

WHEREAS the Company now desires to add to its covenants and agreements contained in the Mortgage, as heretofore supplemented, 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, as heretofore supplemented; and

WHEREAS the execution and delivery by the Company of this Twelfth Supplemental Indenture has been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors;

Now, THEREFORE, THIS INDENTURE WITNESSETH: That Pacific Power & Light Company, in consideration of the premises and of One Dollar (\$1) to it duly paid by the Trustees at or before the enrolling and delivery of these presents, the receipt whereof is hereby acknowledged, and in further assurance of the estate, title and rights of the Trustees 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 Wesley L. Baker (successor to Oliver R. Brooks) and (to the extent of its legal capacity to hold the same for the purposes hereof) to Morgan Guaranty Trust Company of New York (formerly Guaranty Trust Company of New York), as Trustees under the Mortgage, and to their successor or successors in said Trust, and to said Trustees and their successors and assigns forever, all the properties of the Company specifically described in Article III hereof;

Also all other property, real, personal and mixed, acquired by the Company after the date of the Eleventh Supplemental Indenture, 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, as heretofore supplemented, expressly excepted), now owned, or, subject to the provisions of subsection (I) of Section 87 of the Mortgage, hereafter acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) and