

Mark C. Moench
Senior Vice President and General
Counsel
201 S. Main Street, Suite 2400
Salt Lake City, UT 84111
801-220-4459 Office
801-220-4058 Fax
mark.moench@pacificorp.com

April 6, 2012

#### VIA ELECTRONIC MAIL AND OVERNIGHT DELIVERY

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, 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.

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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

Marle E. Warnel

General Counsel

Rocky Mountain Power

**Enclosures** 

cc: Chris Parker, DPU

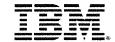
Michele Beck, OCS

# UTAH AFFILIATED INTEREST FILING

# ATTACHMENT A QUOTE

### **International Business Machines Corporation**

International Business Machines Corporation, PO Box 643600, Pittsburgh, PA 15264-3600



**IBM Software Quotation** 

Attn: Mark Speight Pacificorp 825 NE Multnomah St Ste 800 PORTLAND OR 97232 UNITED STATES

Passport Advantage Agreement Number: 6355

IBM Customer Number: 6054716 Relationship SVP Level: H 30-Mar-2012

Passport Advantage Site Number: 7020497

Anniversary: 01-Jun Quotation SVP Level: H

#### Dear Customer:

Thank you for your inquiry regarding IBM Software.

Any and all prices herein are suggested prices only and are subject to change at IBM's sole discretion. Products listed herein are subject to withdrawal or modification by IBM at any time at IBM's sole discretion. Final coverage dates for new license, Software Subscription and Support reinstatement, and Software Subscription and Support renewal part numbers will be based upon IBM's acceptance of the order, and as specified in the applicable agreements, irrespective of the dates which may appear in this quote.

This quotation is valid from 30-Mar-2012 and will expire on 31-Mar-2012.

Your order will be governed by and is subject to the terms of your Passport Advantage Agreement or the Passport Advantage Express Agreement, as applicable, against which this transaction will be placed.

If you need assistance with placing your order or wish to discuss your quotation, please contact the IBM Representative noted below.

Yours sincerely,

SUZANNE S. WRIGHT

Phone Number:

1-720-395-2473

Fax Number:

E-mail Address:

sswright@us.ibm.com

## **International Business Machines Corporation**

International Business Machines Corporation, PO Box 643600, Pittsburgh, PA 15264-3600



Quotation Number: 15761499

IBM Contact: SUZANNE S. WRIGHT

Phone Number: 1-720-395-2473

Quote Effective Date: 30-Mar-2012

Quote Expiration Date: 31-Mar-2012

Passport Advantage Agreement Number: 6355

IBM Customer Number: 6054716 Relationship SVP Level: H Passport Advantage Site Number: 7020497

Anniversary: 01-Jun Quotation SVP Level: H

Customer:

Attn: Mark Speight

Pacificorp

825 NE Multnomah St

Ste 800

PORTLAND OR 97232

UNITED STATES

Item	Part Number	Quantity	Points	Unit SVP Price		Extended Amount
IBM Cognos Impromptu User Authorized User License + SW Subscription & Support 12 Months 001 D074GLL 3 15.21 30-Mar-2012 - 31-Mar-2013				1,140.00		3,420.00
	App	olicable tax will be	e recalculated at the t	ime of order processi	ng.	
Total Points: 15.21					Subtotal in U Estimated Tax in U Total in U	SD: 0.00
			ne terms of your Pass his transaction will be		ement or the Passport	Advantage Express
	<del></del>					

Useful/Important Web resources:

Passport Advantage information, customer secure site access, training, etc.: ibm.com/software/passportadvantage IBM's International Program License Agreement and product License Information documents: ibm.com/software/sla IBM Software Support Web site: ibm.com/software/support