

TRANSITION ADJUSTMENT

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Purpose

The purpose of this Schedule is to adjust prices to reflect the results of the ongoing valuation method under OAR 860-038-0140.

Applicable

This Schedule is applicable to all Nonresidential Consumers receiving service under Schedule 220, Standard Offer Service, Schedule 230, Emergency Supply Service or the applicable Direct Access Service Schedule except consumers electing a multi-year opt-out.

Transition Adjustment

The transition adjustment is the difference between the estimated market value of the electricity that is freed up when a customer chooses to leave Cost-Based Supply Service for Direct Access versus the Company's regulated price. The estimated market value of the freed up electricity is determined by running two system simulations – one simulation with the Company serving the Direct Access Consumer and one simulation with the Company not serving the Direct Access Consumer. The difference between the two scenarios is analyzed to calculate the impact on the Company's total system. The impacts are then used to determine the Weighted Market Value of the energy, which is then compared to the Customer's energy-only tariff schedule rate.

The Transition Adjustment amounts are shown below for each rate schedule, by Heavy Load Hours (HLH), Light Load Hours (LLH) and voltage level, where applicable. Adjustments are expressed on a cents per kilowatt-hour basis.

Notification of Transition Adjustment

Based on the announcement date defined in OAR 860-038-275, the Company will post on its website (www.pacificpower.net) the monthly on- and off-peak transition adjustment for each delivery service schedule shown on Schedule 201 for each applicable delivery voltage level for Nonresidential Consumers for the 12-month period from January 1 through December 31 of the calendar year subsequent to the announcement date.

Balancing Account

Beginning January 2006, the Company will accrue in this account, the costs, resulting from changes in the forward price curve that occurred during the open enrollment window, the load actually participating in Direct Access as compared to the assumed level of participation in the simulations, and any executed energy transactions resulting from significant load departure, if such costs exceed \$250,000. The Company shall accrue interest on transition adjustment balances, whether positive or negative, at the Company's authorized rate of return. Amounts in this account will be recovered through an adjustment schedule from all consumers eligible for direct access.

(continued)

TRANSITION ADJUSTMENT

One-Year Option - Transition Adjustments (cents/kWh)

	23/723 Secondary		23/723 Primary		28/728 Secondary		28/728 Primary		30/730 Secondary	
	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH
Jan-20	-0.961	-1.094	-1.149	-1.200	-0.895	-1.021	-1.058	-1.147	-1.006	-1.146
Feb-20	-0.940	-0.809	-1.177	-0.958	-0.825	-0.747	-0.896	-0.870	-0.971	-0.870
Mar-20	-0.188	-0.119	-0.374	-0.235	-0.107	-0.060	-0.203	-0.178	-0.227	-0.181
Apr-20	0.257	0.126	0.197	0.021	0.344	0.162	0.229	0.077	0.230	0.054
May-20	0.826	0.715	0.681	0.514	0.867	0.788	0.733	0.693	0.742	0.648
Jun-20	-0.073	0.547	-0.119	0.245	0.022	0.645	-0.118	0.515	-0.116	0.456
Jul-20	-4.354	-2.705	-3.950	-2.345	-4.096	-2.643	-4.147	-2.739	-4.295	-2.728
Aug-20	-5.124	-3.003	-3.497	-2.728	-4.840	-2.932	-4.924	-2.989	-5.022	-3.013
Sep-20	-1.121	-1.380	-1.903	-1.496	-1.122	-1.404	-0.935	-1.441	-1.173	-1.476
Oct-20	-0.745	-0.544	-0.875	-0.682	-0.695	-0.478	-0.808	-0.591	-0.804	-0.597
Nov-20	-0.537	-0.623	-0.591	-0.795	-0.476	-0.557	-0.586	-0.665	-0.640	-0.755
Dec-20	-1.785	-1.494	-1.894	-1.630	-1.717	-1.428	-1.830	-1.537	-1.855	-1.547

	30/730 Primary		41/741 Secondary		41/741 Primary		47/747,48/748 Secondary		47/747,48/748 Primary	
	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH
Jan-20	-1.091	-1.187					-1.047	-1.096	-1.175	-1.310
Feb-20	-0.934	-0.895					-0.996	-0.950	-1.235	-1.071
Mar-20	-0.256	-0.220					-0.200	-0.170	-0.432	-0.387
Apr-20	0.184	0.029	0.082	0.241	0.013	0.172	0.168	0.176	0.045	-0.112
May-20	0.703	0.637	0.854	0.724	0.785	0.655	0.725	0.605	0.535	0.448
Jun-20	-0.158	0.457	-0.221	0.226	-0.290	0.156	-0.204	0.159	-0.326	0.138
Jul-20	-4.357	-2.840	-3.336	-2.154	-3.405	-2.223	-3.705	-2.724	-4.477	-2.850
Aug-20	-5.144	-3.144	-3.628	-2.902	-3.697	-2.971	-3.896	-3.054	-5.354	-3.168
Sep-20	-1.181	-1.497	-1.240	-1.377	-1.309	-1.447	-1.397	-1.484	-1.282	-1.659
Oct-20	-0.836	-0.636	-0.761	-0.515	-0.830	-0.584	-0.849	-0.675	-1.017	-0.809
Nov-20	-0.631	-0.713					-0.510	-0.657	-0.784	-0.866
Dec-20	-1.889	-1.588					-1.823	-1.565	-2.037	-1.767

	47/747,48/748 Transmission		51/751		52/752		53/753		54/754	
	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH	HLH	LLH
Jan-20	-1.214	-1.372	-0.847	-0.988	-1.470	-1.611	-2.632	-2.773	-2.005	-2.146
Feb-20	-1.225	-1.073	-0.871	-0.721	-1.494	-1.344	-2.657	-2.506	-2.029	-1.879
Mar-20	-0.478	-0.440	-0.065	-0.031	-0.688	-0.654	-1.850	-1.816	-1.223	-1.189
Apr-20	-0.031	-0.174	0.403	0.246	-0.220	-0.377	-1.382	-1.539	-0.755	-0.912
May-20	0.459	0.357	0.900	0.801	0.277	0.178	-0.885	-0.984	-0.258	-0.357
Jun-20	-0.365	0.119	0.035	0.546	-0.588	-0.077	-1.750	-1.239	-1.123	-0.612
Jul-20	-4.372	-2.791	-4.132	-2.444	-4.755	-3.067	-5.917	-4.229	-5.290	-3.602
Aug-20	-5.244	-3.149	-5.124	-2.784	-5.747	-3.407	-6.909	-4.569	-6.282	-3.942
Sep-20	-1.368	-1.675	-0.945	-1.305	-1.568	-1.928	-2.730	-3.090	-2.103	-2.463
Oct-20	-1.043	-0.850	-0.649	-0.454	-1.272	-1.077	-2.434	-2.239	-1.807	-1.612
Nov-20	-0.841	-0.939	-0.445	-0.616	-1.067	-1.239	-2.230	-2.401	-1.602	-1.774
Dec-20	-2.032	-1.770	-1.672	-1.404	-2.294	-2.027	-3.457	-3.190	-2.829	-2.562