

January 3, 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), provides notice of an affiliate interest transaction with Wells Fargo Securities, LLC (Wells Fargo). The Company selected Wells Fargo to be one of the four joint book running managers for a bond offering the Company intends to issue in the near future. A copy of the draft Confidential Form of Underwriting Agreement is included as Attachment A. Confidential Attachment A 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 upon execution of the agreement. There are no material changes expected to the terms and conditions of the 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.

PacifiCorp intends to issue a bond offering in the near future and has solicited underwriting proposals from a number of banks. Several banks, including Wells Fargo, provided information on indicative credit spreads, market conditions, their credit analysis, marketing plans and underwriting fees. The Company selected Wells Fargo as one of four joint book running managers for this bond offering based on the favorable indicative credit spreads, knowledge of the utility industry, the Company and its operations, ability to market the bonds to prospective investors, successful outcomes in prior underwriting for the Company, and reasonable

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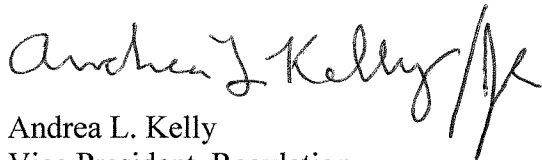
underwriting fees. The selection of Wells Fargo was not influenced by Berkshire Hathaway's ownership interest. Wells Fargo's underwriting fees will be equal to the fees paid to each of the three other joint book running managers and at what PacifiCorp believes to be market rates or better for the Company. PacifiCorp anticipates Wells Fargo's underwriting fee will be approximately \$1,150,000.

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. Issuance of bonds 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 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 Underwriting Agreement.

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

Sincerely,

A handwritten signature in black ink that reads "Andrea L. Kelly" followed by a stylized flourish.

Andrea L. Kelly
Vice President, Regulation
Pacific Power

Enclosures

WASHINGTON AFFILIATED INTEREST FILING

CONFIDENTIAL

FORM OF UNDERWRITING AGREEMENT

**THIS DOCUMENT IS CONFIDENTIAL
AND PROVIDED UNDER SEPARATE COVER**

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 Underwriting Agreement, I verify that the Form of Underwriting Agreement is a true and accurate copy.

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

Executed on January 3, 2012 at Portland, Oregon.

Bruce N Williams

Bruce N. Williams
Vice President and Treasurer

Subscribed and sworn to me on this 3rd day of January, 2012.

Carmen Marie Boughn

Notary Public for Oregon

My Commission expires:

August 17, 2013

