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July 6, 2015

## VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Gary Widerburg Commission Secretary Public Service Commission of Utah Heber M. Wells Building, 4<sup>th</sup> 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 (now known as Berkshire Hathaway Energy Company or BHE), issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, Rocky Mountain Power d.b.a. PacifiCorp hereby provides written notice of an affiliate interest transaction with FlightSafety International Inc. (FlightSafety) for the purchase of training services. A copy of the FlightSafety Master Professional Services Contract for Flight Training (Agreement) is included with this notice as Attachment A.

PacifiCorp is a wholly-owned indirect subsidiary of BHE. BHE is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). FlightSafety is also a subsidiary of Berkshire Hathaway. Therefore, Berkshire Hathaway's ownership interest in both FlightSafety and BHE may create an affiliated interest in some PacifiCorp jurisdictions.

FlightSafety provides aviation training services, including training for pilots, flight attendants and customer service personnel. PacifiCorp owns an aircraft and employs pilots to fly the aircraft. The Federal Aviation Administration (FAA) requires that all pilots take flight simulator training at least once per year. BHE requires pilots to take training at least twice per year. PacifiCorp's aircraft uses a specific navigation system for which FlightSafety is the only known provider of flight simulation services.

The Agreement was negotiated between BHE and FlightSafety. PacifiCorp has the right to order training services under the Agreement. Based on projected training schedules, PacifiCorp expects to pay FlightSafety an estimated \$51,200 over the two-year term of the Agreement. See Attachment A for the rates applicable to training services.

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Transacting with FlightSafety is in the public interest. PacifiCorp uses corporate aircraft for a variety of purposes. These include transporting personnel throughout its six states in emergency situations. PacifiCorp also uses the aircraft to transport personnel for ordinary-course utility business when such use is more cost-effective and efficient than commercial flights. The pilots on staff must take at least two trainings per year to meet FAA and BHE safety requirements. Because FlightSafety is the only known entity offering simulation training for PacifiCorp's navigation system, it is essential for PacifiCorp to transact with FlightSafety.

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

Best Regards,

R. Jeff Richards

Vice President and General Counsel

PacifiCorp

Enclosures

cc: Chris Parker, DPU

Michele Beck, OCS