

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Application of )  
PACIFICORP for Authority to Issue Up to ) DOCKET NO. 06-035-61  
30,000,000 Shares of Common Stock to Its ) REPORT AND ORDER  
Parent )  
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ISSUED: July 10, 2006

By The Commission:

PROCEDURAL HISTORY

On May 30, 2006, PacifiCorp (“Company”) filed with this Commission its application in the above-referenced matter. On June 15, 2006, the Division of Public Utilities (“Division”) filed a memorandum detailing its investigation of the application and recommending approval.

BACKGROUND AND DISCUSSION

PacifiCorp Commitment U12 of Appendix A to the Stipulation approved by Commission Order of January 27, 2006, in Docket No. 05-035-54 (“MEHC Sale Order”) commits the Company “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.” By its application, PacifiCorp seeks Commission Order authorizing the Company to issue, from time to time and for cash, up to 30,000,000 shares of its Common Stock to the Company’s immediate corporate parent, PPW Holdings LLC, a Delaware limited liability company and wholly owned subsidiary of MidAmerican Energy Holdings Company. The Company requests that authority for such sales and issuances remain effective until all 30,000,000 shares have been issued. PacifiCorp notes

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Commission approval is required because the March 21, 2006, closure of the sale of PacifiCorp terminated its exemption from the provisions of Section 54-4-31(1), previously granted by the Commission in Docket No. 00-035-16.

The Division notes the Company needs the requested authority to help fund its capital expenditure program and to maintain its current credit ratings. The Division recommends approval as being in the public interest.

Having fully considered the application and all of the exhibits, documents and matters pertaining thereto, the Commission makes the following Findings of Fact and Conclusions of Law, together with the Order based thereon:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. This Commission has jurisdiction over this application pursuant to the provisions of Section 54-4-31(1), Utah Code Annotated 1953, as amended 1997.

2. Given the Company's representation that the proposed issuance of shares will be for a lawful purpose, the proposed transaction is consistent with the public interest and is necessary and appropriate for and consistent with proper performance by the Company of service as a public utility.

3. The Company proposes to issue, from time to time and for cash, up to 30,000,000 shares of its Common Stock to the Company's immediate corporate parent, PPW Holdings LLC, a Delaware limited liability company and wholly owned subsidiary of MidAmerican Energy

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Holdings Company. The Company requests that such authority remain in effect until all 30,000,000 shares have been issued.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. The application of the Company requesting authority to issue, from time to time and for cash, up to 30,000,000 shares of its Common Stock to the Company's immediate corporate parent, PPW Holdings LLC, a Delaware limited liability company and wholly owned subsidiary of MidAmerican Energy Holdings Company, is hereby approved.
2. The authorization granted herein shall remain in effect until all 30,000,000 shares have been issued.
3. Pursuant to this authorization, the Company shall file with the Commission verified copies of any agreements entered into pursuant to this Order.
4. Nothing in this Order shall be construed to obligate the State of Utah to pay or guarantee in any manner whatsoever, any securities authorized, issued, assumed or guaranteed hereunder.
5. The issuance of an Order authorizing the proposed transaction does not constitute determination or approval of the type of financing or the related costs for ratemaking purposes, which determination the Commission expressly reserves for the appropriate proceeding.

AGENCY REVIEW AND JUDICIAL APPEAL

This Report and Order constitutes final agency action in this docket. Pursuant to Utah Code 63-46b-12 and 54-7-15, agency review or rehearing of this order may be obtained by

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filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63-46b-14, 63-46b-16 and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this 10<sup>th</sup> day of July, 2006.

/s/ Ric Campbell, Chairman

/s/ Ted Boyer, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard  
Commission Secretary  
G#49529