PACIFICORP
A MIDAMERICAN ENERGY HOLDINGS COMPANY

RECEIVED
2010 OCT 12 AM 10:57
IDAHO PUBLIC UTILITIES COMMISSION

Pacific Power |
Rocky Mountain Power |
PacifiCorp Energy
825 NE Multnomah, Suite 1900 LCT
Portland, Oregon 97232

October 12, 2010

VIA OVERNIGHT DELIVERY

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attention: Ms. Jean D. Jewell
Commission Secretary

Re: Idaho Docket No. PAC-E-05-08 Compliance Filing

To the Idaho Public Utilities Commission:

PacifiCorp submits the attachments in compliance with the Commission's Order in this case issued on February 13, 2006 and amended on March 14, 2006. The Order approved the Stipulation supporting the acquisition of PacifiCorp by MidAmerican Energy Holdings Company.

Commitment I20 of the Stipulation provides that PacifiCorp will provide to the Commission, on an informational basis, credit rating agency news releases and final reports regarding PacifiCorp when such reports are known to PacifiCorp and are available to the public.

Therefore, in compliance with Commitment I20 of the Stipulation, please find the attached reports related to PacifiCorp.

Very truly yours,

Bruce Williams

Bruce Williams
Vice President and Treasurer

Enclosure

FitchRatings

Fitch Affirms MidAmerican Energy Holdings Co. & Subsidiaries; Outlook Stable

Ratings
01 Oct 2010 12:59 PM (EDT)

Fitch Ratings-New York-01 October 2010: Fitch Ratings has affirmed the MidAmerican Energy Holdings Company's (MEHC) long- and short-term Issuer Default Ratings (IDR) at 'BBB+' and 'F2', respectively. Fitch has also affirmed MEHC's individual security ratings and its subsidiary IDR and instrument ratings as listed below. The Rating Outlook is Stable. Approximately $20 billion of debt is affected by the rating action.

Key MEHC rating drivers include:
--The underlying financial strength and relative predictability of its core U.S.-based electric utility and natural gas pipeline companies and U.K. electric distribution utilities;
--The salutary financial affects of MEHC's affiliation with Berkshire Hathaway Inc. (BRK; IDR 'AA-' with a Stable Outlook);
--Regulatory outcomes in pending and future rate case proceedings;
--Execution of MEHC's capital expenditure program.

MEHC's ratings and Stable Outlook reflect the company's diversified cash flows from six relatively low-risk utilities and natural gas pipelines located in the U.S. and U.K., solid and improving credit metrics, strong liquidity position and manageable planned 2010-2014 capital expenditures. MEHC's ratings also consider the positive credit implications of its status as a subsidiary of BRK, including BRK's strategic commitment to expand MEHC's investments in regulated assets. BRK has opportunistically provided capital and financing to MEHC to pursue such acquisitions, including the March 2006 PacifiCorp (PPW) acquisition; aborted acquisition of Constellation Energy Group (CEG) in 2008; and, an investment in BYD Company Limited (BYD) in 2009.

MEHC's affiliation with BRK provides two unique, specific financial advantages to the intermediate holding company and its subsidiaries. These two factors mitigate concern regarding MEHC's moderately high consolidated financial leverage relative to Fitch's 'BBB+' guidelines and large consolidated capital expenditure program.

First, unlike most utility holding companies, MEHC benefits significantly from capital retained as the direct result of BRK's financial strength, which obviates the need to upstream dividends. Second, MEHC and BRK recently extended the equity commitment agreement (ECA) originally put in place in March 2006. The ECA provides equity capital of up to $3.5 billion at the request of MEHC. ECA equity contributions may only be used for the purpose of paying MEHC debt obligations when due and funding the general corporate purposes and capital requirements of MEHC's regulated subsidiaries. The ECA was set to expire Feb. 28, 2011. Earlier this year, the ECA was extended through February 2014 and the commitment level lowered from $3.5 billion to $2 billion effective March 1, 2011. The reduction reflects reduced equity capital requirements at PPW and lower anticipated MEHC parent level debt maturities.

In addition, MEHC benefits from its affiliation with BRK through opportunistic M&A activity, which is funded separate from the ECA. For example, MEHC received after-tax cash proceeds of $1.7 billion in 2008 and 2009 following termination of its planned acquisition of CEG. After repaying $1 billion of preferred securities issued to its parent to fund the CEG transaction, cash proceeds to MEHC were approximately $725 million, of which $493 million was used to reduce debt and fund capital expenditures. MEHC invested the remaining $232 million in return for a 10% ownership interest in BYD, which is active in rechargeable battery, cell phone and other technology business lines and automobile manufacturing in China. MEHC's investment in BYD was valued at $1.3 billion as of Aug. 31, 2010. Fitch does not expect further investment in industries outside the core regulated utility and pipeline sector.

MEHC's operations include two domestic utilities, two domestic natural gas pipelines, and two electric distribution companies in the UK which together, accounted for 89% of 2009 MEHC revenue and 95% of consolidated operating income (before corporate and other expense).

MEHC's operating utility and natural gas subsidiaries benefit from solid stand-alone credit profiles, relatively stable earnings and cash flow characteristics and generally reasonable regulatory jurisdictions. The ratings assume that future regulatory rulings will continue to support reasonable earned returns and credit metrics consistent with Fitch's projections. Timely recovery of PPW's large capital expenditure program is crucial to the future creditworthiness of PPW and MEHC, in Fitch's view. Fitch notes that regulatory decisions since MEHC has owned PPW have been generally reasonable and balanced.

The ratings consider the improving trend evident in MEHC's credit metrics in recent years and assume the trend will continue through 2014. Fitch calculates earnings before interest, taxes, depreciation and amortization (EBITDA)-to-interest expense and funds-from-operations (FFO)-to-interest expense ratios of 3.1 times (x) and 3.5x, respectively, at June 30, 2010 and estimates that these credit ratios will strengthen to approximately 4x in 2014. Fitch expects MEHC's projected debt-to-FFO ratio to improve from 7x in 2010 to better than 6x in 2014. In Fitch's view, these credit metrics combined with the salutary effect of its status as subsidiary of BRK supports MEHC's current ratings and Stable Outlook.

MEHC's liquidity position was strong as of June 30, 2010, with $471 million of cash and cash equivalents on its consolidated balance sheet and $2.2 billion of available borrowing capacity under its $3 billion of consolidated revolving credit agreements. In addition, the company's ECA with BRK, as described above, provides up to $3.5 billion of equity capital through Feb. 28, 2011 and $2 billion through February 2014. During 2010-2014, $4.3 billion (22%) of MEHC's $19.7 billion of outstanding long-term debt is scheduled to mature.

Fitch's affirmation of PPW's 'BBB' IDR considers the company's solid financial position, competitive resource base, and relatively balanced, diversified regulatory environment. The current ratings and Stable Outlook assume PPW continues to benefit from parent company support and reasonable outcomes in pending and future rate proceedings to recover anticipated, significant capital investment. Rating concerns for PPW investors include execution and recovery of its large, planned capital investment. Emergence of more stringent environmental rules and regulations are also a concern.

The affirmation of MidAmerican Energy Co. (MEC) 'A-' and MidAmerican Funding, LLC's (MF) 'BBB+' IDRs reflect MEC's low business risk profile, strong credit metrics, low debt leverage and a relatively supportive regulatory environment in Iowa, which is MEC's largest jurisdiction. MEC benefits from a solid competitive position, and stable operating performance. Commodity exposure at MEC is mitigated by the utility's long capacity position.

MF is an intermediate holding company that is a wholly owned subsidiary of MEHC and the indirect parent of MEC. MF's ratings are based on the credit quality of MEC, which is the primary source of cash flow to service its debt obligations and also benefits from the support of its ultimate corporate parent, BRK.

The ratings affirmation for Northern Natural Gas Company (NNG) reflects the pipeline's strong standalone credit profile, solid credit protection measures, favorable operating characteristics and low regulatory risk. NNG's competitive position is strong with access to five major supply basins and a customer base primarily comprised of local distribution companies. Competitive pressures are mitigated by the pipeline's stable customer base and geographic location, in Fitch's opinion.

The ratings affirmation for Kern River Funding Corporation (KRFC) reflects the pipelines' relatively predictable earnings and cash flow metrics, reasonable regulatory oversight and manageable capital expenditure plans. KRFC is a financing vehicle for the long-term debt obligations of Kern River Gas Transmission Co. (KRGT). KRFC's debt is unconditionally guaranteed by KRGT, which owns and operates a 1,680 mile interstate pipeline delivering primarily Rocky Mountain Gas from Wyoming to markets in California, Utah, and Nevada. KRFC's 'A-' rating reflects KRFC/KRGT's standalone credit quality as the result of specific legal and structural separations from its parent, MEHC. KRFC/KRGT's credit quality benefits from a portfolio of binding long-term transportation contracts, a competitive market position, access to relatively low cost natural gas supply and a solid operating track record.

Fitch has affirmed the following ratings:

MidAmerican Energy Holdings Company (MEHC)
--Issuer Default Rating (IDR) at 'BBB+';
--Senior Unsecured Debt at 'BBB+';
--Trust Preferred Stock at 'BBB-';
--Short-term IDR at 'F2'.

PacifiCorp (PPW)
--IDR at 'BBB';
--Senior Secured Debt at 'A-';
--Senior Unsecured Debt at 'BBB+';
--Preferred Stock at 'BBB-';
--Short-term IDR at 'F2';
--Commercial Paper at 'F2'.

MidAmerican Funding, LLC (MF)
--IDR at 'BBB+';
--Senior Secured Debt at 'A-'.

MidAmerican Energy Company (MEC)
--IDR at 'A-';
--Senior Unsecured Debt at 'A';
--Preferred Stock at 'BBB+';
--Short-term IDR at 'F1';
--Commercial Paper at 'F1'.

Northern Natural Gas Company (NNG)
--IDR at 'A';
--Senior Unsecured Debt at 'A'.

Kern River Funding Corporation (KRFC)
--IDR at 'A-';
--Senior Unsecured Debt at 'A-'.

Contact:

Primary Analyst
Philip W. Smyth, CFA
Senior Director
+1-212-908-0531
Fitch, Inc.
One State Street Plaza
New York, NY 10004

Secondary Analyst
Karen Anderson
Senior Director
+1-312-368-3165

Committee Chairman
Robert Hornick
Senior Director
+1-212-908-0523

Media Relations: Cindy Stoller, New York, Tel: +1 212 908 0526, Email: cindy.stoller@fitchratings.com.

Additional information is available at 'www.fitchratings.com'.

Applicable Criteria and Related Research:
--'Utilities Sector Notching and Recovery Ratings' (March 16, 2010);
--'Corporate Rating Methodology' (Aug. 16, 2010);
--'U.S. Power and Gas Comparative Operating Risk (COR) Evaluation and Financial Guidelines'(Aug. 22, 2007);
--'Recovery Ratings and Notching Criteria for Nonfinancial Corporate Issuers' (Nov. 24, 2009);
--'Issuer Default Ratings and Recovery Ratings in the Power and Gas Sector' (Nov. 7, 2005);
--'Credit Rating Guidelines for Regulated Utility Companies' (July 31, 2007); and,
--'Equity Credit for Hybrids & Other Capital Securities' (Dec. 29, 2009).

Applicable Criteria and Related Research:
Utilities Sector Notching and Recovery Ratings
Corporate Rating Methodology
U.S. Power and Gas Comparative Operating Risk (COR) Evaluation and Financial Guidelines
Recovery Ratings and Notching Criteria for Nonfinancial Corporate Issuers
Issuer Default Ratings and Recovery Ratings in the Power and Gas Sector
Credit Rating Guidelines for Regulated Utility Companies
Equity Credit for Hybrids & Other Capital Securities - Amended

October 7, 2010

PacifiCorp

Primary Credit Analyst:
Anne Selting, San Francisco (1) 415-371-5009; anne_selting@standardandpoors.com

Secondary Contact:
Todd A Shipman, CFA, New York (1) 212-438-7676; todd_shipman@standardandpoors.com

Table Of Contents

PacifiCorp

Major Rating Factors

Strengths:

- Market and regulatory diversity is afforded by PacifiCorp's electric utility business, which serves portions of six western U.S. states;
- Retail electric rates compare favorably with those of other electric suppliers operating in the states PacifiCorp serves, suggesting that the company may be able to maintain its competitive advantage despite its ongoing need for rate relief to support a large capital program;
- The company has made progress in putting into place fuel and purchased power adjusters in the six states it serves (an adjuster was put into effect in Idaho in 2009, and one is pending in PacifiCorp's largest market, Utah);
- The completion of new natural gas plants, along with wind farm investment, is reducing the company's reliance on purchased power; and
- A settlement reached in February 2010 regarding the contentious Klamath hydro relicensing case has the potential to adequately address the company's financial exposure if the project is decommissioned, which will not occur before 2020.

Corporate Credit Rating
A-/Stable/A-2

Weaknesses:

- Despite the company's policy of filing near annual rate cases in the states PacifiCorp serves, regulatory lag continues to allow only modest improvement in the company's financial profile: Its return on equity remains under authorized levels and although leverage has improved since MidAmerican Energy Holdings Co. acquired the utility in 2006, cash flow metrics remain just adequate to support the rating;
- Regulators will need to consistently support retail rate increases to recover PacifiCorp's planned capital investments, although the recessionary environment has caused some scaling-back of capital plans; and
- Growth in the percentage of generation provided by natural gas costs mitigates some of the company's potential exposure to carbon regulation, but introduces greater potential for cost volatility.

Rationale

The 'A-' corporate credit rating on PacifiCorp (PPW) reflects its "excellent" business risk profile, evidenced by a diverse and growing service territory, and "significant" financial risk profile. PPW has made modest strides in improving regulatory outcomes which should put the company on a path to achieving cash flow coverage metrics that comfortably support the rating. The company has made progress in increasing core earnings amid a recession and a period of heavy capital spending for the company. The company has achieved this by focusing on strengthening the regulatory mechanisms that are in place in the six states it serves and working to minimize regulatory lag by filing for nearly annual rate relief in almost all states it serves.

In 2010 PPW has continued to receive revenue increases through rate case outcomes, fuel adjustments and other recovery mechanisms. Highlights of key regulatory rulings that have provided increased revenues to the company in

2010 include a Utah general rate increase beginning in February 2010 for $32 million (or a 2% increase), and a $31 million increase for the recovery of two major projects approved in June. Also in Utah, the company's largest market, the company has received approval to establish an energy cost adjustment mechanism, with the mechanism design under consideration before the Utah Public Service Commission. In January 2010, the Oregon Public Utility Commission (OPUC) approved a stipulation in the company's 2009 general rate case increasing base rates by $42 million, effective Feb. 2, 2010. In January 2010, PPW received a rate increase of $14 million, or 5%, in Washington. In March 2010, PPW filed a new general rate case in Oregon requesting an increase in the rates by $131 million, or 13% increase, and in July reached a multiparty stipulation for an increase of $85 million, or 8%. If approved by the OPUC, the rates will be effective Jan. 1, 2011.

As with many electric utilities, the company's 2008 and 2009 credit metrics have been buoyed by deferred tax increases, which boosted funds from operations metrics. But these effects notwithstanding, the company's funds from operations (FFO) to total debt has been consistently in the high teens, slightly below our expected credit metrics for the rating, since it was acquired by MidAmerican Energy Holdings Co. (MEHC; BBB+/Stable/--). Leverage has also been somewhat high for the rating at 53% at year-end 2009. However, we expect that credit metrics will improve in the coming years, producing FFO to total debt in the area of 20%, FFO interest coverage of 20% or better and in the range of 4.0x-4.5x, and leverage of about 50%. (We would note that PPW has, over the last three years, produced FFO to total debt of more than 20%, but this is due to benefits of deferred taxes.)

PPW serves 1.7 million customers in portions of six western states: Utah, Oregon, Wyoming, Washington, Idaho, and California. The company operates as Pacific Power in Oregon, Washington, and California, and as Rocky Mountain Power in Utah, Wyoming, and Idaho. The company's two largest markets, Utah and Oregon, accounted for about 67% of the company's retail electric sales in 2009, with Wyoming and Washington at 25%, and the balance being sold to customers in Idaho and California. As of Dec. 31, 2009, the utility's long-term debt was $6.4 billion.

PPW completed $2.3 billion in capital expenditures in 2009, up from $1.8 billion in 2008. The company projects that it will spend $4.6 billion in 2010-2012, excluding non-cash allowance for funds used during construction. The largest component of PPW's capital program is the construction of the Gateway transmission project, an estimated $4.6 billion, 2,000-mile transmission line connecting portions of Wyoming, Utah, Idaho, Oregon, and the southwestern U.S. The project is being completed in phases, with initial portions of new lines being placed in service as early as 2010 and a tentative completion date of 2018. About 34% of the company's total capital budget over the next three years (2010-2012) is devoted to transmission investment, of which Gateway is a component. In 2008, the Federal Energy Regulatory Commission awarded the company incentive rate treatment of 200 basis points for seven of the eight project segments.

PPW is owned by MEHC. In turn, MEHC is privately held and majority owned by Berkshire Hathaway (AA+/Stable/A-1+). MEHC has demonstrated a willingness to deploy equity to support the utility's large capital program, providing the utility with $865 million in equity contributions since it purchased the company in March 2006. Although PPW is investing heavily in its system, we expect PPW distributions to MEHC to be minimal.

MEHC's credit profile is supported by Berkshire Hathaway, which has in place through February 2011 a $3.5 billion equity commitment agreement between itself and MEHC in which MEHC can unilaterally call upon Berkshire Hathaway to support either its debt repayment or the capital needs of its regulated subsidiaries, including PPW. In March 2010, the agreement was extended through February 2014 at a lower level of $2 billion. We view this agreement between PPW's parent and a 'AA+' rated entity as reducing the likelihood of a PPW default.

Nevertheless, we expect PPW to grow into a stand-alone credit profile consistent with the 'A-' rating on the company. We take this view because the utility has no right to cause MEHC to make an equity contribution, either from MEHC or via Berkshire Hathaway through an MEHC board request. Although MEHC would typically have strong incentives to support the utility by tapping the Berkshire Hathaway contingent equity, we would note that in a catastrophic utility event, MEHC would be expected to do so only if doing so were in the parent's best economic interests. Such a scenario is remote and would require an unprecedented event such as what occurred during the western energy crisis, when regulators refused to allow utilities to recover power procurement costs.

Short-term credit factors

On a stand-alone basis (i.e., unenhanced by the existing contingent equity agreement available to MEHC to support any of its regulated subsidiaries, including PPW) we view PPW's liquidity as "strong" under our corporate liquidity methodology. This methodology categorizes liquidity in five standard descriptors (exceptional, strong, adequate, less than adequate, and weak). Projected sources of liquidity, which consist of operating cash flow and available bank lines, exceed projected uses, the company's committed capital expenditures, debt maturities, and common dividends by about 1.5x. Under our criteria, we exclude as sources of liquidity any facilities expiring within one year of the liquidity assessment date. Presuming that MEHC draws on its contingent equity to support PPW's projected capital requirements and debt maturities over the next two years, liquidity would be bolstered to more than 2x, or "exceptional."

As of June 30, 2010, PPW's cash and cash equivalents totaled $110 million. The utility maintains unsecured credit facilities totaling nearly $1.4 billion that mature 2012-2013. As of June 30, 2010, PPW had additional borrowing capacity of $1.1 billion, because $304 million of liquidity is reserved to support variable-rate tax-exempt bond obligations and letters of credit. There are no rating triggers on the credit lines. PPW's next substantial long-term debt maturities are $600 million due in 2011 and $284 million in 2013.

Outlook

The stable outlook on the PPW ratings incorporates our expectation that MEHC will continue to support the utility by contributing equity sufficient to ensure that fully adjusted debt to total capitalization is managed over the next few years to a level of closer to 50% and that FFO to total debt and FFO interest coverage will be in the area of 20% and the 4.0x-4.5x range, respectively. Given that PPW's financial risk profile is weak for the ratings, we do not expect near-term upward ratings momentum for the utility. PPW's regulatory and structural insulation shields the utility from MEHC credit deterioration, to an extent. Specifically, our criteria provide that the PPW corporate credit rating can be no more than three notches above the MEHC consolidated credit rating. The company is comfortably within this range, so we do not see significant risks that the utility rating will fall as a result of adverse rating changes on MEHC, which also has a stable rating outlook.

Table 1.

PacifiCorp -- Peer Comparison*			
	PacifiCorp	**Portland General Electric Co.**	**Pacific Gas & Electric Co.**
Rating as of Sept. 22, 2010	A-/Stable/A-2	BBB/Stable/A-2	BBB+/Watch Neg/A-2

Table 1.

PacifiCorp -- Peer Comparison* (cont.)			
	--Average of past three fiscal years--		
(Mil. $)			
Revenues	4,404.3	1,764.0	13,218.9
Net income from cont. oper.	479.7	109.0	1,157.7
Funds from operations (FFO)	1,342.3	326.5	3,030.0
Capital expenditures	1,850.2	511.4	3,437.7
Cash and short-term investments	134.7	38.0	175.7
Debt	6,641.7	1,875.2	12,662.8
Preferred stock	34.2	0.0	258.0
Equity	5,926.2	1,404.3	10,032.3
Debt and equity	12,567.9	3,279.5	22,695.2
Adjusted ratios			
EBIT interest coverage (x)	2.8	2.2	2.9
FFO int. cov. (x)	4.3	3.5	4.1
FFO/debt (%)	20.2	17.4	23.9
Discretionary cash flow/debt (%)	(10.5)	(14.4)	(14.1)
Net cash flow/capex (%)	72.5	51.5	71.2
Total debt/debt plus equity (%)	52.8	57.2	55.8
Return on common equity (%)	7.2	6.3	11.1
Common dividend payout ratio (unadj.) (%)	2.7	59.6	49.6

*Fully adjusted (including postretirement obligations).

Table 2.

PacifiCorp -- Financial Summary*					
	--Fiscal year ended Dec. 31--				
	2009	**2008**	**2007**	**2006**	**2006**
Rating history	A-/Stable/A-2	A-/Watch Neg/A-1	A-/Stable/A-1	A-/Stable/A-1	A-/Stable/A-1
(Mil. $)					
Revenues	4,457.0	4,498.0	4,258.0	4,154.1	3,896.7
Net income from continuing operations	542.0	458.0	439.0	307.9	360.7
Funds from operations (FFO)	1,760.1	1,272.1	994.8	927.6	864.5
Capital expenditures	2,297.1	1,757.0	1,496.4	1,375.0	1,030.5
Cash and short-term investments	117.0	59.0	228.0	59.0	119.6
Debt	7,415.8	6,635.9	5,873.5	5,473.6	5,185.3
Preferred stock	20.5	41.0	41.0	41.3	41.3
Equity	6,711.5	5,987.0	5,080.0	4,426.8	3,750.7
Debt and equity	14,127.3	12,622.9	10,953.5	9,900.4	8,936.0
Adjusted ratios					
EBIT interest coverage (x)	2.7	2.8	2.8	2.5	3.0
FFO int. cov. (x)	4.9	4.2	3.5	3.8	3.8
FFO/debt (%)	23.7	19.2	16.9	16.9	16.7
Discretionary cash flow/debt (%)	(10.2)	(10.7)	(10.5)	(10.7)	(5.6)

Table 2.

PacifiCorp -- Financial Summary* (cont.)					
Net cash flow/capex (%)	76.6	72.3	66.3	66.1	66.7
Debt/debt and equity (%)	52.5	52.6	53.6	55.3	58.0
Return on common equity (%)	7.0	6.8	7.8	6.2	8.9
Common dividend payout ratio (unadj.) (%)	7.0	0.0	0.0	5.2	49.1

*Fully adjusted (including postretirement obligations).

Table 3.

Reconciliation Of PacifiCorp Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)*

	--Fiscal year ended Dec. 31, 2009--									
PacifiCorp reported amounts										
	Debt	**Shareholders' equity**	**Operating income (before D&A)**	**Operating income (before D&A)**	**Operating income (after D&A)**	**Interest expense**	**Cash flow from operations**	**Cash flow from operations**	**Dividends paid**	**Capital expenditures**
Reported	6,416.0	6,732.0	1,609.0	1,609.0	1,060.0	359.0	1,500.0	1,500.0	2.0	2,328.0
Standard & Poor's adjustments										
Operating leases	36.5	--	5.0	2.3	2.3	2.3	2.7	2.7	--	4.1
Intermediate hybrids reported as equity	20.5	(20.5)	--	--	--	1.0	(1.0)	(1.0)	(1.0)	--
Postretirement benefit obligations	369.9	--	20.0	20.0	20.0	5.0	33.8	33.8	--	--
Accrued interest not included in reported debt	111.0	--	--	--	--	--	--	--	--	--
Capitalized interest	--	--	--	--	--	35.0	(35.0)	(35.0)	--	(35.0)
Power purchase agreements	395.7	--	63.3	63.3	25.8	25.8	37.5	37.5	--	--
Asset retirement obligations	66.3	--	9.0	9.0	9.0	9.0	5.2	5.2	--	--
Reclassification of nonoperating income (expenses)	--	--	--	--	83.0	--	--	--	--	--
Reclassification of working-capital cash flow changes	--	--	--	--	--	--	--	217.0	--	--
Total adjustments	999.8	(20.5)	97.3	94.6	140.2	78.2	43.1	260.1	(1.0)	(30.9)

Table 3.

Reconciliation Of PacifiCorp Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)* (cont.)

Standard & Poor's adjusted amounts

	Debt	Equity	Operating income (before D&A)	EBITDA	EBIT	Interest expense	Cash flow from operations	Funds from operations	Dividends paid	Capital expenditures
Adjusted	7,415.8	6,711.5	1,706.3	1,703.6	1,200.2	437.2	1,543.1	1,760.1	1.0	2,297.1

*PacifiCorp reported amounts shown are taken from the company's financial statements but might include adjustments made by data providers or reclassifications made by Standard & Poor's analysts. Please note that two reported amounts (operating income before D&A and cash flow from operations) are used to derive more than one Standard & Poor's-adjusted amount (operating income before D&A and EBITDA, and cash flow from operations and funds from operations, respectively). Consequently, the first section in some tables may feature duplicate descriptions and amounts.

Ratings Detail (As Of October 7, 2010)*	
PacifiCorp	
Corporate Credit Rating	A-/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock (1 Issue)	BBB
Senior Secured (69 Issues)	A
Senior Unsecured (1 Issue)	A-
Senior Unsecured (2 Issues)	A/Developing
Corporate Credit Ratings History	
27-Mar-2009	A-/Stable/A-2
18-Sep-2008	A-/Watch Neg/A-1
22-Mar-2006	A-/Stable/A-1
06-Mar-2006	A-/Stable/A-2
Business Risk Profile	Excellent
Financial Risk Profile	Significant
Related Entities	
CE Casecnan Water and Energy Co. Inc.	
Senior Secured (1 Issue)	BB+/Stable
CE Electric U.K. Funding Co.	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured (1 Issue)	BBB+/Stable
CE Generation LLC	
Senior Secured (1 Issue)	BB+/Stable
Cordova Energy Co. LLC	
Senior Secured (1 Issue)	BB/Stable
Iowa-Illinois Gas & Electric Co.	
Senior Unsecured (5 Issues)	A-/A-2
Kern River Gas Transmission Co.	
Senior Secured (2 Issues)	A-/Stable
MidAmerican Energy Co.	
Issuer Credit Rating	A-/Stable/A-2

Ratings Detail (As Of October 7, 2010)*(cont.)	
Commercial Paper	
Local Currency	A-2
Preferred Stock (1 Issue)	BBB+
Senior Unsecured (9 Issues)	A-
Senior Unsecured (2 Issues)	A-/A-2
MidAmerican Energy Holdings Co.	
Issuer Credit Rating	BBB+/Stable/--
Preferred Stock (2 Issues)	BBB-
Senior Unsecured (8 Issues)	BBB+
MidAmerican Funding LLC	
Senior Secured (2 Issues)	BBB+
Midwest Power Systems Inc.	
Senior Unsecured (1 Issue)	A-/A-2
Northern Electric Distribution Ltd.	
Issuer Credit Rating	A-/Stable/--
Senior Unsecured (1 Issue)	A-
Northern Electric Finance PLC	
Senior Unsecured (1 Issue)	A-/Stable
Northern Electric PLC	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured (1 Issue)	A-
Northern Natural Gas Co.	
Issuer Credit Rating	A/Stable/--
Senior Unsecured (5 Issues)	A
Salton Sea Funding Corp.	
Senior Secured (2 Issues)	BBB-/Stable
Yorkshire Electricity Distribution PLC	
Issuer Credit Rating	A-/Stable/A-2
Senior Unsecured (1 Issue)	A-
Senior Unsecured (1 Issue)	A-/Stable
Yorkshire Electricity Group PLC	
Issuer Credit Rating	BBB+/Stable/--
Yorkshire Power Group Ltd.	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured (1 Issue)	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.