

R. Jeff Richards Vice President and General Counsel 1407 W. North Temple, Suite 320 Salt Lake City, UT 84116 801-220-4734 Office jeff.richards@pacificorp.com

July 3, 2018

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* ("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 an indirect affiliate interest transaction with The Bank of New York Mellon Trust Company, N.A. ("BNY Mellon"). PacifiCorp intends to engage BNY Mellon as trustee and underwriter for an upcoming First Mortgage Bond issuance tentatively scheduled for July 2018. PacifiCorp solicited underwriting proposals from a number of sources. Several banks responded, including BNY Mellon. The Company selected BNY Mellon as one of the co-manager underwriters for this bond offering. The selection of BNY Mellon was not influenced by Berkshire Hathaway's ownership interest.

PacifiCorp is a wholly-owned, indirect subsidiary of Berkshire Hathaway Energy Company ("BHE"). BHE is a subsidiary of Berkshire Hathaway, Inc ("Berkshire Hathaway"). Warren E. Buffet (an individual who may be deemed to control Berkshire Hathaway), Berkshire Hathaway, various subsidiaries of Berkshire Hathaway and various employee benefit plans of Berkshire Hathaway subsidiaries together held an interest in excess of five percent in BNY Mellon. Therefore, Berkshire Hathaway's ownership interest in BNY Mellon may create an affiliated interest in some PacifiCorp jurisdictions.

As a public utility, the Company is expected to acquire, construct, improve, and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. Issuance of Bonds are part of a program to finance the Company's facilities taking into consideration prudent capital ratios, earning coverage tests and market uncertainties as to the relative merits of the various types of securities the Company could sell. Accordingly, the transaction to which BNY Mellon will be a party, is consistent with the public interest.

Notice of Affiliate Transaction July 3, 2018

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

## **CERTIFICATE OF SERVICE**

Docket No. 05-035-54

I hereby certify that on July 3, 2018, a true and correct copy of the foregoing was served by electronic mail to the following:

## **Utah Office of Consumer Services**

Michele Beck <u>mbeck@utah.gov</u>

## **Division of Public Utilities**

Chris Parker <u>chrisparker@utah.gov</u>

atie Savan

Katie Savarin Coordinator, Regulatory Operations