



**Index Reporting Code of Conduct
for Voluntary Submission of Electricity Transaction Data
to Index Developers**

Index Reporting Code of Conduct

PacifiCorp adopts herein a code of conduct that its employees will follow in buying or selling electricity, and in voluntarily reporting such transactions to certain price, volume and other data index developers. This code of conduct is adopted in conformance with the Federal Energy Regulatory Commission's July 24, 2003 Policy Statement on Natural Gas and Electric Price Indices, *Price Discovery in Natural Gas and Electric Markets*, 104 FERC ¶61,121 (2003), as updated in the December 12, 2003 Order on Clarification of Policy Statement on Natural Gas and Electricity Price Indices, *Price Discovery in Natural Gas and Electric Markets*, 105 FERC ¶61,282 (2003) (collectively, and as amended or clarified from time to time, the "Policy Statement") and Market Behavior Rule 4, 18 CFR 35.37(c).

This Code of Conduct has been distributed to all employees engaged in either buying or selling electricity, or the provision of data from such transactions to index developers. It is also made public via the company's website – www.pacificorp.com

A. All employees engaged in buying or selling electricity:

- Shall conduct business in accordance with all applicable laws, regulations, tariffs and rules
- Shall comply with all applicable FERC Standards of Conduct, Codes of Conduct and Market Behavior Rules
- Shall conduct business in good faith with a commitment to honest dealing
- Shall not engage in fraudulent, deceptive or manipulative business acts or practices
- Shall not engage in transactions intended to manipulate market prices or artificially boost revenues or volumes
- Shall not collude with other market participants to affect price or supply or unlawfully restrain competition
- Shall not collude with other market participants to violate any applicable laws, regulations, tariffs, rules, Standards of Conduct, Codes of Conduct or Market Behavior Rules
- Shall submit transaction data in a timely and accurate manner consistent with applicable accounting principles and other applicable requirements

B. All employees engaged in reporting electricity transactions to index developers shall abide by the following:

1. **Reporting Responsibility.** PacifiCorp will report transaction data through its Mid-Office department (“Mid-Office”), which is independent from, and not responsible for, trading.

2. **Accuracy Verification.** PacifiCorp’s Mid-Office department will verify the accuracy and completeness of the data before submitting it by ensuring that prices reported are the same as those recorded on the books and records of the company in accordance with generally accepted accounting principles.

3) **Requirements for Reporting Trades.** Subject to an appropriate confidentiality agreement with the relevant index developer, PacifiCorp will report all bi-lateral, arm’s length transactions between non-affiliated companies in the physical (cash) markets at those trading locations that have an index. PacifiCorp will make every effort to report such transactions consistent with applicable instructions and within applicable parameters, as established or instructed by the relevant index developer.

4. **Submission of Complete Set of Data Elements.** PacifiCorp will submit to the applicable index developers, at a minimum, for each transaction: (a) price; (b) volume; (c) buy/sell indicator; (d) delivery/receipt location; (e) transaction date and time; and (f) term (next day or next month). The company shall generally include a complete set of data elements or fields for each particular index, in accordance with the index developer’s published templates. PacifiCorp will not report counterparties for its transactions at this time.

5. **No Aggregation of Transactions.** PacifiCorp will provide data to the identified index developers for each transaction separately.

6. **Non-Standard Transactions Treatment.** To the extent that PacifiCorp reports a transaction to an index developer that might be deemed a non-standard transaction for any of the existing indices prepared by that index developer, PacifiCorp will undertake to identify to the index developer the nature of the deviation from the parameters of the indices.

7. **Non-Reported Transactions.** PacifiCorp will not report: (a) financial hedges, financial transactions, or swaps or exchanges of electricity; or (b) intra-company transactions or transactions executed with affiliate companies.

8. **Process for Error Resolution.** PacifiCorp will make efforts to adhere to the guidelines and requirements established by the index developer to address the error resolutions process, including adhering to the process and timeline for submitted corrections and for responding to inquiries from the index developer. Like the original

data submission, this function will be carried out by PacifiCorp's Mid-Office department, which is independent from, and not responsible for, trading.

9. **Document Retention.** PacifiCorp will retain all relevant data relating to reported trades for a minimum of five years.

10. **Annual Independent Audit.** PacifiCorp, through its Internal Audit group, will review PacifiCorp's implementation of, and adherence to, the data gathering and submission process adopted by the company at least once annually. PacifiCorp will make the results of the audit available to any index developer to which PacifiCorp submits trade data. PacifiCorp will permit the index developer to recommend changes to improve the accuracy and timeliness of data reporting.

11. **Dissemination of Code of Conduct.** PacifiCorp will make this code of conduct available to its employees engaged in these transactions and to the public on its website.

Effective: July 28, 2006.

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