

“400 MW by 2007” Status Report

In the course of seeking regulatory approvals for the acquisition of PacifiCorp by MidAmerican Energy Holdings Company (“MEHC”), MEHC and PacifiCorp made a commitment regarding the acquisition of 400 MW of cost effective renewable resources by December 31, 2007 and PacifiCorp agreed to provide a status report on its progress toward satisfying this commitment. Specifically, the commitment provides:

To the extent available, MEHC and PacifiCorp commit to have 400 MW of cost effective new renewable resources in PacifiCorp’s generation portfolio by December 31, 2007. The 400 MW will include Wolverine Creek (64.5 MW) and Cove Fort (42 MW). MEHC and PacifiCorp will analyze the projects consistent with applicable regulatory rules and orders in effect at the time and as informed by the IRP. Resource identification shall be performed using an RFP procedure. If PacifiCorp fails to meet this 400 MW target it will disclose to signatories (excluding bidders and affiliates of bidders) the cost-effectiveness analysis it used when rejecting the lowest cost projects. PacifiCorp shall file a report, on the status of meeting this target, with the Commission no later than six months after close of the transaction. In evaluating acquisition of renewable energy, all other things being equal, MEHC and PacifiCorp will not prefer ownership of facilities.

See Commitment U31.

PacifiCorp has made the following progress toward the “400 MW by 2007” objective:

Resource	Status	Amount	Type	Comments
Wolverine Creek	Commercial	64.5 MW	Wind	20-year PPA
Upgrade 1	Construction	11.0 MW	Geothermal	Own/operate
Leaning Juniper 1	Commercial	100.5 MW	Wind	Own/operate
PPA 1	Commercial	20.0 MW	Biomass	5-yr PPA starting 8/1/2006
Subtotal to date		196.0 MW		

The Company is currently in negotiations for the remainder of the new renewable resources.