

May 9, 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: Dave 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 (Company), provides notice of an affiliate interest transaction with Wells Fargo Securities, LLC. (Wells Fargo). The Company selected Wells Fargo to be a joint book running manager - underwriter 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 will be no material changes 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 in excess of 5 percent interest 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 solicited underwriting offerings from a number of sources. Several banks, including Wells Fargo, provided information on indicative credit spreads, market conditions, their credit

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analysis, marketing plans and underwriting fees. The Company selected Wells Fargo as one of three joint book running managers -underwriters for this bond offering based on the favorable indicative credit spreads, knowledge of the Company and its operations, their ability to market the bonds to prospective investors and reasonable underwriting fees. PacifiCorp anticipates Wells Fargo's underwriting fee will be approximately \$700,000 and equal to the underwriting fees of each of the other joint book running managers - underwriters. The selection of Wells Fargo was not influenced by Berkshire Hathaway's ownership interest.

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 (503) 813-6043.

Sincerely,

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

Andrea L. Kelly  
Vice President, Regulation  
Pacific Power

Enclosures

**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 May 9<sup>th</sup>, 2011 at Portland, Oregon.

*Bruce N Williams*

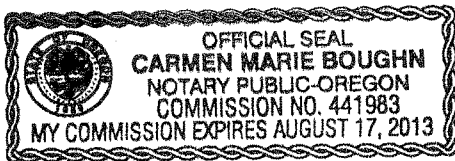
Bruce N. Williams  
Vice President and Treasurer

Subscribed and sworn to me on this 9<sup>th</sup> day of May, 2011.

*Carmen Marie Boughn*

Notary Public for Oregon

My Commission expires: August 17, 2013



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