

Service Date: May 20, 1986

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * * * *

IN THE MATTER Of The Application)	
Of PACIFICORP dba PACIFIC POWER &)	UTILITY DIVISION
LIGHT COMPANY for an Order (1))	DOCKET NO. 86.5.23
authorizing it to issue and sell)	DEFAULT ORDER NO. 5206
not more than 5,000,000 additional)	
shares of its Common Stock under)	
its Dividend Reinvestment and)	
Stock Purchase Plan, as amended,)	
and (2) amending the authority)	
granted in Docket No. 83.5.39.)	

* * * * *

On December 9, 1985, PacificCorp dba Pacific Power & Light Company (Pacific), a corporation organized and existing under and by virtue of the laws of the State of Maine and qualified to transact business in Montana, filed with the Montana Public Service Commission its verified application, pursuant to Sections 69-3-501 through 69-3-507, MCA, requesting an order authorizing Pacific to issue and sell not more than 5,000,000 shares of its common stock of a par value \$3.25 (new shares) to holders of its stock and to other persons, in each case pursuant to its Dividend Reinvestment and Stock Purchase Plan as amended (Plan) and amending Default Order No. 4989 in Docket No. 83.5.39 to authorize the issuance and sale by Pacific, pursuant to such order. On December 30, 1985, the Commission issued its order approving Pacific's request to issue 5,000,000 pursuant to its Plan.

On January 3, 1986, Pacific filed its supplemental application in the named Docket requesting the Commission issue an amending order permitting Pacific to use the proceeds from the Plan to fund its \$4.07 No Par Serial Preferred Stock and its 15% Serial Preferred Stock. On January 20, 1986, the Commission issued its order approving Pacific's supplemental application.

On May 6, 1986, Pacific filed a clarifying amendment to the Plan. The primary purpose of the original amendment was to permit the implementation of an individual retirement account plan (Power*IRA) designed to invest exclusively in Pacific common stock. To fully implement this, it became apparent that the \$5,000 per quarter limitation should not apply to purchases by a Power*IRA from funds provided by rollovers or transfer from existing individual retirement accounts or qualified retirement plans. There is the possibility that such a limitation might prevent persons from participating in a Power*IRA who did not wish to have multiple individual retirement accounts. The amendment (1) is consistent with the basic purpose of the original amendment to encourage the Power*IRA.

At a regular open session of the Montana Public Service Commission held in its offices at 2701 Prospect Avenue, Helena, Montana on May 19, 1986, there came before the Commission for final action the matter and things in Docket No. 86.5.23, and the Commission, having fully considered the application and all the data and records pertaining to it on file with the Commission and being fully advised in the premises, makes the following:

FINDINGS

Pacific is corporation organized and existing under and by virtue of the laws of the State of Maine and is qualified to transact business in the State of Montana.

Pacific is operating as a public utility as defined in Section 69-3-101, MCA, and is engaged in furnishing electric and water service in Montana.

The Commission has jurisdiction over the subject matter of the application under Section 69-3-102, MCA.

Notice of the application was published as a part of the Commission's regular weekly agenda.

Pacific proposes to issue and sell not more than 5,000,000 additional shares of its common stock under the plan.

Currently, Pacific is placing proceeds in escrow to effect the redemption of the \$4.07 No Par Serial preferred Stock. However, Pacific has made no final decision with respect to the redemption of the 15% Serial Preferred Stock. After the redemption of the \$4.07 No Par Serial Preferred Stock, Pacific may use the proceeds to reimburse its treasury.

CONCLUSIONS

The proposed common stock issuance, as amended, to which the application relates will be for lawful objects within the corporate purposes of Pacific. The method of financing is proper. The supplemental application should be approved.

ORDER

IT IS THEREFORE ORDERED by the Commission that:

1. The clarifying amendment of PacificCorp dba Pacific Power and Light Company, filed May 6, 1986, for authority to issue and sell not more than 5,000,000 shares of the common stock pursuant to its Dividend Reinvestment and Stock Purchase Plan, as amended, until all the shares authorized have been sold, pursuant to Sections 69-3-501 through 69-3-507, MCA, and to use the proceeds for normal utility purposes, approved.

2. Except as specifically modified in this Order, Default Order No. 5181a in Docket No. 85.12.51 shall remain operative.

3. Issuance of this order does not constitute acceptance of PacificCorp dba Pacific Power & Light Company's exhibits or other material accompanying the application for any purpose other than the issuance of this order

4. Approval of the transaction authorized shall not be construed as precedent to prejudice any future action of this Commission.

5. Section 69-3-507, MCA provides that neither the issuance of securities by PacificCorp dba Pacific Power & Light Company pursuant to the provisions of this order, nor any other act or deed done or performed in connection with the issuance, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized issued, assumed, or guaranteed.

6. This Order shall be effective upon execution.

DONE IN OPEN SESSION at Helena, Montana, this 19th day of May, 1986 a 5 to 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

CLYDE JARVIS, Chairman

HOWARD L. ELLIS, Commissioner

TOM MONAHAN, Commissioner

DANNY OBERG, Commissioner

JOHN B. DRISCOLL, Commissioner

ATTEST:

Trenna Scoffield
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.