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August 15, 2011

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

Julie P. Orchard  
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 Ms. Orchard:

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 transaction and includes with this letter for filing an original and five (5) of the Temporary Construction Workspace Agreement ("Easement") between PacifiCorp and Kern River Gas Transportation Company ("Kern River"). A copy of the Agreement is included with this Notice as Attachment A.

Rocky Mountain Power and Kern River are both wholly-owned, indirect subsidiaries of MidAmerican Energy Holdings Company ("MEHC"). Therefore, MEHC's ownership interest in the Company and Kern River may create an affiliated interest in some PacifiCorp jurisdictions.

Kern River is a natural gas transportation pipeline company that owns and operates the Kern River pipeline system, which is a vital artery transporting natural gas to California, Nevada and Utah. Certain Kern River pipelines located in Utah are in an area being used by the Utah Department of Transportation ("UDOT") as part of its Mountain View Corridor project.<sup>1</sup> Portions of these pipelines are also located on PacifiCorp property through use of an easement. UDOT is requiring Kern River to relocate these pipelines to accommodate the Mountain View Corridor. To allow Kern River to accommodate the directive from UDOT, the Company will grant a Temporary Construction Workspace Easement. The Easement will expire one year from the date of execution.

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<sup>1</sup> The Mountain View Corridor is a planned freeway, transit and trail system project in western Salt Lake and northwestern Utah counties. See <http://www.udot.utah.gov/mountainview/>.

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Kern River will pay PacifiCorp approximately \$11,057 for the Easement, which is based upon the estimated market value of the underlying property. The methodology for determining the value of the transaction is as follows: a fee value for the underlying properties is approximated at \$5.85 per square foot. The acreage involved in the Easement is approximately 18,900 square feet. Per common commercial real estate industry practices, a temporary easement value is typically derived by calculating ten (10) percent of the property's full fee simple estate value per year. Such a calculation yields an annual lease price of \$11,057. The term of the Easement is approximately ten (10) percent of the fair market value which equals \$11,057.

Granting the Easement will not affect PacifiCorp's ability to provide safe and reliable service, and thus will not harm the public interest.

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

Sincerely,



Mark C. Moench  
Senior VP and General Counsel  
Rocky Mountain Power

Enclosures

cc: Chris Parker, DPU  
Michele Beck, CCS