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September 28, 2016

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* (MEHC), issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, Rocky Mountain Power d.b.a. PacifiCorp hereby provides notice of ongoing ordinary course affiliated interest transactions from time to time with Environment One Corp., a wholly-owned indirect subsidiary of Precision Castparts Company (Environment One).

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway Inc. On January 29, 2016, Berkshire Hathaway Inc. completed its acquisition of Precision Castparts Company, causing it, and its subsidiaries including Environment One, to become new affiliates of PacifiCorp. Therefore, Berkshire Hathaway, Inc.'s ownership interest in BHE and Environment One may create an affiliated interest relationship between PacifiCorp and Environment One in some PacifiCorp jurisdictions.

Environment One provides PacifiCorp with certain mechanical parts, supplies and services used by PacifiCorp's large thermal generation plants, including vacuum pumps, cloud chamber assemblies and collector analysis, cleaning and repair. PacifiCorp purchased such mechanical parts, supplies and services from Environment One before Berkshire Hathaway Inc. acquired Precision Castparts Company, and desires to continue using Environment One as one of its generation parts and services suppliers. The parts and services are purchased from time to time via standard PacifiCorp purchase orders, in the same manner as other supplies purchased via PacifiCorp's procurement department. Instances of such purchase orders are attached hereto as Attachment A (the Agreement). Purchase order transactions are done by PacifiCorp under this Agreement. Environment One is one of the only entities which can provide these parts and services at reasonable prices.

Public Service Commission of Utah Notice of Affiliate Transaction September 28, 2016

PacifiCorp purchases the parts and services from Environment One as needed from time to time, to use in its fleet of generation plants. As such, there is no set dollar amount of such purchases, but PacifiCorp has historically purchased approximately \$110,000 of Environment Once parts and services on average per year, and anticipates future purchase levels will be similar.

In addition, PacifiCorp recently discovered that it had purchased approximately \$56,452 of parts and services from Environment One since January 29, 2016 under the above-described pre-existing vendor relationship. Environment One was not initially flagged as an affiliate in PacifiCorp's affiliate tracking systems due to a naming convention issue in the software, which has now been remedied, and additional compliance checks have been run with respect to Precision Castparts Company and its voluminous subsidiaries.

The Agreement contains standard commercial sales terms and conditions to protect the Company's ability to provide safe and reliable service. Thus, the continuation of the purchase transactions under the Agreement will not harm the public interest.

PacifiCorp requests confidential treatment because the attachment contains commercially sensitive pricing information that could expose the Company and Environment One to competitive injury if disclosure is unrestricted. Therefore, the Company requests confidential treatment of the Agreement.

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

Best Regards.

R. Jeff Richards

Vice President and General Counsel

Rocky Mountain Power

Enclosures

cc: Chris Parker, DPU

Michele Beck, OCS