



Pacific Power | PacifiCorp Energy  
Rocky Mountain Power  
825 NE Multnomah St., Suite 2000  
Portland, Oregon 97232

October 15, 2009

**VIA ELECTRONIC FILING  
AND MESSENGER**

PUC Filing Center  
Public Utility Commission of Oregon  
550 Capital Street NE  
Salem, OR 97308

**Re: In the Matter of Automatic Adjustment Clause Filings Under ORS 757.268, Docket  
UE 177-PacifiCorp 2008 Tax Report Filing**

Pursuant to ORS 757.268 and OAR 860-022-0041, PacifiCorp encloses with this letter its highly confidential tax report for 2008. The enclosed tax report is being filed under seal pursuant to Protective Order No. 06-033 (2006). Under the terms of Protective Order No. 06-033, PacifiCorp will also make its highly confidential 2008 Tax Report and supporting workpapers available to Qualified Intervenors in the Portland and Salem safe rooms by Thursday, October 22, 2009. The highly confidential information contained in the report is privileged under state law and protected from disclosure under ORS 757.268(11) and ORS 192.502(9).

The tax report discloses the difference between the amount of state, federal, and local taxes paid and properly attributed to the regulated operations of the utility and the amount of taxes authorized to be collected in PacifiCorp's rate for calendar year 2008, which PacifiCorp calculated based on the requirements of ORS 757.268 and OAR 860-022-0041. These calculations show that, for calendar year 2008, the amount of state, federal, and local taxes paid and properly attributed to the regulated operations of the utility was \$38.2 million more than the amount of taxes authorized to be collected in PacifiCorp's rates as determined pursuant to ORS 757.268 and OAR 860-022-0041. With interest, this amount would result in an approximate 2.7 percent increase over present revenues including the current SB 408 surcharge.

Based on PacifiCorp's tax reports previously submitted, the state, federal, and local taxes paid and properly attributed to the regulated operations of the utility was \$34,473,938 more than the amount of taxes authorized to be collected in PacifiCorp's rates for calendar year 2006; and \$4,478,824 more than the amount of taxes authorized to be collected in PacifiCorp's rates for calendar year 2007.

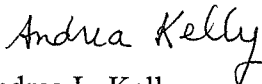
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In each of the three years contained in the highly confidential tax report, the amount of taxes reflected in PacifiCorp's rates differed from the amount of taxes paid by \$100,000 or more. Under ORS 757.268(4) and OAR 860-022-0041(8), the Commission previously established an automatic adjustment clause under ORS 757.210 for the difference between taxes paid and collected on or after January 1, 2006.

PacifiCorp will file tariff sheets effective June 1, 2010, in compliance with the Commission's order on the 2008 Tax Report.

Questions on this filing should be directed to Joelle Steward at (503) 813-5542.

Very truly yours,



Andrea L. Kelly  
Vice President, Regulation

Enclosures (under seal)  
cc: Service List (without enclosures)

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**CERTIFICATE OF SERVICE**

I hereby certify that I served a true and correct copy of the foregoing document in Docket UE 177 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below. Highly Confidential material will be available in the Safe Rooms pursuant to Order No. 06-033.

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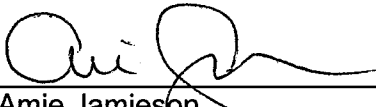
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DATED: October 15, 2009

  
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Amie Jamieson

Of Attorneys for PacifiCorp