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**VIA OVERNIGHT DELIVERY**

IDAHO PUBLIC  
UTILITIES COMMISSION

Idaho Public Utilities Commission  
472 West Washington  
Boise, Idaho 83702

Attn: Jean Jewell  
Commission Secretary

RE: MidAmerican Energy Holdings Company Transaction Commitment 34  
Case No. PAC-E-05-8

Pursuant to Order No. 29998, Case No. PAC-E-05-8, the Idaho Public Utilities Commission ("Commission") granted approval of the acquisition of PacifiCorp by MidAmerican Energy Holdings Company ("MEHC"), subject to a Consolidated List of Commitments specified in a settlement agreement supported by all parties to the proceeding. One of the commitments in the consolidated list addresses proposed transmission investment projects. Specifically, General Commitment 34 states:

*Transmission Investment:*

*MEHC and PacifiCorp have identified incremental transmission projects that enhance reliability, facilitate the receipt of renewable resources, or enable further system optimization. Subject to permitting and the availability of materials, equipment and rights-of-way, MEHC and PacifiCorp commit to use their best efforts to achieve the following transmission system infrastructure improvements<sup>1</sup>: ...*

*c) Walla Walla - Yakima or Mid-C (~\$88 million) – Establish a link between the "Walla Walla bubble" and the "Yakima bubble" and/or reinforce the link between the "Walla Walla bubble" and the Mid-Columbia (at Vantage). Either of these projects presents opportunities to enhance PacifiCorp's ability to accept the output from wind generators and balance the system cost effectively in a regional environment. The target completion date for this project is 2010.*

In January 2008, the Company notified the Commission that it had determined the Walla Walla - Yakima/Mid C project to not be economically feasible. Per the commitment's footnote, if a project was not cost-effective or in the best interest for customers, the Company would propose

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<sup>1</sup> While MEHC has immersed itself in the details of PacifiCorp's business activities in the short time since the announcement of the transaction, it is possible that upon further review a particular investment might not be cost-effective, optimal for customers or able to be completed by the target date. If that should occur, MEHC pledges to propose an alternative to the Commission with a comparable benefit. The Commission may investigate the reasonableness of any determination by MEHC/PacifiCorp that one or more of the identified transmission investments is not cost-effective or optimal for customers.

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an alternative to the project. The alternative projects identified in January 2008 were Walla Walla to McNary ("McNary Project") and Vantage to Pomona Heights ("Vantage Project").

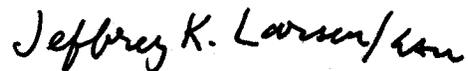
Recently, the planned McNary Project, a 56-mile, 230-kV transmission line, has been re-examined as a normal course of project management based on changing regional dynamics and economics. As a result, PacifiCorp will complete the permitting scope of work for the line. However, instead of moving forward immediately with obtaining the right of way, PacifiCorp will evaluate the project as part of a broader regional assessment that considers additional parties' transmission infrastructure plans and commitments across the region. Over the next six to twelve months, regional and PacifiCorp plans are expected to mature and produce a comprehensive westside investment plan. This measure will delay the current target completion date of year-end 2010; a new in-service date for the McNary Project will be established once the regional analysis is complete.

The Company is also adjusting the in-service date for the Vantage Project due to a revised permitting timeline. The original schedule, which called for an October 2011 in-service date, estimated a shorter duration for the federal environmental assessment permit process. The Company has since determined that an additional 12 to 14 months will be required to allow for a full Environmental Impact Statement process, required as part of the National Environmental Policy Act (NEPA) permitting process. The revised in-service date for the Vantage Project is December 2012.

By copy of this letter, other parties to the proceeding are being provided notice of the status of General Commitment 34 C.

If you have any questions or would like to meet to discuss these transmission projects, please contact Ted Weston at 801-220-2963.

Very truly yours,



Jeffrey K. Larsen  
Vice President, Regulation

cc: Service List Case No. PAC-E-05-8

## CERTIFICATE OF SERVICE

I hereby certify that on this 7<sup>th</sup> day of April, 2009, I caused to be served, via E-mail, if address available or U.S. Mail a true and correct copy of the MidAmerican Energy Holding Company Transaction Commitment 34 in Case No. PAC-E-05-08, to the following:

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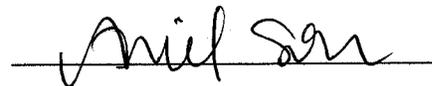
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