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UTILITIES COMMISSION

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December 16, 2013

***VIA OVERNIGHT DELIEVERY***

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 PacifiCorp and HomeServices Relocation (HomeServices). PacifiCorp previously submitted notice of an affiliate transaction between HomeServices and PacifiCorp in June 2010. The contract submitted with the notice contains a provision allowing for the extension of the contract. The contract term has been extended, effective January 1, 2014. A copy of the First Amendment to the Relocation Services Contract (Contract) is included 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 HomeServices. Therefore, Berkshire Hathaway's ownership interest in HomeServices may create an affiliated interest in some PacifiCorp jurisdictions.

For the current Contract, MEHC selected HomeServices through a Request for Proposal process designed to elicit the most comprehensive relocation services package at a reasonable cost. MEHC subsidiaries have the option to sign onto the Contract and receive the same terms and conditions as MEHC. After determining the terms and conditions to be reasonable, PacifiCorp has opted to sign onto the Amendment. Under the terms of the Contract, HomeServices will manage comprehensive relocation services for PacifiCorp's transferring

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employees and new hires and will directly bill PacifiCorp for expenses incurred. The terms and conditions, and pricing structure remain the same as under the previous contract, except the term is extended to December 31, 2015 and the business ethics provisions is modified.

As part of its management service, HomeServices assigns a personal relocation consultant to each relocating employee or new hire to coordinate departure and destination services. Departure services include personalized needs assessment; for homeowners, home marketing plan design, evaluation and negotiation of offers, and closing and settlement assistance; household goods survey; thirty-day notice to landlords for renters; and car and hotel reservations. Destination services include providing real estate agent information, housing and community information, area tours, cost of living analyses, and school reports; home buying search, negotiation and closing assistance; for renters, rental property search; temporary living; rental car coordination; partner/spouse career assistance and counseling; household goods moving and storage; and overlapping mortgage payment assistance. HomeServices will provide these services through its network of preferred vendors and service providers.

HomeServices will charge PacifiCorp a modest, flat fee per relocation for its services, plus the actual costs of services procured from its vendors and service providers. The fee HomeServices charges for its services is comparable to or lower than fees charged by other companies that offer relocation management services. PacifiCorp expects to pay HomeServices \$400 per relocation managed. The base fee per transaction is \$1,600, which will be discounted by \$600 if HomeServices receives a fee from the real estate selling agent, and discounted by another \$600 if HomeServices receives a fee from the real estate buying agent. For this fee, HomeServices negotiates discounted rates for many of the services it provides through third-party vendors, such as household goods shipping and storage. HomeServices will bill PacifiCorp for the cost of the third-party services without markup.

To meet staffing needs, PacifiCorp occasionally relocates existing employees and new hires. PacifiCorp offers relocation services to its eligible employees and new hires as part of total employee compensation to offset the expense of relocating and to ensure a smooth transition to the new position. The Contract allows PacifiCorp to purchase these services at a discount. For these reasons, the Contract is reasonable and meets the public interest.

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

Best Regards,



Mark C. Moench  
Senior Vice President and General Counsel  
PacifiCorp

Enclosures

**First Amendment**  
to the  
**RELOCATION SERVICES CONTRACT**  
between  
**HomeServices Relocation, LLC**  
and  
**MidAmerican Energy Holdings Company**

**THIS FIRST AMENDMENT** to the Relocation Services Contract (“Contract”) is entered into as of the date set forth below, by and between MidAmerican Energy Holdings Company (“MidAmerican”), an Iowa Corporation, and HomeServices Relocation, LLC (“Contractor”), a Delaware Limited Liability Corporation.

**WHEREAS**, Contractor and MidAmerican entered into the Relocation Services Contract (Contract) executed on February 16, 2010;

**WHEREAS** Contractor and MidAmerican now desire to amend the Contract to extend the Contract term.

The parties agree to amend the Contract as follows:

1. PG-24 (TERM). The Contract is hereby amended by extending the term to December 31, 2015.
2. PG-12 (SEVERABILITY AND GOVERNING LAW). The following paragraph hereby is added to the end of PG-12:

“TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS CONTRACT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.”

3. PG-19 (BUSINESS ETHICS). The paragraph set forth in PG-19 hereby is deleted in its entirety and replaced with the following language:

“Contractor, its employees, officers, agents, representatives and Subcontractors shall at all times maintain the highest ethical standards and avoid conflicts of interest in the performance of Contractor’s obligations under this Contract. In conjunction with its performance of the Work, Contractor and its employees, officers, agents and representatives shall comply with, and cause its Subcontractors and their respective employees, officers, agents and representatives to comply with, all applicable laws, statutes, regulations and other requirements prohibiting bribery, corruption, kick-backs or similar unethical practices including, without limitation, the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act 2010, and the Company Code of Business Conduct. Without limiting the generality of the foregoing, Contractor specifically

represents and warrants that neither Contractor nor any Subcontractor employees, officers, representatives or other agents of Contractor have made or will make any payment, or have given or will give anything of value, in either case to any government official (including any officer or employee of any governmental authority) to influence his, her, or its decision or to gain any other advantage for Company or Contractor in connection with the Work to be performed hereunder. Contractor shall maintain and cause to be maintained effective accounting procedures and internal controls necessary to record all expenditures in connection with this Contract and to verify Contractor's compliance with this Article. Company shall be permitted to audit such records as reasonably necessary to confirm Contractor's compliance with this Article. Contractor shall immediately provide notice to Company of any facts, circumstances or allegations that constitute or might constitute a breach of this Article and shall cooperate with Company's subsequent investigation of such matters. Contractor shall indemnify and hold Company harmless from all fines, penalties, expenses or other losses sustained by Company as a result of Contractor's breach of this provision. The Parties specifically acknowledge that Contractor's failure to comply with the requirements of this Article shall constitute a condition of default under this Contract."

All other terms and conditions as set forth in the Contract, as amended, shall continue to apply.

IN WITNESS WHEREOF, the parties here to have executed this First Amendment as of the date set forth below.

MidAmerican Energy Holdings Company

HomeServices Relocation, LLC

By:   
Name: Maurine E. Sammon  
Title: SVP + Chief Admin Officer  
Date: 7/9/13

By:   
Name: MARY LEE BAYLOCK  
Title: President  
Date: 6-13-13