



**ROCKY MOUNTAIN
POWER**
A DIVISION OF PACIFICORP

VIA OVERNIGHT DELIVERY

UTAH PUBLIC SERVICE COMMISSION

201 South Main, Suite 2300
Salt Lake City, Utah 84111

2008 MAY 30 A 9:43

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May 30, 2008

RECEIVED

Utah Public Service Commission
Heber M. Wells Building, Fourth Floor
160 East 300 South
Salt Lake City, UT 84111

Attn: Julie Orchard
Commission Secretary

RE: Docket No. 05-035-54
Compliance Filing Pursuant to Commitment 49 of Stipulation Appendix A,
Consolidated List of Commitments

Dear Ms. Orchard:

MidAmerican Energy Holdings Company ("MEHC") and PacifiCorp submit to the Utah Public Service Commission ("Commission") an original and five (5) copies of PacifiCorp's Annual Report of Status of Commitments ("Status Report"). This Status Report is being provided in compliance with General Commitment 49 and State-specific Commitment U28, pursuant to the Commission Order granting approval of the acquisition of PacifiCorp by MidAmerican Energy Holdings Company, issued March 14, 2006, in the referenced proceeding.

The Commission approved the acquisition of PacifiCorp by MEHC, subject to a Consolidated List of Commitments specified in a settlement agreement supported by all parties to the proceeding. Included in this consolidated list is MEHC's and PacifiCorp's commitment regarding the filing of the enclosed Status Report. The commitments state:

49) Reporting on Status of Commitments:

By June 1, 2007 and each June 1 thereafter through June 1, 2011, PacifiCorp will file a report with the Commission regarding the implementation of the Commitments. The report will, at a minimum, provide a description of the performance of each of the commitments that have quantifiable results. If any of the commitments is not being met, relative to the specific terms of the commitment, the report shall provide proposed corrective measures and target dates for completion of such measures. PacifiCorp will make publicly available at the Commission non-confidential portions of the report.

U28) MEHC and PacifiCorp will supplement the report filed with the Commission, the Division and the Committee, pursuant to Commitment 49, by including information

regarding the implementation of each of the Utah-Specific Commitments U 1 through U 27 and U 29 through U 46.

MEHC and PacifiCorp take the acquisition commitments very seriously. Fulfillment of the commitments in a thorough and timely manner is one of our highest priorities. The commitments are monitored for progress and compliance on a routine basis with status reporting provided to senior management.

You will note on the enclosed Status Report that the status of the commitments have been identified as "ongoing compliance" or "complete." Many of those commitments identified as "ongoing compliance" are of an on-going nature and do not have an expiration or completion date. For those commitments PacifiCorp has developed policies, procedures, or processes to ensure compliance as part of the Company's daily operations. Other commitments that are identified as "ongoing compliance" are project-related and the status will be reported as "complete" once the project has been completed. To date, 95 commitments across PacifiCorp's six-states have been completed. Of these 95 completed commitments, 21 are applicable to Utah have been noted as "complete" on the Status Report.

Later this year, the Company anticipates requesting that the Commission formally acknowledge that commitments identified by PacifiCorp as "complete" are complete.

By copy of this letter, other parties to the proceeding are being provided notice of this filing.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be address to the following:

By e-mail (preferred): datarequest@pacificorp.com

By facsimile: (503) 813-6060

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

By copy of this letter, other parties to the proceeding are being provided notice of this filing.

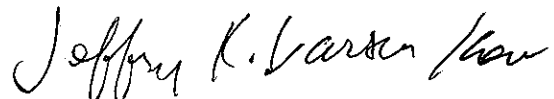
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PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

If there are informal inquiries concerning the filing, please contact Dave Taylor, Utah Regulatory Affairs Manager, at (801) 220-2923.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey K. Larsen".

Jeffrey K. Larsen
Vice President, Regulation

Enclosure

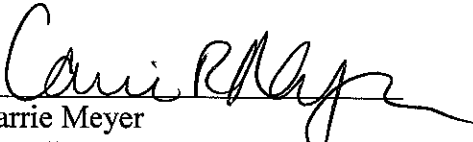
cc: Service List 05-035-54 (w/out enclosures)
Division of Public Utilities (with enclosure)
Committee of Consumer Services (with enclosure)

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of May, 2008, I caused to be served, via E-mail, if address available or U.S. mail, a U.S mail, a true and correct copy of Rocky Mountain Power's cover letter accompanying the Compliance Filing Pursuant to Commitment 49 of Stipulation Appendix A, Consolidated List of Commitments in Docket No. 05-035-54.

<p>Michael Ginsberg Patricia Schmid Assistant Attorney General 500 Heber M. Wells Building 160 east 300 South Salt Lake City UT 84111 E-Mail: mginsberg@utah.gov pschmid@utah.gov Attorneys for Division of Public Utilities</p>	<p>Reed Warnick Paul Proctor Assistant Attorney General 160 East 300 South, 5th Floor Salt Lake City, UT 984111 E-Mail: rwarnick@utah.gov pproctor@utha.gov Attorneys for Committee of Consumer Services</p>
<p>Gary A. Dodge Hatch James & Dodge 10 West Broadway, Suite 400 Salt Lake City, UT 84101 E-Mail: gdodge@hjdllaw.com</p>	<p>F. Robert Reeder Vicki Baldwin PARSONS BEHLE & LATIMER One Utah Center 201 South Main Street, Suite 1800 P.O. Box 45898 Salt Lake City, UT 84145-0898 E-Mail: BobReeder@pblutah.com VBaldwin@pblutah.com Attorneys for UIEC</p>
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<p>Arthur F. Sandack 8 East Broadway, Ste 510 Salt Lake City Utah 84111 E-Mail: asandak@itower.net</p>	<p>Doug Larson PacifiCorp 201 South Main, Suite 2300 Salt Lake City, UT 84140-0023 E-Mail: doug.larson@pacificorp.com</p>

<p>Lee R. Brown US Magnesium 238 North 2200 West Salt Lake City, UT 84116 Telephone: (801) 532-2043 Facsimile: (801) 534-1407 E-Mail: lbrown@usmagnesium.com</p>	<p>Sarah Wright Utah Clean Energy 917 2nd Avenue Salt Lake City, UT 84103 E-Mail: sarah@utahcleanenergy.org</p>
<p>Major Craig Paulson Utility Litigation Team AFLS/ULT 139 Barnes Drive, Suite 1 Tyndall AFB, FL 32403-5319 E-Mail: craig.paulson@tyndall.af.mil</p>	<p>Matthew F. McNulty III H. Michael Keller Sam Meziani 50 South Main Street, Suite 1600 P.O. Box 45340 Salt Lake City UT 84144-0450 Telephone: (801) 532-3333 Facsimile: (801) 534-0058</p>
<p>David F. Crabtree Deseret Generation &I Transmission 10714 S. Jordan Gateway, Suite 300 South Jordan, UT 84095 Telephone: (801) 619-6500 Facsimile: (801) 619-6599 E-Mail: crabtree@deseretgt.com</p>	<p>Stephen Randle Randle, Deamer & Lee 139 East South Temple, Suite 330 Salt Lake City, UT 84111-1169 Telephone: (801) 531-0441 Facsimile: (801) 431-0444 E-Mail: Ulaw@Xmission.com</p>
<p>Edward A. Hunter Jennifer H. Martin Stoel Rives LLP 201 South Main Street, Suite 1100 Salt Lake City, UT 84111 Telephone: (801) 328-3131 Facsimile: (801) 578-6999 E-Mail: eahunter@stoel.com jhmartin@stoel.com</p>	<p>Eric Guidry Western Resource Advocates 2260 Baseline Road, Suite 200 Boulder, CO 80302 Telephone: (303) 444-1188 ext. 226 Facsimile: (303) 786-8054 E-Mail: eguidry@westernresources.org</p>


Carrie Meyer
Coordinator, Administrative Services

**MidAmerican Energy Holdings Company and PacifiCorp
Annual Report of Status of Commitments
To the Utah Public Service Commission
For the Period April 1, 2007 through March 31, 2008**

GENERAL COMMITMENTS

General Commitment Number	Commitment Description	Status	Status Description
1	MEHC and PacifiCorp affirm the continuation (through March 31, 2008) of the existing customer service guarantees and performance standards in each jurisdiction. MEHC and PacifiCorp will not propose modifications to the guarantees and standards prior to March 31, 2008. Refer to Commitment 45 for the extension of this commitment through 2011.	COMPLETE	COMPLETE – effective March 31, 2008. Customer guarantees and performance standards continued through March 2008 without modification.
2	Penalties for noncompliance with performance standards and customer guarantees shall be paid as designated by the Commission and shall be excluded from results of operations. PacifiCorp will abide by the Commission's decision regarding payments.	Ongoing Compliance	Customer guarantee failure payments are made directly to customers as agreed by commissions and are excluded from results of operations.
3	PacifiCorp will maintain its own accounting system, separate from MEHC's accounting system. All PacifiCorp financial books and records will be kept in Portland, Oregon. PacifiCorp's financial books and records and state and federal utility regulatory filings and documents will continue to be available to the Commission, upon request, at PacifiCorp's offices in Portland, Oregon, Salt Lake City, Utah, and elsewhere in accordance with current practice.	Ongoing Compliance	No additional steps required at the PacifiCorp level. The Company maintains its own SAP accounting system, which is separate from MEHC's systems.
4	MEHC and PacifiCorp will provide the Commission access to all books of account, as well as all documents, data, and records of their affiliated interests, which pertain to transactions between PacifiCorp and its affiliated interests or which are otherwise relevant to the business of PacifiCorp. This commitment is also applicable to the books and records of Berkshire Hathaway, which shall retain its books and records relevant to the business of PacifiCorp consistent with the manner and time periods of the Federal Energy Regulatory Commission's record retention requirements that are applicable to PacifiCorp's books and records.	Ongoing Compliance	No additional steps required at the PacifiCorp level. The Company complies with the FERC's record retention requirement.
5	MEHC, PacifiCorp and all affiliates will make their employees, officers, directors, and agents available to testify before the Commission to provide information relevant to matters within the jurisdiction of the Commission.	Ongoing Compliance	Agreed per signed stipulation.
6	The Commission or its agents may audit the accounting records of MEHC and its subsidiaries that are the bases for charges to PacifiCorp, to determine the reasonableness of the costs and allocation factors used by MEHC to assign costs to PacifiCorp and amounts subject to allocation or direct charges. MEHC agrees to cooperate fully with such Commission audits.	Ongoing Compliance	The general ledger of MEHC and the ledger of each subsidiary reflect and track all inter-company activity (both direct charges and allocations) and are supported with detail transactions (journal entry, positive time reporting, vouchers, etc.) MEHC and subsidiaries maintain support files for allocation factors supporting inter-company billings. MEHC and subsidiaries' general ledgers reflect all inter-company transactions as required by the IASA.
7	MEHC and PacifiCorp will comply with all applicable Commission statutes and regulations regarding affiliated interest transactions, including timely filing of	Ongoing Compliance	Agreed per signed stipulation. See also General Commitments 8 and 13 and Utah-specific Commitment U3.

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8	PacifiCorp will file on an annual basis an affiliated interest report including an organization chart, narrative description of each affiliate, revenue for each affiliate and transactions with each affiliate.	Ongoing Compliance	Affiliated interests report was filed on May 30, 2007. The next report will be filed by June 1, 2008.
9	PacifiCorp and MEHC will not cross-subsidize between the regulated and non-regulated businesses or between any regulated businesses, and shall comply with the Commission's applicable orders and rules with respect to such matters.	Ongoing Compliance	IASA acknowledging this commitment was executed on March 30, 2006; filed on March 31, 2006; approved on October 6, 2006.
10	Due to PUHCA repeal, neither Berkshire Hathaway nor MEHC will be registered public utility holding companies under PUHCA. Thus, no waiver by Berkshire Hathaway or MEHC of any defenses to which they may be entitled under <i>Ohio Power Co. v. FERC</i> , 954 F.2d 779 (D.C. Cir.), cert. denied sub nom. <i>Arcadia v. Ohio Power Co.</i> , 506 U.S. 981 (1992) (" <i>Ohio Power</i> "), is necessary to maintain the Commission's regulation of MEHC and PacifiCorp. However, while PUHCA is in effect, Berkshire Hathaway and MEHC waive such defenses.	Ongoing Compliance	Agreed per signed stipulation.
11	<p>a) Any diversified holdings and investments (e.g., non-utility business or foreign utilities) of MEHC following approval of the transaction will not be held by PacifiCorp or a subsidiary of PacifiCorp. Ring-fencing provisions (i.e., measures providing for separate financial and accounting treatment) will be provided for PacifiCorp and its subsidiaries including, but not limited to, provisions protecting PacifiCorp and its subsidiaries from the liabilities or financial distress of MEHC and its affiliates. This condition will not prohibit MEHC or its affiliates other than PacifiCorp from holding diversified businesses.</p> <p>b) [Intentionally left blank.]</p> <p>c) PacifiCorp will notify the Commission of any changes in the ring-fencing provisions within 30 days. Such notice shall include verification that (i) the change has been approved by the independent director of PacifiCorp's parent company, and (ii) the rating agencies have confirmed that there will be no credit downgrade from the changed ring-fencing protections.</p>	Ongoing Compliance	<p>a) Agreed per signed stipulation; action not required unless specified activities occur.</p> <p>b) The PPW Holdings LLC agreement with provisions consistent with Appendix 1 was executed March 15, 2006.</p>
12	PacifiCorp or MEHC will notify the Commission in writing subsequent to MEHC's board approval and as soon as practicable following any public announcement of: (1) any acquisition of a regulated or unregulated business representing 5 percent or more of the capitalization of MEHC; or (2) the change in effective control or acquisition of any material part or all of PacifiCorp by any other firm, whether by merger, combination, transfer of stock or assets.	Ongoing Compliance	Agreed per signed stipulation. No such notifications needed to date.
13	The Intercompany Administrative Services Agreement (IASA) will include the corporate and affiliate cost allocation methodologies. The IASA will be filed with the Commission as soon as practicable after the closing of the transaction. Approval of the IASA will be requested if required by law or rule, but approval for ratemaking purposes will not be requested in such filing. Refer to Commitment 14 (f). Amendments to the IASA will also be	Ongoing Compliance	IASA acknowledging this commitment was executed on March 30, 2006; filed on March 31, 2006; approved on October 6, 2006.

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14	<p>Filed with the Commission.</p> <p>Any proposed cost allocation methodology for the allocation of corporate and affiliate investments, expenses, and overheads, required by law or rule to be submitted to the Commission for approval, will comply with the following principles:</p> <p>a) For services rendered to PacifiCorp or each cost category subject to allocation to PacifiCorp by MEHC or any of its affiliates, MEHC must be able to demonstrate that such service or cost category is necessary to PacifiCorp for the performance of its regulated operations, is not duplicative of services already being performed within PacifiCorp, and is reasonable and prudent.</p> <p>b) Cost allocations to PacifiCorp and its subsidiaries will be based on generally accepted accounting standards; that is, in general, direct costs will be charged to specific subsidiaries whenever possible and shared or indirect costs will be allocated based upon the primary cost-driving factors.</p> <p>c) MEHC and its subsidiaries will have in place positive time reporting systems adequate to support the allocation and assignment of costs of executives and other relevant personnel to PacifiCorp.</p> <p>d) An audit trail will be maintained such that all costs subject to allocation can be specifically identified, particularly with respect to their origin. In addition, the audit trail must be adequately supported. Failure to adequately support any allocated cost may result in denial of its recovery in rates.</p> <p>e) Costs which would have been denied recovery in rates had they been incurred by PacifiCorp regulated operations will likewise be denied recovery whether they are allocated directly or indirectly through subsidiaries in the MEHC group.</p> <p>f) Any corporate cost allocation methodology used for rate setting, and subsequent changes thereto, will be submitted to the Commission for approval if required by law or rule.</p>	Ongoing Compliance	IASA filed in 13 above contained the provisions required by 14a-14f.
15	MEHC and PacifiCorp commit that PacifiCorp will maintain separate debt and preferred stock, if any. PacifiCorp will maintain its own corporate credit rating, as well as ratings for long-term debt and preferred stock, from Moody's and S&P or their successor agencies.	Ongoing Compliance	PacifiCorp continues to have ratings for long-term debt and preferred stock from Moody's and S&P.
16	MEHC and PacifiCorp will exclude all costs of the transaction from PacifiCorp's utility accounts. Within 90 days following completion of the transaction, MEHC will provide a preliminary accounting of these costs. Further, MEHC will provide the Commission with a final accounting of these costs within 30 days of the accounting close.	COMPLETE	COMPLETE - effective January 30, 2007.
17	MEHC and PacifiCorp will provide the Commission with unrestricted access to all written information provided by and to credit rating agencies that pertains to PacifiCorp or MEHC. Berkshire Hathaway and MEHC will also provide the Commission with unrestricted access to all written information provided by and to credit rating agencies that pertains to MEHC's subsidiaries to the extent such information may potentially impact PacifiCorp.	Ongoing Compliance	Rating agency materials are available upon request. See Utah-specific Commitment U10.
18	PacifiCorp will not make any distribution to PPW Holdings LLC or MEHC that will reduce PacifiCorp's common equity capital below 40 percent of its total	Ongoing Compliance	PacifiCorp Dividend Policy has been implemented to ensure proper procedures are followed with each dividend including verification that

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	capital without Commission approval. PacifiCorp will notify the Commission if for any reason its common equity capital is reduced to below 44 percent of its total capital for a period longer than three consecutive months. PacifiCorp's total capital is defined as common equity, preferred equity and long-term debt. Long-term debt is defined as debt with a term of one year or more. The Commission and PacifiCorp may reexamine these minimum common equity percentages as financial conditions or accounting standards change, and PacifiCorp may request adjustments.		the common equity capital requirement is met.
19	The capital requirements of PacifiCorp, as determined to be necessary to meet its obligation to serve the public, will be given a high priority by the Board of Directors of MEHC and PacifiCorp.	Ongoing Compliance	For 2007, MEHC made equity infusions totaling \$200 million. Projections for equity infusions for 2008 are \$250 million.
20	Neither PacifiCorp nor its subsidiaries will, without the approval of the Commission, make loans or transfer funds (other than dividends and payments pursuant to the Intercompany Administrative Services Agreement) to MEHC or its affiliates, or assume any obligation or liability as guarantor, endorser, surety or otherwise for MEHC or its affiliates; provided that this condition will not prevent PacifiCorp from assuming any obligation or liability on behalf of a subsidiary of PacifiCorp. MEHC will not pledge any of the assets of the business of PacifiCorp as backing for any securities which MEHC or its affiliates (but excluding PacifiCorp and its subsidiaries) may issue.	Ongoing Compliance	Agreed per signed stipulation.
21	MEHC and PacifiCorp, in future Commission proceedings, will not seek a higher cost of capital than that which PacifiCorp would have sought if the transaction had not occurred. Specifically, no capital financing costs should increase by virtue of the fact that PacifiCorp was acquired by MEHC.	Ongoing Compliance	Will continue to calculate PacifiCorp costs on a stand-alone basis with no higher costs due to acquisition by MEHC. This will be demonstrated in future rate filings.
22	MEHC and PacifiCorp guarantee that the customers of PacifiCorp will be held harmless if the transaction between MEHC and PacifiCorp results in a higher revenue requirement for PacifiCorp than if the transaction had not occurred; provided, however, that MEHC and PacifiCorp do not intend that this commitment be interpreted to prevent PacifiCorp from recovering prudently incurred costs approved for inclusion in revenue requirement by the Commission.	Ongoing Compliance	The revenue requirement for Utah customers is not higher than the revenue requirement would have been had the transaction not occurred. Regular filings have occurred where results have been reported to regulators and rates reviewed and reset as allowed by the commission in line with the commitment.
23	PacifiCorp will continue a Blue Sky tariff offering in all states. PacifiCorp will continue to support this offering through innovative marketing, by modifying the tariff to reflect the developing green power market and by monitoring national certification standards.	Ongoing Compliance	The Blue Sky option tariffs were modified in 2007 to clarify the intent of this optional voluntary program and provide customers the opportunity to support a broader array of renewable energy resource types, including community-based renewable energy projects. The Blue Sky program was Green-e Energy Certified in February 2008. The Company continues to use a variety of communication channels to reach out to customers including the use of business reply envelopes, bill inserts, bill messages, separate mailing, community challenge campaigns, radio and print advertising, direct outreach via community events, presentations to community groups, customer newsletters, annual reports, the greening of community events, business partnership program, and partnerships with non-profit groups. The Blue Sky program was named the "2007 Green Power Program of

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24	PacifiCorp will continue its commitment to gather outside input on environmental matters, such as through the Environmental Forum.	Ongoing Compliance	<p>On an on-going basis, PacifiCorp is an active participant in the following which provide opportunities for PacifiCorp to gather outside input on specific environmental matters:</p> <p>the Year" by the U.S. Department of Energy and continues to be named as one of the top green power programs in the nation.</p> <p>Big Sky Carbon Sequestration Partnership, California Assembly Bill 32 Economic and Technology Advancement Advisory Committee, California Climate Action Registry, California Dialogue Group, Center for Energy Efficiency and Renewable Technologies, Electric Power Research Institute, Energy Trust of Oregon Renewables Advisory Council, Northwest Power & Conservation Council, Oregon Climate Policy Group, Oregon Global Warming Commission, Oregon Renewable Energy Working Group, Oregon Western Climate Initiative Stakeholder Group, Utah Blue Ribbon Advisory Council on Climate Change, Utah Energy Forum, Utah Clean Energy, Utah Wind working group, Washington Engrossed Substitute Senate Bill 6001 Working Group, Washington Climate Advisory Team Energy Supply Technical Working Group, Washington Forestry Working Group, Washington Western Climate Initiative Stakeholders Group, WEST Associates, Western Regional Air Partnership Stationary Source Joint Forum, and the Western Renewable Energy Generation Information System working group.</p>
25	PacifiCorp will continue to have environmental management systems in place that are self-certified to ISO 14001 standards at all PacifiCorp operated thermal generation plants.	Ongoing Compliance	<p>PacifiCorp leads opportunities that include the Integrated Resource Plan (IRP) public input meetings, the Integrated Gasification Combined-Cycle (IGCC) working group, and the global Climate Change (GCC) working group.</p> <p>On July 11, 2007, the Blundell plant was added to the registered fleet. On February 14, 2008, the Currant Creek plant was added to the registered fleet. During normal auditing on February 15, 2008, the ISO 14001 registration for PacifiCorp Energy was temporarily suspended following issuance of a non-conformance as a result of document control issues at the Blundell and Currant Creek plants. The document control issues are actively being addressed and the suspension is expected to be removed in May 2008.</p>
26	MEHC will maintain at least the existing level of PacifiCorp's community-related contributions, both in terms of monetary and in-kind contributions. The distribution of PacifiCorp's community-related contributions among the states will be done in a manner that is fair and equitable to each state.	Ongoing Compliance	<p>PacifiCorp maintained its level of support for community-related contributions. Expenditures are tracked to ensure that the Company is making equitable allocations.</p> <p>Community funding (contributions, sponsorships and in-kind donations) for calendar year 2007 totaled \$2,863,226.</p>
27	MEHC will continue to consult with regional advisory boards to ensure local perspectives are heard regarding community issues.	Ongoing Compliance	<p>The Rocky Mountain Power Regional Advisory Board met on August 10, 2007 and December 10, 2007. The next Rocky Mountain Power Regional Advisory Board meeting is scheduled for May 5, 2008.</p>
28	MEHC will honor PacifiCorp's existing labor contracts.	Ongoing	<p>All agreements are being honored. No action required on the Collective</p>

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29	After the closing of the transaction, MEHC and PacifiCorp will make no unilateral changes to employee benefit plans prior to May 23, 2007 that would result in the reduction of employee benefits.	COMPLETE	IBEW Local 125 - Prior labor agreement expired January 28, 2008. Negotiations commenced and continue. Presently the agreement remains in full force and effect. COMPLETE - effective May 23, 2007. The Company made no unilateral changes to benefits prior to May 23, 2007.
30	PacifiCorp will continue to produce Integrated Resource Plans according to the then current schedule and the then current Commission rules and orders.	Ongoing Compliance	The Company filed PacifiCorp's 2007 IRP Plan in Oregon, Washington, Utah and Idaho on May 30, 2007, and provided a copy of the IRP to the California Public Utilities Commission and to the Wyoming Public Service Commission. Table 2.4, in Chapter 2, identifies how the 2007 IRP considers Commitments 34, 39, 40, 41, 44, and 52.
31	When acquiring new generation resources in excess of 100 MW and with a dependable life of 10 or more years, PacifiCorp and MEHC will issue Requests for Proposals (RFPs) or otherwise comply with state laws, regulations and orders that pertain to procurement of new generation resources for PacifiCorp.	Ongoing Compliance	Agreed per signed stipulation; action not required unless specified activities occur.
32	Nothing in these acquisition commitments shall be interpreted as a waiver of PacifiCorp's or MEHC's rights to request confidential treatment for information that is the subject of any commitments.	Ongoing Compliance	Agreed per signed stipulation; action not required unless specified activities occur.
33	Unless another process is provided by statute, Commission regulations or approved PacifiCorp tariff, MEHC and PacifiCorp encourage the Commission to use the following process for administering the commitments. The Commission should give MEHC and PacifiCorp written notification of any violation by either company of the commitments made in this application. If such failure is corrected within ten (10) business days for failure to file reports, or five (5) business days for other violations, the Commission should take no action. The Commission shall have the authority to determine if the corrective action has satisfied or corrected the violation. MEHC or PacifiCorp may request, for cause, an extension of these time periods. If MEHC or PacifiCorp fails to correct such violations within the specified time frames, as modified by any Commission-approved extensions, the Commission may seek to assess penalties for violation of a Commission order, against either MEHC or PacifiCorp, as allowed under state laws and regulations.	Ongoing Compliance	Agreed per signed stipulation; action not required unless specified activities occur.

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34	<p>MEHC and PacifiCorp have identified transmission projects that MEHC and PacifiCorp believe will 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:</p> <p>a) Path C Upgrade (~\$78 million) – Increase Path C capacity by 300 MW (from S.E. Idaho to Northern Utah). The target completion date for this project is 2010. MEHC and PacifiCorp assert that this project:</p> <ul style="list-style-type: none"> • enhances reliability because it increases transfer capability between the east and west control areas; • facilitates the delivery of power from wind projects in Idaho, and • provides PacifiCorp with greater flexibility and the opportunity to consider additional options regarding planned generation capacity additions. <p>b) Mona - Oquirrh (~\$196 million) – Increase the import capability from Mona into the Wasatch Front (from Wasatch Front South to Wasatch Front North). This project would enhance the ability to import power from new resources delivered at or to Mona, and to import from Southern California by “wheeling” over the Adelanto DC tie. The target completion date for this project is 2011. MEHC and PacifiCorp assert that this project:</p> <ul style="list-style-type: none"> • enhances reliability by enabling the import of power from Southern California entities during emergency situations, • facilitates the acceptance of renewable resources, and • enhances further system optimization since it enables the further purchase or exchange of seasonal resources from parties capable of delivering to Mona. <p>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). MEHC and PacifiCorp assert that 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.</p>	Ongoing Compliance	<p>a) Studies of load growth, new reliability requirements, and the need for additional resources over the long term indicated a need for more capacity than the proposed 300 MW across this transmission path. A significant upgrade was proposed which shifts the project from a 300 MW upgrade of existing lines to a major new transmission 345 KV line providing up to 1400 MW of new capacity and integrating the proposed line into a key component of the Energy Gateway project. Public outreach began in August and filing of conditional use permits began in August 2007. The project is on-track to meet the in-service date.</p> <p>b) Significant efforts to resolve corridor selection issues across Bureau of Land Management properties along the proposed transmission corridor were managed during 2007. The National Environmental Protection Act review process was initiated. PacifiCorp began briefing key community leaders along the proposed line route about the project. Public scoping meetings were held in several communities along the route in November 2007 with follow-up meetings held in February 2008. The current in-service date is June 2012; however, once long lead -time equipment requirements are verified, the 2011 in-service date may be achievable.</p> <p>c) As Regional planning studies matured in the Mid-Columbia area in 2007, an alternative project was shown to provide additional reliability benefits and offer added support for planned regional efforts. The alternative project terminates at BPA’s McNary substation instead of the Mid-C bus. An environmental consultant was selected in August and began work to develop potential line corridors and assess the impacts of each option. In a letter filed January 22, 2008, the company notified the commission that it is replacing the Walla Walla -Yakima/Mid-C project with two projects that would provide similar benefits: the Walla Walla to McNary 230 KV project and a Vantage to Pomona Heights 230 KV line. Public notices to effected landowners along the proposed routes for the McNary line were provided in February 2008 and public meetings were held in March. Options are being examined to ensure the alternate projects meet the in-service date.</p>
35	<p>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.</p>	Ongoing Compliance	<p>a) COMPLETE – effective December 30, 2007. From the period January to December 2007, PacifiCorp spent \$94,600,070 or 126% of</p>

MEHC and PacifiCorp make the following commitments to improve system reliability:

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36	<p>a) Investment in the Asset Risk Program of \$75 million over the three years, 2007-2009,</p> <p>b) Investment in local transmission risk projects across all states of \$69 million over eight years after the close of the transaction,</p> <p>c) O & M expense for the Accelerated Distribution Circuit Fusing Program across all states will be increased by \$1.5 million per year for five years after the close of the transaction, and</p> <p>d) extension of the O&M investment across all states for the Saving SAIDI Initiative for three additional years at an estimated cost of \$2 million per year.</p> <p>e) MEHC and PacifiCorp will support the Bonneville Power Administration in its development of short-term products such as conditional firm. No less than three months following the close of the transaction, PacifiCorp will initiate a process to collaboratively design similar short-term transmission products and will include stakeholders in this process. PacifiCorp will make every reasonable effort to complete a product by the end of 2008.</p> <p>f) PacifiCorp will continue to offer its Partial Interim Service product, and will make commercially reasonable efforts to offer transmission customers as much firm service as the Company's transmission studies show is available, including weeks within a month. PacifiCorp will also continue its OATT tariff provision that allows transmission customers to alter pre-scheduled transactions up to 20 minutes before the hour as long as such provision is consistent with established scheduling practices and does not jeopardize system reliability. PacifiCorp will notify parties to this proceeding if it proposes changes to these two elements of its OATT.</p>	Ongoing Compliance	<p>the \$75 million commitment.</p> <p>b) Through March 2008, PacifiCorp spent approximately \$5,081,385, or 7.4%, of the total \$69 million investment (over an 8-year period) in projects identified as transmission risk projects.</p> <p>c) Through calendar year 2007, 135.5% of the \$2.5 million 2007 budget was spent. PacifiCorp began developing new and implementing prior-developed circuit fusing improvement projects consistent with commitments and plans. For the period January through March 2008, 50% of the \$2.5 million 2008 budget has been spent.</p> <p>d) Through calendar year 2007, 394% of the \$2 million 2007 budget was spent. For the period January through March 2008, PacifiCorp has spent \$2,304,244 on Saving SAIDI Improvements.</p> <p>e) COMPLETE – effective December 28, 2007. PacifiCorp's Open Access Transmission Tariff filing in response to FERC Order No. 890 includes provisions for conditional firm and planning re-dispatch service. In addition, PacifiCorp has implemented Business Practices related to both services. These Business Practices are posted on the OASIS website and titled - Business Practice #18: Redispatch Service on PacifiCorp's Transmission System and Business Practice #28: Conditional Firm Service.</p> <p>f) PacifiCorp offers partial interim service and allows scheduling modifications up to 20 minutes before the start of the hour during real time. These practices will continue.</p> <p>PacifiCorp worked through the Northern Tier Transmission Group to develop a regional transmission plan that benefits several NITG parties as proposed. This project, Energy Gateway was announced in early June 2007 and has moved through the early permitting and study processes.</p> <p>PacifiCorp worked closely with National Grid on the TransWest Express (TWE) project through the year including sharing WECC engineering study and right of way permitting costs for PacifiCorp's Gateway South and the TWE projects. Both projects are proposed for similar line routes, so sharing these costs helped advance both projects.</p> <p>PacifiCorp Transmission System Planning is participating wider in several major project steering committees to help facilitate, plan, integrate, and support proposed transmission projects serving the west. PacifiCorp is participating with PG&E, PGE, BCTC, AVISTA, IDAHO, and other transmission providers in the Region. Joint planning and public stakeholders meetings were held in January 2008 and the next is planned for July 25 2008.</p>

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37	<p>Reduced Cost of Debt: MEHC believes that PacifiCorp's incremental cost of long-term debt will be reduced as a result of the proposed transaction, due to the association with Berkshire Hathaway. Historically, MEHC's utility subsidiaries have been able to issue long-term debt at levels below their peers with similar credit ratings. MEHC commits that over the next five years it will demonstrate that PacifiCorp's incremental long-term debt issuances will be at least a spread of ten basis points below its similarly rated peers. MEHC's demonstration will include information from a third party industry expert supporting its calculation and conclusion. If MEHC is unable to demonstrate to the Commission's satisfaction that PacifiCorp has achieved at least a ten-basis point reduction, PacifiCorp will accept up to a ten (10) basis point reduction to the yield it actually incurred on any incremental long-term debt issuances for any revenue requirement calculation effective for the five-year period subsequent to the approval of the proposed acquisition. It is projected that this benefit will yield a value roughly equal to \$6.3 million over the post-acquisition five-year period.</p>	Ongoing Compliance	<p>The long-term debt issuances on August 10, 2006, March 9, 2007, and October 3, 2007, were analyzed to determine that the related cost of debt was at least 10 basis points below that attained by Company peers.</p> <p>The Company's testimony in the Utah general rate case, Docket No. 07-035-93, supported that the March 2007 and October 2007 debt issuances met and exceeded the commitment.</p>
38	<p>Corporate Overhead Charges: MEHC commits that the corporate charges to PacifiCorp from MEHC and MEC will not exceed \$9 million annually for a period of five years after the closing on the proposed transaction. (In FY2006, ScottishPower's net cross-charges to PacifiCorp are projected to be \$15 million.).</p>	Ongoing Compliance	<p>Corporate charges from MEHC and MEC for 2007 were \$9.0m.</p>
39	<p>Future Generation Options: In Commitment 31, MEHC and PacifiCorp adopt a commitment to source future PacifiCorp generation resources consistent with the then current rules and regulations of each state. In addition to that commitment, for the next ten years, MEHC and PacifiCorp commit that they will submit as part of any commission approved RFPs for resources with a dependable life greater than 10 years and greater than 100 MW -including renewable energy RFPs --a 100 MW or more utility "own/operate" alternative for the particular resource. It is not the intent or objective that such alternatives be favored over other options. Rather, the option for PacifiCorp to own and operate the resource which is the subject of the RFP will enable comparison and evaluation of that option against other viable alternatives. In addition to providing regulators and interested parties with an additional viable option for assessment, it can be expected that this commitment will enhance PacifiCorp's ability to increase the proportion of cost-effective renewable energy in its generation portfolio, based upon the actual experience of MEC and the "Renewable Energy" commitment offered below.</p>	Ongoing Compliance	<p>See General Commitment 31.</p>
40	<p>Renewable Energy: MEHC reaffirms PacifiCorp's commitment to acquire 1400 MW of new cost-effective renewable resources, representing approximately 7% of PacifiCorp's load. MEHC and PacifiCorp commit to work with developers and bidders to bring at least 100 MW of cost-effective wind resources in service within one year of the close of the transaction.</p> <p>MEHC and PacifiCorp expect that the commitment to build the Walla-Walla and Path C transmission lines will facilitate up to 400 MW of renewable resource projects with an expected in-service date of 2008 -2010. MEHC</p>	Ongoing Compliance	<p>100 MW - COMPLETE - effective July 21, 2006. The 100 MW commitment is complete with the acquisition of the Leaning Juniper wind project.</p> <p>400 MW - COMPLETE - effective December 31, 2007. The 400 MW commitment is complete.</p>

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41	<p>In addition, MEHC and PacifiCorp commit to work constructively with states to implement renewable energy action plans so as to enable PacifiCorp to achieve at least 1,400 MW of cost-effective renewable energy resources by 2015. Such renewable energy resources are not limited to wind energy resources.</p> <p>and PacifiCorp commit to actively work with developers to identify other transmission improvements that can facilitate the delivery of cost-effective wind energy in PacifiCorp's service area.</p>	Ongoing Compliance	<p>MEHC and PacifiCorp continue to work on new transmission lines associated with Path C and the Walla Walla line. Right-of-way applications have been filed and route permitting has begun.</p> <p>PacifiCorp's renewable energy plan, detailing how the 1,400 MW commitment will be accomplished, is posted on the Company's website http://www.pacifiCorp.com/File/File74767.pdf</p> <table border="1" data-bbox="1055 1281 1250 1921"> <thead> <tr> <th>Resource</th> <th>Status</th> <th>Amount</th> <th>Type</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>Wolverine Creek</td> <td>Commercial</td> <td>64.5</td> <td>Wind</td> <td>20-year PPA</td> </tr> <tr> <td>Blundell Upgrade</td> <td>Construction</td> <td>11.0</td> <td>Geothermal</td> <td>Ow/operate</td> </tr> <tr> <td>Learning Juniper¹</td> <td>Commercial</td> <td>100.5</td> <td>Wind</td> <td>Ow/operate</td> </tr> <tr> <td>Roseburg Forest Products</td> <td>Commercial</td> <td>20.0</td> <td>Biomass</td> <td>5-year PPA</td> </tr> <tr> <td>Marango</td> <td>Construction</td> <td>140.4</td> <td>Wind</td> <td>Ow/operate</td> </tr> <tr> <td>Frees Lumber</td> <td>Construction</td> <td>10.0</td> <td>Biomass</td> <td>10-year PPA</td> </tr> <tr> <td>Goodnoe Hills</td> <td>Construction</td> <td>94.0</td> <td>Wind</td> <td>Ow/operate</td> </tr> <tr> <td>total</td> <td></td> <td>440.4</td> <td></td> <td></td> </tr> </tbody> </table> <p>In June 2007, the Company submitted three coal-based benchmark resources in response to the 2012 RFP for baseload resources. Two of those benchmarks, Jim Bridger Unit 5 and Intermountain Power Project Unit 3, were based on the application of supercritical boiler-steam turbine technology. The third benchmark, Jim Bridger IGCC, was based on the application of Siemens IGCC technology.</p> <p>In October 2007 the Company completed in-depth feasibility studies of IGCC that incorporated carbon dioxide capture at the Jim Bridger plant; three different gasifier technologies were evaluated. These studies were performed to meet both Company commitments as well its agreement with the Wyoming Infrastructure Authority as part of a potential partnership to pursue federal co-funding for a high altitude, low-rank coal IGCC facility under Section 413 of the 2005 EPACT. The Company did not pursue federal co-funding since the US Congress did not fund Section 413 of the 2005 EPACT.</p> <p>During this period, the Company decided to suspend further development of coal-based resources pending clarification on potential carbon dioxide legislation.</p>	Resource	Status	Amount	Type	Comments	Wolverine Creek	Commercial	64.5	Wind	20-year PPA	Blundell Upgrade	Construction	11.0	Geothermal	Ow/operate	Learning Juniper ¹	Commercial	100.5	Wind	Ow/operate	Roseburg Forest Products	Commercial	20.0	Biomass	5-year PPA	Marango	Construction	140.4	Wind	Ow/operate	Frees Lumber	Construction	10.0	Biomass	10-year PPA	Goodnoe Hills	Construction	94.0	Wind	Ow/operate	total		440.4		
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42	<p>a) MEHC and PacifiCorp commit to participate in the Environmental Protection Agency's SF₆ Emission Reduction Partnership for Electric Power Systems. Sulfur hexafluoride (SF₆) is a highly potent greenhouse gas used in the electric industry for insulation and current interruption in electric transmission and distribution equipment. MEHC and PacifiCorp represent that over a 100-year period, SF₆ is 23,900 times more effective at trapping infrared radiation than an equivalent amount of CO₂, making it the most highly potent, known greenhouse gas. SF₆ is also a very stable chemical, with an atmospheric lifetime of 3,200 years. As the gas is emitted, it</p>	Ongoing Compliance	<p>b) The Global Climate Change Working Group met three times in 2007. A draft Global Climate Change Action Plan was released to stakeholders for review and comment during 4th quarter 2007. Based upon comments received, a revised draft was completed and submitted to MidAmerican</p> <p>a) The sulfur hexafluoride (SF₆) Emissions Reduction Partnership 2007 Annual Report was submitted March 20, 2008, to the U.S. Environmental Protection Agency. The report shows 3,277 pounds or an 11.7% reduction in Company gas-emission rates.</p>																																													

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43	<p>accumulates in the atmosphere in an essentially un-degraded state for many centuries. Thus, a relatively small amount of S_F6 can have a significant impact on global climate change. Through its participation in the S_F6 partnership, PacifiCorp will commit to an appropriate S_F6 emissions reduction goal and annually report its estimated S_F6 emissions. MEHC and PacifiCorp represent that this not only reduces greenhouse gas emissions, it saves money and improves grid reliability. Since 1999, EPA's S_F6 partner companies have saved \$2.5 million from the avoided gas loss alone. Use of improved S_F6 equipment and management practices helps protect system reliability and efficiency.</p> <p>b) Within six months after close of the transaction, MEHC and PacifiCorp commit that PacifiCorp will establish a global warming working group composed of representative of the regulatory, consumer, educational and environmental communities in the six states that PacifiCorp serves, as well as representatives of PacifiCorp and MEHC. PacifiCorp will work with the global warming working group to identify cost-effective measures to reduce PacifiCorp's greenhouse emissions. PacifiCorp will develop and file with the Commission its strategy, which MEHC supports, for reducing its greenhouse gas emissions.</p>	Ongoing Compliance	<p>A plan for emissions compliance has been developed for each BART eligible coal fired unit in the PacifiCorp generation fleet. The plan addresses reduction of criteria pollutants oxides of nitrogen (NO_x), sulfur dioxide (SO₂), particulate matter (PM), and mercury (Hg). As a part of that plan in 2007 Low NO_x Burner installations were completed on Hunter 3 and Jim Bridger 3 and contracts are in place for Jim Bridger 4 which is a 2008 installation. Contracts were awarded for Dave Johnston 3 & 4 sulfur dioxide and particulate emissions reductions projects. Construction of the Cholla 4 emissions reduction project continues and is on schedule for a 2008 completion. The cost for the emissions reduction plan has continued to increase and is currently estimated at \$1.4 billion.</p>
44	<p>Working with the affected generation plant joint owners and with regulators to obtain required approvals, MEHC and PacifiCorp commit to install, to the extent cost-effective, the equipment likely to be necessary under future emissions control scenarios at a cost of approximately \$812 million. Concurrent with any application for an air permit, MEHC and PacifiCorp will discuss its plans regarding this commitment with interested parties and solicit input. While additional expenditures may ultimately be required as future emission reduction requirements become better defined, MEHC believes these investments in emission control equipment are reasonable and environmentally beneficial. The execution of an emissions reduction plan for the existing PacifiCorp coal-fueled facilities, combined with the use of reduced-emissions coal technology for new coal-fueled generation, is expected to result in a significant decrease in the emissions rate of PacifiCorp's coal-fueled generation fleet. MEHC represents that the investments to which MEHC is committing are expected to result in a decrease in the SO₂ emissions rates of more than 50%, a decrease in the NO_x emissions rates of more than 40%, a reduction in the mercury emissions rates of almost 40%, and no increase expected in the CO₂ emissions rate.</p>	Ongoing Compliance	<p>Energy Efficiency and DSM Management:</p> <p>a) MEHC and PacifiCorp commit to conducting a company-defined third-party market potential study of additional DSM and energy efficiency opportunities within PacifiCorp's service areas. The objective of the study will be to identify opportunities not yet identified by the company and, if and where possible, to recommend programs or actions to pursue those opportunities found to be cost-effective. The study will focus on opportunities for deliverable DSM and energy efficiency resources rather than technical potentials that may not be attainable through DSM and energy</p>
			<p>a) COMPLETE - effective July 13, 2007. PacifiCorp received Quantecc's report on June 19, 2007. Presentations to state Commissions and stakeholders took place on July 9, 2007 in Salt Lake City, Utah and July 13, 2007 in Portland, Oregon. The data was used to update PacifiCorp's 10-year demand-side management resource planning targets and will be further leveraged in the preparation of PacifiCorp's 2008 Integrated Resource Plan.</p> <p>b) Through the first three years of the plan (2005-2007) PacifiCorp has</p>

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45	<p>efficiency efforts. On-site solar and combined heat and power programs may be considered in the study. During the three-month period following the close of the transaction, MEHC and PacifiCorp will consult with DSM advisory groups and other interested parties to define the proper scope of the study. The findings of the study will be reported back to DSM advisory groups, commission staffs, and other interested stakeholders and will be used by the Company in helping to direct ongoing DSM and energy efficiency efforts. The study will be completed within fifteen months after the closing on the transaction, and MEHC shareholders will absorb the first \$1 million of the costs of the study.</p> <p>b) PacifiCorp further commits to meeting its portion of the NWPPC's energy efficiency targets for Oregon, Washington and Idaho, as long as the targets can be achieved in a manner deemed cost-effective by the affected states.</p> <p>c) In addition, MEHC and PacifiCorp commit that PacifiCorp and MEC will annually collaborate to identify any incremental programs that might be cost-effective for PacifiCorp customers. The Commission will be notified of any additional cost-effective programs that are identified.</p>	Ongoing Compliance	<p>See also General Commitment 1. The Company continued the customer service guarantees and performance standards throughout the period April 1, 2007 to March 31, 2008.</p> <p>delivered 103% of the annual targets, projecting to grow that percentage to 106% by 2009, the last year of the plan.</p> <p>c) In addition to the ongoing best practice work between the two companies on programs, program delivery and valuation techniques, the two companies competitively procured for the joint development of replacement demand-side management tracking and reporting systems to be completed in early 2009.</p>
46	<p><u>Customer Service Standards:</u> MEHC and PacifiCorp commit to continue customer service guarantees and performance standards as established in each jurisdiction, provided that MEHC and PacifiCorp reserve the right to request modifications of the guarantees and standards after March 31, 2008, and the right to request termination (as well as modification) of one or more guarantees or standards after 2011. The guarantees and standards will not be eliminated or modified without Commission approval.</p> <p><u>Community Involvement and Economic Development:</u> MEHC has significant experience in assisting its communities with economic development efforts. MEHC plans to continue PacifiCorp's existing economic development practices and use MEHC's experience to maximize the effectiveness of these efforts.</p>	Ongoing Compliance	<p>PacifiCorp continues to support economic development through active participation in the local community economic development organizations.</p> <p>Economic development grants were given to several Pacific Power and Rocky Mountain Power communities throughout the year. Regional community managers participate in regional economic development summits, including state and federal elected officials and regional economic development leaders. Regional community managers serve on boards of economic development agencies and lead and provide support to recruitment and retention initiatives.</p> <p>Appropriate staffing levels for PacifiCorp have been reviewed and continue to be part of the business planning process.</p>
47	<p><u>Corporate Presence (All States):</u> MEHC understands that having adequate staffing and representation in each state is not optional. We understand its importance to customers, to regulators and to states. MEHC and PacifiCorp commit to maintaining adequate staffing and presence in each state, consistent with the provision of safe and reliable service and cost-effective operations.</p>	Ongoing Compliance	<p>In compliance with General Commitment 30, the Company filed its 2007 IRP Plan in Oregon, Washington, Utah and Idaho on May 30, 2007, and provided a copy of the IRP to the California Public Utilities Commission and to the Wyoming Public Service Commission. Table 2.4, in Chapter</p>
48	<p>PacifiCorp will provide public notice and an invitation to encourage stakeholders to participate in the Integrated Resource Plan (IRP) process. The IRP process will be used to consider Commitments 34, 39, 40, 41, 44, 52 and 53. PacifiCorp will hold IRP meetings at locations or using</p>	Ongoing Compliance	

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	communications technologies that encourage broad participation.		<p>2. Identifies how the 2007 IRP considers Commitments 34, 39, 40, 41, 44, and 52.</p> <p>PacifiCorp maintained an Integrated Resource Planning website with currently filed planning documents, public meeting presentations and handouts. For most of the 2007 public meetings a meeting summary was posted and sent to the entire IRP public participant email list. Also, parking lot questions raised during the public meetings were responded to and sent to the participant list.</p> <p>PacifiCorp public meetings were held using both video and phone conferencing between Portland, Oregon and Salt Lake City; the April 18, 2007 meeting added a Cheyenne, Wyoming video connection.</p> <p>PacifiCorp held the following Public Meetings (Initial Notice in parenthesis):</p> <ul style="list-style-type: none"> • April 18, 2007 (Announced March 6, 2007) • July 27, 2007 Wyoming Commission Only • February 29, 2008 (Announced February 1, 2008) <p>Other Public Meetings - Related to State Specific Dockets: Announcements were made through the scheduling document for respective state dockets and service lists were notified.</p> <ul style="list-style-type: none"> • May 3, 2007 - Utah Technical Conference • June 22, 2007 - Oregon Conference • July 27, 2007 - Wyoming IRP Overview Workshop • October 10, 2007 - Washington • November 26, 2007 - Wyoming Public Service Commission • December 5, 2007 - Wyoming Public Service Commission discussion on IRP rules • December 19, 2007 - Oregon Public Utility Commission technical conference on acknowledgement • January 11, 2008 - Wyoming Open Meeting <p>2008 IRP The Company initiated its 2008 IRP planning cycle at a public meeting on February 29, 2008. IRP Participants received a paper discussing the IRP Alignment Strategy with Business Planning.</p> <p>Individual State Focus meetings are planned for the 2008 IRP process.</p> <p>PacifiCorp will hold six state meetings during April 2008 to provide a forum for state specific topics and discussions. Dates are as follows: Utah - April 9, 2008, Wyoming - April 10, 2008, Oregon/California - April 2, 2008, Washington - April 22, 2008, and Idaho - April 23, 2008. Also, general public meetings are scheduled for May 22 and 23, 2008.</p>
49	Reporting on Status of Commitments:	Ongoing	PacifiCorp is currently meeting all commitments as addressed in this

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50	<p>By June 1, 2007 and each June 1 thereafter through June 1, 2011, PacifiCorp will file a report with the Commission regarding the implementation of the Commitments. The report will, at a minimum, provide a description of the performance of each of the commitments that have quantifiable results. If any of the commitments is not being met, relative to the specific terms of the commitment, the report shall provide proposed corrective measures and target dates for completion of such measures. PacifiCorp will make publicly-available at the Commission non-confidential portions of the report.</p> <p>Pension Funding Policy: PacifiCorp will maintain its current pension funding policy, as described in the 2005 Actuarial Report, for a period of two years following the close of the transaction.</p>	Compliance	<p>report.</p> <p>COMPLETE - effective March 21, 2008. Pension contributions in 2006 and 2007 were consistent with the pre-acquisition funding policy described in Hewitt Actuarial Report for 2005. \$76 million was contributed in 2006. \$75.8 million was contributed in 2007.</p>
51	[Intentionally Left Blank.]	Intentionally left blank	This commitment number has been intentionally left blank.
52	<p>Upon closing, MEHC and PacifiCorp commit to immediately evaluate increasing the generation capacity of the Blundell geothermal facility by the amount determined to be cost-effective. Such evaluation shall be summarized in a report and filed with the Commission concurrent with the filing of PacifiCorp's next IRP. This incremental amount is expected to be at least 11 MW and may be as much as 100 MW. All cost effective increases in Blundell capacity, completed before January 1, 2015, should be counted toward satisfaction of PacifiCorp's 1400 MW renewable energy goal, in an amount equal to the capacity of geothermal energy actually added at the plant.</p>	COMPLETE	<p>COMPLETE - effective March 16, 2007. A report regarding the feasibility of increasing the generation capacity of the Blundell geothermal facility was filed on March 16, 2007.</p>
53	<p>MEHC or PacifiCorp commit to commence as soon as practical after close of the transaction a system impact study to examine the feasibility of constructing transmission facilities from the Jim Bridger generating facilities to Miners Substation in Wyoming. Upon receipt of the results of the system impact study, MEHC or PacifiCorp will review and discuss with stakeholders the desirability and economic feasibility of performing a subsequent facilities study for the Bridger to Miners transmission project.</p>	COMPLETE	COMPLETE - effective August 23, 2006.

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STATE - SPECIFIC COMMITMENTS

State-Specific Commitment Number	Commitment Description	Status	Status Description
U1	PacifiCorp will report call-handling results during wide-scale outages against average answer speeds, hold times and busy indications.	Ongoing Compliance	Call handling results report for the period January through June 2007 was submitted on July 25, 2007. Call handling results report for the period July through December 2007 was submitted on January 17, 2008.
U2	MEHC and PacifiCorp will provide notification of and file for Commission approval of the divestiture, spin-off, or sale of any integral PacifiCorp function. This condition does not limit any jurisdiction the Commission may have.	Ongoing Compliance	Agreed per stipulation; action not required unless specified activities occur.
U3	PacifiCorp or MEHC will notify the Commission in writing prior to implementation of plans by PacifiCorp or MEHC: (1) to form an affiliate for the purpose of transacting business with PacifiCorp's regulated operations; (2) to commence new business transactions between an existing affiliate and PacifiCorp, or (3) to dissolve an affiliate which has transacted substantial business with PacifiCorp.	Ongoing Compliance	Agreed per signed stipulation. On April 5, 2007, the Company filed a relocation services contract between PacifiCorp and HomeServices Relocation LLC. On June 1, 2007, the Company filed a notice of affiliate transaction related to rail transportation agreements with Burlington Northern Santa Fe Railway Company, an affiliated interest. On October 18, 2007, the Company filed a notice of affiliate transaction related to relocation services for the Bridger Mine and Jim Bridger Generation Plant. On January 22, 2008, the Company filed a notice stating that MEHC has commenced business transactions with Netlets, Inc. an affiliated interest.
U4	The premium paid by MEHC for PacifiCorp (Acquisition Premium) will be excluded from the utility accounts of PacifiCorp. Further, MEHC and PacifiCorp commit that they will not propose to recover the Acquisition Premium in PacifiCorp's results of operations, unless this commitment is modified by the Commission, pursuant to a filing under Utah Code Ann. § 54-7-13, to allow for the recovery of the Acquisition Premium. MEHC and PacifiCorp will not request or support a motion to modify this commitment to allow recovery of the Acquisition Premium unless a party in a proceeding before the Commission proposes an adjustment to PacifiCorp's revenue requirement that MEHC and PacifiCorp assert violates the regulatory theory of the matching principle. If PacifiCorp seeks recovery of the Acquisition Premium, then other Parties are free to oppose such recovery, including the validity of the matching principle.	COMPLETE	COMPLETE - Action not required unless specified activities occur.
U5	PacifiCorp and MEHC commit to maintaining sufficient operations and front line staffing to provide safe, adequate and reliable service in recognition of the level of load and customer growth in Utah.	Ongoing Compliance	Rocky Mountain Power is continuing a number of initiatives to ensure sufficient operations and front line staffing in recognition of the level of load and customer growth in Utah: (1) hire apprentices and trainees for

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U6	PacifiCorp and MEHC commit to increasing the number of corporate and senior management positions in Utah to better reflect the relative size of Utah's retail load compared to the retail loads of the other states. Positions to be examined will include, but not be limited to, engineering, purchasing, information technology, land rights, legal, commercial transactions and asset management. By September 1, 2007, MEHC and PacifiCorp will file a plan with the Commission that explicitly sets forth: (1) senior management positions (and associated corporate personnel positions identified by those senior managers) that have been identified for location in Utah; (2) the timeframe for implementing different stages of the plan; and (3) an economic analysis supporting the cost effectiveness of the plan. MEHC will promptly implement the plan pursuant to the timeframe.	COMPLETE	craft positions to fill vacancies left as a result of retirements and attrition; (2) administer the skilled goundman training program to ensure an effective level of training and performance at the entry level and maintain a high retention rate; (3) train and promote qualified internal and external individuals to assistant manager and manager positions to ensure an on-going resource for quality leadership; and (4) recruit qualified external candidates for the technical craft position vacancies. COMPLETE - effective August 31, 2007. On August 31, 2007, PacifiCorp filed a plan with the Commission which included a description of the implementation of this commitment.
U7	PacifiCorp and MEHC will authorize senior management personnel located in Utah to make decisions on behalf of PacifiCorp pertaining to (1) local Utah retail customer service issues related to tariff interpretation, line extensions, service additions, DSM program implementation and (2) customer service matters related to adequate investment in and maintenance of the Utah sub-transmission and distribution network and outage response. For resource transactions in Utah related to special retail contracts and QF contracts, PacifiCorp and MEHC will authorize Utah-based personnel to negotiate contract terms consistent with system-wide prudent practices. Such decisions will be subject to normal and prompt corporate approval procedures, senior executive approval and board approval, as appropriate. MEHC and PacifiCorp will include a description of the implementation of this commitment in the filing required in Commitment U 6.	COMPLETE	COMPLETE - effective August 31, 2007. The Company's August 31, 2007, filing in compliance with Commitment U6 included, as an appendix, a final report on achievement of Commitment U7 outlining completion of commitment milestones.
U8	The Chairman of the Board of PacifiCorp and the President of PacifiCorp will meet at least annually with the Utah Public Service Commission to discuss (1) corporate presence status, plans and commitments, and (2) customer service issues. Senior executives of MEHC and PacifiCorp will also meet regularly with the Division of Public Utilities and the Committee of Consumer Services to discuss regulatory and customer service issues, including the issues discussed at the meetings among the Chairman of the Board of PacifiCorp, the President of PacifiCorp and the Commission.	Ongoing Compliance	Mr. Abel and Mr. Walje met with the Utah Commission and the directors of the Division of Public Utilities and Committee of Consumer Services in separate meetings on December 3, 2007.
U9	PacifiCorp will provide semi annual reports to the Commission and members of the Service Quality Review Group describing PacifiCorp's performance in meeting service standard commitments, including both performance standards and customer guarantees.	Ongoing Compliance	Service standard reports covering the period January through June 2007 were submitted on July 26, 2007. Service standard reports covering the period July through December 2007 were submitted on February 26, 2008.

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U10	PacifiCorp will provide to the Division of Public Utilities and the Committee of Consumer Services, 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.	Ongoing Compliance	Reports have been provided per the requirement.
U11	MEHC commits that immediately following the closing of the transaction, the acquiring company (PPW Holdings LLC) will have no debt in its capital structure. MEHC and PacifiCorp commit to provide the Commission 30 days prior notice if PPW Holdings LLC ever intends to issue debt. MEHC and PacifiCorp acknowledge that if PPW Holdings LLC does issue debt, the Commission has the authority to consider whether additional ring-fencing provisions may be appropriate.	Ongoing Compliance	Accounting calculates PPW Holdings, LLC common equity capital and ratios on a monthly basis and reports to Treasury. No debt has been issued by PPW Holdings, LLC.
U12	PacifiCorp commits to apply to the Commission for approval of security issuances pursuant to Utah Code Annotated 54-4-31 and to not seek exemption from this requirement for twelve months following the closing of this transaction.	COMPLETE	COMPLETE - effective May 10, 2007. The Commission issued its Order on May 10, 2007, Docket No. 07-035-16.
U13	PacifiCorp commits to provide written notice to the Commission pursuant Utah Code Annotated 54-4-27 before any dividends are paid by PacifiCorp.	Ongoing Compliance	No action was required through March 31, 2008, as no dividends have been paid by PacifiCorp.
U14	PacifiCorp commits to continue to provide the Division of Public Utilities and the Committee of Consumer Services at the same time as the Commission with the filings, data and documents made with or provided to the Commission pursuant to Commitments 3, 4, 8, 11(C), 13, 18, 49, U 2, U 3, U 9, U 11, U 12, U 13, U 20 and U 21 at the same time as filed with the Commission. PacifiCorp will make publicly-available at the Commission non-confidential portions of the report.	Ongoing Compliance	All relevant filings made with the commission have also been provided to the DPU and CCS.
U15	MEHC and PacifiCorp commit to form within 60 days of close of the transaction an IGCC Working Group, sponsored by PacifiCorp to discuss various policy and technology issues associated with IGCC, carbon capture, and sequestration. Working Group members would include representatives from major stakeholder and regulatory groups, PacifiCorp and MEHC officials, and others as appropriate. Some issues and challenges to development that would be considered by the Working Group would include: <ul style="list-style-type: none"> • the status of development of carbon sequestration policy and methods, including requirements for monitoring and verifying sequestration options; • Information sharing, so that, to the extent possible, all parties develop a shared understanding of expected IGCC technology benefits, expected capital and O&M costs, and potential risks; • Information sharing to understand such terms and associated requirements with concepts such as "carbon capture ready" and "permanent sequestration"; • Issues related to technology of and permitting for IGCC air emissions, waste disposal, water use and site usage; • commercial terms and conditions associated with IGCC plant development, construction, and maintenance; and 	COMPLETE	COMPLETE - effective March 27, 2008. The IGCC Working Group held its final meeting on March 27, 2008, at which presentations were made on oxy-fuel combustion, carbon dioxide capture, the status of national IGCC projects and the results of the Jim Bridger IGCC with carbon dioxide capture feasibility studies. In June 2007, the Company prepared and submitted its IGCC "self-build" benchmark in response to the 2012 RFP process for new base-load resources. As part of the 2008 RFP process for new resources, the Company decided not to submit any coal-based benchmark options. The Company has suspended further development of coal-based resources pending further clarity on prospective carbon dioxide legislation. Further updates and reports on IGCC and the broader technology issues regarding carbon dioxide capture will be presented at upcoming meetings of the Climate Change Working Group, where appropriate.

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U16	<p>• Implications of SB 26 on development lead times, development costs, project risk, and cost uncertainty.</p> <p>The IGCC Working Group would meet periodically to discuss the above issues and identify possible solutions, and to stay abreast of the evolving technology and commercial environment.</p> <p>MEHC and PacifiCorp commit to the following:</p> <p>a) MEHC and PacifiCorp commit to study the economics and viability of an IGCC option and will present the results of this study as a resource alternative to inform the resource selection and RFP process under consideration in Docket 05-035-47. PacifiCorp will also file the results of this study and the draft RFP with the Commission pursuant to the provisions of SB 26. PacifiCorp will suggest procedural schedules that will facilitate this commitment. As soon as practical, but not later than three months after the closing of the transaction, PacifiCorp will provide to the parties estimated cost and timeline ranges for completion of an IGCC project, as well as potential resource alternatives if an IGCC design is not reasonably achievable in time to economically meet the resource need presently identified in 2012 from a customer and shareholder perspective.</p> <p>b) PacifiCorp will perform initial conceptual and siting studies, general feasibility studies, and, where appropriate, other more detailed studies and engineering work, for an IGCC plant for the 2014 resource need identified in the October 2005 IRP Update. The studies will include an evaluation of the expected cost and performance impacts of constructing a plant to be carbon capture ready. These studies will be performed in parallel with similar studies to evaluate other generation technologies. Such studies will be completed within the next IRP cycle.</p> <p>c) PacifiCorp will include a utility self-build option of an IGCC unit in any RFPs for the 2014 and later non-renewable resource needs, whether or not the IGCC option is found to be PacifiCorp's preferred cost-based alternative, and present PacifiCorp's evaluation of the IGCC option against another self-build alternative(s) as part of the Utah SB 26 process. This will include an evaluation of the cost and performance impacts of the IGCC resource being constructed to be carbon capture ready.</p>	COMPLETE	<p>COMPLETE - effective March 27, 2008. Items a) and b) were completed in the year ending March 2007 as described in the 2007 Annual Report of Status Commitments.</p> <p>Item c) was completed in June 2007 when the Company submitted a self-build option in the form of an IGCC facility at the Jim Bridger Plant; this submittal was in response to the 2012 RFP process for new baseload resources.</p> <p>Furthermore, during the period of July 2007 through October 2007, the Company engaged in detailed feasibility studies of an IGCC facility at the Jim Bridger Plant which included carbon dioxide capture. The results of this study effort were presented at the IGCC Working Group meeting on March 27, 2008.</p>
U17	<p>PacifiCorp agrees to include the following items in the 2006 IRP:</p> <p>a) a wind penetration study to reappraise wind integration costs and cost-effective renewable energy levels; and</p> <p>b) an assessment of transmission options for PacifiCorp's system identified in the RMATS scenario 1 related to facilitating additional generation at Jim Bridger and, on equal footing, new cost-effective wind resources.</p>	COMPLETE	<p>COMPLETE - effective May 30, 2007. As part of the 2007 Integrated Resource Plan filed on May 30, 2007, the plan identifies 2,000 MW of cost-effective renewable energy to be included in the Company's preferred portfolio as well as transmission from Wyoming to Utah consistent with transmission additions identified in the RMATS scenario 1.</p> <p>a) Wind supply curves were developed and used to select wind on a comparable basis with other resources in the Capacity Expansion Module. Appendix J of the IRP addresses the Company's wind resource methodology.</p>

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U18	PacifiCorp will issue a Utah-specific RFP for the Blue Sky programs. The purpose of the RFP will be to better geographically balance Blue Sky block product demand and supply. Subject to any necessary counterparty confidentiality releases, PacifiCorp will provide information on the identity, vintage and location of generation associated with its annual procurement for Blue Sky to the Commission and other interested parties, upon request. PacifiCorp will meet annually with interested parties to discuss state-specific program opportunities while maintaining attractive prices to customers.	Ongoing Compliance	b) The Company included transmission options in southwest and southeast Wyoming as potential upgrades in its modeling in order to facilitate wind development in Wyoming. Utah Specific RFP for Blue Sky Programs -- COMPLETE - effective November 14, 2006. An RFP was issued May, 23, 2006 for green tags associated with the generation of electricity from renewable generation in Utah. Preference was given to economics, and green tags from high profile projects that provide benefits to Blue Sky customers and the communities in which they live and that will help educate customers on renewable energy technologies linked to the Blue Sky program. RFP responses were received on June 26, 2006. Spanish Fork Wind Park 2, LLC was short-listed in the RFP soon afterwards and an agreement was executed. Under agreement, PacifiCorp buys green tags from Spanish Fork Wind Park 2, LLC. Spanish Fork intends to construct and operate a new wind facility in Utah County, Utah. Green tags representing 95% of net output of the new wind facility will be purchased by PacifiCorp. The total amount of green tags purchased will initially be 200,000, but PacifiCorp has the right to purchase another 50,000 green tags once the initial 200,000 have been delivered. The green tag price is \$4.50 per green tag. PacifiCorp has the right to terminate the agreement should green tags delivered be less than 160,000 by November 30, 2012. Annual meeting with interested parties -- PacifiCorp representatives participated in a technical conference and calls with stakeholders to discuss program design and reports.
U19	For the purpose of rate cases and formal regulatory proceedings, PacifiCorp will provide parties to the stipulation filed in the acquisition docket who are intervenors in the rate case or formal regulatory proceeding with access, subject to Commitment 32 and the discovery rules of the Commission, to its financial books and records, including documents, data, and records of transactions between PacifiCorp and its affiliated interests which are relevant to issues in the docket.	Ongoing Compliance	Upon request of a stipulating party, PacifiCorp has and will continue to provide appropriate responses and/or access to financial books and records, including relevant documents, data and records of transactions between PacifiCorp and its affiliated interests.
U20	At the time of the closing of the transaction, MEHC will file with the Commission a letter from Berkshire Hathaway committing to be bound by Commitments 4 and 5 and any other commitments applicable to affiliates of MEHC.	COMPLETE	COMPLETE - effective March 21, 2006.
U21	MEHC and PacifiCorp will request Commission approval, for cost allocation and affiliate transaction purposes, of the IASA and any amendments filed pursuant to Commitment 13.	Ongoing Compliance	No amendments were made to the IASA approved on October 6, 2006.
U22	Applicants acknowledge that the Commitments are being made by MEHC and PacifiCorp and are binding only upon them (and their affiliates where noted). Applicants are not requesting in this proceeding a determination of the prudence, just and reasonable character, rate or ratemaking treatment, or public interest of the investments, expenditures or actions referenced in the	Ongoing Compliance	Agreed per signed stipulation.

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U23	<p>Commitments, and the Parties in appropriate proceedings may take such positions regarding the prudence, just and reasonable character, rate or ratemaking treatment, or public interest of the investments, expenditures or actions as they deem appropriate.</p> <p>PacifiCorp intends to file its next Utah general rate case, including its direct revenue requirement testimony, by March 1, 2006. PacifiCorp will file its class cost of service, rate spread and rate design studies and supporting direct testimony (together referred to as "Cost of Service Filing") by March 15, 2006. For purposes of that rate case proceeding only, PacifiCorp's March 1, 2006 filing will constitute the date when "the utility's schedules are filed" that starts the 240 day time limit ("Rate Effective Date") wherein the Commission must issue its order granting or revising a revenue increase under Utah Code section 54-7-12(3)(b)(i). That March 1, 2006 testimony will include PacifiCorp's best estimates of the revenue requirement impact of the transaction, including revenue requirement adjustments that incorporate Commitments 37 and 38 to the extent that those commitments are applicable to the rate case test period. PacifiCorp will request that the Commission hold a test period hearing within 90 days after the March 1, 2006 filing. In addition, within fifteen days after closing, PacifiCorp will file supplemental testimony by an MEHC witness to discuss and update PacifiCorp's revenue requirement in that case and to incorporate any additional adjustments that are appropriate as a result of the transaction. In order to provide parties with time to address any additional information provided in the MEHC testimony, PacifiCorp will extend the Rate Effective Date to December 11, 2006. If the transaction closes after April 30, 2006, or PacifiCorp fails to file supplemental testimony within fifteen days of closing, PacifiCorp acknowledges that the Rate Effective Date may be further extended by a reasonable period of time, as determined by agreement of the parties or by the Commission. PacifiCorp hereby waives any claim or argument that an additional extension of the Rate Effective Date would violate the provisions of Utah Code section 54-7-12 (3)(b)(i).</p> <p>PacifiCorp also commits that any request for Commission approval of a PCAM mechanism (or any net power cost adjustment mechanism) will be filed at least three months in advance of a general rate case filing and that Intervenor testimony deadlines will be the same as those established in the general rate case.</p>	COMPLETE	COMPLETE - effective April 5, 2006. No PCAM filings were made in the reporting period.
U24	<p>PacifiCorp commits to work with the Utah DSM Advisory Group to propose a tariff amendment to maximize the cost-effective electricity savings of Utah ratepayer contributions to federally funded weatherization programs. As part of this analysis, PacifiCorp agrees to re-examine its current Company policy of matching federal contributions at 50%.</p>	COMPLETE	COMPLETE - effective February 20, 2007.
U25	<p>MEHC and PacifiCorp commit up to a total contribution level for Utah low - income bill payment assistance in the amount of \$400,000 annually, for a five-year period beginning July 1, 2006. The contributions may be comprised of contributions from corporate, employee, other sources, and</p>	Ongoing Compliance	Contributions totaling \$400,000 were made to the American Red Cross, the agency that administers Lend-a-Hand for the program year ending June 30, 2007. Of that total, PacifiCorp's share was \$252,710 and the balance of donations came from all other contributors.

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	customer donations. The corporate contribution will be recorded in non-utility accounts. Before the end of the five-year period, MEHC and PacifiCorp commit to work with low income advocates and customer groups to evaluate additional contributions.		The Company has worked on generating additional contributions, and to this end will add a June distribution of contribution envelopes in billings to the regular November and February distribution months. The Company is promoting the program on the ePay website and has added the program to its Employee Giving Campaign.
U26	MEHC commits to provide shareholder funding to hire a consultant to study and design for possible implementation of an arrearage management project for low-income customers that could be made applicable to Utah and other states that PacifiCorp serves. PacifiCorp will provide a resource for facilitation of a working group to oversee the project. The study shall commence no later than 180 days after close of the transaction and be completed, through the issuance of a formal report to the Commission, no later than 365 days after close of the transaction. MEHC recognizes that such a program may have to be tailored to best fit the unique low-income environment of each individual state. The project will be developed by PacifiCorp in conjunction with the relevant regulatory and governmental agencies, low-income advocates and other interested parties in each state that is interested in participating. The goals of the project will include reducing service terminations, reducing referral of delinquent customers to third party collection agencies, reducing collection litigation and reducing arrearages and increasing voluntary customer payments of arrearages. The costs of this study will be at least \$66,000 on a total company basis paid for by shareholders. If less than six states participate, the amount of the shareholder funds will be reduced proportionally.	COMPLETE	COMPLETE - effective March 20, 2007.
U27	[Intentionally Left Blank.]	Intentionally left blank	This commitment number has been intentionally left blank.
U28	MEHC and PacifiCorp will supplement the report filed with the Commission, the Division and the Committee, pursuant to Commitment 49, by including information regarding the implementation of each of the Utah-Specific Commitments, U 1 through U 27 and U 29 through U 46.	Ongoing Compliance	Agreed per signed stipulation.
U29	Within three months of closing of the transaction, MEHC commits to obtain a non-consolidation opinion that demonstrates that the ring-fencing around PPW Holdings LLC is sufficient to prevent PPW Holdings LLC and PacifiCorp from being pulled into an MEHC bankruptcy. MEHC commits to promptly file such opinion with the Commission. If the ring-fencing provisions of this agreement are insufficient to obtain a non-consolidation opinion, MEHC agrees to promptly undertake the following actions: a) Notify the Commission of this inability to obtain a non-consolidation opinion. b) Propose and implement, upon Commission approval, such ring-fencing provisions that are sufficient to prevent PPW Holdings LLC from being pulled into an MEHC bankruptcy. c) Obtain a non-consolidation opinion.	COMPLETE	COMPLETE - effective June 9, 2006.

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U30	MEHC and PacifiCorp will not make any dividends to PPW Holdings LLC or MEHC if PacifiCorp's unsecured debt rating is BBB- or lower by S & P or Fitch (or Ba3 or lower by Moody's), as indicated by two of the three rating agencies.	Ongoing Compliance	The rating requirement has been added to the list of tests to be performed prior to PacifiCorp declaring dividends on common stock.
U31	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 any 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.	COMPLETE	COMPLETE -- effective December 31, 2007. See General Commitment 40.
U32	MEHC and PacifiCorp commit that they will interpret Utah Code Annotated Section 54-4-28 to require Commission approval of any transaction which results in a merger of PacifiCorp with another public utility, without regard to whether that public utility provides service in Utah.	Ongoing Compliance	Agreed per signed stipulation.
U33	MEHC and PacifiCorp will support cost effective and safe community renewable energy projects in Utah using PURPA contracts implemented under avoided cost tariffs approved by the Commission. If PURPA is no longer in effect in Utah before an alternate market for community renewable energy is developed, PacifiCorp will work with Utah stakeholders and the Commission to develop replacement procedures for new contracts. For the purpose of this Commitment, community renewable energy projects are defined as: Locally owned renewable energy projects. Normally 1-10 MW standard contract PURPA projects and Industrial co-gen type projects between 10 MW and 99 MW that use negotiated PURPA contracts. Projects can be: 1. Private ownership (example - several farmers in a wind project); 2. Municipal ownership (irrigation district small-hydro or local school; wind turbine); or 3. Combined municipal/private ownership projects (local community partnered with landowners).	Ongoing Compliance	Wasatch Wind, an 18 MW wind Qualifying Facility (QF) Agreement, was signed. Pioneer Ridge, a 70 MW wind QF in Tooele, UT was signed. PacifiCorp will retain the rights to green tag ownership. The following small QF project has executed a Power Purchase Agreement and is operational: 2.5 MW Hill Air Force base - Landfill gas Amend PPA for new generator.
U34	To the extent consistent with the interests of PacifiCorp's retail customers, MEHC and PacifiCorp will support through action and policy the emerging community renewable energy market in Utah. PacifiCorp will also consult with community renewable energy representatives if PacifiCorp is contemplating changes to system operations that would adversely affect community renewable energy projects.	Ongoing Compliance	Agreed upon per stipulation. No consultations necessary.
U35	Water Rights agreements will be abided by MEHC and PacifiCorp.	Ongoing Compliance	Agreed per signed stipulation.
U36	MEHC and PacifiCorp will provide the Commission access to corporate	Ongoing	Agreed per signed stipulation; action not required unless specified

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	minutes, including Board of Director's minutes and all committee minutes, along with any related source documents that are relevant to the business and risk analysis of PacifiCorp. PacifiCorp and the Division of Public Utilities will establish an agreeable procedure to review these confidential documents in Portland, Oregon or Salt Lake City, Utah.	Compliance	activities occur.
U37	MEHC and PacifiCorp will provide the Commission access to operational, internal and risk audit reports and documentation. PacifiCorp and the Division of Public Utilities will establish an agreeable procedure to review these confidential documents and the timeline to provide an annual listing of such audits.	Ongoing Compliance	Agreed per signed stipulation; action not required unless specified activities occur.
U38	A near-final draft agreement for PPW Holdings LLC that contains the ring-fencing provisions of Commitment 11 was sent to the Division of Public Utilities before January 15, 2006. The final signed agreement will be filed with the Commission within 30 days after the close of the transaction.	COMPLETE	COMPLETE – effective April 18, 2006
U39	Within 30 days of the close of the transaction, PacifiCorp will provide the Commission with a written list of changes that were made to employee benefit plans between the announcement of the transaction and the close of the transaction. PacifiCorp and MEHC will provide 30 days' notice to the Commission prior to merging PacifiCorp's pension with the pension plan of another MEHC business.	Ongoing Compliance	No actions were taken during this time period.
U40	As part of the DSM study in Commitment 44, PacifiCorp will also consider the market potential associated with irrigation and load curtailment programs in Utah. The study will compare the cost effectiveness of DSM resources with comparable supply side resources.	COMPLETE	COMPLETE – effective October 4, 2006
U41	MEHC and PacifiCorp commit that PacifiCorp will not directly own equity shares of either Berkshire Hathaway or MEHC, if MEHC were ever to become publicly traded.	Ongoing Compliance	Agreed per signed stipulation.
U42	MEHC commits to provide 30 days' notice to the Commission if it intends to create a corporate entity between PPW Holdings LLC and MEHC. MEHC further states that it has no current intention to create such a corporate entity.	Ongoing Compliance	Agreed per stipulation; action not required unless specified activities occur.
U43	With respect to any proceeding, including but not limited to any rate case, tariff filing, pass-through application, show cause, complaint or other proceeding, wherein PacifiCorp's Utah retail rates are based, in whole or in part, upon PacifiCorp's wholesale power transactions, PacifiCorp and MEHC acknowledge that the Commission has jurisdiction to determine the prudence of PacifiCorp's wholesale power transactions and whether PacifiCorp's retail rates are just and reasonable. To the extent PacifiCorp contends the Commission is required to include the costs of the wholesale power transactions in Utah retail rates, PacifiCorp and MEHC commit that PacifiCorp will raise and litigate such issues before the Commission. To the extent decisions regarding such issues are within the areas reserved to the exclusive jurisdiction of the Commission, PacifiCorp and MEHC agree that any	Ongoing Compliance	Agreed per signed stipulation.

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	<p>challenge to the Commission order will be in the form of an appeal of that order.</p> <p>In the event PacifiCorp anticipates a court challenge to a Commission order that would trigger the provisions of Commitment U 43, PacifiCorp will (1) seek a rehearing of such Commission order; and (2) identify in writing in its petition for rehearing those contested issues which it believes are and are not within the areas reserved to the exclusive jurisdiction of the Commission.</p>		
U44	<p>MEHC and PacifiCorp support making wind generation in Utah an important part of PacifiCorp's PacifiCorp's renewable resource portfolio to the extent that it is cost-effective to do so. MEHC and PacifiCorp will give appropriate consideration to Utah wind generation in performing Commitments 40, 53, U 17 and U 31.</p>	Ongoing Compliance	<p>The Company has entered into contracts to purchase the output from two wind projects; the 18 MW Wasatch Wind project and the 70 MW Pioneer Ridge project.</p> <p>Refer to PacifiCorp's renewable energy plan, at http://www.pacifiCorp.com/File/File74767.pdf, filed with the Commission on May 30, 2007, for a description of PacifiCorp's renewable resource portfolio.</p>
U45	<p>a) MEHC and PacifiCorp commit to complete as soon as practical after close of the transaction, a system impact study and commence a facilities study to examine the feasibility of construction of transmission facilities from the Jim Bridger generating facilities to Ben Lomond.</p> <p>b) In addition to analyzing the system impacts of the Jim Bridger to Ben Lomond transmission facilities, MEHC and PacifiCorp will request that a system impact study also analyze the system impacts of combining the Bridger to Ben Lomond project with the Jim Bridger to Miners substation project addressed in Commitment 53.</p> <p>c) Upon receipt of the results of the system impact studies provided for in Commitment 53 and this Commitment U 45, MEHC or PacifiCorp will review and discuss with stakeholders the desirability and economic feasibility of performing a subsequent facilities study for the Bridger to Miners transmission project.</p>	COMPLETE	COMPLETE - effective August 23, 2006.
U46	<p>a) MEHC and PacifiCorp commit to reduce the annual non-fuel costs to PacifiCorp customers of the West Valley lease by \$0.417 million per month (total company) or an expected \$3.7 million in 2006 (assuming a March 31, 2006 transaction closing), \$5 million in 2007 and \$2.1 million in 2008 (the lease terminates May 31, 2008), which shall be the amounts of the total company rate credit. Beginning with the first month after the close of the transaction to purchase PacifiCorp, Utah's share of the monthly rate credit will be deferred for the benefit of customers and accrue interest at PacifiCorp's authorized rate of return.</p> <p>b) This commitment is offsettable, on a prospective basis, to the extent PacifiCorp demonstrates to the Commission's satisfaction, in the context of a general rate case, that such West Valley non-fuel cost savings:</p> <p>i) are reflected in PacifiCorp's rates; and, ii) there are no offsetting actions or agreements by MEHC or PacifiCorp for which value is obtained by PPM or an affiliated company, which, directly or indirectly, increases the costs</p>	COMPLETE	COMPLETE - effective December 11, 2006.

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Stake-Specific Commitment Number	Commitment Description	Status	Status Description
	PacifiCorp would otherwise incur.		

STIPULATION PARAGRAPHS

Stipulation Paragraph Number	Commitment Description	Status	Status Description
15a	Through December 31, 2011, MEHC and PacifiCorp will both confer with the signatories and provide drafts in a timely manner prior to introducing legislation in the Utah Legislature that would impact Utah utility regulation, including Utah city franchise authority.	Ongoing Compliance	During the reporting period, Carbon Emission Reduction Legislation was introduced at PacifiCorp's request. Stakeholders were briefed, draft language provided, and negotiations occurred, prior to introduction of the legislation.
15b	MEHC has no current intention to acquire other electrical corporations as defined by Utah Code Annotated § 54-2-1 (7), or gas corporations, as defined by Utah Code Annotated § 54-2-1 (9). If that intention should ever change, MEHC will confer with the Signatories before public announcement of such an acquisition, subject to agreements regarding confidentiality.	Ongoing Compliance	Agreed per signed stipulation.
15c	Within 90 days of the close of the Transaction, MEHC and PacifiCorp will begin working with the Division of Public Utilities and other interested parties, to evaluate and, if mutually agreed to be appropriate, file with the Commission service quality standards related to industrial customers, with a focus on high tech companies. MEHC, PacifiCorp, the Division of Public Utilities and any other interested party, will report back to the Commission on the conclusions and recommendations reached no later than February 1, 2007. MEHC and PacifiCorp acknowledge that modifications to existing customer service guarantees and performance standards may result from this process and nothing in Commitments 1 or 45 will preclude these from being filed if mutually agreed-upon by the Parties.	COMPLETE	COMPLETE – effective February 1, 2007.
15d	Senior executives of MEHC and PacifiCorp will make themselves available upon request to the Signatories to discuss regulatory, customer service, and energy policy issues.	Ongoing Compliance	Company executives continue to meet with all signatories as requested.
15e	MEHC and PacifiCorp agree that the provisions of this paragraph are subject to Commitment 33, regarding enforcement and dispute resolution.	Ongoing Compliance	Agreed per signed stipulation.
17	Commitment 10 addresses waiver of certain defenses under <i>Ohio Power Co. v. FERC</i> by MEHC and Berkshire Hathaway until PUHCA repeal is effective on February 8, 2006. Since no case law has yet developed regarding the same subject matter after the repeal of PUHCA, the parties have not addressed the	Ongoing Compliance	Agreed per signed stipulation; action not required unless specified activities occur.

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Stipulation Paragraph Number	Commitment Description	Status	Status Description
21	<p>Issue beyond February 8, 2006. The parties acknowledge that the Commission should monitor federal developments on this subject matter and may need to address the same in the future.</p> <p>To help in finalizing the documentation for this case, the Applicants shall file with the Commission, at the time of the closing of the transaction, a narrative and an organizational chart showing the relationship among PacifiCorp, MEHC, Berkshire Hathaway and their subsidiary and affiliated business entities. This documentation should clearly show the owners of PacifiCorp and the percentages held, up to the level of the ultimate parent, Berkshire Hathaway.</p>	COMPLETE	COMPLETE - effective March 21, 2006.

ORDERING PARAGRAPHS

Ordering Paragraph Number	Commitment Description	Status	Status Description
2	<p>Within 30 days after the date of this Order, the Applicants will file as an exhibit in this docket, a summary of the terms of the stipulated agreement, amended stipulated agreement, consolidated commitments, and amended commitments from most favored states process, approved in this matter.</p>	COMPLETE	COMPLETE - effective April 20, 2006.
4	<p>Within 30 days after the transaction closes PacifiCorp is required to file a petition for an accounting order to establish its authority to create deferral accounts, as necessary to make effective the terms of commitment number U 46.</p>	COMPLETE	COMPLETE - effective April 12, 2006.