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April 6, 2012

VIA ELECTRONIC MAIL
AND OVERNIGHT DELIVERY

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*, issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, Rocky Mountain Power hereby provides notice of an affiliate transaction. The Company desires to renew a portion of a previously existing agreement with International Business Machines ("IBM") to provide software support services for IBM software licenses purchased in 2008. A copy of the Quote to document this transaction is included as Attachment A.

PacifiCorp is a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company ("MEHC"). MEHC is a subsidiary of Berkshire Hathaway, Inc ("Berkshire Hathaway"). In mid-November 2011, Berkshire Hathaway publicly announced purchases of IBM common stock totaling greater than a five percent interest. Therefore, Berkshire Hathaway's ownership interest in IBM may create an affiliated interest in some PacifiCorp jurisdictions.

In 2008, prior to the existence of the affiliate relationship, the Company contracted with IBM for the provision of certain software and software support services. Opportunities for renewal of licensing and support services for individual software periodically arise. The Company determined that renewal of licensing for the Cognos Impromptu software was needed. Cognos is used Company-wide as a reporting tool and is designed to allow for configuring and managing reports. The Company will pay IBM \$3,420 for the Cognos Impromptu licenses during the term of the license, which is from March 30, 2012, through March 31, 2013. This is based on IBM's "Passport" level pricing, which is a volume discount.

Utah Public Service Commission

April 6, 2012

Page 2

The Company relies on software furnished by IBM to create and maintain critical business records. This software is proprietary to IBM; therefore, only IBM is able to provide service. Without Cognos, many groups in the Company would not be able to prepare reports necessary for business functions. Installing a different reporting system would require considerable time and expense. Accordingly, the transaction is consistent with the public interest.

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

Very Truly,

Mark C. Moench
Senior Vice President and
General Counsel
Rocky Mountain Power

Enclosures

cc: Chris Parker, DPU
Michele Beck, OCS