

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Joint Application of  
  
MIDAMERICAN ENERGY HOLDINGS  
COMPANY AND PACIFICORP, d/b/a  
PACIFIC POWER & LIGHT COMPANY  
  
For an Order Authorizing Proposed  
Transaction

DOCKET NO. UE-051090

STIPULATION OF FACTS

1 The Staff of the Washington Utilities and Transportation Commission,  
  
MidAmerican Energy Holding Company (MEHC), and PacifiCorp, d/b/a, Pacific  
  
Power & Light Company, by and through their respective attorneys of record,  
  
stipulate to the following facts:

1. The estimated annual increases testified to by Judi A. Johansen at Exhibit No. 61T, page, 7, lines 15-16 are Total Company figures. The allocation of these Total Company costs to the various states depends upon the inter-jurisdictional cost allocation methodology in effect for each state.
2. As previously disclosed in PacifiCorp's Annual Report on Form 10-K for the year ended March 31, 2005, PacifiCorp's Compensation Committee has approved a Transaction Incentive Program, which consists of a \$6.0 million pool created by PacifiCorp's indirect parent company, Scottish Power plc ("ScottishPower"), for retention incentives during the period of completion of ScottishPower's sale of PacifiCorp to MidAmerican Energy Holdings Company ("MidAmerican"). ScottishPower will be responsible for the costs of the Transaction Incentive program. Each participating executive officer is eligible for a transaction incentive award in an amount equal to the executive officer's base salary. The five highest transaction

incentive awards are as follows: Judith A. Johansen, President and CEO, \$790,000; Andrew P. Haller, Senior Vice President, General Counsel and Corporate Secretary, \$348,503; A. Richard Walje, Executive Vice President, \$330,811; Matthew R. Wright, Executive Vice President, \$305,292; and Richard Peach, Chief Financial Officer, \$250,000. Transaction Incentive Program awards are also provided to other participants, primarily other members of senior management and employees determined to be critical to successful completion of the sale to MidAmerican. The terms and conditions of these awards are generally similar to those of the named executive officer awards, but in some cases include satisfactory achievement of specified employment objectives.

3. Upon closing of the transaction, the \$1.2 billion estimated acquisition premium referenced by Patrick Goodman at Exhibit No. 45T, page 19, lines 9-10 will be recorded on the books of PPW Holdings LLC. Through the consolidation of PPW Holdings LLC with MEHC for financial reporting, the acquisition premium will be reflected on the consolidated balance sheet of MEHC.

DATED this 20<sup>th</sup> day of December, 2005.

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