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

Julie P. Orchard
Commission Secretary
Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, Utah 84111

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 submits an original and five copies of the Quote from Marmon Utility, LLC ("Hendrix"), for the purchase of certain "spacer cable" needed for installation on PacifiCorp's Line 10 in California.¹ A copy of the Quote is included as Attachment A.

PacifiCorp is an indirect wholly-owned subsidiary of MidAmerican Energy Holdings Company ("MEHC"). MEHC is a wholly-owned subsidiary of Berkshire Hathaway, Inc ("Berkshire"). Berkshire currently 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. Hendrix is a member of the Marmon Group. Therefore, Berkshire's ownership interest in the Marmon Group may create an affiliated interest in some PacifiCorp jurisdictions.

Hendrix manufactures electrical distribution cable, cable systems and accessories for aerial and underground utility applications. Among the items manufactured by Hendrix is covered "spacer cable." Spacer cable is designed to be resilient to incidental contact (e.g. fallen trees and limbs), have increased strength in the event of impact loads and be tolerant to transient events such as lightning. The Company intends to use such spacer cable for part of its California Improvement Plan, which is designed to increase service reliability, particularly in areas with difficult terrain. The Company intends to install approximately one mile of spacer cable on Line 10 in an area with extreme terrain, tall adjacent vegetation, large snow falls in winter and heavy storms in the summer.

¹ Line 10 generally traverses from Yreka, to Indian Creek to Seiad to Happy Camp with a normally open position to Cave Junction.

The Company is conducting a pilot program to test the use of spacer cable in a transmission line to determine whether such cable is a viable option for reliability improvements in areas where terrain, vegetation, weather or animal-initiated faults can negatively impact reliability. Certain PacifiCorp electrical distribution and transmission facilities are located in areas where extreme side slopes, tall and slender trees, difficult summer or winter weather and adjacent animal habitats could result in lower reliability due to fault events. With the use of certain materials, such as spacer cable, customers should experience fewer service interruptions and Company facilities should experience less damage. The Company selected a section of Line 10 for the pilot program to evaluate design and construction considerations where reasonable operational access to the line exists. PacifiCorp previously installed spacer cable in two projects on distribution lines. The experience with the previous installations was sufficiently promising and the Company believes using spacer cable on local transmission lines will improve reliability to customers. Hendrix is the only known manufacturer of this product and the material is proprietary. Purchasing the spacer cable is in the public interest as part of the Company's commitment to providing safe and reliable electric service.

The Company anticipates spending approximately \$163,800 based on the Quote included as Attachment A. The Company is also budgeting an additional \$12,000 in the event engineering assistance regarding the spacer cable is needed from Hendrix.²

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

Very Truly Yours,



Mark C. Moench
Senior Vice President and
General Counsel
Rocky Mountain Power

Enclosures

cc: Chris Parker, DPU
Michele Beck, OCS

² See page 18 of Attachment A.