



201 South Main, Suite 2300
Salt Lake City, Utah 84111

June 7, 2010

VIA OVERNIGHT DELIVERY

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Julie P. Orchard, Commission Secretary

Re: Rocky Mountain Power Notice of Affiliate Transaction
Docket No. 05-035-54

Dear Ms. Orchard:

This letter will serve as notice pursuant to Commitment U 3(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, of an affiliate interest transaction with Wells Fargo Bank, N.A. ("Wells Fargo"). The Company will obtain letters of credit from Wells Fargo to enhance four series of variable rate Pollution Control Revenue Bond Obligations ("PCRBs"). These letters of credit will be issued under the terms and conditions of the Company's \$635 million revolving credit agreement, with Wells Fargo serving as the issuing bank.

Rocky Mountain Power is a division of PacifiCorp which in turn is a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company ("MEHC"). MEHC is a subsidiary of Berkshire Hathaway, Inc ("Berkshire Hathaway"). As of March 31, 2010, Warren E. Buffett (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 in excess of 5 percent interest in Wells Fargo common stock. Therefore, Berkshire Hathaway's ownership interest in Wells Fargo may in some jurisdictions create an affiliated interest.

The PCRBs were previously issued and proceeds have been used by the Company to finance, or refinance, the construction and operation of certain qualifying air pollution control facilities, in accordance with federal law, located at the Company's generating facilities. There will be no change in the amount of or maturity of the PCRB obligations.

In addition, the Company anticipates that Wells Fargo will be appointed remarketing agent for the Lincoln County series of PCRBs and will be paid a remarketing agent fee for those services. The Company will be obligated to reimburse Wells Fargo for any drawing under the letters of credit, to pay certain fees and expenses, to pay interest on unreimbursed drawings or for other amounts unpaid, and to reimburse Wells Fargo for certain other costs and expenses. The

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Company believes these terms and conditions, including fees, are normal and typical for transactions of this type and are at market rates.

The Company is making these changes to the PCR B programs in order to provide a reduced cost of debt for the benefit of customers. It is expected that the ratings on the four series of PCR Bs will be upgraded to "Aa2/VMIG 1" and "AA/A-1+" due to the Wells Fargo letters of credit.

Please do not hesitate to contact Daniel Solander at (801) 220-4014 or Dave Taylor at (801) 220-2923 if you have any questions regarding this filing.

Sincerely,

Jeffrey K. Larsen
Vice President, Regulation

cc: Phil Powlick, DPU
Michele Beck, CCS