



*Mark C. Moench
Senior Vice President and General Counsel
201 S. Main Street, Suite 2400
Salt Lake City, UT 84111
801-220-4459 Office
801-220-4058 Fax
mark.moench@pacificorp.com*

December 12, 2012

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

Gary Widerburg
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 Mr. Widerburg:

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 interest transaction with International Business Machines Corporation (IBM) Emptoris (Emptoris). A copy of the Services Contract between PacifiCorp and Rivermine Software, Inc. (Contract) is included as Attachment A. PacifiCorp originally entered into the Contract with Rivermine Software, Inc. (Rivermine) in 2008. Emptoris subsequently acquired Rivermine. IBM acquired Emptoris in June 2012 and assumed responsibility under the Contract. PacifiCorp is in the process of transitioning to paying IBM instead of Emptoris under the contract.

PacifiCorp is a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company (MEHC). MEHC is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). In mid-November 2011, Berkshire Hathaway publicly announced purchases of IBM common stock totaling greater than a five percent interest. IBM acquired Emptoris in June 2012. Therefore, Berkshire Hathaway's ownership interest in IBM may create an affiliated interest in some PacifiCorp jurisdictions.

Emptoris offers comprehensive strategic supply, category spend and contract management services. Prior to IBM's acquisition of Emptoris, PacifiCorp was using telecommunications expense management services for automated telecommunications invoice management, integrated telecommunications inventory management and integrated accounts payable functions under the Contract. PacifiCorp intends to continue using such services under the Contract, although payment will now be made to IBM. PacifiCorp will pay \$103,200 per year for these services under the Contract. Implementation charges may arise as more business platforms are integrated into these services, which may increase the annual spend.

Utah Public Service Commission

December 12, 2012

Page 2

The Company relies on the telecommunications expense management services furnished by Emptoris to reduce its company-wide telecommunications expenses. Accordingly, the transaction is consistent with the public interest.

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

Best Regards,

A handwritten signature in blue ink that reads "Mark C. Moench". The signature is written in a cursive style with a long horizontal flourish at the end.

Mark C. Moench
Senior Vice President and General Counsel
PacifiCorp

Enclosures

cc: Chris Parker, DPU
Michele Beck, OCS