

 February 15, 2011

***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 Danner
 Executive Secretary

**RE: Affiliated Interest Filing for PacifiCorp**

Dear Mr. Danner:

Pursuant to RCW 80.16.020 and WAC 480-100-245, PacifiCorp, d.b.a. Pacific Power (PacifiCorp or Company), files one verified copy of the Quote from Marmon Utility, LLC. (Marmon Utility), for the purchase of certain pin insulators needed for constructing, maintaining or repairing electric distribution lines. A copy of the Quote is included as Attachment A.

PacifiCorp is an indirect wholly-owned subsidiary of MidAmerican Energy Holdings Company (MEHC). MEHC is a wholly-owned subsidiary of Berkshire Hathaway, Inc (Berkshire). Berkshire currently holds an approximate 64 percent interest in the Marmon Group. The Marmon Group consists of approximately 130 companies, divided into eleven business sectors including engineered wire and cable, industrial products and building wire. Marmon Utility is a member of the Marmon Group. 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’s ownership interest in the Marmon Group creates an affiliated interest.

Marmon Utility manufactures electrical distribution cable, cable systems and accessories for aerial and underground utility applications. Among the items manufactured by Marmon Utility is a pin insulator that would be beneficial to maintaining the reliability of the Company’s distribution system. PacifiCorp’s standards engineering group researched these pin insulators as a potential solution to an issue with covered jumpers tied to porcelain insulators eroding, eventually resulting in component failure. The porcelain insulators with hand ties became obsolete with the implementation of PacifiCorp’s raptor policy. PacifiCorp’s engineering standards group determined the clamp top insulator manufactured by Marmon Utility would help prevent component failures, should be used

with all covered jumpers that require attachment to a pole or crossarm, and is consistent with PacifiCorp’s raptor policy.

PacifiCorp intends to purchase these pin insulators for use in all six of its states and will hold a certain amount in inventory. The Company anticipates it will spend less than $50,000 per year for these pin insulators. Marmon Utility is the only known manufacturer of this product. One other company indicated to PacifiCorp that it is in the process of developing a similar product, however no prototype is currently available for review. Based on this evaluation, PacifiCorp desires to purchase the pin insulators from Marmon Utility as a reasonable solution to maintaining the reliability of its distribution system by reducing the probabilities of component failures.

Also included with this filing is a notarized verification from Natalie Hocken, Vice President and General Counsel, Pacific Power, regarding this transaction with Marmon Utility, LLC.

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

Sincerely,

Andrea L. Kelly

Vice President, Regulation

Pacific Power

Enclosures

**ATTACHMENT A**

**WASHINGTON AFFILIATED INTEREST FILING**

**QUOTE**

**WASHINGTON AFFILIATED INTEREST FILING**

**VERIFICATION**

**VERIFICATION**

I, Natalie Hocken, am an officer of PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Quote, I verify that the Quote 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 \_\_\_\_\_\_\_\_\_\_\_ \_\_, 2011 at Portland, Oregon.

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

Natalie Hocken

 Vice President and General Counsel

Subscribed and sworn to me on this \_\_\_ day of \_\_\_\_\_\_\_, 2011.

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Notary Public for Oregon

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