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July 17, 2013

***VIA ELECTRONIC FILING  
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 ("Company") hereby provides notice of an affiliate interest transaction with International Business Machines Corporation (IBM) for telecommunications expense management services. MidAmerican Energy Holdings Company (MEHC) entered into a master Transaction Document, including a Statement of Work (Agreement) on behalf of its platforms. MEHC platforms may execute an Affiliate Addendum to become a party to the Agreement. PacifiCorp intends to participate in the Agreement. A copy of the Agreement is included as Attachment A. A copy of PacifiCorp's Affiliate Addendum is included as Attachment B.

PacifiCorp is a wholly-owned indirect subsidiary of MEHC. MEHC is a subsidiary of Berkshire Hathaway, Inc (Berkshire Hathaway). As of March 31, 2010, 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 5 percent in IBM. Therefore, Berkshire Hathaway's ownership interest in IBM may create an affiliated interest in some PacifiCorp jurisdictions.

IBM offers comprehensive strategic supply, category spend, and contract management services through IBM Emptoris Rivermine telecommunications expense management. PacifiCorp has been using IBM's telecommunications expense management services for automated telecommunications invoice management, integrated telecommunications inventory management, and integrated accounts payable functions. PacifiCorp has been operating under an existing contract on a month-to-month basis pending the outcome of negotiations of an MEHC-wide agreement. A new Agreement with IBM has been negotiated to make the services received by PacifiCorp available to all MEHC platforms. The Agreement contains updated terms and

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conditions, and a comprehensive plan for rolling out telecommunications management services to those MEHC platforms not yet receiving telecommunications management services.

The Company relies on the telecommunications expense management services furnished by IBM to reduce its company-wide telecommunications expenses. Accordingly, the transaction is consistent with the public interest.

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

Best Regards,

A handwritten signature in blue ink that reads "Mark C. Moench". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark C. Moench  
Senior Vice President and General Counsel  
PacifiCorp

Enclosures

cc: Chris Parker, DPU  
Michele Beck, OCS