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December 18, 2013

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

Gary Widerberg  
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. Widerberg:

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* (MEHC), issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, PacifiCorp hereby submits an original and two (2) copies of the Right-of-Way Exchange Agreement ("Agreement") entered into by and between PacifiCorp and Kern River Gas Company ("Kern River"). The Agreement is included as Attachment A hereto.

PacifiCorp and Kern River are both wholly-owned, indirect subsidiaries of MEHC. MEHC's ownership interest in PacifiCorp and Kern River may create an affiliated interest in some PacifiCorp jurisdictions.

PacifiCorp and Kern River entered into that certain Kern River Right-of-Way and Easement Agreement dated September 26, 2002, ("2002 Easement") whereby PacifiCorp conveyed to Kern River an easement for the location and construction of a 36" natural gas pipeline within a certain parcel of real property owned by PacifiCorp held for the construction, operation, and maintenance of high voltage transmission lines, including the construction of a future 345,000 kilovolt transmission line referred to as the Terminal to Oquirrh 3-4 Transmission Line. Pursuant to its terms, the 2002 Easement required a defined separation distance between the natural gas pipeline and PacifiCorp's future Terminal to Oquirrh 3-4 Transmission Line.

PacifiCorp, in planning for the construction of the Terminal to Oquirrh 3-4 Transmission Line, discovered that the natural gas pipeline was constructed in an alignment that did not allow sufficient clearance for two transmission structures that will be constructed for the future Terminal to Oquirrh 3-4 Transmission Line requiring the need for additional right of way for the new transmission line. PacifiCorp also has the need to obtain rights of way over and across lands encumbered by exclusive utility easements held by Kern River for its natural gas lines.

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PacifiCorp and Kern River have agreed to enter into an agreement whereby PacifiCorp would acquire the additional right of way needed for the construction of the future Terminal to Oquirrh 3-4 Transmission Line in exchange for Kern River relinquishing its exclusive easement rights and allowing PacifiCorp to construct PacifiCorp's future Terminal to Oquirrh 3-4 Transmission Line. The value of the additional right of way has been determined to be roughly equivalent to the value of obtaining right of way within Kern River's exclusive easements.

The Agreement is in the public interest because it provides PacifiCorp the ability to obtain legal property rights from Kern River for the future Terminal to Oquirrh 3-4 Transmission Line in exchange for the acquisition of a small segment of right of way that is roughly equivalent in value to the rights obtained from Kern River.

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