

March 20, 2007

**VIA OVERNIGHT DELIVERY**

Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive, SW  
Olympia, WA 98504-7250

Attention: Carol Washburn  
Executive Secretary

Re: Docket No. UE-051090, MEHC Acquisition of PacifiCorp  
Transaction Commitment  
Wa13, O21, C19, I15, U26, Wy28  
Low Income Arrearage Study

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COMMISSION

Pursuant to commitment 13 of the commitments applicable to all states in Docket No. UE-051090, MidAmerican Energy Holdings Company ("MEHC") and PacifiCorp committed to conduct an arrearage management study for low income customers for possible implementation. An original and two (2) copies of this report will be provided via overnight delivery.

As part of the transaction for MEHC to purchase PacifiCorp, Commitment Wa13 reads as follows:

"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 Washington 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 for 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."

Attached is a copy of the Low Income Arrearage Study that was prepared for PacifiCorp by an outside consultant, Quantec. Attached to this study is an appendix which includes the comments received by members of the working group.

With the submission of the attached report, the transaction commitment described above has been finalized. However, it is PacifiCorp's intention to engage in some additional work with regards to the low income arrearage study. First, PacifiCorp will schedule a meeting with working group members who participated in the study to identify any open issues remaining. Second, PacifiCorp will review the report contents and identify specific measures which potentially could be implemented to cost effectively reduce arrearages for low income customers. Third, PacifiCorp will request feedback from the working group regarding potential actions that may be taken in the future to address low income arrears.

It is respectfully requested that all formal correspondence and Staff requests regarding this submittal be addressed to:


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

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

By fax:                                (503) 813-6060

Informal questions should be directed to Becky Eberle at 503-813-5154.

Sincerely,

  
Carole Rockney, Director  
Customer & Regulatory Liaison

Enclosures

Cc:    Roger Kouchi, Washington Utilities & Transportation Commission  
       Steve Moss, Blue Mountain Action Council  
       Michael Karp, A World Institute for a Sustainable Humanity  
       Service List: UE-051090 (w/out enclosures)