

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE JOINT)
APPLICATION OF MIDAMERICAN) CASE NO. PAC-E-05-8
ENERGY HOLDINGS COMPANY (MEHC))
AND PACIFICORP DBA UTAH POWER &) NOTICE OF VACATED
LIGHT COMPANY FOR AN ORDER) PUBLIC HEARINGS
AUTHORIZING MEHC TO ACQUIRE)
PACIFICORP) NOTICE OF SETTLEMENT
)
) REQUEST FOR
) PUBLIC COMMENT
)
) ORDER NO. 29942**

On July 15, 2005, PacifiCorp dba Utah Power & Light Company (“PacifiCorp”) and MidAmerican Energy Holdings Company (“MidAmerican”) filed a Joint Application requesting that the Commission authorize MidAmerican’s acquisition of PacifiCorp. If approved, PacifiCorp would become an indirect, wholly owned subsidiary of MidAmerican. MidAmerican’s principal owner is ~~Berkshire Hathaway, Inc.~~ The Applicants must obtain authority for MidAmerican to acquire PacifiCorp from Idaho and the other five states where PacifiCorp provides retail electric service: California, Oregon, Utah, Wyoming, and Washington. The acquisition must also be approved by the Federal Energy Regulatory Commission (FERC). On December 20, 2005, FERC authorized the transaction in Docket No. EC05-110-000.

In Order No. 29867 the Commission established a schedule to process this case. The scheduling Order set a technical hearing for January 17, 2006, and scheduled two public hearings on January 19, 2006 in Shelley and Grace, Idaho. As set out in greater detail below, we vacate the two public hearings and instead invite written comments.

**NOTICE OF SETTLEMENT AND
REQUEST FOR WRITTEN COMMENT**

On December 19, 2005, the Joint Applicants, the Commission Staff, J.R. Simplot Company, Community Action Partnership Association of Idaho (CAPAI), the Idaho Irrigation Pumpers Association, and Monsanto filed a settlement Stipulation regarding the issues presented

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in this proceeding.¹ As a result of settlement discussions opened to all the parties, the Stipulation parties agreed upon 76 commitments or conditions if the Application is approved. These commitments (50 general and 26 Idaho-specific commitments) bind the Joint Applicants and other named entities. The Stipulation parties maintain that the commitments are in the public interest and satisfy the statutory standards for MidAmerican's acquisition of PacifiCorp as set out in *Idaho Code* § 61-328.

The Applicants, Staff and CAPAI have filed testimony in support of the settlement Stipulation. In their prefiled testimony, the Applicants note that the Idaho settlement Stipulation was based in large part on the settlement Stipulation filed in the Utah proceeding. The Idaho settlement Stipulation contains a "most favored nation" clause. Idaho Stipulation at ¶ 7. This clause permits the Idaho Commission to adopt any commitment or condition which is adopted by any of the other five State Commissions. This provision provides the Idaho Commission with the opportunity and authority to consider and adopt commitments or conditions that benefit Idaho. We also note that parties in the California and Oregon proceedings have filed settlement Stipulations.

YOU ARE HEREBY NOTIFIED that we invite public comment regarding the Idaho Stipulation and its 76 commitments. The settlement Stipulation and the accompanying Motion to adopt the Stipulation is available for public inspection during regular business hours at the Commission's office. In addition, the settlement Stipulation is available for viewing on the Commission's website at www.puc.idaho.gov under the "File Room" icon and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that the Commission invites members of the public to provide written comments in support or in opposition to the settlement Stipulation and the Joint Application **no later than January 19, 2006**. Persons desiring to submit comments via e-mail may do so by accessing the Commission's homepage located at www.puc.idaho.gov. Click on the "Comments and Questions" icon and complete the comment form, using the case number as it appears on the front of this document.

¹ The other parties to this case (Idaho Power Company and the International Brotherhood of Electric Workers, Local 57) did not sign the settlement Stipulation but do not oppose the settlement.

NOTICE OF VACATED PUBLIC HEARING

YOU ARE FURTHER NOTIFIED that given the proposed settlement and the request for written comments, the Commission vacates the public hearing scheduled in this matter at 2:00 p.m., January 19, 2006 in Shelley, Idaho. The Commission has also vacates the second public hearing that was to convene at 7:00 p.m., January 19, 2006 in Grace, Idaho. The Commission has determined that public hearings may be unnecessary and the request for written comments will allow members of the public to provide their views on the settlement Stipulation and Joint Application.

ORDER

IT IS THEREFORE ORDERED that the two public hearings scheduled for January 19, 2006 are vacated.

IT IS FURTHER ORDERED that persons desiring to submit a written comment in support or opposition of either the Joint Application or the settlement Stipulation do so no later than January 19, 2006.

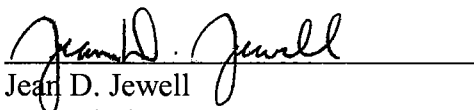
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 5th
day of January 2006.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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