

July 7, 2022

VIA ELECTRONIC FILING

Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503-1036

RE: Docket UE-22_____—Affiliated Interest Filing—PacifiCorp and Merrill Lynch, Pierce, Fenner & Smith Incorporated

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, PacifiCorp dba Pacific Power & Light Company (PacifiCorp), provides notice of an affiliated interest transaction with Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill) for a Master Plan Services Agreement (Agreement) to provide record-keeping and related services in connection with PacifiCorp's 401(k) employer-sponsored, defined-contribution, personal savings employee retirement plan.

PacifiCorp provides the Agreement as confidential in accordance with WAC 480-07-160. The Agreement contains sensitive pricing and terms which, if disclosed to the public, could erode PacifiCorp's bargaining power in the future. Merrill has also requested the agreement be redacted in its entirety to protect their business interests. A verified copy of the Agreement is included with this notice as Confidential Attachment A.

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. Berkshire Hathaway, Inc. also has an ownership interest in the Bank of America Corporation (BofA) of which Merrill is a part. RCW 80.16.010 includes in its definition of "affiliated interest," "every corporation five percent or more of whose voting securities are owned by any person or corporation owning five percent or more of the voting securities of such public service company or by any person or corporation in any such chain of successive ownership of five percent or more of voting securities." Therefore, Berkshire Hathaway, Inc.'s ownership interest in BHE and BofA creates an affiliated interest relationship between PacifiCorp and Merrill.

Merrill is an investment management and wealth management division of BofA. It provides many financial products and services to employers, their employees and individuals. Record keeping, account monitoring and financial counseling for employer-sponsored retirement plans are among its offerings.

BHE conducted a request for proposal to select a capable organization to deliver 401(k) plan services for the benefit of the employees of all of its business units. This included services to support PacifiCorp employees in monitoring their plan, making healthy financial choices and in turn promoting their readiness for retirement. Through this competitive bidding process, which is conducted periodically to ensure fiduciary responsibility, Merrill was chosen as the preferred match for PacifiCorp's plan to deliver such services since it was the best cost, qualified provider.

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As a consequence, PacifiCorp and Merrill formalized this Agreement. PacifiCorp will pay a minimum of \$█ for each employee (which equates to \$█ based on its current number of employees) under the terms of the Agreement.

Entering into the Agreement with Merrill is in the public interest because the program will support PacifiCorp employees with investment monitoring, financial decision making and retirement planning, thus facilitating stability in its workforce and allowing it to serve its customers without disruption. Compared with the previous provider contract for these Agreement services PacifiCorp employees stand to save more than \$█ annually. Moreover, this Agreement carries less risk and includes more services, such as custom webinars, meeting days and financial education than the contract it replaces.

Also included with this filing is a signed verification regarding the Agreement from Stephanie L. Kitchen, Commodity Manager.

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah St Ste 2000
Portland OR 97232-2152

Please contact Ariel Son at (503) 813-5410 if you have any informal questions.

Sincerely,

 /s/
Shelley McCoy
Director, Regulation
Pacific Power & Light Company
825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232-2152
(503) 813-5292
shelley.mccoy@pacificorp.com

Enclosures

NEW-PAC-Cover-Letter-7-7-2022 (R).pdf
NEW-PAC-AttachA-7-7-22 (C).pdf
NEW-PAC-AttachA-7-7-22 (R).pdf
NEW-PAC-Verification-7-7-22