

 June 11, 2010

***VIA ELECTRONIC FILING***

***AND OVERNIGHT DELIVERY***

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504‑7250

Attention: David W. Danner
 Executive Director and Secretary

**RE: Redacted Affiliated Interest Filing for PacifiCorp**

Dear Mr. Danner:

 Pursuant to the provisions of RCW 80.16.020 and WAC 480-100-245, PacifiCorp, d.b.a. Pacific Power (“PacifiCorp” or “Company”), files an original and one redacted copy along with an original plus 12 confidential copies of a Relocation Services Contract, by and between HomeServices Relocation (“HomeServices”) and PacifiCorp. PacifiCorp is a wholly-owned subsidiary of MidAmerican Energy Holdings Company (“MEHC”). HomeServices is a limited liability company and privately held company, which is a wholly-owned subsidiary of HomeServices of America, Inc. In turn, HomeServices of America, Inc., is a wholly-owned subsidiary of MEHC. Therefore, HomeServices is an affiliate of PacifiCorp pursuant to RCW 80.16.010. A copy of the Agreement is included as Attachment A. Appendix A to the agreement contains confidential pricing information and is submitted as confidential Attachment B in accordance with WAC 480-07-160.

PacifiCorp previously entered into a contract with HomeServices for relocation services on January 4, 2007. The Company filed the previous contract, which became Docket UE-070662.

For the current Relocation Services Contract (“Contract”), MEHC selected HomeServices through a Request for Proposal (“RFP”) process designed to elicit the most comprehensive relocation services package at a reasonable cost. MEHC subsidiaries have the option to sign onto the Contract and receive the same terms and conditions as MEHC. After determining the terms and conditions to be reasonable, PacifiCorp has opted to sign onto the Contract. Under the terms of the Contract, HomeServices will manage comprehensive relocation services for PacifiCorp’s transferring employees and new hires and will directly bill PacifiCorp for expenses incurred. The terms and conditions, and pricing structure essentially remains the same as under the previous contract.

As part of its management service, HomeServices assigns a personal relocation consultant to each relocating employee or new hire to coordinate departure and destination services. Departure services include personalized needs assessment; for homeowners, home marketing plan design, evaluation and negotiation of offers, and closing and settlement assistance; household goods survey; thirty-day notice to landlords for renters; and car and hotel reservations. Destination services include providing real estate agent information, housing and community information, area tours, cost of living analyses, and school reports; home buying search, negotiation and closing assistance; for renters, rental property search; temporary living; rental car coordination; partner/spouse career assistance and counseling; household goods moving and storage; and overlapping mortgage payment assistance. HomeServices will provide these services through its network of preferred vendors and service providers.

HomeServices will charge PacifiCorp a modest, flat fee per relocation for its services, plus the actual costs of services procured from its vendors and service providers. The fee HomeServices charges for its services is comparable to or lower than fees charged by other companies that offer relocation management services. PacifiCorp expects to pay HomeServices $400 per relocation managed. The base fee per transaction is $1,600, which will be discounted by $600 if HomeServices receives a fee from the real estate selling agent, and discounted by another $600 if HomeServices receives a fee from the real estate buying agent. For this fee, HomeServices negotiates discounted rates for many of the services it provides through third-party vendors, such as household goods shipping and storage. HomeServices will bill PacifiCorp for the cost of the third-party services without markup.

To meet staffing needs, PacifiCorp occasionally relocates existing employees and new hires. PacifiCorp offers relocation services to its eligible employees and new hires as part of total employee compensation to offset the expense of relocating and to ensure a smooth transition to the new position. The Contract allows PacifiCorp to purchase these services at a discount. For these reasons, the Contract is reasonable and meets the public interest.

Also included with this filing is a notarized verification from Natalie Hocken, Vice President and General Counsel, Pacific Power, regarding the Agreement.

Please direct any informal inquiries to Cathie Allen, Regulatory Manager, at (503) 813-5934.

Sincerely,

Andrea L. Kelly

Vice President, Regulation

Pacific Power

Enclosures

**ATTACHMENT A**

**RELOCATION SERVICES CONTRACT**

**REDACTED CONFIDENTIAL ATTACHMENT B**

**APPENDIX A TO RELOCATION SERVICES AGREEMENT**

**CONFIDENTIAL PER WAC 480-07-160**

**WASHINGTON AFFILIATED INTEREST FILING**

**VERIFICATION**

**VERIFICATION**

I, Natalie L. Hocken, am an officer of PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Relocation Services Contract, I verify that the Relocation Services Contract is a true and accurate copy of the original.

I declare upon the penalty of perjury, that the foregoing is true and correct.

Executed on \_\_\_\_\_\_\_\_\_\_\_ \_\_, 2010 at Portland, Oregon.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Natalie Hocken

Vice President & General Counsel

Subscribed and sworn to me on this \_\_\_ day of \_\_\_\_\_\_\_, 2010.

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Notary Public for Oregon

My Commission expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_