



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

January 28, 2011

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Julie P. Orchard
Commission Secretary

Re: PacifiCorp Notice of Affiliate Transaction
Docket No. 05-035-54

Dear Ms. Orchard:

Pursuant to Commitment U3(2), incorporated in the Public Service Commission of Utah's *Report and Order* approving the *Acquisition of PacifiCorp by MidAmerican Energy Holdings Company*, issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, Rocky Mountain Power hereby provides notice of an affiliate transaction and includes with this letter for filing an original and five (5) copies of the Quote for Cable Replacement ("Quote") from Marmon Utilities, LLC ("Kerite Cable Services"), for evaluation and repair to certain Company transmission facilities. A copy of the Quote is included as Attachment A and is submitted as confidential.

PacifiCorp dba Rocky Mountain Power is an indirect wholly-owned subsidiary of MidAmerican Energy Holdings Company ("MEHC"). MEHC is a wholly-owned subsidiary of Berkshire Hathaway, Inc ("Berkshire"). Berkshire holds an approximate 64 percent interest in the Marmon Group. The Marmon Group consists of approximately 130 companies, divided into eleven business sectors including engineered wire and cable, industrial products and building wire. Kerite Cable Services is a member of the Marmon Group. Therefore, Berkshire's ownership interest in the Marmon Group creates an affiliated interest.

Kerite Cable Services manufactures power cables and, approximately thirty years ago, prior to Berkshire's ownership interest in the Marmon Group, installed cables used by the Company for transmission services. Certain cables experienced a failure near Salt Lake City, Utah on June 16, 2010, for which Kerite Cable Services performed emergency repair on those cables shortly after the failure. The emergency repair afforded a temporary solution that now needs a more permanent solution.

The long-term solution for repairing the cable failure involves removing and replacing approximately 500 feet of cable. The cable is specialized and manufactured upon ordering. PacifiCorp selected Kerite Cable Services to manufacture and install the cable because, Kerite

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Cable Services, as the manufacturer of the original, uniquely-designed cable, is in the best position to perform these tasks. PacifiCorp also intends to purchase an additional 2500 feet of the cable to hold in inventory to have replacement cable on hand, given the long lead time needed for manufacturing. The Company anticipates it will spend approximately \$350,000 for 3000 feet of cable, labor and other expenses associated with the immediate repair project. The Quote included as Attachment A shows pricing for 500 feet of cable. PacifiCorp estimates the total expense based on the cable pricing listed in the Quote and can provide the actual expense to the Commission upon receiving the final actual pricing. The pricing is not expected to materially change.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Jeffrey K. Larsen
Vice President, Regulation

Enclosures

cc: Chris Parker, DPU
Michele Beck, CCS