



**ROCKY MOUNTAIN
POWER**
A DIVISION OF PACIFICORP

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May 22, 2009

VIA OVERNIGHT DELIVERY

Idaho Public Service Commission
472 W. Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074

Attention: Jean D. Jewell
Commission Secretary

RE: PacifiCorp Notice of Affiliate Transaction
Case No. PAC-E-05-08

Dear Ms. Jewell:

This letter will serve as notice pursuant to Commitment I 17(2), incorporated in the Idaho Public Utilities Commission Order No. 29973 issued February 13 2006, as supplemented by Order No. 29998 March 14, 2006, in the above-referenced proceeding, approving the acquisition of PacifiCorp by MidAmerican Energy Holdings Company, concerning certain affiliate transactions. While this may not be an affiliate transaction, as defined by state law, in all of the states in which PacifiCorp does business, in the interests of uniformity notice of the transactions is being provided in all six PacifiCorp states. The transactions were negotiated at arms-length, and are supported by the agreements described below.

Kern River Gas Transportation Company Agreements

PacifiCorp and Kern River Gas Transportation Company ("Kern River") are both wholly-owned, indirect subsidiaries of MidAmerican Energy Holdings Company ("MEHC"). Kern River is a natural gas transportation pipeline company that owns and operates the Kern River pipeline system, which is a vital artery transporting natural gas to California, Nevada and Utah. Kern River is in the process of conducting certain testing to determine whether it can increase its pipeline pressure along portions of its pipeline route deemed "areas of consequence." Portions of Kern River's pipeline in Salt Lake City, Utah, on which testing will be conducted are located adjacent to the Company's Terminal to Camp Williams transmission corridor property. The Company and Kern River are entering into the Agreement to allow Kern River to enter the Company's property in four places to access Kern River's pipelines for the proposed testing.

Kern River will pay PacifiCorp approximately \$14,000 for the right of entry, which is based upon the estimated market value of the underlying property.

Nalco Company Agreement

PacifiCorp is a wholly-owned subsidiary of MidAmerican Energy Holdings Company ("MEHC"). MEHC is a wholly-owned subsidiary of Berkshire Hathaway, Inc. Nalco is a financial subsidiary of Nalco Holding Company, a publicly-traded company. During the fourth quarter of 2008, Berkshire Hathaway, Inc., purchased 8,739,100 shares of Nalco Holding Company, creating an approximate six percent ownership interest.

Nalco provides the Company with certain water treatment facilities, chemicals and expertise and has been doing so for more than thirty years. Nalco provides generation plant engineering assistance and supplies certain water treatment and dust suppression chemicals. Additionally, Nalco may provide no-cost consulting services and technical assistance for water treatment programs for new generation plant development. The Company uses water as a major component of operating its generation facilities. The Company procures water treatment services for effective, efficient and safe operation of its generation facilities. These services benefit the public by ensuring the Company's generation facilities operate and provide customers with cost-effective energy. The current agreement with Nalco became effective January 1, 2007, well before Berkshire Hathaway Inc.'s ownership interest began, and terminates December 31, 2009.

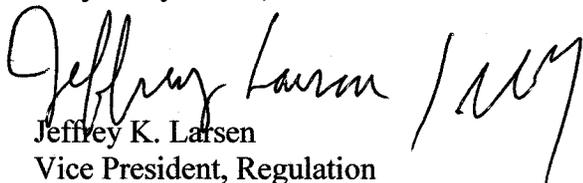
Constellation Energy Commodities, Inc. Agreement

On December 17, 2008, MEHC and Constellation Energy Group jointly terminated an acquisition agreement. As part of the termination, MEHC now holds an approximate 7.45 percent common stock interest.

Prior to entering into the above transaction, MEHC and Constellation Energy Group entered into two agreements, the International Swap Dealers Association Master Agreement, and Amendment Number One to the International Swap Dealers Association Master Agreement ("ISDA") that generally allow the Company and Constellation to conduct business with each other if they so choose, effective December 13, 2001. Amendment Number One to the ISDA, effective July 5, 2007, replaced a Master Power Purchase and Sale Agreement that became effective September 10, 2001, all of which was prior to the existence of an affiliate relationship between the Company and Constellation.

Please call Daniel Solander at (801)220-4014 or Ted Weston at (801)220-2963 if you have any questions regarding this filing.

Very Truly Yours,


Jeffrey K. Larsen
Vice President, Regulation
Rocky Mountain Power

Cc: Scott Woodbury/IPUC