

PACIFICORP
(An Oregon Corporation)

TO

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK
(A New York Corporation)

As Trustee under PacificCorp's
Mortgage and Deed of Trust,
Dated as of January 9, 1989

FIRST SUPPLEMENTAL INDENTURE

Dated as of March 31, 1989

This Instrument Grants a Security Interest
By a Transmitting Utility

This Instrument Contains After-Acquired
Property Provisions

SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the 31st day of March, 1989, made and entered into by and between PACIFICORP, a corporation of the State of Oregon, whose address is 851 SW Sixth Avenue, Portland, Oregon 97204 (hereinafter sometimes called the "Company"), and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, a New York corporation, whose address is 30 West Broadway, New York, New York 10015 (the "Trustee"), as Trustee under the Mortgage and Deed of Trust, dated as of January 9, 1989 (hereinafter called the "Mortgage"), executed and delivered by PacificCorp to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, this indenture (hereinafter called the "First Supplemental Indenture") being supplemental thereto.

WHEREAS, the Mortgage was or is to be recorded in the official records of the States of California, Colorado, Idaho, Montana, New Mexico, Oregon, Utah, Washington and Wyoming and various counties within such states, which counties include or will include all counties in which this First Supplemental Indenture is to be recorded; and

WHEREAS, by the Mortgage the Company 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

WHEREAS, the Company has heretofore executed no indenture supplemental to the Mortgage; and

WHEREAS, the holder of the Outstanding first mortgage and collateral trust bonds of the First Series issued under the Mortgage has consented to the amendments to the Mortgage contained in this First Supplemental Indenture; and

WHEREAS, in addition to the property described in the Mortgage, the Company has acquired certain other property, rights and interests in property; and

WHEREAS, the Company has heretofore issued, in accordance with the provisions of the Mortgage, bonds entitled and designated First Mortgage and Collateral Trust 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>
First - 10.45%	1/9/90	\$500,000	\$500,000
and			

WHEREAS, Section 2.03 of the Mortgage provides that the form or forms, terms and conditions of and other matters not inconsistent with the provisions of the Mortgage, in connection with each series of bonds (other than the First Series) issued thereunder, shall be established in or pursuant to one or more Resolutions and/or shall be established in one or more indentures supplemental to the Mortgage, prior to the initial issuance of bonds of such series; and

WHEREAS, Section 22.04 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 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, restrictions or provisions 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 in or pursuant to Resolution in accordance with Section 2.03 of the Mortgage) establish the forms, terms and provisions of any series of bonds other than said First Series, by an instrument in writing executed by the Company; and

WHEREAS, the Company now desires to create a new series of bonds and (pursuant to the provisions of Section 22.04 of the Mortgage) to add to its covenants and agreements contained in the Mortgage certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage; and

WHEREAS, the execution and delivery by the Company of this First Supplemental Indenture, and the terms of the bonds of the Second Series hereinafter referred to, have been duly authorized by the Board of Directors in or pursuant to appropriate Resolutions;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That PACIFICORP, an Oregon corporation, in consideration of the premises and of good and valuable consideration to it duly paid by the Trustee at or before the ensembling and delivery of these presents, the receipt and sufficiency whereof is hereby acknowledged, and in order 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 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 mortgages, pledges and grants a security interest in (subject, however, to Excepted Encumbrances as defined in Section 1.06 of the Mortgage), unto Morgan Guaranty Trust Company of New York, as Trustee, and to its successor or successors in said trust, and to said Trustee and its successors and assigns forever, all properties of the Company real, personal and mixed acquired by the Company after the date of the Mortgage, subject to the provisions of Section 18.03 of the Mortgage, of any kind or nature (except any herein or in the Mortgage expressly excepted) now owned or, subject to the provisions of Section 18.03 of the Mortgage, 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 Articles IV and V hereof, and including (without limitation) all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to real estate or the occupancy of the same; all power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, waterways, 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 and other forms of energy (whether now known or hereafter developed) by steam, water, sunlight, chemical processes and/or (without limitation) all other sources of power (whether now known or hereafter developed); all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto; all telephone, radio, television and other communications, image and data transmission systems, air-conditioning systems and equipment incidental thereto, water wheels, water works, water systems, steam 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, turbines, electric, gas and other machines, prime movers, regulators, meters, transformers, generators (including, but not limited to, engine-driven generators and turbogenerator units), motors, electrical, gas