

RMP 2014 GRC Filing Requirements

R746-700-22.D.4

Affiliates. Please provide a detailed description of corporate restructurings and changes in affiliate relationships since the prior general rate case and also describe changes in the corporate and affiliate relationships between the Base Year and the end of the Test Year reflected in the filing.

Response to R746-700-22.D.4

PacifiCorp had transactions with the following new affiliates during the period January 1, 2012 to December 31, 2013:

National Indemnity Company (“NICO”)– NICO is a wholly owned subsidiary of Berkshire Hathaway, Inc. (“Berkshire Hathaway”). NICO is a provider of commercial insurance products and provides surety bonds for PacifiCorp.

Symetra Life Insurance Company (“Symetra”) – At September 30, 2013, Berkshire Hathaway held a 17 percent ownership interest in Symetra Financial Corporation, which wholly owns Symetra Life Insurance Company. Symetra Financial Corporation is a financial services company in the life insurance industry. Symetra provides Energy West Mining Company with excess loss insurance coverage.

Lee Enterprises, Incorporated (“Lee Enterprises”) – During the second quarter of 2012, Berkshire Hathaway’s ownership in Lee Enterprises surpassed five percent of Lee Enterprises’ outstanding common shares, and subsequently fell to less than five percent during the third quarter of 2012. As a result, Lee Enterprises was an affiliate of PacifiCorp during the second and third quarters of 2012. Lee Enterprises is a provider of local news and information and a platform for advertising through both print and digital platforms. Lee Enterprises provides PacifiCorp with job postings and legal notices in newspapers.

DIRECTV – During the fourth quarter of 2012, Berkshire Hathaway’s ownership in DIRECTV surpassed five percent of DIRECTV’s outstanding common shares. As a result, DIRECTV became a PacifiCorp affiliate in the fourth quarter of 2012. At September 30, 2013, Berkshire Hathaway held a seven percent ownership interest in DIRECTV. DIRECTV is a provider of digital television entertainment. DIRECTV provides PacifiCorp with television programming.

U.S. Bancorp – During the second quarter of 2013, Berkshire Hathaway, Inc.’s ownership in U.S. Bancorp surpassed five percent of US Bancorp’s outstanding common shares. As a result, US Bancorp became a PacifiCorp affiliate in the second quarter of 2013. At September 30, 2013, Berkshire Hathaway held a five percent ownership interest in U.S. Bancorp. U.S. Bancorp is a financial services company providing lending and depository services, cash management, capital

markets, and trust and investment management services. U.S. Bancorp provides banking services to PacifiCorp.

MEHC Investment, Inc. (“MEHCI”) – a wholly owned subsidiary of MidAmerican Energy Holdings Company (“MEHC”). MEHCI invests in, develops and manages financial business ventures. PacifiCorp provides services to MEHCI under the Intercompany Administrative Services Agreement (“IASA”).

Cordova Energy Company LLC (“Cordova”) – an indirect wholly owned subsidiary of MEHC. Cordova owns a 537-megawatt natural gas-fueled electric generation facility in Illinois. PacifiCorp provides services to Cordova under the IASA.

M&M Ranch Acquisition Company, LLC (“M&M Ranch”) - an indirect wholly owned subsidiary of MEHC. M&M Ranch holds real property and certain other development assets in Johnson County, Wyoming. M&M Ranch provides services to PacifiCorp under the IASA.

MidAmerican Renewables, LLC (“MRE”) – a wholly owned subsidiary of MEHC. MRE was established to identify and invest in renewable energy projects. MRE provides services to PacifiCorp under the IASA. PacifiCorp also provides services to MRE under the IASA.

Electric Transmission America, LLC (“ETA”) – a joint venture owned equally by MEHC America Transco, LLC, an indirect wholly owned subsidiary of MEHC, and subsidiaries of American Electric Power Company, Inc. ETA pursues transmission opportunities in North America outside of the Electric Reliability Council of Texas. PacifiCorp provides services to ETA under the IASA.

Electric Transmission Texas, LLC (“ETT”) – a joint venture owned equally by MEHC Texas Transco, LLC, an indirect wholly owned subsidiary of MEHC, and subsidiaries of American Electric Power Company, Inc. ETT owns and operates electric transmission assets in the Electric Reliability Council of Texas. PacifiCorp provides services to ETT under the IASA.

MEHC Canada, LLC (“MEHC Canada”) – a wholly owned subsidiary of MEHC. MEHC Canada invests in transmission and generation opportunities in Canada. PacifiCorp provides services to MEHC Canada under the IASA.

Midwest Power Transmission Iowa, LLC (“MPTIA”) – an indirect wholly owned subsidiary of MEHC. MPTIA was established to identify and invest in transmission projects located in Iowa. PacifiCorp provides services to MPTIA under the IASA.

Midwest Power Transmission Illinois, LLC (“MPTIL”) – an indirect wholly owned subsidiary of MEHC. MPTIL was established to identify and invest in

transmission projects located in Illinois. PacifiCorp provides services to MPTIL under the IASA.

Pinyon Pines Wind I, LLC (“Pinyon Pines I”) – an indirect wholly owned subsidiary of MEHC. Pinyon Pines I owns and operates a 168-megawatt wind project located near Tehachapi, California. PacifiCorp provides services to Pinyon Pines I under the IASA.

Pinyon Pines Wind II, LLC (“Pinyon Pines II”) – an indirect wholly owned subsidiary of MEHC. Pinyon Pines II owns and operates a 132-megawatt wind project located near Tehachapi, California. PacifiCorp provides services to Pinyon Pines II under the IASA.

Bishop Hill Interconnection LLC (“BH Interconnection”) – 50% owned by Bishop Hill Energy II, LLC, an indirect wholly owned subsidiary of MEHC. BH Interconnection provides transmission service to Bishop Hill Energy II, LLC. PacifiCorp provides services to BH Interconnection under the IASA.

MidAmerican Transmission, LLC (“MTL”) – a wholly owned subsidiary of MEHC. MTL is engaged in various joint ventures to develop, own and operate transmission assets and is pursuing additional investment opportunities in both the United States and Canada. PacifiCorp provides services to MTL under the IASA.

Topaz Solar Farms LLC (“Topaz”) – an indirect wholly owned subsidiary of MEHC. Topaz is constructing a 586-megawatt solar project in San Luis Obispo County, California. PacifiCorp provides services to Topaz under the IASA.

Solar Star California XIX, LLC - an indirect wholly owned subsidiary of MEHC which is constructing a 309-megawatt solar project near Rosamond, California. PacifiCorp provides services to Solar Star California XIX, LLC under the IASA.

Solar Star California XX, LLC - an indirect wholly owned subsidiary of MEHC which is constructing a 270-megawatt solar project near Rosamond, California. PacifiCorp provides services to Solar Star California XX, LLC under the IASA.

Metalogic Inspection Services Inc. - an indirect, majority owned subsidiary of MEHC which provides nondestructive testing services of piping, vessels and other metal structures used in the oil and gas, power generation, and pulp and paper industries. PacifiCorp provides services to Metalogic Inspection Services Inc. under the IASA.

The following entities ceased being an affiliate of PacifiCorp during the period from January 1, 2012 to December 31, 2013:

Effective July 1, 2012, PacifiCorp Environmental Remediation Company (“PERCo”), a wholly owned subsidiary of PacifiCorp, was dissolved, and all assets and liabilities of PERCo were assumed by PacifiCorp. PacifiCorp Investment Management, Inc. (“PIMI”), a wholly owned subsidiary of PacifiCorp, previously performed management services for PERCo. Effective July 1, 2012, PIMI was dissolved.

The following are changes in the corporate and affiliate relationships between the Base Year and the end of the Test Year reflected in the filing:

NV Energy, Inc. (“NV Energy”) - MEHC is expected to acquire NV Energy in December 2013 or January 2014. NV Energy is a public utility that generates, transmits and distributes electric energy as well as provides natural gas service in Nevada. NV Energy and PacifiCorp sell wholesale energy and transmission services to each other, from time to time. NV Energy and PacifiCorp also make payments to each other related to the use of certain facilities.

American Express Company (“American Express”) – At September 30, 2013, Berkshire Hathaway held a 14 percent ownership interest in American Express. American Express is a global services company whose principal products and services are charge and credit payment card products and travel-related services offered to consumers and businesses around the world. American Express Travel Related Services Company, Inc. (“TRS”) is a subsidiary of American Express. Upon execution of an affiliate acceptance letter, TRS will be PacifiCorp’s preferred travel agency and will provide travel reservations and on-line booking services to PacifiCorp.