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IDAHO PUBLIC
UTILITIES COMMISSION

VIA OVERNIGHT DELIVERY

Idaho Public Utilities Commission
472 West Washington
Boise, Idaho 83702

Attn: Jean Jewell
Commission Secretary

RE: MidAmerican Energy Holding 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 improvements¹:...

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 was not 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 an alternative to the project. The alternative projects identified were Walla Walla to McNary ("McNary Project") and Vantage to Pomona Heights ("Vantage Project").

¹ 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.

In April 2009, after receiving conditional use permits for the 56-mile, 230-kV McNary Project, the Company put the project on hold in order to re-evaluate transmission needs in light of evolving regional transmission plans and potential renewable generation development in the area.

PacifiCorp has recently received requests for transmission service, requiring that the Company proceed with the Wallula, Washington to Umatilla, Oregon portion of the McNary Project transmission line. This section of the McNary Project is approximately 30 miles in length and will be built on a 125-foot-wide right of way connecting the existing Wallula substation and the McNary substation at Umatilla. Constructing this portion of the line will provide the capacity to add new renewable energy to the system, improve service to customers and improve the reliability of the regional transmission system.

In the coming weeks, PacifiCorp will begin working with property owners to obtain rights of way for the Wallula-McNary transmission line segment by the end of 2010. Construction is expected to begin soon thereafter, with plans to bring the new line into service in late 2011. At this point, the Company has not determined when it will construct the Walla Walla to Wallula portion of the McNary Project.

In April 2009, the Company also notified the Commission that the in-service date for the Vantage Project has moved to December 2012 due to a revised permitting timeline. This project continues on task for completion by 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, 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 6th day of January, 2010, 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:

Andrea L. Kelly
Vice President, Regulation
PACIFICORP
825 NE Multnomah, Suite 2000
Portland, OR 97232
E-Mail: andrea.kelly@pacificorp.com

R. Scott Pasley
Assistant General Counsel
J.R. Simplot Company
P.O. Box 27
Boise, ID 83702
E-Mail: spasley@simplot.com

Douglas L. Anderson
Senior Vice President & General Counsel
MidAmerican Energy Holdings Company
302 S. 36th Street, Suite 400
Omaha, NE 68131
E-Mail: danderson@midamerican.com

Mark C. Moench
Senior Vice President – Law
MidAmerican Energy Holdings Company
201 S. Main, Suite 2300
Salt Lake City, UT 84111
E-Mail: mcmoench@midamerican.com

Eric L. Olsen
Racine, Olson, Nye, Budge & Bailey,
Chartered
201 E. Center
P.O. Box 1391
Pocatello, ID 83204-1391
E-Mail: elo@racinelaw.net

Anthony Yankel
29814 Lake Road
Bay Village, OH 44140
E-Mail: tony@yankel.net

Barton L. Kline, Senior Attorney
Monica B. Moen, Attorney II
Idaho Power Company
P.O. Box 70
Boise, ID 83707
E-Mail: bkline@idahopower.com
mmoen@idahopower.com

John R. Gale
Vice President, Regulatory Affairs
Idaho Power Company
P.O. Box 70
Boise, ID 83707
e-Mail: rgale@idahopower.com

Brad M. Purdy
Attorney at Law
2019 N. 17th Street
Boise, ID 83702
E-Mail: bmpurdy@hotmail.com

Arthur F. Sandack, Esq.
8 E. Broadway, Suite 510
Salt Lake City, UT 84111
E-Mail: asandack@itower.net

Donald L. Howell, II
Deputy Attorney General
Idaho Public Utilities Commission
472 W. Washington (83702)
P.O. Box 83720
Boise, ID 83720-0074
E-Mail: donlhowell@puc.idaho.gov

Terri Carlock
Accounting Supervisor
Idaho Public Utilities Commission
472 W. Washington
P.O. Box 83720
Boise, ID 83720-0074
E-Mail: terri.carlock@puc.idaho.gov

Randall C. Budge
Racine, Olson, Nye, Budge & Bailey,
Chartered
201 E. Center
P.O. Box 1391
Pocatello, ID 83204-1391
E-Mail: rcb@racinelaw.net

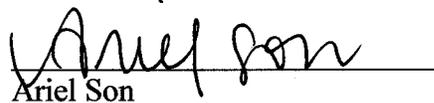
James R. Smith
Monsanto Company
Highway 34 North
P.O. Box 816
Soda Springs, ID 83726
E-Mail: jim.r.smith@monsanto.com

Katie Iverson
Brubaker & Associates
17244 W. Cordova Court
Surprise, AZ 85387
E-Mail: kiverson@consultbai.com

Alan Herzfeld
Herzfeld & Piotrowski LLP
713 W. Franklin
P.O. Box 2864
Boise, ID 83701
E-Mail: aherzfeld@hpllp.net

David Hawk
Director, Energy Natural Resources
J.R. Simplot Company
P.O. Box 27
Boise, ID 83702
E-Mail: dhawk@simplot.com

R. Scott Pasley
Assistant General Counsel
J.R. Simplot Company
P.O. Box 27
Boise, ID 83702
E-Mail: spasley@simplot.com



Ariel Son
Coordinator, Administrative Services