

For Immediate Release

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## **PRESS RELEASE**

### **Public Service Commission authorizes a \$70 million interim rate increase to PacifiCorp**

Today the Utah Public Service Commission (Commission) issued an order authorizing PacifiCorp (Company) to increase its rates in Utah by \$70 million annually, pending the September outcome of the rate case. The Company petitioned the Commission to increase rates \$142.2 million, the full amount the Company is ultimately seeking in its case, but the Commission did not believe that was warranted based on evidence parties presented at hearings held January 30th and 31st, 2001. Any part of the \$70 million not justified at the completion of the rate case is subject to a refund to customers when the Commission issues a final order in September.

After reviewing the evidence in the case, the Commission concluded that PacifiCorp's current financial performance is inadequate to maintain its current credit rating. The data the Company filed to justify its full request was flawed however and therefore, the Commission could not rely on it to grant the Company's full interim petition. Nevertheless, the Commission recognized that PacifiCorp is exposed to a tumultuous wholesale power market today and needs relief now to maintain its financial health during the pendency of the rate case proceeding. The Company reported its first-ever operating loss in December.

Steve Mecham, Chair of the Commission said, "We're very concerned about the impact this order will have on families and businesses, but the Commission has the responsibility of maintaining PacifiCorp's financial stability in Utah and balancing that against prices Utah customers pay." The increase takes effect today and will increase a typical residential customer's bill by approximately \$50 annually.