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IDAHO PUBLIC
UTILITIES COMMISSION

201 South Main, Suite 2300
Salt Lake City, Utah 84111

February 5, 2010

VIA OVERNIGHT DELIVERY

Idaho Public Utility Commission
Statehouse
472 West Washington Street
Boise, ID 83702

ATTN: Ms. Jean Jewell
Commission Secretary

Re: Case No. PAC-E-10-02
In the Matter of the Application of Rocky Mountain Power for authority to; (1) issue and sell or exchange not more than $2,000,000,000 of debt, (2) entire into credit support arrangements, (3) enter into currency swaps, and (4) contribute or sell additional debt to special-purpose entities.

Dear Commissioners:

Rocky Mountain Power, a division of PacifiCorp (Company), respectfully requests that the Commission enter its order, effective upon issuance, authorizing the Company to (1) issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate debt (Debt) in the aggregate principal amount not to exceed $2,000,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than $2,000,000,000 (or its equivalent amount in, or based upon, foreign currencies determined at the time of issue), (2) enter into letter of credit arrangements with one or more banks or such other agreements or arrangements as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, interest on and premium (if any) on such Debt, (3) enter into one or more currency swaps, and (4) contribute or sell additional Debt to special-purpose entities (SPEs) in an amount based upon the common securities of the SPE. The Company also requests that such increased authority remain in effect until February 28, 2015, on the condition the Company's senior secured debt be rated at "investment grade" by both Standard & Poor's Rating Services and Moody's Investors Service, Inc.

The requested authority is expected to accommodate the Company's 2010 and 2011 financing requirements. These requirements include continuing high levels of capital expenditures to serve customers, including investments in infrastructure and the refinancing of approximately $600 million of maturing debt over the two-year period. The Company expects that it will use a substantial portion of this requested authority during 2010 and 2011 and will seek subsequent

new or amended authority from the Commission to permit continued access to the long-term debt markets.

The requested authority would supplement the financing flexibility that the Commission had previously authorized in Order No. 30489 in Case No. PAC-E-07-16 (the 2008 Order). In the 2008 Order, the Commission authorized the Company to issue up to $2.0 billion of securities identical to those covered in the enclosed Application. The Company has subsequently issued $1.8 billion principal amount of debt under the 2008 Order authority and has $200,000,000 of additional issuance authorized under that order. As the Company does not anticipate utilizing the remaining authority under the 2008 Order, it may be withdrawn if the Commission issues its order in this matter.

The enclosed application is substantially similar to the application submitted in connection with the 2008 Order.

The Company respectfully requests that the Commission issue its order as soon as reasonably practical. The Company also requests twenty certified copies of any order issued in this matter. Notice of this Application will be published within seven days as required by the Commission's Rules of Procedure. Please note that the Company's Application Fee in the amount of $1,000 is being submitted under separate cover.

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

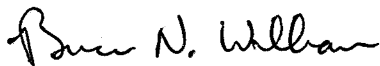
By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

Informal inquiries may be directed to me at (503) 813-5662.

Your attention to this matter is appreciated.

Sincerely,



Bruce N. Williams
Vice President and Treasurer

Enclosures: Application (1 original and 8 copies)
Proposed Form of Order (1 original and 8 copies)
CD containing the proposed Form of Order

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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of ROCKY MOUNTAIN POWER for authority to (1) issue and sell or exchange not more than $2,000,000,000 of debt, (2) enter into credit support arrangements, (3) enter into currency swaps, and (4) contribute or sell additional debt to special-purpose entities.	)	APPLICATION CASE NO. PAC-E-10-02

PacifiCorp, dba Rocky Mountain Power, (Company) hereby applies for an order of the Idaho Public Utilities Commission (Commission) authorizing the Company to (1) issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate debt (Debt) in the aggregate principal amount of not more than $2,000,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than $2,000,000,000 (or its equivalent amount in, or based upon, foreign currencies determined at the time of issue), (2) enter into letter of credit arrangements with one or more banks or such other agreements or arrangements as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, the interest on, and the premium of the Debt, (3) enter into one or more currency swaps, and (4) contribute or sell additional Debt to special-purpose entities (SPEs) in an amount based upon the common securities of the SPE and Commission approval of the proposed guarantee and expense payment agreements relating to the preferred securities of the SPE, in each case substantially as described herein. The Company requests that such authority remain in effect until February, 2015, so long as the Company maintains a BBB- or higher senior secured debt rating, as indicated by Standard & Poor's Rating Services, and a Baa3 or higher senior secured debt rating,

as indicated by Moody's Investors' Service, Inc. The application is filed pursuant to Chapter 9, Title 61, of the *Idaho Code* and Section 141 of the Commission's Rules of Procedure and is intended to amend and supersede order No. 30489 (2008 Order) issued by the Commission January 22, 2008 in docket number PAC-E-07-16 (2008 Docket). This Application is substantially similar to that filed by the Company in the 2008 Docket and seeks authorization to issue up to $2,000,000,000 of long-term debt through February 28, 2015 on the same terms and conditions contained in the 2008 Order.

The Company respectfully requests that the Commission issue an order as soon as reasonably practical.

The Company respectfully represents that:

(a) The official name of the applicant and address of its principal business office:

PacifiCorp, doing business as Rocky Mountain Power
825 N.E. Multnomah, Suite 2000
Portland, OR 97232

(b) The state and date of incorporation; each state in which it operates as a utility:

The Company was incorporated under Oregon law in August 1987 for the purpose of facilitating consummation of a merger with Utah Power & Light Company, a Utah corporation, and changing the state of incorporation of PacifiCorp from Maine to Oregon. The Company currently serves customers as Rocky Mountain Power in Idaho, Utah and Wyoming and as Pacific Power in California, Oregon and Washington.

(c) The name, address, and telephone number of persons authorized to receive notices and communications:

Bruce N. Williams,
Vice President and Treasurer
PacifiCorp
825 N.E. Multnomah, Suite 1900
Portland, OR 97232
Telephone: (503) 813-5662
E-mail: bruce.williams@pacificorp.com

Mark Moench, Senior Vice President
and General Counsel
PacifiCorp
201 South Main Street, Suite 2400
Salt Lake City, UT 84111
Telephone:
E-mail: mark.moench@pacificorp.com

Jeffrey K. Larsen, Vice President
Regulation
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220- 4907
E-mail: jeff.larsen@pacificorp.com

Ted Weston
Manager, Regulation
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-2963
E-mail: ted.weston@pacificorp.com

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

Informal questions should be directed to Bruce Williams at (503) 813-5662.

(d) A full description of the securities proposed to be issued:

(1) Type and nature of securities:

Debt to be issued in one or more transactions as conditions permit. The Debt may be secured or unsecured and may be subordinated or unsubordinated.

(2) Amount of securities:

Not more than $2,000,000,000 aggregate principal amount or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than $2,000,000,000 (or its equivalent amount in, or based upon, foreign currencies determined at the time of issue); plus additional

Debt and guaranties relating to the preferred securities of special-purpose entities in amounts as described below.

(3) Interest Rate:

If the Debt bears a fixed rate, the interest rate will be set at the time of issuance. If the Debt bears a floating-rate, the interest rate will be set periodically based upon a published or quoted index of short-term rates.

(4) Dates of issuance and maturity:

The Company expects to issue the Debt from time to time in either public offerings or private placements for cash or in exchange for its outstanding securities. Maturities will be established at the time of issuance.

(5) Institutional rating of the securities, or if not rated an explanation:

The Company's debt is rated, as of the date of this filing, as follows:

Security	Moody's	S & P
Senior Secured Debt	A2	A
Senior Unsecured Debt	Baa1	A-
Subordinated Debt	n/a	n/a

(6) Stock Exchange on which listed:

The Company has generally not listed its bonds, but has in the past listed certain unsecured debt on The New York Stock Exchange. If the Debt is issued publicly in an overseas market, the Debt may be listed, if appropriate, on one or more foreign exchanges.

(7) Additional descriptive information:

General: Alternatives currently available to the Company include (1) conventional first mortgage bonds placed publicly or privately in the domestic or foreign markets, (2) secured or unsecured medium-term notes placed publicly or

privately in the domestic or foreign markets, (3) floating-rate debt placed publicly or privately in the domestic or foreign markets, (4) Eurodollar financings placed publicly or privately overseas, (5) debt issued overseas denominated in, or based upon, foreign currencies combined with a currency swap to effectively eliminate the currency risk, and (6) subordinated debt placed publicly or privately in the domestic or foreign markets and issued either alone or in conjunction with an offering of preferred securities by a special-purpose entity (SPE) organized by the Company. A brief description of these transactions is set forth below.

I. First Mortgage Bonds. First mortgage bonds have been the traditional debt financing vehicle utilized by utilities in the United States, and are typically offered in public offerings but may be privately placed. First mortgage bonds are secured by a mortgage on the fixed assets of the utility.

The bonds are typically redeemable at the Company's option at redemption prices dependent upon U.S. Treasury yields. The Company may determine that a call provision is appropriate to provide financial flexibility in changing interest rate environments, and the bonds may be redeemable at a premium over the principal amount, with the premium declining to zero near the final maturity of the bonds.

The Company's first mortgage bonds are issued as First Mortgage Bonds under the PacifiCorp Mortgage. The Commission has previously authorized the Company to incur the lien of the PacifiCorp Mortgage in Case No. U-1046-15, Order No. 22157.

The underwriting fee for First Mortgage Bond issuances vary by the maturity of the debt but is not expected to exceed one percent of the principal amount.

II. Medium-Term Notes. Medium-term notes (MTNs) are interest-bearing instruments with maturities generally ranging between 9 months and 30 years. MTNs are typically offered on a continuous basis by the borrower through one or more managers, which act as agents in placing the notes, either domestically or through global programs. MTNs can be offered on a secured or unsecured basis.

Compensation to the agents varies by the maturity of each tranche of MTNs issued, but is not expected to exceed one percent of the principal amount of notes placed.

The MTN investor universe in the United States consists of banks, insurance companies, pension funds, thrifts, mutual funds, money managers, investment advisors, corporate, and nonprofit organizations. Overseas, the investor profile primarily consists of banks, insurance companies, pension funds and retail accounts.

MTN programs are generally structured to allow a wide range of terms. Principal amount, currency, maturity, interest rate and redemption terms are fixed at the time of sale. In the event the Company chooses to issue MTNs in foreign currencies, a currency rate swap would be simultaneously entered into to effectively hedge the Company's exposure against currency risk. If the Company issues secured MTNs, they will

most likely be issued in the form of First Mortgage Bonds under the PacifiCorp Mortgage.

III. Floating-Rate Debt. Floating-rate debt is a security with interest rates that reset periodically, such as daily, weekly, monthly, quarterly, semi-annually or annually at the option of the Company. The most common indices used for pricing floating-rate debt are based upon LIBOR, commercial paper and Treasury bills.

Refunding provisions for floating-rate debt vary from transaction to transaction depending upon the structure of the agreement. Should the Company subsequently fix the interest rate through an interest rate swap or cap, the cost of refunding would include the cost of unwinding the swap or cap.

Floating-rate debt could be more advantageous than fixed-rate debt. First, it can provide the Company with an occasional source of long-term funding at attractive rates compared to the fixed-rate market. Second, it allows the Company access to the short end of the yield curve when short-term rates are attractive. Should rates begin to increase, the Company could execute an interest rate swap or cap to secure a fixed rate.

The fees associated with a floating-rate debt arrangement are not expected to exceed one percent of the principal amount of the debt.

IV. Eurodollar Financings. Eurodollar bonds or debentures are dollar-denominated securities issued to foreign investors. Eurodollar securities are generally placed by a foreign underwriter, or a foreign subsidiary of a

U.S. investment or commercial bank (bank). Eurodollar securities are generally unsecured obligations. However, the Company may be required to enter into a letter of credit arrangement with one or more banks or such other agreements or arrangements as may be necessary or appropriate, from time to time, to support its obligation to repay the principal of, the interest on, and the premium (if any) on the debt. Such an arrangement could involve a fee, not expected to exceed one percent on the principal amount of the debt. The Company would receive dollars at the time of closing and all interest and principal payments would be made in dollars. A Eurodollar bond issuance is typically arranged using a bank as the underwriter (public offering) or placement agent (private offering). The bank's role is to locate investors outside the United States that are interested in purchasing financial assets in dollars. The interest rate charged on the debt is usually a spread over U.S. Treasury obligations having a similar maturity. After the call protection has expired, the bonds are generally callable at their principal value. The issuance fee associated with a Eurodollar bond offering is approximately two percent of the principal amount sold.

A potential advantage of a Eurodollar offering is that it allows the Company to access investors generally not active in the U.S. markets, and at the same time does not subject the Company to any currency exposure. Another advantage is that, from time to time, very attractively priced funds may become available in the private Eurodollar market when an

investor with dollars attempts to invest in U.S. dollar assets. Thus, for short periods, a market could be created wherein the issuer can obtain very attractive rates relative to the public markets. These windows in the market open and close very quickly, making it necessary that the Company have the opportunity to commit quickly when offered an attractive proposal.

V. Foreign Currency Debt Combined with a Currency Swap. The issuance of debt denominated in a currency other than U.S. dollars, combined with a currency swap, would allow the Company to issue debt in a foreign currency and execute a currency swap to effectively eliminate the currency risk. By issuing in a foreign currency, the Company would attract investors that would not normally be investing in its securities. Issuing securities in a foreign currency becomes attractive when the nominal interest rate charged in the foreign country is significantly lower than the rate in the United States or in U.S. dollar-denominated securities. To the extent that the cost of executing the currency swap is less than the difference between the nominal interest rate in the foreign country and the dollar-denominated interest rate, issuing debt in a foreign currency and executing a currency swap provides a lower total cost of debt.

The foreign currencies most frequently used in the past by U.S. companies include Euro, Swiss Francs, British Sterling, Japanese Yen, Canadian Dollars, Australian Dollars and New Zealand Dollars. The underwriters for a foreign currency offering are responsible for locating investors

willing to purchase the Company's debt that has principal and interest denominated in the foreign currency. The fees for a foreign currency offering are expected to approximate two percent of the principal amount sold.

In order to effectively eliminate the currency risk, the Company would enter into a currency swap that would be executed simultaneously with the foreign currency offering. In the currency swap, the Company would receive a stream of payments in the foreign currency exactly equal in amount and timing to the Company's obligations for the foreign currency debt (principal and interest). In exchange, the Company would agree to make a stream of payments in U.S. dollars to the third party. The net effect of the transaction is that the Company's foreign currency obligations would be exactly offset by the foreign currency receipts under the exchange and the Company's net payments would be in U.S. dollars. Whether or not the other party to the exchange performs, the Company remains obligated under the terms of the foreign currency debt. The Company would propose to minimize the risk of nonperformance in the exchange through the selection of a third party participant with a long-term credit rating of AA equivalent or better or with a third party that is a high quality sovereign or agency of a sovereign if the tenor of the exchange agreement is five years or longer and long-term credit rating of A or better if the tenor is less than five years.

The fees associated with arranging a currency swap agreement are a function of interest rates and currency differentials between the U.S. dollar and the applicable foreign currency.

Because a foreign offering with a currency swap involves two transactions and multiple parties, the complexity and cost of trying to unwind such a foreign offering prior to its final maturity effectively makes this type of transaction generally non-callable prior to its final maturity.

Issuing debt denominated in a foreign currency combined with a currency swap requires that the Company have a great degree of flexibility in timing the offering in order to pick the currency, nominal interest rates, and exchange rate that will enable it to achieve a lower cost.

To minimize costs, the Company will not undertake the proposed transactions in a foreign market unless and until it can assure itself that the total cost of the foreign borrowings proposed in this matter is no more than the total cost of domestic borrowings for a similar term for companies of comparable credit rating at the time of the borrowing.

VI. Subordinated Debt. It is anticipated that any subordinated debt could be issued in one or more series pursuant to the Company's Indenture dated as of May 1, 1995, as supplemented, or pursuant to a new indenture. The Company may issue the subordinated debt (a) directly to investors, as in the issuance and sale of its 8 3/8% Junior Subordinated Deferrable Interest Debentures, Series A, pursuant to the orders issued in Case No. PAC-S-94-2, (b) in exchange for its outstanding securities, as in the issuance of its

8.55% Junior Subordinated Deferrable Interest Debentures, Series B, pursuant to Case No. PAC-S-95-1, or (c) to an SPE in support of the preferred securities of the SPE, as in the issuance and sale of its 8 1/4% Junior Subordinated Deferrable Interest Debentures, Series C, pursuant to orders issued in Case No. PAC-S-96-2, and its 7.70% Junior Subordinated Debentures Series D, pursuant to the orders issued in Case No. PAC-E-97-2.

In a transaction involving preferred securities of an SPE, the Company would organize the SPE and contribute or sell subordinated debt of the Company to the SPE in an amount based upon the common securities of the SPE (generally 3% of the aggregate liquidation preference of the preferred securities issued by the SPE). The SPE would issue preferred securities, which are expected to have a liquidation preference of $25 each, have cumulative dividends payable quarterly and could be listed on the New York Stock Exchange. In addition, the SPE would purchase subordinated debt of the Company in an aggregate principal amount corresponding to the liquidation preference of the preferred securities issued by the SPE. In certain circumstances, the subordinated debt of the Company underlying the preferred securities of the SPE could be distributed to the holders of the preferred securities in connection with the liquidation of the SPE.

In this instance, the Company would guarantee the SPE's payment of: (i) any accumulated and unpaid distributions required to be paid on the

preferred securities of the SPE to the extent that the SPE has funds on hand available therefore; (ii) the redemption price with respect to any preferred securities called for redemption to the extent that the SPE has funds on hand available therefore; and (iii) upon a voluntary or involuntary dissolution, winding-up or liquidation of the SPE (unless the Company's subordinated debt is distributed to holders of the SPE's preferred securities), the lesser of (a) the aggregate of the liquidation preference and all accrued and unpaid distributions to the date of payment and (b) the amount of assets of the SPE remaining available for distribution to holders of the preferred securities. The guarantee is expected to be directly enforceable by holders of the preferred securities issued by the SPE and subordinate to all senior debt of the Company. It is also anticipated that the Company and the SPE will enter into an expense reimbursement arrangement under which the Company will agree to pay the expenses of the SPE.

(e) A description of the method of issuance and sale or procedure by which any obligation as guarantor will be assumed:

The Company proposes to issue the Debt from time to time in either public offerings or private placements, domestically or overseas, for cash or in exchange for its outstanding securities. The financial markets have become increasingly global and, as such, foreign sources of capital compete directly with domestic sources for investment opportunities. The Company anticipates that issuances will be primarily fixed-rate First

Mortgage Bonds, but it is requesting authority for a variety of borrowing options in order to provide the financial flexibility to pursue the most attractive markets at the time of issuance and to produce the most competitive cost for the Company.

Underwriters or placement agents will be selected after negotiations with a group of potential candidates. The firm or firms selected to lead an offering under this authority will be determined by the Company's assessment of their ability to assist the Company in meeting its objective of having the lowest total cost for the Debt to be issued. This assessment is based upon the level of underwriting or placement fees, their knowledge of the Company and its varied operations, the Company's parent company and its affiliates, and their ability to market the Debt to achieve the Company's financing and capital structure objectives.

(f) (1) (i) The name and address of any person receiving a fee (other than a fee for technical services) for negotiating, issuing, or selling the securities or for securing an underwriter, sellers, or purchasers of securities except as related to a competitive bid:

Other than for technical services, the only fees payable by the Company will be fees and expenses to the underwriters and agents (including arrangement fees for currency swaps). The Company may also incur an annual fee for credit support which is not expected to exceed one percent on the principal amount of the Debt.

(ii) The fee amount:

Subject to final negotiations, the fee is not expected to exceed 3.0 percent of the aggregate principal amount of the Debt if the Debt is issued overseas.

If issued domestically, the fee is not expected to exceed 1.0 percent of the aggregate principal amount of the Debt. If subordinated debt is issued, the fee is not expected to exceed 3.15 percent of the aggregate principal amount of the Debt. The level of the fee is only one factor in determining the overall cost of the Debt to be issued and, as such, is not the sole basis of the financing decision.

(iii) The facts showing the reason for and reasonableness of the fee:

The aforementioned compensation levels to the agents or underwriters are consistent with the usual and customary fees prevailing currently in the market. These fees are reasonable given the services provided by the agents or underwriters. The agents and the underwriters will be familiar with the Company, its parent company and affiliates and their long-term financing needs. They will be available for consultation on these matters and will assist the Company in evaluating market conditions and in formulating the exact terms of the transactions. See subsection (f) supra.

(g) The purposes of the issuance:

The purposes for which the Debt is proposed to be issued in this matter are (1) the acquisition of property, (2) the construction, completion, extension or improvement of utility facilities, (3) the improvement of service, (4) the discharge or lawful refunding of obligations which were incurred for utility purposes or (5) the reimbursement of the Company's treasury for funds used for the foregoing purposes.

The Company keeps its accounts in a manner which enables the Commission to ascertain the amount of money expended and the purposes for which the expenditures were made.

If the funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally incurred in furtherance of the utility purposes listed above.

To the extent that the funds to be reimbursed were used for the discharge or refunding of obligations, those obligations or their precedents were originally incurred in furtherance of utility purposes (1), (2) and (3) supra.

The results of the offerings are estimated to be:

ESTIMATED RESULTS OF THE OFFERING [1]

	Total	Percent of Total
Gross Proceeds	$ 2,000,000,000	100.000%
Less: Agents/Underwriters Compensation [1]	17,500,000	0.875%
Proceeds Payable to Company	$ 1,982,500,000	99.125%
Less: Other Issuance Expenses	2,500,000	0.125%
Net Proceeds	$1,980,000,000	99.000%

(1) Assumes the issuance of first mortgage bonds.

	Other Issuance Expenses
Regulatory agency fees	$ 1,000
SEC fees	79,000
Company counsel fees	750,000
Accounting fees	350,000
Printing and engraving fees	225,000
Rating agency fees	750,000
Trustee/Indenture fees	250,000

Miscellaneous expenses	95,000
TOTAL	$ 2,500,000

(h) Statement that applications for authority to finance are required to be filed with state governments:

In addition to this Application, the Company is filing an application with the Oregon Public Utility Commission and a notice to the Washington Utilities and Transportation Commission in connection with each issuance pursuant to Washington law. The California Public Utilities Commission, the Utah Public Service Commission and the Wyoming Public Service Commission have exempted the Company from their respective securities statutes.

(i) A statement of the facts relied upon to show that the issuance is appropriate:

As a public utility, the Company is expected to acquire, construct, improve and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. The proposed issuances of the Debt are part of a program to finance the Company's facilities taking into consideration prudent capital ratios, earnings coverage tests, market uncertainties and the relative merits of the various types of securities the Company could sell or other financing it could arrange.

Accordingly, the proposed issuances (1) are for lawful objects within the corporate purposes of the Company, (2) are compatible with the public interest, (3) are necessary or appropriate for or consistent with the proper performance by the Company of its service as a public utility, (4) will not impair its ability to perform that service, and (5) are reasonably necessary or appropriate for these purposes.