

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's
Own Motion to Consider Effectiveness and Adequacy of
the Competitive Bidding Rule for Issuance of Securities
and Associated Impacts of General Order 156, Debt
Enhancement Features, and General Order 24-B.

Rulemaking 11-03-007
(March 10, 2011)

PRE-WORKSHOP STATEMENT OF PACIFICORP

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Dated: January 4, 2012

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Pursuant to Ordering Paragraph 3 of the Revised Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge (ALJ) (Scoping Memo) and Ordering Paragraph 2 of the ALJ's Ruling Adding Items for Discussion at the January 9 and 10, 2012 Workshop, and Adding an Evidentiary Hearing on January 10, 2012 (ALJ Ruling), PacifiCorp d.b.a. Pacific Power (PacifiCorp), respectfully submits this Pre-Workshop Statement.

PacifiCorp supports the Draft Revised Competitive Bidding Rule (Draft CBR) with respect to the exemption provided to multi-state utilities. The Draft CBR provides that a debt issuance of a utility may be exempted pursuant to enumerated exemptions.¹ PacifiCorp specifically agrees with the Draft CBR that a utility should be exempt from the CBR if the utility is a multi-state utility operating in California, whose operating revenues from California operations represent less than five percent (5%) of the entire utility's total operating revenues for the most current calendar year.²

¹ ALJ Ruling, p.3.

² ALJ Ruling, p.6.

PacifiCorp believes it is reasonable to grant an exemption from the competitive bidding requirement for multi-state utilities in the manner provided in the Draft CBR. Such a ruling coincides with prior Commission decisions that have exempted PacifiCorp from provisions of the Public Utilities Code (Code) regarding stocks and securities transactions. In 1975, Decision No. (D.) 84286 originally granted PacifiCorp (then named Pacific Power & Light Company and later PacifiCorp) an exemption from the provisions of the Code relating to stocks and securities transactions and the encumbrance of utility property pursuant to Section 829.³ In granting the exemption, the Commission noted that only 4.8 percent of the Company's total operating revenues in 1974 were attributable to California operations and therefore the application of Article V and the mortgaging or otherwise encumbering provisions of Article VI, chapter 4, part 1, division 1 of the Code to PacifiCorp was not necessary in the public interest.

Subsequently, the application for approval of the merger between PacifiCorp and Utah Power, Application No. (A.) 87-09-043, also requested an exemption from the same provisions of the Code. At that time, PacifiCorp had an even smaller portion of its total electric revenues, projected at 2.56 percent, that would be attributed to California operations.⁴ D. 88-04-062 granted the exemption for PacifiCorp, which remains in effect today.

In 2010, revenue from California operations represented less than 3 percent of PacifiCorp's total operating revenues. Accordingly, PacifiCorp supports a Commission ruling

³ D.84286, A.55569, A.55570.

⁴ D.88-04-062, at 7.

that exempts multi-state utilities from the CBR when the utility's revenue from California operations represents less than 5 percent of the utility's total operating revenues.

Respectfully submitted this 4th day of January, 2012 at San Francisco, California

By /s/ Michael B. Day

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