
PACIFICORP, an Oregon Corporation
to
MORGAN GUARANTY TRUST COMPANY OF NEW YORK
(formerly Guaranty Trust Company of New York)
Which herein resigns as Corporate Trustee
and

BANKERS TRUST COMPANY
Herein becoming successor Corporate Trustee to
Morgan Guaranty Trust Company of New York
and

R. E. SPARROW
(successor to Oliver R. Brooks and Wesley L. Baker)
Who herein resigns as Co-Trustee
and

JAMES F. CONLAN
Herein becoming successor Co-Trustee to R. E. Sparrow
*As Trustees under Pacific Power &
Light Company's Mortgage and
Deed of Trust, Dated as of
July 1, 1947*

Forty-Third Supplemental Indenture

Dated as of January 9, 1989
Supplemental to Pacific Power & Light Company's
Mortgage and Deed of Trust
Dated as of July 1, 1947

This Instrument Grants a Security Interest by a Transmitting Utility
This Instrument Contains After-Acquired Property Provisions

RETURN TO:
Property Management Dept.
Pacific Power & Light Co.
920 S.W Sixth Avenue
Portland, OR 97204

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FORTY-THIRD SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the ninth day of January, 1989 (hereinafter referred to as the "Forty-third Supplemental Indenture") is made as a supplement to that certain Mortgage and Deed of Trust, dated as of July 1, 1947, as heretofore amended and supplemented (hereinafter referred to as the "Mortgage"), executed and delivered by Pacific Power & Light Company, a Maine corporation that heretofore changed its name to PacifiCorp (hereinafter referred to as the "Original Mortgagor").

This Forty-third Supplemental Indenture is entered into by and between (a) PACIFICORP, a corporation of the State of Oregon whose address is 851 SW Sixth Avenue, Portland, Oregon 97204 (hereinafter referred to as the "Company"); (b) MORGAN GUARANTY TRUST COMPANY OF NEW YORK (formerly Guaranty Trust Company of New York), a New York trust company whose address is 30 West Broadway, New York, New York 10015, as Trustee under the Mortgage (hereinafter referred to as the "Resigning Corporate Trustee"); (c) BANKERS TRUST COMPANY, a New York trust company (hereinafter referred to as "Successor Corporate Trustee"), whose principal corporate trust address is Four Albany Street, New York, New York 10015; (d) R. E. SPARROW (successor to Oliver R. Brooks and Wesley L. Baker), whose address is 496 Dorchester Road, Ridgewood, New Jersey 07450, as Co-Trustee under the Mortgage (hereinafter referred to as the "Resigning Co-Trustee"); and (e) JAMES F. CONLAN (hereinafter referred to as "Successor Co-Trustee"), whose address is c/o Bankers Trust Company, Four Albany Street, New York, New York 10015; (the Successor Corporate Trustee and the Successor Co-Trustee being hereinafter collectively referred to as the "Successor Trustees"; and the Resigning Corporate Trustee and the Resigning Co-Trustee being hereinafter collectively referred to as the "Resigning Trustees").

WHEREAS, the Mortgage (including all indentures supplemental thereto) was recorded in the official records of the states of California, Idaho, Montana, Oregon, Utah, Washington and Wyoming and various counties within said states in which this Forty-third Supplemental Indenture is to be recorded, and was filed as a financing statement in accordance with the Uniform Commercial Codes of each of said states; and

WHEREAS, the Original Mortgagor executed, delivered, recorded and filed its Supplemental Indentures as follows:

	<u>Dated as of</u>		<u>Dated as of</u>
First	April 1, 1950	Twenty-second	July 1, 1970
Second	March 1, 1952	Twenty-third	February 1, 1971
Third	September 1, 1952	Twenty-fourth	October 1, 1971
Fourth	April 1, 1954	Twenty-fifth	October 1, 1972
Fifth	August 1, 1954	Twenty-sixth	January 1, 1974
Sixth	October 1, 1955	Twenty-seventh	October 1, 1974
Seventh	January 1, 1957	Twenty-eighth	May 1, 1975
Eighth	September 1, 1957	Twenty-ninth	January 1, 1976
Ninth	January 1, 1958	Thirtieth	July 1, 1976
Tenth	July 1, 1958	Thirty-first	December 1, 1976
Eleventh	September 1, 1960	Thirty-second	January 1, 1977
Twelfth	June 22, 1961	Thirty-third	November 1, 1977
Thirteenth	April 1, 1962	Thirty-fourth	April 1, 1979
Fourteenth	December 1, 1962	Thirty-fifth	October 1, 1980
Fifteenth	April 1, 1963	Thirty-sixth	March 1, 1981
Sixteenth	August 1, 1963	Thirty-seventh	October 15, 1981
Seventeenth	October 1, 1964	Thirty-eighth	August 1, 1982
Eighteenth	October 1, 1965	Thirty-ninth	April 1, 1983
Nineteenth	December 15, 1967	Fortieth	March 1, 1986
Twentieth	May 1, 1969	Forty-first	July 1, 1986
Twenty-first	November 1, 1969	Forty-second	July 1, 1987;

and

WHEREAS, the Original Mortgagor has heretofore issued, in accordance with the provisions of the Mortgage, bonds entitled and designated First Mortgage Bonds, of the Series and in the principal amounts as follows:

<u>Series</u>	<u>Due Date</u>	<u>Aggregate Principal Amount Issued</u>	<u>Aggregate Principal Amount Outstanding</u>
1. First— $3\frac{1}{4}\%$	1977	\$38,000,000	\$ 0
2. Second—3%	1980	9,000,000	0
3. Third— $3\frac{3}{8}\%$	1982	12,500,000	0
4. Fourth— $3\frac{3}{4}\%$	9/1/1982	7,500,000	0

<u>Series</u>	<u>Due Date</u>	<u>Aggregate Principal Amount Issued</u>	<u>Aggregate Principal Amount Outstanding</u>
5. Fifth—3⅜%	1984	\$ 8,000,000	\$ 0
6. Sixth—3½%	8/1/1984	30,000,000	0
7. Seventh—3⅝%	1985	10,000,000	0
8. Eighth—5⅜%	1987	12,000,000	0
9. Ninth—5¾%	9/1/1987	20,000,000	0
10. Tenth—4¼%	1988	15,000,000	0
11. Eleventh—4⅝%	7/1/1988	20,000,000	0
12. Twelfth—5½%	1990	20,000,000	14,271,000
13. Thirteenth—4¾%	1992	35,000,000	26,696,000
14. Fourteenth—4½%	12/1/1992	32,000,000	24,405,000
15. Fifteenth—3⅝%	11/1/1974	11,434,000	0
16. Sixteenth—3⅝%	4/1/1978	4,500,000	0
17. Seventeenth—3⅝%	8/1/1979	4,951,000	0
18. Eighteenth—4⅞%	6/1/1981	5,849,000	0
19. Nineteenth—4⅞%	10/1/1982	6,157,000	0
20. Twentieth—3¾%	3/1/1984	8,659,000	0
21. Twenty-first—4⅝%	5/1/1986	14,454,000	0
22. Twenty-second—4⅝%	1993	30,000,000	19,666,000
23. Twenty-third—4⅝%	1994	30,000,000	21,946,000
24. Twenty-fourth—5%	1995	30,000,000	22,042,000
25. Twenty-fifth—8%	1999	25,000,000	23,400,000
26. Twenty-sixth—8¾%	11/1/1999	20,000,000	20,000,000
27. Twenty-seventh—9⅝%	2000	25,000,000	24,310,000
28. Twenty-eighth—7⅞%	2001	40,000,000	37,698,000
29. Twenty-ninth—8%	10/1/2001	35,000,000	32,940,000
30. Thirtieth—7¾%	2002	30,000,000	28,534,000
31. Thirty-first—8⅝%	2004	60,000,000	52,695,000
32. Thirty-second—9⅝%	1983	70,000,000	0
33. Thirty-third—10¾%	1990	60,000,000	0
34. Thirty-fourth—10%	2006	75,000,000	70,546,000
35. Thirty-fifth—7¾%	7/1/2006	35,000,000	22,485,000
36. Thirty-sixth—8⅝%	12/1/2006	50,000,000	45,075,000
37. Thirty-seventh—6⅝%	1/1/2007	17,000,000	8,190,000

<u>Series</u>	<u>Due Date</u>	<u>Aggregate Principal Amount Issued</u>	<u>Aggregate Principal Amount Outstanding</u>
38. Thirty-eighth—8 $\frac{7}{8}$ %	11/1/2007	\$100,000,000	\$93,345,000
39. Thirty-ninth—10 $\frac{1}{4}$ %	2009	100,000,000	38,736,000
40. Fortieth—14 $\frac{3}{4}$ %	2010	50,000,000	0
41. Forty-first—15 $\frac{5}{8}$ %	1991	75,000,000	0
42. Forty-second—18%	10/15/1991	100,000,000	0
43. Forty-third—Adjustable Rate	11/1/2002	50,000,000	13,234,000
44. Forty-fourth—12 $\frac{5}{8}$ %	2013	100,000,000	0
45. Forty-fifth—8 $\frac{5}{8}$ %	3/1/1996	80,000,000	80,000,000
46. Forty-sixth—8 $\frac{1}{2}$ %	7/1/1996	75,000,000	75,000,000
47. Forty-seventh—9 $\frac{3}{4}$ %	1997	50,000,000	50,000,000;

and

WHEREAS, the Original Mortgagor entered into a Reorganization Agreement and Plan of Merger dated August 12, 1987, as amended, pursuant to which, among other things, the Original Mortgagor was merged into the Company as of the date hereof upon such terms as fully to preserve and in no respect to impair the Lien or security of the Mortgage or any of the rights or powers of the Trustees or the bondholders thereunder; and

WHEREAS, Article XVI of the Mortgage provides that, upon such merger, the Company as the surviving corporation shall execute with the Trustees under the Mortgage and cause to be recorded an indenture whereby such successor or surviving corporation shall assume and agree to pay, duly and punctually, the principal of and interest on the bonds issued under the Mortgage, in accordance with the provisions of said bonds and coupons and the Mortgage, and shall agree to perform and fulfill all the covenants and conditions of the Mortgage to be kept or performed by the Original Mortgagor; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may (to the extent permitted by law) be in whole or in part waived or surrendered or subjected to any restriction if at the time

unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder and provide that a breach thereof shall be equivalent to a default under the Mortgage, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, or may (in lieu of establishment by Resolution as provided in Section 8 of the Mortgage) establish the terms and provisions of any series of bonds other than the First Series, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the Lien of the Mortgage shall be situated; and the Trustees are further authorized by said Section 120 to join with the Company in the execution of any such instrument or instruments, and such instrument, executed and acknowledged as aforesaid, shall be delivered to the Trustees, and thereupon any modification of the provisions of the Mortgage therein set forth, authorized by said Section 120, shall be binding upon the parties to the Mortgage, their successors and assigns, and the holders of the bonds and coupons thereby secured; provided, however, anything therein contained to the contrary notwithstanding, said Section 120 shall not be construed to permit any act, waiver, surrender or restriction adversely affecting any bonds then Outstanding under the Mortgage; and

WHEREAS, in Section 42 of the Mortgage the Original Mortgagor covenanted that it would execute and deliver such supplemental indenture or indentures and such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the Lien of the Mortgage any property thereafter acquired, made or constructed and intended to be subject to the Lien thereof, and to transfer to any new trustee or trustees or co-trustee or co-trustees, the estates, powers, instruments or funds held in trust thereunder; and

WHEREAS, the execution and delivery by the Company of this Forty-third Supplemental Indenture has been duly authorized by the Board of Directors of the Company by appropriate Resolutions;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

ARTICLE I

Regarding the Resignation of the Resigning Trustees and Appointment of Successor Trustees

SECTION 1.01. R. E. Sparrow hereby gives written notice to the Company that he hereby resigns as Co-Trustee under the Mortgage, such resignation to take effect as of the date hereof.

SECTION 1.02. Pursuant to Section 102 of the Mortgage, and by order of its Board of Directors, the Company hereby appoints James F. Conlan, a citizen of the United States of America, as Successor Co-Trustee under the Mortgage, effective as of the date hereof. By signing this instrument James F. Conlan hereby acknowledges acceptance of his appointment by the Company as Successor Co-Trustee under the Mortgage.

SECTION 1.03. Morgan Guaranty Trust Company of New York hereby gives written notice to the Company that it hereby resigns as Corporate Trustee under the Mortgage, such resignation to take effect as of the date hereof.

SECTION 1.04. Pursuant to Section 102 of the Mortgage, and by order of its Board of Directors, the Company hereby appoints Bankers Trust Company as Successor Corporate Trustee under the Mortgage, effective as of the date hereof. By execution hereof Bankers Trust Company hereby acknowledges its acceptance of its appointment by the Company as Successor Corporate Trustee under the Mortgage.

SECTION 1.05. The Resigning Trustees hereby convey, assign and transfer to the Successor Trustees, and their successors and assigns, upon the trusts expressed in the Mortgage (as amended hereby), all rights, powers and trusts of the Resigning Trustees under and pursuant to the Mortgage and all property and money held by the Resigning Trustees under the Mortgage, except any such money required to be retained by the Resigning Corporate Trustee to fulfill its obligations as paying agent under the Mortgage. The Resigning Trustees agree, upon request of the Successor Trustees, to execute, acknowledge and deliver such further instruments of conveyance and further assurances and to do such other things as may reasonably be required for more fully and certainly vesting in and confirming to the Successor Trustees such rights and powers.

ARTICLE II

Covenants Relating to the Merger and Compliance with Article XVI of the Mortgage

SECTION 2.01. The Company hereby assumes the due and punctual payment of the principal and interest of all Outstanding bonds issued under the Mortgage according to their tenor, and the due and punctual performance and observance of all the covenants and conditions of the Mortgage to be kept or performed by the Original Mortgagor. The Company further assumes and agrees to pay, duly and punctually, the principal of and interest on all Outstanding bonds issued under the Mortgage in accordance with the provisions of said bonds and coupons and the Mortgage, and agrees to perform and fulfill all the covenants and conditions of the Mortgage to be kept or performed by the Original Mortgagor.

SECTION 2.02. It is hereby declared that, in accordance with the provisions of subsection (I) of Section 87 of the Mortgage, the Mortgage (as further modified by this Forty-third Supplemental Indenture) shall not become or be a lien upon any of the properties or franchises now owned or hereafter acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) except (a) those acquired by the Company from the Original Mortgagor, and improvements, extensions and additions thereto and renewals and replacements thereof, (b) any property hereafter made and used by the Company as the basis under any of the provisions of the Mortgage for the authentication and delivery of additional bonds or the withdrawal of cash or the release of property or a credit under the provisions of Section 39 (as amended) of the Mortgage, and (c) such franchises, repairs and additional property as may be acquired, made or constructed by the Company (i) to maintain, renew and preserve the franchises covered by the Mortgage, or (ii) to maintain the property mortgaged and intended to be mortgaged under the Mortgage, as an operating system or systems in good repair, working order and condition, or (iii) in rebuilding or renewal of property subject to the Lien of the Mortgage, damaged or destroyed, or (iv) in replacement of or substitution for machinery, apparatus, equipment, frames, towers, poles, wire, pipe, tools, implements and furniture, subject to the Lien of the Mortgage, which shall have become old, inadequate, obsolete, worn out, unfit, unadapted, unserviceable, undesirable or unnecessary for use in the operation of the property mortgaged and intended to be mortgaged under the Mortgage.

ARTICLE III

Granting Clauses

SECTION 3.01. The Company, in consideration of the premises and of One Dollar (\$1) to it duly paid by the Successor Trustees at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees under the Mortgage and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect, and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of such bonds, and to confirm the Lien of the Mortgage on certain after-acquired property, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto the aforesaid Successor Trustees as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Successor Trustees and their successors and assigns forever, all property, real, personal and mixed (a) acquired by the Company from the Original Mortgagor by virtue of the merger described herein, of the kind or nature specifically mentioned in Article XXI of the Mortgage or of any other kind or nature (except any herein or in the Mortgage expressly excepted), and (b) subject to the provisions of subsection (I) of Section 87 of the Mortgage and subject to Section 2.02 of this Forty-third Supplemental Indenture, hereafter acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) and wheresoever situated;

Including the properties described in Article VI hereof; and

Including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing) all lands, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, and all other rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto, telephone, radio, television and

airconditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, bridges, culverts, tracks, ice or refrigeration plants and equipment, offices, buildings and other structures and the equipment thereof; all machinery, engines, boilers, dynamos, electric, gas, and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture and chattels; all franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose, including towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to public or private property, real or personal, or the occupancy of such property and (except as herein or in the Mortgage expressly excepted) all right, title and interest the Company may now have or may hereafter acquire in and to any and all property of any kind or nature wheresoever situated;

And the Company does hereby confirm that the Company will not cause or consent to a partition, either voluntarily or through legal proceedings, of property subject to the Lien of the Mortgage whether herein described or heretofore or hereafter acquired, in which its ownership shall be as a tenant in common, except as permitted by and in conformity with the provisions of the Mortgage and particularly of Article XI thereof;

TOGETHER WITH all and singular the tenements, hereditaments, prescriptions, servitudes and appurtenances belonging or in anywise appertaining to the aforementioned property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or (subject to the provisions of subsection (I) of Section 87 of the Mortgage and the provisions of Section 2.02 of this Forty-third Supplemental Indenture) may hereafter acquire in and to the aforementioned property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of subsection (I) of Section 87 of the Mortgage and the provisions of Section 2.02 of this Forty-third Supplemental Indenture, all the property, rights and franchises acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) after the date hereof, except any herein or in the Mortgage expressly excepted, shall be and are as fully granted and conveyed hereby and by the Mortgage, and as fully embraced within the Lien of the Mortgage, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby;

Provided that the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the Lien and operation of the Mortgage, viz.: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage or covenanted so to be; (2) merchandise, equipment, apparatus, materials or supplies held for the purpose of sale or other disposition in the usual course of business; fuel, oil and similar materials and supplies consumable in the operation of any of the properties of the Company; all aircraft, tractors, rolling stock, trolley coaches, buses, motor coaches, automobiles, motor trucks, and other vehicles and materials and supplies held for the purpose of repairing or replacing (in whole or part) any of the same; (3) bills, notes and accounts receivable, judgments, demands and choses in action, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or covenanted so to be; the Company's contractual rights or other interest in or with respect to tires not owned by the Company; (4) the last day of the term of any lease or leasehold which may be or become subject to the Lien of the Mortgage; (5) electric energy, gas, steam, water, ice and other materials or products generated, manufactured, stored, produced, purchased or acquired by the Company for sale, distribution or use in the ordinary course of its business; all timber, minerals, mineral rights and royalties and all Natural Gas and Oil Production Property, as defined in Section 4 of the Mortgage; and (6) the Company's franchise to be a corporation; provided, however, that the property and rights expressly excepted from the Lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease

to be so excepted in the event and as of the date that either or both of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Successor Trustees as Trustees, and their successors and assigns forever;

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, this Forty-third Supplemental Indenture being supplemental to the Mortgage;

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage shall affect and apply to the property hereinbefore described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustees under the Mortgage and the beneficiaries of the trust with respect to said property, and to the Trustees under the Mortgage and their successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees by the Mortgage as a part of the property therein stated to be conveyed.

ARTICLE IV

Amendment of Section 65 of the Mortgage

SECTION 4.01. Subdivision (f) of Section 65 of the Mortgage is hereby amended to read as follows:

"(f)(i) The filing by the Company of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by the Company to the appointment of a receiver or trustee of all or any part of its property upon the basis of insolvency or inability to pay debts as they mature; the filing by the Company of a petition or answer seeking reorganization or arrangement upon the basis of insolvency or inability to pay debts as they mature under the Federal Bankruptcy Laws, or any other

applicable law or statute of the United States of America, or of any State thereof; or the filing by the Company of a petition to take advantage of any insolvency act;

"(ii) the existence of any Default, as defined under the Mortgage and Deed of Trust, dated as of January 9, 1989, between PacifiCorp and Morgan Guaranty Trust Company of New York, as trustee, as heretofore or hereafter supplemented (hereinafter called the PacifiCorp Mortgage), which Default then permits the declaration of the principal of all the bonds secured by the PacifiCorp Mortgage and the interest accrued thereupon to be due and payable; or the existence of any Default, as defined under the Mortgage and Deed of Trust, dated as of December 1, 1943, between Utah Power & Light Company and Guaranty Trust Company of New York and Arthur E. Burke, as trustees, as heretofore or hereafter supplemented (hereinafter called the Utah Mortgage), which Default then permits the declaration of the principal of all the bonds secured by the Utah Mortgage and the interest accrued thereupon to be due and payable; provided that if any such Default shall be remedied or cured by the Company or waived by the holders of such respective indebtedness, then the Default hereunder by reason thereof shall be deemed likewise to have been thereupon remedied, cured or waived without further action upon the part of either the Trustees or any of the holders; and provided further, that, subject to the provisions of Sections 88 and 89 of the Indenture, the Trustees shall not be charged with knowledge of any such Default unless written notice thereof shall have been given to the Corporate Trustee (at its principal corporate trust office) by the Company, by a holder or any agent of the holder of any such respective indebtedness, by a trustee then acting under the PacifiCorp Mortgage or the Utah Mortgage, respectively, or by the holders of not less than twenty-five per centum (25%) in aggregate principal amount of all the bonds then Outstanding hereunder; and"

ARTICLE V

Miscellaneous Provisions

SECTION 5.01. Subject to any amendments provided for in this Forty-third Supplemental Indenture, the terms defined in the Mortgage shall, for all purposes of this Forty-third Supplemental Indenture, have the meanings specified in the Mortgage.

SECTION 5.02. The Successor Trustees hereby accept the trusts declared, provided, created or supplemented in the Mortgage and herein, and agree to perform the same upon the terms and conditions set forth herein and in the Mortgage, and upon the following terms and conditions:

Neither the Resigning Trustees nor the Successor Trustees shall be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Forty-third Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. In general, each and every term and condition contained in Article XVII of the Mortgage shall apply to and form part of this Forty-third Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Forty-third Supplemental Indenture.

SECTION 5.03. Whenever in this Forty-third Supplemental Indenture any of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Forty-third Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees under the Mortgage, or any of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 5.04. As provided in Section 102 of the Mortgage, any Resigning Trustee (and any successor trustee upon any resignation of such successor trustee) shall retain the lien afforded to him, her or it by Section 96 of the Mortgage upon the trust estate, including all property or funds held and collected by them or any of them as Trustees to secure any amounts due to them or any of them as compensation, reimbursement, expenses and indemnity, and shall retain the rights afforded to them or any of them by said Section 96 of the Mortgage.

SECTION 5.05. The Corporate Trustee may, from time to time, appoint an authenticating agent or agents to act on its behalf and subject to its direction in connection with the authentication of bonds of any series as fully to all intents and purposes as though such authenticating agent had been expressly authorized in the Mortgage to authenticate bonds; and such bonds so authenticated shall be entitled to the benefits of the

Mortgage and shall be valid and obligatory for all purposes as though authenticated by the Corporate Trustee hereunder. For all purposes the authentication of bonds by an authenticating agent pursuant to the Mortgage shall be deemed to be the authentication of such bonds "by the Corporate Trustee" and whenever the Mortgage provides that "the Corporate Trustee shall authenticate" bonds such authentication by an authenticating agent hereunder shall be deemed to be authentication by the Corporate Trustee.

Any such authenticating agent shall be a bank or trust company and a corporation organized and doing business under the laws of the United States or of any State or Territory or of the District of Columbia, with a combined capital and surplus of at least Five Million Dollars (\$5,000,000), and be authorized under such laws to act as an authenticating agent and duly registered to act as such, if and to the extent required by applicable laws and regulations, and be subject to supervision or examination by Federal, State, Territorial, or District of Columbia authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes hereof the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an authenticating agent hereunder shall cease to be eligible in accordance with the provisions hereof or to be duly registered to the extent required by applicable laws and regulations, it shall resign immediately in the manner and with the effect herein specified.

Any corporation into which any authenticating agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which any authenticating agent shall be a party, or any corporation succeeding to the authenticating agency business of any authenticating agent, shall be the successor of the authenticating agent hereunder, if otherwise eligible under the provisions hereof, and continue to be an authenticating agent without the execution or filing of any paper or any further act on the part of the Corporate Trustee or the predecessor authenticating agent.

Any authenticating agent may at any time resign by giving written notice of resignation to the Corporate Trustee and to the Company. The Corporate Trustee may at any time terminate the agency of any authenticating agent by giving written notice of termination to such authenticating agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any

authenticating agent shall cease to be eligible hereunder or to be duly registered to the extent required by applicable laws and regulations, the Corporate Trustee may appoint a successor authenticating agent. Any successor authenticating agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers, duties and responsibilities of its predecessor hereunder, with like effect as if originally named as an authenticating agent pursuant to the terms hereof. No successor authenticating agent shall be appointed unless eligible under the provisions hereof.

The Company agrees to pay to any authenticating agent from time to time reasonable compensation for its services, and the Corporate Trustee shall have no liability for such payments. The Corporate Trustee shall not be responsible for any misconduct, bad faith or negligence on the part of any authenticating agent appointed with due care by it hereunder.

Any authenticating agent by the acceptance of its appointment shall be deemed to have agreed with and warranted to the Corporate Trustee that: it will perform and carry out the duties of an authenticating agent as herein set forth, including among other things the duties to authenticate bonds when presented to it; it will keep and maintain and will furnish from time to time as requested by the Corporate Trustee appropriate records of all transactions carried out by it as authenticating agent and will furnish the Corporate Trustee such other information and reports as the Corporate Trustee may reasonably require; it is eligible for appointment as authenticating agent hereunder and will notify the Corporate Trustee promptly if it shall cease to be so qualified; and it will indemnify the Corporate Trustee against any loss, liability or expense incurred by the Corporate Trustee and will defend any claim asserted against the Corporate Trustee by reason of any acts or failures to act of the authenticating agent, but it shall have no liability for any action taken by it at the specific direction of the Corporate Trustee.

The provisions of Sections 82, 83, 89, 90, 91, 96 and 123 of the Mortgage shall bind and inure to the benefit of each authenticating agent hereunder to the same extent that they bind and inure to the benefit of the Corporate Trustee.

SECTION 5.06. Nothing in this Forty-third Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this

Forty-third Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Forty-third Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and coupons Outstanding under the Mortgage.

SECTION 5.07. This Forty-third Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

ARTICLE VI

Specific Description of Property

The following described properties acquired by PacifiCorp, a Maine corporation, subsequent to May 31, 1987, in the states of California, Oregon, Montana, Washington and Wyoming, and used by it as sites for its plants, properties, electric substations and electric transmission and distribution facilities, as hereinafter indicated, respectively:

A—HYDROELECTRIC GENERATING PLANTS

A-1—Merwin (formerly named Ariel) Hydroelectric Generating Plant

The following described lands used in connection with the hydroelectric plant and project known as the Merwin Project, located on the Lewis River in the County of Cowlitz, State of Washington.

Lands in COWLITZ County, State of WASHINGTON.

A-1 Item 17: Lands in Township 6 North, Range 3 East, Willamette Meridian, described as follows:

A tract of land situated in Section 36, as described in that certain Treasurer's Deed dated December 31, 1959 and recorded in the Official Records of said Cowlitz County under Auditor's File Number 513702.

B—STEAM ELECTRIC GENERATING PLANTS

B-19—Colstrip Steam Electric Generating Project Units #3 and #4

An undivided ten percent interest, as a tenant in common with others, in and to the steam electric generating plant, known as Colstrip Steam Electric Generating Projects Units #3 and #4, in Rosebud

County, Montana, including an undivided ten percent interest, as a tenant in common with others, in and to the following described lands used in connection therewith:

Lands in ROSEBUD County, State of MONTANA:

B-19 Item 4: Lands in Township 1 North, Range 42 East, Montana Prime Meridian:

Section 5; Lots 1, 2, 3, 4, 5 and 6, the southeast quarter, the south half of the northeast quarter, the east half of the southwest quarter, and the southeast quarter of the northwest quarter of Section 6.

B-19 Item 5: Lands in Township 2 North, Range 42 East, Montana Prime Meridian:

The south half of Section 31; and the south half of Section 32.

C—ELECTRIC SUBSTATIONS AND SWITCHING STATIONS

All of the following described real property in the states of Oregon and Wyoming, used in connection with the operation and maintenance of the electric substations hereinafter designated respectively:

C-229—Bryan Substation

In NATRONA County, State of WYOMING:

Land additional to and adjoining the tract described in C-229 Item, described as follows:

C-229 Item 2: The north 55 feet of south 110 feet of "Ruan Addition" to the City of Casper.

C-414—Harrisburg Substation

In LINN County, State of OREGON:

C-414 Item: A tract of land in Section 9, Township 15 South, Range 4 West, Willamette Meridian, described as follows:

Commencing at a railroad spike, said point being the southeast corner of the Perry Hyde D.L.C. No. 51 per Linn County records in book of plats, Volume 9, Page 42; thence south 89° 32' 00" west along the south line of said Perry Hyde D.L.C. No. 51, 1,668.89 feet to a point; thence north 0° 35' 00" west, 30.00 feet to a set 5/8 inch iron rod with an alum. cap stamped "Pac. Pwr.

& Lgt. Co., L.S. 888" in a found 1 inch iron rod, said point being the TRUE POINT OF BEGINNING of the herein described tract; thence north $00^{\circ} 35' 00''$ west 200.00 feet to a set $\frac{5}{8}$ inch iron rod with alum. cap stamped "Pac. Pwr. & Lgt. Co. L.S. 888" in a found $\frac{3}{4}$ inch iron pipe; thence north $89^{\circ} 32' 00''$ east, 159.12 feet to a set $\frac{5}{8}$ inch iron rod with alum. cap stamped "Pac. Pwr. & Lgt. Co., L.S. 888" in a found $\frac{3}{4}$ inch iron pipe; thence south $01^{\circ} 00' 00''$ west, 200.06 feet to a set $\frac{5}{8}$ inch iron rod with alum. cap stamped "Pac. Pwr. & Lgt. Co., L.S. 888" in a found 1 inch iron pipe; thence south $89^{\circ} 32' 00''$ west, 153.59 feet to said TRUE POINT OF BEGINNING.

C-415—Firehole Substation

In SWEETWATER County, State of WYOMING:

C-415 Item: A tract of land in the northeast quarter of the southeast quarter of Section 17, Township 18 North, Range 105 West, 6th Principal Meridian, described as follows:

Beginning at the southwesterly corner of the tract conveyed and recorded under Special Warranty Deed dated December 12, 1984, recorded January 25, 1985 in Book 758, Page 1083-87, File No. 941461 from which the section corner common to Sections 16, 17, 20 and 21 of said Township and Range bears south $10^{\circ} 50' 59''$ east 1623.30 feet (said section corner being monumented with a set $3\frac{1}{4}$ inch diameter brass cap on a $2\frac{3}{4}$ inch diameter iron pipe, 8 inches above ground, brass cap being marked U.S.L.O, and said point of beginning being monumented with a set number 5 reinforcement rod with an attached unmarked aluminum cap); thence south $74^{\circ} 24' 20''$ west, 52.97 feet along an extension of the southerly boundary of said tract to a point monumented with a set number 5 reinforcement rod with an attached aluminum cap marked PACIFIC POWER & LIGHT COMPANY; thence north $3^{\circ} 41' 19''$ east, 504.44 feet along a line being 50.00 feet westerly and parallel with the westerly boundary of said tract to a point monumented with a set number 5 reinforcement rod with an

attached aluminum cap marked PACIFIC POWER & LIGHT COMPANY; thence north $56^{\circ} 04' 03''$ east, 63.13 feet along a southwesterly extension of the northerly boundary of said tract to a point located at the northwesterly corner of said tract and being monumented with a set number 5 reinforcement rod with an attached unmarked aluminum cap from which the quarter corner common to said Sections 16 and 17 bears north $27^{\circ} 08' 03''$ east, 588.34 feet (said quarter corner being monumented with a set granite stone 18 inches x 10 inches x 7 inches, set 10 inches in the ground with $\frac{1}{4}$ marked on the west face of the stone); thence south $3^{\circ} 41' 19''$ west, 525.49 feet (recorded as south $3^{\circ} 38' 28''$ west, 526.06 feet) along said westerly boundary of said tract to the point of beginning.

D—ELECTRIC TRANSMISSION LINES

All the following described electric transmission lines in the states of Oregon and California, hereinafter enumerated and described as extending from plants or stations hereinabove described or other termini as indicated, to other designated plants, stations, or other termini as indicated below:

D-392 Line: From D. R. Johnson Lumber Company Substation to pole #16/1 in DOUGLAS County, State of OREGON.

D-393 Line: From pole #5x/2 on Line 87 to Lake Earl Substation in DEL NORTE County, State of CALIFORNIA.

E—ELECTRIC DISTRIBUTION LINES

The electric distribution system situate in the City of Hudson, Park County, State of Wyoming, acquired from Shoshone River Power, Inc.

J—MISCELLANEOUS REAL ESTATE

All of the following described real property located in the States of Oregon and Wyoming, used for warehouse sites, pole yards or other purposes in connection with the construction, operation and maintenance of its utility systems, or held for future use, namely:

*J-55—*Lands in DESCHUTES County, State of OREGON:

J-55 Item: A tract of land in Section 29, Township 17 South, Range 12 East, Willamette Meridian, described as follows:

All that portion of the northeast quarter of the northeast quarter of said Section 29 lying on the westerly and northerly side of

the U.S. Highway 97 right of way (1931 location) and lying also westerly and northerly of the North Canal right of way and extending to the center of the channel of the Deschutes River; and all of that portion of the southeast quarter of the northeast quarter of said Section 29 lying on the westerly and northerly side of the North Canal right of way as now constructed (right of way being fifty feet on each side of the centerline of said canal) to the channel of the Deschutes River lying northerly and down stream from the North Canal Dam; EXCEPTING, HOWEVER, the following:

Exception No. 1: That portion of the northeast quarter of the northeast quarter of said Section 29 deeded to Charles Boyd by Deed dated August 12, 1905, and recorded November 13, 1905, in Volume 12, Page 460 of Crook County Deed Records and transcribed in Book 2, Page 579 of Deschutes County Deed Records; and

Exception No. 2: That portion of the east half of said Section 29 deeded to the Central Oregon Irrigation Company by Deed dated November 15, 1913, and recorded December 1, 1913, in Book 32, Page 189 of the Crook County Deed Records and transcribed in Volume 14, Page 371 of Deschutes County Deed Records, consisting of property for the construction of the North Canal Dam, Canal, and possible wasteway or spillway.

J-56—Lands in CARBON County, State of WYOMING:

J-56 Item: A tract of land in Township 17 North, Range 84 West and Township 18 North, Range 84 West, 6th Principal Meridian:

All of Section 3, Township 17 North, Range 84 West; and the south half of the southwest quarter of Section 26 lying south and west of the North Platte River, all of Section 27, the east half of the northeast quarter and the south half of Section 28, and all of Section 34, Township 18 North, Range 84 West.

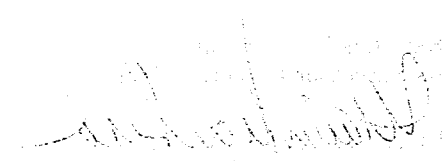
IN WITNESS WHEREOF, PACIFICORP has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents, and its corporate seal to be attested to by one of its Assistant Secretaries;

And MORGAN GUARANTY TRUST COMPANY OF NEW YORK has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Trust Officers and its corporate seal to be attested to by one of its Assistant Secretaries;

And BANKERS TRUST COMPANY, in acknowledgment of its acceptance of the trust hereby created, has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Assistant Vice Presidents and its corporate seal to be attested to by one of its Assistant Secretaries;

And R. E. SPARROW has hereunto set his hand;

And JAMES F. CONLAN, in acknowledgment of his acceptance of the trust hereby created, has hereunto set his hand;



22

All as of the day and year first above written.

PACIFICORP

By

[Signature]
Vice President

Attest:

[Signature]
Assistant Secretary

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK

As Resigning Corporate Trustee

By

[Signature]
Trust Officer

Attest:

[Signature]
Assistant Secretary

[Signature]
R. E. SPARROW
As Resigning Co-Trustee

BANKERS TRUST COMPANY
As Successor Corporate Trustee

By

[Signature]
Assistant Vice President

Attest:

[Signature]
Assistant Secretary

[Signature]
JAMES F. CONLAN
As Successor Co-Trustee

STATE OF OREGON }
COUNTY OF MULTNOMAH } SS.:

On this ninth day of January, 1989, before me, LEONARD W. SURRY, a Notary Public in and for the State of Oregon, personally appeared ROBERT F. LANZ and JOHN M. SCHWEITZER, known to me to be a Vice President and an Assistant Secretary, respectively, of PACIFICORP, an Oregon corporation, who being duly sworn, stated that the seal affixed to the foregoing instrument is the corporate seal of said corporation and acknowledged this instrument to be the free, voluntary and in all respects duly and properly authorized act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Leonard W. Surry
My Commission expires October 27, 1989
Residing at Gresham, Oregon

[SEAL]

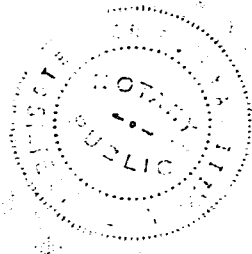
STATE OF NEW YORK }
COUNTY OF NEW YORK } SS.:

On this fourth day of January, 1989, before me, STEPHEN D. RYAN, III, a Notary Public in and for the State of New York, personally appeared M. P. KOWALEWSKI and J. COLASANTE, known to me to be a Trust Officer and an Assistant Secretary, respectively, of MORGAN GUARANTY TRUST COMPANY OF NEW YORK, a New York trust company, who being duly sworn, stated that the seal affixed to the foregoing instrument is the corporate seal of said company and acknowledged this instrument to be the free, voluntary and in all respects duly and properly authorized act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

[SEAL]

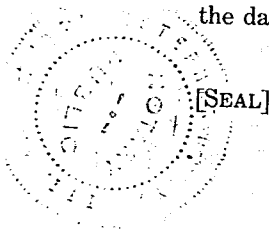
Stephen D. Ryan, III
Stephen D. Ryan, III
Notary Public, State of New York
No. 81-4700229
Qualified in New York County
Commission expires January 31, 1990
Residing at Pound Ridge, New York



STATE OF NEW YORK }
COUNTY OF NEW YORK } SS.:

On this fourth day of January, 1989, before me, STEPHEN D. RYAN, III, a Notary Public in and for the State of New York, personally appeared R. E. SPARROW, known to me to be the individual described in and who executed the foregoing instrument, and being duly sworn acknowledged that he executed this instrument as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

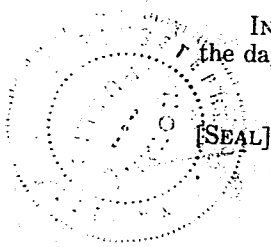


Stephen D. Ryan, III
Stephen D. Ryan, III
Notary Public, State of New York
No. 31-4700229
Qualified in New York County
Commission expires January 31, 1990
Residing at Pound Ridge, New York

STATE OF NEW YORK }
COUNTY OF NEW YORK } SS.:

On this fourth day of January, 1989, before me, STEPHEN D. RYAN, III, a Notary Public in and for the State of New York, personally appeared MARVIN KIERSTEAD and SANDRA SHIRLEY known to me to be an Assistant Vice President and an Assistant Secretary, respectively, of BANKERS TRUST COMPANY, a New York trust company, who being duly sworn, stated that the seal affixed to the foregoing instrument is the corporate seal of said company and acknowledged this instrument to be the free, voluntary and in all respects duly and properly authorized act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



Stephen D. Ryan, III
Stephen D. Ryan, III
Notary Public, State of New York
No. 31-4700229
Qualified in New York County
Commission expires January 31, 1990
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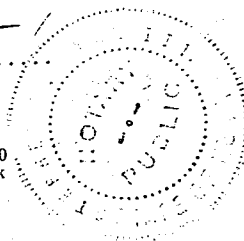
STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this fourth day of January, 1989, before me, STEPHEN D. RYAN, III, a Notary Public in and for the State of New York, personally appeared JAMES F. CONLAN, known to me to be the individual described in and who executed the foregoing instrument, and being duly sworn acknowledged that he executed this instrument as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

[SEAL]

Stephen D. Ryan, III
Stephen D. Ryan, III
Notary Public, State of New York
No. 31-4700229
Qualified in New York County
Commission expires January 31, 1990
Residing at Pound Ridge, New York



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Pacific Power & Light the 16th day
of Jan. A.D., 19 89 at 12:04 o'clock P.M., and duly recorded in Vol. M89,
of Mortgages on Page 834.
Evelyn Biehn, County Clerk

FEE \$133.00

By Pauline Mullens