124
2014	-1.956	-1.549	-1.906	-1.701	-1.243	-1.654

Exhibit E

PACIFIC POWER
STATE OF OREGON
Schedule 201 Rates to be Effective January 1, 2012 through UE 227 TAM
INDICATIVE

Delivery Service Schedule	Rate Block/ Lamp Type	Schedule 201 Rates		
		Secondary	Primary	Transmission
4	1st Block (≤1,000 kWh)	2.561		per kWh
	2nd Block (>1,000 kWh)	3.497		per kWh
23	1st 3,000 kWh	2.983	2.890	per kWh
	All Addl kWh	2.214	2.144	per kWh
28	1st 20,000 kWh	2.827	2.620	per kWh
	All Addl kWh	2.750	2.549	per kWh
30	1st 20,000 kWh	3.109	3.074	per kWh
	All Addl kWh	2.696	2.658	per kWh
41	Wint 1st 100kWh/kW	3.913	3.789	per kWh
	Wint All Addl kWh	2.666	2.582	per kWh
	Summer kWh	2.666	2.582	per kWh
47/48	On-Peak kWh	2.777	2.674	2.549 per kWh
	Off-Peak kWh	2.727	2.624	2.499 per kWh
15	MV 7,000L	2.675		
	MV 21,000L	\$2.03		per lamp
	MV 55,000L	\$4.60		per lamp
	HPS 5,800L	\$11.02		per lamp
	HPS 22,000L	\$0.83		per lamp
	HPS 50,000L	\$2.27		per lamp
50	MV 7,000L	2.199		
	MV 21,000L	\$1.67		per lamp
	MV 55,000L	\$3.78		per lamp
51	MV 7,000L	\$9.06		per lamp
	HPS 5,800L/70W	3.470		
	HPS 9,500L/100W	\$1.08		per lamp
	HPS 16,000L/150W	\$1.53		per lamp
	HPS 22,000L/200W	\$2.22		per lamp
	HPS 27,500L/250W	\$2.95		per lamp
	HPS 50,000L/400W	\$3.99		per lamp
	MH 9,000L/100W	\$6.11		per lamp
	MH 12,000L/175W	\$1.35		per lamp
	MH 19,500L/250W	\$2.36		per lamp
	MH 32,000L/400W	\$3.26		per lamp
	MH 32,000L/400W	\$5.17		per lamp
52	Dusk to Dawn	2.658		per kWh
	Dusk to Midn.	2.658		per kWh
53	Non-Listed	1.135		per kWh
	HPS 5,800L/70W	1.135		
	HPS 9,500L/100W	\$0.35		per lamp
	HPS 16,000L/150W	\$0.50		per lamp
	HPS 22,000L/200W	\$0.73		per lamp
	HPS 27,500L/250W	\$0.96		per lamp
	HPS 50,000L/400W	\$1.31		per lamp
	MH 9,000L/100W	\$2.00		per lamp
	MH 12,000L/175W	\$0.44		per lamp
	MH 19,500L/250W	\$0.77		per lamp
	MH 32,000L/400W	\$1.07		per lamp
	MH 32,000L/400W	\$1.69		per lamp
	MH 107,800L/1,000W	\$4.02		per lamp
	54	All kWh	1.955	