ROCKY MOUNTAIN
POWER
A DIVISION OF PACIFICORP

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

January 20, 2012

VIA OVERNIGHT DELIVERY

Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702

Attn: Ms. Jean Jewell
Commission Secretary

Re: Case No. PAC-E-10-02 Order No. 31018 Report of First Mortgage Bond Offering in Aggregate Principal Amount of $650,000,000

Pursuant to the referenced Order, PacifiCorp submits to the Commission an original and seven (7) copies of the following documents relating to PacifiCorp's January 3, 2012 offering of $650,000,000 aggregate principal amount of First Mortgage Bonds, (the "Bonds"):

1. Prospectus Supplement dated January 3, 2012
2. Underwriting Agreement between PacifiCorp and J.P. Morgan Securities LLC, Mitsubishi UFJ Securities (USA), Inc., RBS Securities Inc. and Wells Fargo Securities, LLC. dated January 3, 2012 (Confidential)
3. Report of Securities Issued

With regard to the use of the proceeds from the issuance of the Bonds, please see "Use of Proceeds" on page S-9 of the enclosed Prospectus Supplement.

Under penalty of perjury, I declare that I know the contents of the enclosed documents, and they are true, correct, and complete.

Please contact me at (503) 813-5662 if you have any questions about this letter or the enclosed documents.

Sincerely,

Bruce N Williams

Bruce N. Williams
Vice President and Treasurer

Enclosures
Cc: Terri Carlock (Idaho Commission)
Ted Weston (PacifiCorp)

PROSPECTUS SUPPLEMENT

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED DECEMBER 3, 2010

PACIFICORP
A MIDAMERICAN ENERGY HOLDINGS COMPANY

$650,000,000 First Mortgage Bonds
$350,000,000 2.95% Series Due 2022
$300,000,000 4.10% Series Due 2042

The 2022 bonds will bear interest at 2.95% per year and will mature on February 1, 2022. The 2042 bonds will bear interest at 4.10% per year and will mature on February 1, 2042. We will pay interest on the bonds of each series on February 1 and August 1 of each year, beginning on August 1, 2012. We collectively refer to the 2022 bonds and the 2042 bonds as the "bonds."

We may redeem some or all of the bonds of either series at any time at the redemption prices discussed under the caption "Description of the Bonds—Optional Redemption."

We will not apply for listing of the bonds on any securities exchange or include them in any automated dealer quotation system. Currently, there is no public market for the bonds.

Investing in the bonds involves risks. See "Risk Factors" on page S-8 for information on certain matters you should consider before purchasing the bonds.

	Per 2022 Bond	Total	Per 2042 Bond	Total
Public Offering Price(1)	99.912%	$349,692,000	99.671%	$299,013,000
Underwriting Discount	0.58%	$2,030,000	0.80%	$2,400,000
Proceeds to PacifiCorp (Before Expenses)	99.332%	$347,662,000	98.871%	$296,613,000

(1) Plus accrued interest, if any, from January 6, 2012.

The underwriters expect to deliver the bonds to purchasers through The Depository Trust Company on or about January 6, 2012.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

J.P. Morgan **Mitsubishi UFJ Securities** **RBS** **Wells Fargo Securities**

Co-Managers

BofA Merrill Lynch

Citigroup

Credit Suisse

Scotia Capital

SunTrust Robinson Humphrey

US Bancorp

The date of this prospectus supplement is January 3, 2012.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the bonds we are offering and certain other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the bonds we are offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. You should read both this prospectus supplement and the accompanying prospectus, together with the documents incorporated by reference and the additional information described in the accompanying prospectus under the heading "Where You Can Find More Information." If the description of the bonds in the prospectus supplement differs from the description in the accompanying prospectus, the description in the prospectus supplement supersedes the description in the accompanying prospectus.

Any statement made in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement. The information we have included in this prospectus supplement and the accompanying prospectus is accurate only as of the date of this prospectus supplement or the accompanying prospectus, and any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

You should rely only on the information contained in or incorporated by reference in the prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This document may only be used where it is legal to sell the bonds. The information in this prospectus and the documents incorporated by reference herein may only be accurate as of the dates of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

PROSPECTUS SUPPLEMENT SUMMARY

In this prospectus supplement, unless otherwise indicated or unless the context otherwise requires, the words "Company," "we," "our," "us" and "PacifiCorp" refer to PacifiCorp, an Oregon corporation, and its subsidiaries. References to the "Mortgage" are to the Mortgage and Deed of Trust, dated as of January 9, 1989, as amended and supplemented, with The Bank of New York Mellon Trust Company, N.A. as successor trustee.

The following summary contains basic information about PacifiCorp and this offering. It may not contain all of the information that is important to you. The "Description of the Bonds" section of this prospectus supplement contains more detailed information regarding the terms and conditions of the bonds. The following summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this prospectus supplement and by the documents incorporated by reference into this prospectus supplement.

ABOUT PACIFICORP

We are a regulated electricity company serving 1.7 million retail customers, including residential, commercial, industrial and other customers in portions of the states of Utah, Oregon, Wyoming, Washington, Idaho and California. We own, or have interests in, 75 thermal, hydroelectric, wind-powered and geothermal generating facilities with a net owned capacity of 10,596 megawatts. We also own, or have interests in, electric transmission and distribution assets, and transmit electricity through approximately 16,200 miles of transmission lines. We also buy and sell electricity on the wholesale market with other utilities, energy marketing companies, financial institutions and other market participants as a result of excess electricity generation or other system balancing activities. We are subject to comprehensive state and federal regulation. Our subsidiaries support our electric utility operations by providing coal mining and environmental remediation services.

We are an indirect subsidiary of MidAmerican Energy Holdings Company ("MEHC"), a holding company based in Des Moines, Iowa that owns subsidiaries principally engaged in energy businesses. MEHC is a consolidated subsidiary of Berkshire Hathaway Inc. ("Berkshire"), which owned 89.8% of MEHC's voting common stock as of September 30, 2011.

Our principal executive offices are located at 825 N.E. Multnomah, Portland, Oregon 97232 and our telephone number is (503) 813-5608. We were initially incorporated in 1910 under the laws of the state of Maine under the name Pacific Power & Light Company. In 1984, Pacific Power & Light Company changed its name to PacifiCorp. In 1989, we merged with Utah Power and Light Company, a Utah corporation, in a transaction wherein both corporations merged into a newly formed Oregon corporation. The resulting Oregon corporation was re-named PacifiCorp, which is the operating entity today.

For additional information concerning our business and affairs, including our capital requirements, external financing arrangements and pending legal and regulatory proceedings, including descriptions of those laws and regulations to which we are subject, prospective purchasers should refer to the documents in the section entitled "Where You Can Find More Information" in the accompanying prospectus.

THE OFFERING

Issuer . . . . PacifiCorp.

Bonds Offered . . . . $350,000,000 aggregate principal amount of 2.95% First Mortgage Bonds due 2022 (the "2022 bonds").

$300,000,000 aggregate principal amount of 4.10% First Mortgage Bonds due 2042 (the "2042 bonds" and, together with the 2022 bonds, the "bonds").

The bonds constitute two series of securities that will be issued under a twenty-fifth supplement to the Mortgage.

Maturity Date . . . . February 1, 2022 for the 2022 bonds.

February 1, 2042 for the 2042 bonds.

Interest Payment Dates . . . . February 1 and August 1, beginning on August 1, 2012, for the bonds of each series.

Optional Redemption of the 2022 Bonds . . . . At any time prior to November 1, 2021, we may redeem the 2022 bonds, at our option, in whole or in part, at any time, at a redemption price equal to the greater of:

(1) 100% of the principal amount of the 2022 bonds to be redeemed; or

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the 2022 bonds to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate plus 15 basis points,

plus, for (1) or (2) above, whichever is applicable, accrued and unpaid interest, if any, on such bonds to the date of redemption. See "Description of the Bonds—Optional Redemption."

At any time on or after November 1, 2021 (which is the date that is three months prior to the maturity of the 2022 bonds), we may redeem the 2022 bonds, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2022 bonds to be redeemed, plus accrued and unpaid interest thereon, if any, to the date of redemption.

Optional Redemption of the 2042 Bonds . . . . At any time prior to August 1, 2041, we may redeem the 2042 bonds, at our option, in whole or in part, at any time, at a redemption price equal to the greater of:

(1) 100% of the principal amount of the 2042 bonds to be redeemed; or

(2) the sum of the present values of the remaining scheduled payments of principal and interest on the 2042 bonds to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate plus 20 basis points,

plus, for (1) or (2) above, whichever is applicable, accrued and unpaid interest, if any, on such bonds to the date of redemption. See "Description of the Bonds—Optional Redemption."

At any time on or after August 1, 2041 (which is the date that is six months prior to the maturity of the 2042 bonds), we may redeem the 2042 bonds, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2042 bonds to be redeemed, plus accrued and unpaid interest thereon, if any, to the date of redemption.

Sinking Fund . . . . The bonds will not be subject to a mandatory sinking fund.

Ranking . . . . The bonds will be secured by a first mortgage lien on certain utility property owned by us. The bonds will be equally and ratably secured with all other bonds issued under the Mortgage. The lien of the Mortgage is subject to certain exceptions. See "Description of the Bonds—Ranking and Security."

Covenants . . . . The Mortgage contains a number of covenants by us for the benefit of the holders of the bonds, including provisions requiring us to maintain the mortgaged property as an operating system or systems capable of engaging in all or any of the generating, transmission, distribution or other utility businesses described in the Mortgage. See "Description of Additional Bonds—Certain Covenants" in the accompanying prospectus.

Denominations . . . . The bonds are available for purchase in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Use of Proceeds . . . . We intend to use the net proceeds from the sale of the bonds for the repayment of short-term debt, to fund capital expenditures and for general corporate purposes, including the potential redemption of tax-exempt bonds. See "Use of Proceeds" in this prospectus supplement.

Trustee . . . . The Bank of New York Mellon Trust Company, N.A. will be the trustee for the holders of the bonds. See "Description of Additional Bonds—The Mortgage Trustee" in the accompanying prospectus.

Conflicts of Interest . . . . Berkshire, through its investment in Bank of America Corporation, has an ownership interest in Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") and, as such, Merrill Lynch has a potential "conflict of interest" in this offering within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc. ("FINRA"). Consequently, this offering is being conducted in compliance with the provisions of FINRA Rule 5121. See "Underwriting—Conflicts of Interest and Affiliations."

RISK FACTORS

Investing in the bonds involves risk. Before purchasing the bonds, you should carefully consider the risk factors included in the accompanying prospectus, our Annual Report on Form 10-K for the year ended December 31, 2010 (the "Form 10-K") and our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2011, June 30, 2011 and September 30, 2011 (the "Forms 10-Q"). You should also read and consider the other information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein in order to evaluate an investment in the bonds. See "Where You Can Find More Information" in the accompanying prospectus. Additional risks and uncertainties that are not presently known or that are currently deemed immaterial may also materially harm our business, operating results and financial condition and could result in a loss on your investment.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

We have derived the summary consolidated financial information presented below from our audited historical Consolidated Financial Statements as of and for the years ended December 31, 2010 and December 31, 2009 and our unaudited historical Consolidated Financial Statements as of and for the nine-month periods ended September 30, 2011 and 2010. This summary consolidated financial information should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in the Forms 10-K and the Forms 10-Q, incorporated by reference herein.

	Nine-Month Periods Ended September 30,		Years Ended December 31,	
	2011	2010	2010	2009
	(in millions)			
Consolidated Statements of Operations Information:				
Operating revenue	$ 3,408	$ 3,323	$ 4,432	$ 4,457
Operating income	846	800	1,036	1,060
Net income attributable to PacifiCorp	425	442	566	542
Other Consolidated Financial Information:				
Net cash from operating activities	$ 1,452	$ 1,044	$ 1,410	$ 1,500
Net cash from investing activities	(1,067)	(1,259)	(1,613)	(2,308)
Net cash from financing activities	(265)	130	117	866

	As of September 30,		As of December 31,	
	2011	2010	2010	2009
	(in millions)			
Consolidated Balance Sheet Information:				
Total assets	$20,570	$19,779	$20,146	$18,966
Total long-term debt(1)	6,206	6,326	5,813	6,400
Total PacifiCorp shareholders' equity	7,184	7,194	7,311	6,648

(1) Includes capital lease obligations, but excludes current maturities and short-term debt.

USE OF PROCEEDS

We intend to use the net proceeds from the sale of the bonds for the repayment of short-term debt, to fund capital expenditures and for general corporate purposes, including the potential redemption of tax-exempt bonds. As of December 31, 2011, we had approximately $688 million of commercial paper outstanding maturing through January 25, 2012, with a weighted-average interest rate of 0.51%. See "Capitalization" below.

CAPITALIZATION

The table below shows our capitalization on a consolidated basis as of September 30, 2011. The "As Adjusted" column will reflect our capitalization as of that date after giving effect to this offering of bonds and the use of the net proceeds from this offering. You should read this table along with the Consolidated Financial Statements contained in the Form 10-K and the Forms 10-Q (in millions).

	As of September 30, 2011			
	Actual		As Adjusted	
	Amounts	%	Amounts	%
Short-term debt	$ 0	0.0	$ 0	0.0%
Long-term debt, currently maturing(1)	521	3.8	521	3.6
Long-term debt, net of current maturities(1)	6,206	44.6	6,856	47.1
Total short- and long-term debt	6,727	48.4	7,377	50.7
Preferred stock	41	0.3	41	0.3
Total common equity	7,143	51.3	7,143	49.0
Total capitalization	$13,911	100.0	$14,561	100.0%

(1) Includes capital lease obligations.

As of December 31, 2011, short-term debt consisted of approximately $688 million of commercial paper, long-term debt currently maturing was approximately $19 million and long-term debt, net of current maturities, was approximately $6,194 million.

CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

Nine-Month Period Ended September 30, 2011	Years Ended December 31, 2010	2009	2008	2007	Nine-Month Period Ended December 31, 2006
3.0x	3.0x	2.9x	3.0x	3.0x	2.1x

DESCRIPTION OF THE BONDS

The bonds will be issued pursuant to the twenty-fifth supplemental indenture to the Mortgage, to be dated as of January 1, 2012 (the "Supplemental Indenture"). The terms of the bonds include those stated in the Mortgage, the Supplemental Indenture and those made part of the Mortgage by reference to the Trust Indenture Act of 1939, as amended.

Set forth below is a description of the specific terms of the bonds. The following description is not complete in every detail and is subject to, and is qualified in its entirety by reference to, the Mortgage and the Supplemental Indenture. Capitalized terms used in this "Description of the Bonds" section that are not defined in this prospectus supplement have the meanings given to them in the Mortgage or the Supplemental Indenture.

General

The bonds will be issued as two separate series of First Mortgage Bonds under the Mortgage. The 2022 bonds will initially be limited in aggregate principal amount to $350,000,000. The 2042 bonds will initially be limited in aggregate principal amount to $300,000,000. The entire principal amount of the 2022 bonds will mature and become due and payable, together with any accrued and unpaid interest thereon, on February 1, 2022. The entire principal amount of the 2042 bonds will mature and become due and payable, together with any accrued and unpaid interest thereon, on February 1, 2042. The bonds are not subject to any sinking fund provision. The bonds are available for purchase in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Interest

Each 2022 bond will bear interest at the rate of 2.95% per annum from the date of original issuance. Each 2042 bond will bear interest at the rate of 4.10% per annum from the date of original issuance. Interest on the bonds of each series will be payable semi-annually in arrears on February 1 and August 1 of each year (each, an "Interest Payment Date"). The initial Interest Payment Date is August 1, 2012. The amount of interest payable will be computed on the basis of a 360-day year consisting of twelve 30-day months. If any date on which interest is payable on the bonds is not a business day, then payment of the interest payable on that date will be made on the next succeeding day which is a business day (and without any additional interest or other payment in respect of any delay), with the same force and effect as if made on such date.

So long as the bonds remain in book-entry only form, the record date for each Interest Payment Date will be the close of business on the business day before the applicable Interest Payment Date. If the bonds are not all in book-entry form, the record date for each Interest Payment Date will be the close of business on the 15th calendar day of the month immediately preceding the month in which the applicable Interest Payment Date occurs (whether or not a business day).

Ranking and Security

The bonds will be issued under the Mortgage and secured by a first mortgage lien on certain utility property owned from time to time by the Company. The lien of the Mortgage is subject to Excepted Encumbrances, including tax and construction liens, purchase money liens and certain other exceptions. The bonds will be equally and ratably secured with all other bonds issued under the Mortgage.

Further Issuances

The 2022 bonds will initially be limited in aggregate principal amount to $350,000,000. The 2042 bonds will initially be limited in aggregate principal amount to $300,000,000. We may, from time to time, without notice to or the consent of the holders of the bonds, create and issue further bonds equal in rank and having the same maturity, payment terms, redemption features, CUSIP numbers and other terms as the bonds of a series offered by this prospectus supplement, except for the issue price, payment of interest accruing prior to the issue date of the further bonds and, under some circumstances, for the first payment of interest following the issue date of the further bonds. These further bonds may be consolidated and form a single series with the bonds of such series offered by this prospectus supplement.

Optional Redemption

At any time prior to November 1, 2021, we may redeem the 2022 bonds, at our option, in whole or in part, at any time, at a redemption price equal to the greater of:

- 100% of the principal amount of 2022 bonds then outstanding to be redeemed; or
- the sum of the present values of the remaining scheduled payments of principal and interest on the 2022 bonds to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 15 basis points, as calculated by an Independent Investment Banker;

plus, in either of the above cases, whichever is applicable, accrued and unpaid interest, if any, on such 2022 bonds to the date of redemption.

At any time on or after November 1, 2021 (which is the date that is three months prior to the maturity of the 2022 bonds), we may redeem the 2022 bonds, at our option, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the 2022 bonds to be redeemed, plus accrued and unpaid interest thereon to the date of redemption.

At any time prior to August 1, 2041, we may redeem the 2042 bonds, at our option, in whole or in part, at any time, at a redemption price equal to the greater of:

- 100% of the principal amount of 2042 bonds then outstanding to be redeemed; or
- the sum of the present values of the remaining scheduled payments of principal and interest on the 2042 bonds to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 20 basis points, as calculated by an Independent Investment Banker;

plus, in either of the above cases, whichever is applicable, accrued and unpaid interest, if any, on such 2042 bonds to the date of redemption.

At any time on or after August 1, 2041 (which is the date that is six months prior to the maturity of the 2042 bonds), we may redeem the 2042 bonds, at our option, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount of the 2042 bonds to be redeemed, plus accrued and unpaid interest thereon to the date of redemption.

We will mail a notice of redemption at least 30 days before the redemption date to each holder of bonds to be redeemed. If we elect to partially redeem the bonds of either series, the Trustee will select in a fair and appropriate manner the bonds to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the bonds or portions thereof called for redemption.

"*Adjusted Treasury Rate*" means, with respect to any redemption date:

- the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the applicable Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, yields for the two published maturities most closely corresponding to such Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or

- if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the applicable Comparable Treasury Issue, calculated using a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate will be calculated on the third business day preceding the redemption date.

"*Comparable Treasury Issue*" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the bonds to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such bonds ("*Remaining Life*").

"*Comparable Treasury Price*" means, with respect to any redemption date, (1) the average of four Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"*Independent Investment Banker*" means one of the Reference Treasury Dealers appointed by us, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by us.

"*Reference Treasury Dealer*" means:

- each of J.P. Morgan Securities LLC, RBS Securities Inc., a Primary Treasury Dealer (as defined herein) selected by Mitsubishi UFJ Securities (USA), Inc. and a Primary Treasury Dealer selected by Wells Fargo Securities, LLC, and their respective successors; provided that, if one of these parties ceases to be a primary U.S. Government securities dealer in New York City ("*Primary Treasury Dealer*"), we will substitute another Primary Treasury Dealer; and
- any other Primary Treasury Dealers selected by us.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of the material U.S. federal income tax considerations that may be relevant to the ownership and disposition of the bonds issued pursuant to this offering, and does not purport to be a complete analysis of all potential tax effects.

This discussion is limited to persons purchasing the bonds for cash pursuant to this prospectus supplement at the offering price on the cover page of this prospectus supplement and who hold the bonds as capital assets for tax purposes. This discussion does not address all the U.S. federal income tax consequences that may be relevant to you in light of your particular circumstances or to investors subject to special rules, such as financial institutions, banks, U.S. expatriates, controlled foreign corporations, passive foreign investment companies, insurance companies, dealers in securities or currencies, traders in securities, persons whose functional currency is not the U.S. dollar, tax-exempt organizations and persons holding the bonds as part of a "straddle," "hedge," "conversion transaction" or other integrated transaction. This discussion does not address any U.S. gift or estate tax considerations or tax considerations arising under the laws of any state, local or non-U.S. jurisdiction.

If a partnership (including any entity or arrangement classified as a partnership for U.S. federal income tax purposes) is an owner of the bonds, the treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the bonds, you should consult your tax advisor regarding the U.S. federal income tax consequences relating to the ownership and disposition of the bonds.

The discussion is based on the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury regulations issued thereunder ("Treasury Regulations"), court decisions and administrative interpretations, all as in effect as of the date of this prospectus supplement and all of which are subject to change at any time, possibly with retroactive effect. Changes in these authorities may cause the tax consequences to vary substantially from the consequences described below.

We have not sought and will not seek any rulings from the Internal Revenue Service ("IRS") with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the bonds or that any such position taken by the IRS would not be sustained by a court.

You are urged to consult your own tax advisor regarding the U.S. federal, state, local, foreign or other tax consequences of the ownership and disposition of the bonds.

U.S. Holders

This section applies to you if you are a "U.S. Holder." A "U.S. Holder" means a beneficial owner of the bonds that is a U.S. citizen or U.S. resident alien, a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, an estate whose income is subject to U.S. federal income tax regardless of its source or a trust that either is subject to the supervision of a court within the United States and has one or more U.S. persons with authority to control all of its substantial decisions or has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Interest

You generally must include the stated interest on a bond as ordinary income at the time such interest is received or accrued, in accordance with your method of accounting for U.S. federal income tax purposes. It is expected, and the following discussion assumes, that the bonds will not be treated as issued with original issue discount for U.S. federal income tax purposes.

If we call the bonds for redemption (see "Description of the Bonds—Optional Redemption"), we may be obligated to make "make-whole" payments on the bonds in excess of stated interest and principal. We believe, and the following discussion assumes, that the likelihood that we will be obligated to make these additional payments is remote. Remote contingencies are not taken into account unless and until they occur. Our determination that this contingency is remote is binding on you unless you disclose a contrary position in the manner required by applicable Treasury Regulations. Our determination is not, however, binding on the IRS. Assuming our determination is upheld, if we are required to make these additional payments, you likely would recognize additional interest income in accordance with your method of accounting for U.S. federal income tax purposes.

Certain U.S. Holders who are individuals, estates or trusts will be subject to a 3.8% tax on, among other things, interest for taxable years beginning after December 31, 2012. You should consult your tax advisor regarding the effect, if any, of this tax on your ownership of our bonds.

Sale or Other Taxable Disposition of the Bonds

You generally will recognize gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of a bond equal to the difference between (i) the amount of cash and the fair market value of any property received upon the disposition (less any amount attributable to accrued but unpaid interest, which will be taxable as ordinary interest income unless previously taken into income) and (ii) your adjusted tax basis in the bond. Your adjusted tax basis in a bond generally will be your purchase price of the bond on the date of purchase. Gain or loss recognized generally will be a capital gain or loss, and will be long-term capital gain or loss if you held the bond for more than one year. Long-term capital gains of some non-corporate taxpayers (including individuals) are taxed at preferential capital gains tax rates. Your ability to deduct capital losses may be limited.

Certain U.S. Holders who are individuals, estates or trusts will be subject to a 3.8% tax on, among other things, capital gains from the sale or other disposition of the bonds for taxable years beginning after December 31, 2012. You should consult your tax advisors regarding the effect, if any, of this tax on your disposition of the bonds.

Non-U.S. Holders

This section applies to you if you are a "Non-U.S. Holder." A Non-U.S. Holder means a beneficial owner of the bonds that is neither a U.S. Holder nor a partnership for U.S. federal income tax purposes.

Interest

Payments to you of interest generally will not be subject to U.S. federal withholding tax, provided that:

- you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- you are not a controlled foreign corporation that is related to us actually or constructively through stock ownership;
- you are not a bank receiving certain types of interest; and
- we, or our paying agent, receive appropriate documentation, generally a completed IRS Form W-8BEN, establishing that you are not a U.S. person within the meaning of the Code.

Interest that meets these requirements is referred to as "portfolio interest" and, in addition to generally not being subject to U.S. federal withholding tax, is also generally not subject to regular U.S. federal income tax unless the conditions of the following paragraph apply to you.

The interest on the bonds will be taxed at regular U.S. federal net income tax rates and not be subject to U.S. withholding tax if: (i) the interest constitutes income that is effectively connected with the conduct by you of a U.S. trade or business, and (ii) if an income tax treaty applies, the interest is attributable to a U.S. permanent establishment or fixed base under the terms of such treaty ("U.S. trade or business income"), provided, in each case, that a proper certification is provided. In addition, if you are a foreign corporation, such income may also be subject to the "branch profits tax" at a rate of 30% (or lower applicable treaty rate). Interest that neither qualifies as portfolio interest nor constitutes U.S. trade or business income will be subject to U.S. withholding tax at the rate of 30%, unless such rate is reduced or eliminated by an applicable tax treaty and you provide the appropriate certification.

Sale or Other Taxable Disposition of the Bonds

Gain realized by a you on the sale, redemption or other taxable disposition of a bond generally will not be subject to U.S. federal income or withholding tax, unless (i) such gain is effectively connected with the conduct by you of a trade or business within the United States (and, if an income tax treaty applies, is attributable to a permanent establishment or fixed base in the United States) or (ii) you are an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are satisfied.

Gain recognized by a you upon a sale, redemption or other taxable disposition of a bond that is effectively connected with the conduct by you of a U.S. trade or business and, if an income tax treaty applies, is attributable to a U.S. permanent establishment or fixed base, generally will be subject to U.S. federal income tax in the same manner as if the bond were held by a U.S. Holder. In addition, if you are a corporation, such gain may also be subject to the branch profits tax at a rate of 30% (or lower applicable treaty rate).

Information Reporting and Backup Withholding

Payments of interest made by us on, or the proceeds of the sale or other disposition of, the bonds may be subject to information reporting and U.S. federal backup withholding tax, unless, in certain cases, the recipient of the payment supplies an accurate taxpayer identification number or otherwise complies with applicable U.S. information reporting or certification requirements. Backup withholding is not an additional tax, and any amount withheld under the backup withholding rules is allowable as a credit against your U.S. federal income tax liability, and you may qualify for a refund of any excess withheld amounts, provided that the required information is timely furnished to the IRS.

PERSONS CONSIDERING THE PURCHASE OF THE BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF BONDS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, AS WELL AS THE EFFECT OF ANY STATE, LOCAL OR FOREIGN TAX LAWS OR ANY APPLICABLE TAX TREATY.