

June 14, 2012

***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 Secretary

RE: 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 & Light Company (PacifiCorp or Company), provides notice of an affiliate interest transaction with Wells Fargo Bank, N.A. and Wells Fargo Securities, LLC (Wells Fargo). As detailed in PacifiCorp's June 4, 2012 filing, docketed as UE-120814, PacifiCorp has selected Wells Fargo as one of six lead arrangers that will be engaged to assist PacifiCorp in arranging two new credit agreements. As noted in that filing, PacifiCorp expected to enter into an additional agreement with Wells Fargo related to a revolving credit agreement to be entered into during the first half of 2013 and committed to separately file the form of the agreement with Wells Fargo when available.

Included with this filing is one supporting document, a letter agreement (Letter Agreement), to which Wells Fargo will be a party. A copy of the draft confidential Letter Agreement is included as Attachment A. Through this Letter Agreement PacifiCorp expects that Wells Fargo will be an arranger (along with five other banks) for a revolving credit agreement that is expected to be entered into during the first half of 2013. This Confidential Attachment contains commercially-sensitive information and is submitted in accordance with the provisions of WAC 480-07-160. This document contains a "draft" designation, which will be removed prior to execution. No material changes are expected to the terms and conditions of this Letter Agreement.

PacifiCorp is a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company (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 Wells Fargo common stock. RCW 80.16.020 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’s ownership interest in Wells Fargo creates an affiliated interest.

As noted in the June 4, 2012 filing, PacifiCorp intends to enter into two new revolving credit agreements over the next nine to twelve months as part of an overall plan to replace existing facilities that expire over the same approximate time period. In anticipation of the replacement process, PacifiCorp and its parent company, MEHC, held discussions with, and solicited proposals from, a number of banks concerning replacing PacifiCorp’s credit agreements. Several banks, including Wells Fargo, provided information on bank market conditions, structural considerations including tenors and impact on pricing and fees, syndication strategies, arrangement and upfront fees, experience in arranging comparable facilities for utilities and other corporate borrowers and other considerations.

The Company selected Wells Fargo as one of six lead arrangers that will be engaged to assist PacifiCorp in arranging the two new revolving credit agreements. The selection of Wells Fargo as one of the six lead arrangers was based on their experience in syndicating comparable facilities for utilities, knowledge of current bank market conditions, credit ratings, willingness to make significant credit commitments to PacifiCorp, knowledge of the utility industry, the Company and its operations, successful outcomes in prior financing transactions for the Company and reasonable arrangement and other fees. The Letter Agreement solidifies the arrangers for the revolving credit agreement to be entered into during the first half of 2013, with Wells Fargo expected to be one of the arrangers.

The selection of Wells Fargo was not influenced by Berkshire Hathaway’s ownership interest. Wells Fargo’s arrangement fee will be equal to the fees paid to three of the five other lead arrangers (while one bank will be paid slightly more and one bank slightly less due to expected roles and work) and at what PacifiCorp believes to be market rates or better for the Company. PacifiCorp anticipates Wells Fargo’s arrangement fee related to the second credit agreement will be approximately \$87,500. In addition, Wells Fargo will be paid upfront and ongoing commitment fee at a rate to be determined but is expected to be the same rate as other banks in the second facility.

The Commission has previously authorized PacifiCorp to enter into one or more revolving credit agreements and borrowings thereunder in Docket UE-980404.

As a public utility, the Company is expected to acquire, construct, improve, and maintain sufficient utility facilities to serve its customers adequately and reliably at reasonable cost. Revolving credit agreements and borrowings thereunder are part of a program to finance the Company’s facilities taking into consideration prudent capital ratios, earning coverage tests and market uncertainties as to the relative merits of the various types of securities the Company could sell. Accordingly, the transaction with Wells Fargo is consistent with the public interest.

Also included with this filing is a notarized verification from Bruce N. Williams, Vice President and Treasurer, PacifiCorp, regarding the Confidential Attachment.

Please do not hesitate to contact Carla Bird at Carla.Bird@pacificorp.com or 503-813-5269 if you have any questions.

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Sincerely,

A handwritten signature in black ink, appearing to read "William R. Griffith". The signature is written in a cursive style with a large, prominent initial "W".

William R. Griffith

Vice President, Regulation

Pacific Power

Enclosures

WASHINGTON AFFILIATED INTEREST FILING

CONFIDENTIAL

ATTACHMENT A

FORM OF LETTER AGREEMENT

**This entire document is designated as
Confidential per WAC 480-07-160**

WASHINGTON AFFILIATED INTEREST FILING

VERIFICATION

VERIFICATION

I, Bruce N. Williams, am an officer of PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Form of Letter Agreement, I verify that the Form of Letter Agreement is a true and accurate copy.

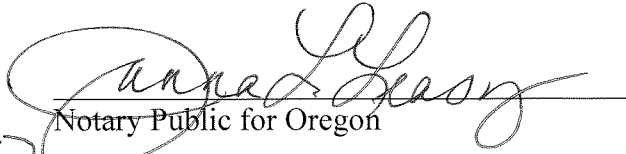
I declare upon the penalty of perjury, that the foregoing is true and correct.

Executed on June 14, 2012 at Portland, Oregon.



Bruce N. Williams
Vice President and Treasurer

Subscribed and sworn to me on this 14 day of June, 2012.


Notary Public for Oregon

My Commission expires: 462130

