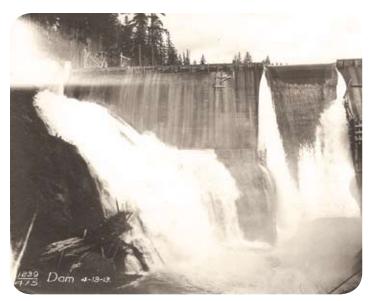
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Condit Dam history and settlement agreement

The Condit Dam and other components of the Condit Hydroelectric Project were built during 1912-1913 on the White Salmon River in southern central Washington State, spanning Skamania and Klickitat counties. The project was designed to produce hydroelectricity to supply the Crown Willamette Paper Co. in Camas, Wash. and the growing municipal market from Washougal, Wash. to Portland, Ore. After nearly a century of serving the customers of the former Northwestern Electric Company, Pacific Power & Light and now PacifiCorp, physical removal of the Condit Dam began in late August 2011, fulfilling a multi-party settlement agreement signed in 1999.

PacifiCorp joined with 22 other parties to determine the future of the dam as part of a 1999 settlement negotiation regarding the federal relicensing of the project. The parties included the Yakama Indian Nation, National Marine Fisheries Service (NMFS), U.S. Fish and Wildlife Service, U.S. Forest Service, Washington Department of Ecology, Washington Department of Fish and Wildlife, numerous environmental groups and PacifiCorp. After two years of negotiations, the participants reached an agreement to shut down power generation at a future date and remove the dam. In reaching this agreement, settlement parties balanced the short-term impacts of dam removal with the long-term gains provided by restoration of a natural river environment, and a cost-effective plan for PacifiCorp's customers.



The Condit Dam in the spring of 1913



Federal requirements led to local agreement

Hydroelectric dams across the United States are licensed by the Federal Energy Regulatory Commission (FERC). The Condit Dam was originally licensed in 1968 with an effective date of May 1, 1965 after enactment of the Federal Power Act. In November of 1996, FERC issued a final environmental impact statement (EIS) that required PacifiCorp to install fish ladders and screens for a state-of-the-art fish passage system. While fish ladders were part of Condit's original design, these facilities twice washed out due to floods during the dam's early years. FERC also required higher in-stream flows, which would reduce Condit's overall energy production. Combined, the new requirements would have rendered the nearly 100 year-old dam uneconomical for PacifiCorp's customers.

What others are saying

"The decommissioning of Condit Dam represents a momentous and long-awaited day. This is an essential step in restoring the ecosystem's resources and rebuilding the natural balance that supported the Yakama people and a significant tribal fishery for millennia. We are excited to welcome home the salmon, steelhead and lamprey that have been absent from the White Salmon River over the last century."

Virgil Lewis - The Yakama Nation Tribal Council

"After years of hard work, we will soon celebrate one of the nation's biggest and most exciting river restoration projects. Condit Dam served a useful purpose, but now the time has come to remove it and restore a healthy, free-flowing White Salmon River. We applaud PacifiCorp for its leadership. It isn't every day that we get to witness a river coming back to life."

Brett Swift - Northwest Regional Director for American Rivers

"We find that surrender with the removal of the dam and other project property except for the powerhouse is appropriate. We conclude, based on the record of this case, that the benefits of dam removal to anadromous fish, wildlife, and whitewater recreation outweigh the costs associated with the loss of Condit dam and Northwestern Lake."

The Federal Energy Regulatory Commission (FERC) Surrender Order (Dec. 2010)

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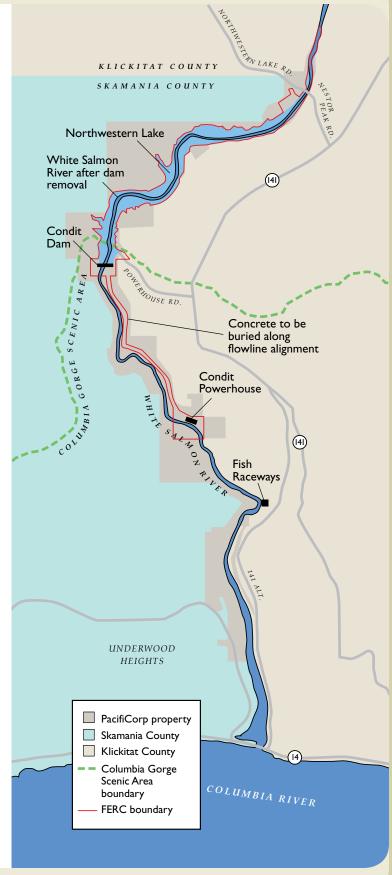
Condit Dam decommissioning work ongoing

PacifiCorp has obtained all the permits and regulatory approvals required to decommission the dam. The physical work to remove the Condit Dam has begun. Earlier this summer, PacifiCorp initiated efforts to stabilize the Northwestern Lake Bridge and began funding the relocation of the City of White Salmon's water supply line, which previously was located underneath Northwestern Lake. The work at the Northwestern Lake Bridge consists of drilling new piers into the river bottom to further stabilize the bridge. Additional trusses are being added to the bridge in order to provide support for the river crossing of the City of White Salmon's water supply line.

In early August 2011, Northwestern Lake and its associated boat ramps were closed to all activities, in order to ensure public safety. The water level was also drawn down ten feet to allow a drain tunnel at the base of the dam to be constructed prior to the breaching of the dam in late October. The White Salmon, Wash. community will benefit from construction-related activities and expenditures that will be ongoing in the coming years as the dam is removed and the site is restored. PacifiCorp has hired a local Vancouver, Wash. construction contractor, JR Merit Industrial Contractors, to perform the work.

Multiple project facilities and materials to be removed

The Condit Dam facilities consist of the 125-foot high, 471-foot long concrete gravity diversion dam, an intake structure, that directs the water into a 13.5 foot diameter by 5,100-foot long wood-stave flowline (wooden barrel-like pipeline), and through a 40-foot diameter concrete surge tank. The flowline splits into two nine-foot diameter penstocks inside the surge tank, which directs water into the turbines in the powerhouse. The powerhouse contains two double horizontal turbines with an installed capacity of 13.7 megawatts -- enough to power approximately 7,000 average homes for a year. The dam creates the reservoir, Northwestern Lake, which extends 1.8-miles upstream of the dam and covers approximately 92 acres. All facilities, with the exception of the powerhouse, will be removed.



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Plan of action for Condit Dam removal

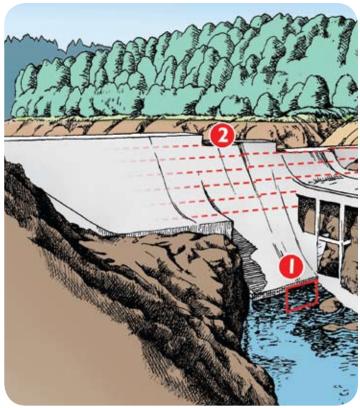
Significant actions to remove the dam began in late August, 2011. Summer blasting and boring work is creating a 13' high x 18' wide drain tunnel on the downstream side, near the base of the dam. When the final section of the tunnel is removed by blasting in the fall, the tunnel will drain Northwestern Lake in approximately six hours. Rapid draining of the lake is expected to mobilize much of the 2.4 million cubic yards of sediment that is estimated to have accumulated behind the dam since 1913. This work is specifically planned for late October, when fisheries are expected to be minimally affected. The Condit dam is the only man-made impoundment between Mt. Adams and the Columbia River and its removal will open approximately 33 miles of new spawning and rearing grounds for steelhead, and 15 miles of new habitat for salmon in the White Salmon River basin.

Safety is our top priority

PacifiCorp has operated in the Pacific Northwest for more than a century and has a proven record of safety and reliability. Our commitment to public and employee safety is an integral part of our culture. Our policy is to meet or exceed all applicable local, state and federal safety laws and regulations in the construction and operation of our facilities. That commitment extends to our work in the removal of the Condit Dam. PacifiCorp's top priority for the decommissioning of the Condit Dam is safety for the public and for the workers involved in its removal. Access restrictions have been communicated to the local community and are posted on PacifiCorp's Condit Dam page at pacificorp.com/condit. Fencing, construction signs, barricades and no trespassing signs have been placed to notify and protect the public in the project area.



Navigation aids like this were placed in the White Salmon River this summer to protect the public.



- The water will be drained through a 13-by-18 foot tunnel drilled in the base of the dam
- The dam will be broken into rubble

White Salmon River access

Boaters will continue to have access to the White Salmon River upstream of the dam during decommissioning activities, except in Northwestern Lake. For the public's safety, beginning in July 2011 the White Salmon River was closed from the Northwestern Lake Bridge downstream to the White Salmon Ponds fish facility. The river closure will continue until the completion of the dam removal process and channel restoration work. Additional river closures will be in effect during the actual breaching in late October 2011 to protect the public. These closures and events will be communicated to the local communities, the public and the media through PacifiCorp's Condit Dam page at pacificorp.com/condit.

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Workers constructing the drain tunnel at Condit Dam - September 2011

Work continues into 2012

Once Northwestern Lake is drained, activities will focus on addressing the sediment and slope stability within the area of the former lake. Starting in the spring of 2012, the dam structure will be removed along with the wood-stave flowline, surge tank and penstocks. Concrete from the dam will be broken into rubble and buried onsite; other materials will be salvaged or transported to the Klickitat County waste facility. The powerhouse will be left intact. The temporary upstream dam (cofferdam) that was used during the initial construction of the dam will also be removed from the White Salmon River as soon as practicable, after the breaching. PacifiCorp expects the full dam removal process to take approximately one year. Meanwhile, in the fall of 2012, work will begin on re-vegetation of the former lake with native trees and grasses, along with restoration of the wetlands. Long-term monitoring and work to control invasive plants is also planned to ensure a successful restoration on the riverbanks and reclamation of Northwestern Lake.

About PacifiCorp

PacifiCorp is one of the lowest-cost electricity producers in the United States, providing approximately 1.7 million customers in the West with reliable, efficient energy. PacifiCorp operates as Pacific Power in Oregon, Washington and California, and as Rocky Mountain Power in Utah, Wyoming and Idaho. PacifiCorp's electric generation, commercial and energy trading, and mining functions are operated as PacifiCorp Energy.

If you have comments or questions please call 1-503-331-4361, email us at condit.decommissioning@pacificorp.com or visit our website at pacificorp.com/condit

Key Decommissioning Activities	Date
All regulatory and removal designs approved by FERC	June 2011
Work initiated to reinforce Northwestern Lake Bridge and reroute City of White Salmon's water supply line	June 2011
Floating barriers placed in White Salmon River to notify boaters of decommissioning activity	July 2011
Docks removed/secured from Northwestern Lake	August 2011
Northwestern Lake drawdown begins- Lake drawn down 10 feet	August 2011
Powerhouse Road and boat ramp near Condit Dam closed	August 2011
Northwestern Lake closed to all boating, swimming and wading	August 2011
Tunneling project begins at Condit Dam	Late August 2011
Breach Dam and drain Northwestern Lake	Late October 2011
Project area (Northwestern Lake shoreline down to water's edge and White Salmon River shoreline downstream to powerhouse) closed; upstream river area to Northwestern Lake park boater take-out remains open.	Late October 2011
PacifiCorp initiates sediment management actions in former Northwestern Lake	November 2011
Condit Dam demolition and concrete disposal along flowline begins	May 2012
Condit Dam and other facilities removed from White Salmon River	August 2012
Boat launch modifications completed at Northwestern Lake park	August 2012
White Salmon River within former project area opened to boaters	September 2012
Project completion	October 2012

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