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IDAHO PUBLIC
UTILITIES COMMISSION

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December 16, 2013

VIA OVERNIGHT DELIVERY

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attention: Jean D. Jewell
Commission Secretary

Re: PacifiCorp Notice of Affiliate Transaction
Case No. PAC-E-05-8

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 (MEHC), of an affiliate interest transaction between BNSF Railway Company (BNSF) for coal transportation services. A verified copy of the BNSF Common Carrier Pricing Authority 90068 Attachment A Coal Unit Train Commitment Certificate Number BNSF 90068-0072 (Agreement) is included with this Notice as Attachment A.

PacifiCorp is a wholly-owned indirect subsidiary of 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 BNSF. Therefore, Berkshire Hathaway's ownership interest in BNSF may create an affiliated interest in some PacifiCorp jurisdictions.

Through the Agreement, BNSF provides rail transportation services for coal sourced from three different regions of mines located in the Wyoming Powder River Basin to PacifiCorp's Dave Johnston Steam Plant ("Dave Johnston") near Glenrock, Wyoming. Under the Agreement, the BNSF railroad will transport a minimum of 3 million tons of coal per year to Dave Johnston. Under the agreement, each year PacifiCorp will determine and nominate a fixed tonnage volume of coal for the plant's consumption requirements. Additionally, PacifiCorp will provide a monthly schedule to the BNSF for the monthly coal volumes to be delivered to the

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plant. PacifiCorp will retain the responsibility of unloading the unit coal train deliveries at the plant.

PacifiCorp owns and operates many generation facilities, some of them fueled by coal. Coal-fired generation facilities may be located near mine heads or may be located far away from a coal source. In situations where coal must travel a great distance to reach the generation plant, railroad transportation service is less expensive than other potential transportation sources such as transporting coal in 38 ton haul trucks. Rail service providers can be likened to electric utilities in that they usually serve exclusive service territories with rates governed by the Surface Transportation Board (STB). Dave Johnston is captive to the BNSF railroad meaning that the BNSF is the only railroad company that can provide coal transportation services to Dave Johnston. The Agreement serves the public interest by ensuring PacifiCorp obtains fuel supplies for its coal-fired baseload generation plants at rates overseen by the STB.

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

Best Regards,

A handwritten signature in blue ink that reads "Mark C. Moench". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark C. Moench
Senior Vice President and General Counsel
PacifiCorp

Enclosures