

January 14, 2015

***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: Steven V. King
Executive Director and Secretary

RE: Docket No. UE-15_____—Affiliated Interest Filing—PacifiCorp and Wells Fargo Bank, N.A.

Dear Mr. King:

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, Pacific Power & Light Company, a division of PacifiCorp (PacifiCorp or Company), provides notice of an affiliate interest transaction with Wells Fargo Bank, N.A. (Wells Fargo).

PacifiCorp selected Wells Fargo to be the custodian to hold assets for its Long Term Incentive Plan (LTIP) as explained below. A confidential copy of the draft Form of Custody Agreement (Agreement) is included as Confidential Attachment A. The Company submits Attachment A as confidential in accordance with WAC 480-07-160. Attachment A contains commercially-sensitive information, which if disclosed, could expose PacifiCorp to competitive harm and cause increased costs. Confidential Attachment A contains a “draft” designation, which will be removed upon execution of the Agreement, however the Agreement will remain confidential. The Company does not expect any material changes to the terms and conditions of the Agreement.

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). On December 31, 2013, 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 five percent of Wells Fargo & Company common stock. Wells Fargo Bank, N.A. is a subsidiary of Wells Fargo & Company. 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 & Company and BHE creates an affiliated interest for PacifiCorp.

Currently, BHE provides an LTIP for designated employees of BHE and some of its subsidiaries, including PacifiCorp. Beginning in January 2015, those BHE subsidiaries, including PacifiCorp, will implement and administer their own individual LTIPs and will no longer be part of the BHE LTIP.

PacifiCorp selected Wells Fargo to serve as the custodian to hold the LTIP assets due to Wells Fargo providing similar custody services for the current BHE LTIP, overall satisfaction with its administration and services, reports and fees. The selection of Wells Fargo was not influenced by Berkshire Hathaway's ownership interest. PacifiCorp will pay a fee to Wells Fargo, priced at market rates or better, based on the number of transactions and consistent with other financial arrangements currently in place.

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. Holding assets in a custodial account is a prudent arrangement to set aside assets to fund the Company's LTIP obligations. 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 Agreement.

Informal questions concerning this filing may be directed to Natasha Siores, Director, Regulatory Affairs & Revenue Requirement, at (503) 813-6583.

Sincerely,

R. Bryce Dalley
Vice President, Regulation

Enclosure

WASHINGTON AFFILIATED INTEREST FILING

**CONFIDENTIAL ATTACHMENT A
FORM OF CUSTODY AGREEMENT**

ENTIRE DOCUMENT IS 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 Custody Agreement, I verify that the draft Form of Custody Agreement is a true and accurate copy.

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

Executed on January 14th, 2015 at Portland, Oregon

Bruce N. Williams
Vice President and Treasurer

Subscribed and sworn to me on this 14th day of January, 2015.

Notary Public for Oregon

My Commission expires: _____