PACIFICORP

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IDAHO PUBLIC
UTILITIES COMMISSION

R. Jeff Richards
Vice President and General Counsel
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Salt Lake City, UT 84116
801-220-4734 Office
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May 5, 2016

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 (now "Berkshire Hathaway Energy Company" or "BHE"), of the below-noted affiliated interest transaction with U.S. Bank National Association ("U.S. Bank").

PacifiCorp is a wholly-owned indirect subsidiary of BHE. BHE is a subsidiary of Berkshire Hathaway Inc. 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 hold in excess of five percent of U.S. Bancorp common stock. U.S. Bancorp is the parent company of U.S. Bank National Association. Therefore, Berkshire Hathaway, Inc.'s ownership interest in BHE and U.S. Bank may create an affiliated interest relationship between PacifiCorp and U.S. Bank in some PacifiCorp jurisdictions.

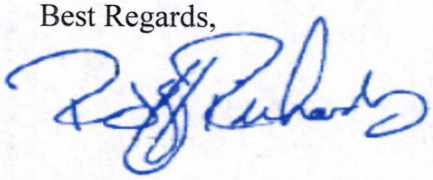
U.S. Bank is a financial services company providing lending and depository services, credit card, merchant, and ATM processing, mortgage banking, insurance, trust and investment management, brokerage, and leasing activities. U.S. Bank has a facility located at 619 SE Main Street, Roseburg, Oregon. The local district is in need of placing a utility pole near the SW corner of the lot on which the aforementioned U.S. Bank facility resides. The district requires a five foot by five foot area in which to install the pole.

Because there is a zero lot line for the property, an easement with U.S. Bank is required for the pole installation. U.S. Bank has agreed to grant PacifiCorp, at no cost, a nonexclusive perpetual easement for the installation, maintenance and continued use of the pole. A copy of the Easement Agreement ("Agreement") is included with this Notice as Attachment A.

The Agreement contains standard commercial terms and conditions to protect the Company's ability to provide safe and reliable service. Thus, the execution of the Agreement with U.S. Bank is in the public interest.

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

Best Regards,



R. Jeff Richards
Vice President and General Counsel
PacifiCorp

Enclosures

After recording return to:
PacifiCorp
825 NE Multnomah Street, Suite 1700
Portland, OR 97232

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (the "Agreement") is made as of May _____, 2016, between U.S. BANK NATIONAL ASSOCIATION, a national banking association ("Bank") and PACIFICORP, an Oregon corporation ("Grantee").

A. Bank holds a real property interest in certain real property (the "Property") located at 619 SE Main Street, Roseburg, Oregon, as legally described on the attached Exhibit A.

B. Grantee desires to obtain, and Bank desires to grant, certain easement rights to and upon the Property.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank and Grantee agree as follows:

1. Grant. Subject to the restrictions set forth in this Agreement, Bank hereby quitclaims to Grantee a nonexclusive perpetual easement over, under, along, across and through a portion of the Property as legally described on Exhibit B attached hereto and incorporated herein (the "Easement Area") solely for the construction, reconstruction, operation, maintenance, repair, replacement, enlargement, and removal of Grantee's electric power transmission, distribution and communication lines and all necessary or desirable accessories and appurtenances thereto, including without limitation: supporting towers, poles, props, guys and anchors, including guys and anchors outside of the right of way; wires, fibers, cables and other conductors and conduits therefor; and pads, transformers, switches, vaults and cabinets (the "Work").

2. Term. The rights herein granted shall continue indefinitely (the "Term"). Notwithstanding the foregoing, Bank may terminate this Agreement upon written notice to Grantee in the event Grantee ceases to use the Easement Area for a continuous period of two (2) years, in which event all rights granted hereunder and any improvements remaining in the Easement Area shall revert to or otherwise become the property of Bank.

3. Maintenance. Grantee shall maintain and operate the Easement Area, in such a manner as to comply with all rules, laws, ordinances and requirements regarding its maintenance and use of the Easement Area and shall obtain any and all required permits and licenses at its sole cost and expense.

4. Insurance/Indemnification.

a. Maintenance of Insurance. Grantee shall maintain in full force and effect at all times during the Term the following insurance coverages:

i. Commercial general liability insurance, including completed operations coverage, with a limit of liability of at least $1,000,000 per occurrence, and $2,000,000 in the aggregate, for bodily injury and property damage;
ii. Commercial auto liability insurance with a limit of liability of at least $1,000,000 per occurrence for the injury or death of one or more persons;
iii. Worker's compensation insurance as required by the laws of the jurisdiction where any Work is performed; and
iv. Employer's liability insurance with a minimum limit of $500,000.

Grantee may satisfy the insurance limits set forth in (a) and (b) above through an Umbrella or Excess Liability insurance policy that provides Follow Form Excess Coverage and otherwise through a self-insured retention program.

b. General Policy Requirements. Each required insurance policy must be written by a financially responsible company with an A.M. Best rating of A- or better that is authorized to do business in the state in which the Work is performed. Grantee shall ensure that the commercial general liability and commercial automobile liability policies required hereunder shall identify Bank, the project manager for the Work (if any), and any other party reasonably requested by Bank as additional insured(s). Policies for such insurance shall provide that such insurance is primary and that any other insurance or self-insurance available to Bank is in excess of and non-contributory to the insurance provided by Grantee. Compliance by Grantee with the foregoing insurance requirements shall not relieve it from liability for amounts in excess of the limits of insurance.

c. Basis for Coverage. For insurance policies other than the professional liability insurance policy (if required), coverages shall be maintained without interruption during the Term. Notwithstanding the foregoing, coverage for claims for damages because of bodily injury, sickness or disease, or death of any person other than Grantee's employees or claims for damages insured by usual personal injury liability coverage shall be written on a combined single limit coverage for bodily injury and property damage on an occurrence basis, and any excess/umbrella coverage shall also be on an occurrence basis in excess of such coverage.

d. Certificates of Insurance. Upon execution of this Agreement and any renewal of such insurance during the term hereof, and otherwise within 10 days of a request by

Bank, Grantee shall provide Bank with an industry-standard insurance certificate evidencing that the insurance policies or self-insured retention required hereunder are in full force and effect. Grantee shall promptly notify Bank in writing of the threat of any cancellation or substantive modification of any insurance policy required hereunder.

e. Indemnification. Grantee agrees to indemnify and hold Bank and Bank's project manager (if any) harmless from and against any and all claims, liabilities, suits, causes of action, costs and expenses (including reasonable attorneys' fees and costs) of and against Bank, its successors or assigns and Bank's project manager (if any), to the extent resulting from:

   i. Any breach by Grantee or any subcontractor of any of Grantee's warranties, obligations or duties under this Agreement;
   ii. Any claim by a third party relating to negligent acts or omissions or willful misconduct of Grantee, any subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable;

f. Mechanic's Liens. Except only to the extent caused by the failure of Bank to make payment to Grantee as required by this Agreement, Grantee shall indemnify and defend Bank, and save Bank harmless from any claims or liens filed or threatened by Grantee or any subcontractor, sub-subcontractors of any tier, or suppliers of any tier related to any work, and any related costs (including attorneys' fees related thereto or to the enforcement of this subparagraph), liabilities, judgments, executions, and disbursements and shall immediately remove any liens upon demand of Bank.

g. Survival. All indemnities set forth in this Agreement shall survive the termination of this Agreement.

5. Restrictions on Grantee's Use of Easement Area; Damage. Grantee shall use the Easement Area only as necessary for the purpose described in Section 1 above, and shall use commercially reasonable efforts not to interfere with Bank's use and enjoyment of the Property. Grantee shall provide Bank with advance notice of any Work to be performed in the Easement Area and otherwise coordinate with Bank so as to minimize and interference with any access to the Property and Bank's operations; provided that, as necessary to respond to an Emergency Condition (as defined below), Grantee may, at anytime, without providing advance notice to or coordinating with Bank, enter onto and conduct repairs or adjustments within the right-of-way area granted herein. As used herein, the term "Emergency Condition" shall mean a condition or situation that is imminently likely to endanger life or to cause injury/damage to person or property or that is imminently likely to cause a material adverse effect on the security of, or damage to, Grantee's electrical system.

Grantee shall keep the Easement Area free and clear of debris at all times and shall not use the Easement Area for the storage of material. Grantee agrees to repair any and all damage caused to the Easement Area or the Property by Grantee, its employees, agents or contractors, including but not limited to the

relocation (including replacement if applicable) of any trees removed to accommodate Grantee's use of the Property and the restoration of the Easement Area following any Grantee work thereon to the same or better condition as the Easement Area existed prior to such work.

6. Bank's Use of Easement Area. During the Term, Bank may not erect on the Easement Area any building or other structural improvement. Grantee has the present and future right to keep the Easement Area and adjacent property clear of all brush, trees, timber, structures, buildings and other hazards which might endanger Grantee's facilities or impede Grantee's activities. At no time shall Bank place, use or permit any equipment, material or vegetation of any kind that exceeds twelve (12) feet in height, light any fires, place or store any flammable materials, on or within the boundaries of the Easement Area. Subject to the foregoing limitations, Bank reserves the right to use the surface of the Easement Area for other purposes not inconsistent with the purposes for which this Easement has been granted. A proposed use by Bank shall be considered not inconsistent with the purposes for which this Easement has been granted if Bank obtains the prior written consent of Grantee, which Grantee may not unreasonably withhold, condition or delay, and which consent shall be deemed to have been granted if Grantee fails to grant or withhold its consent in writing on or before the thirtieth (30^{th}) day following the date on which Bank confirms Grantee's receipt of Bank's written notice.

7. Default. If Grantee shall at any time violate any of the material terms, covenants or conditions contained herein or fail to perform any of its obligations contained herein in a timely fashion within thirty (30) days following Grantee's receipt of written notice thereof, Bank shall have the right to declare this Agreement null and void and of no further force and effect upon written notice to Grantee. Upon such event, Grantee shall promptly remove any improvements from the Easement Area and return the Easement Area to Bank in the same condition as existed when it was received by Grantee.

8. Notice. All notices, demands and requests ("notice") required or permitted to be given under this Agreement must be in writing and shall be deemed to have been properly given or served either on the date of hand delivery or the date such notice is deposited with a national parcel service (e.g., UPS or Fed Ex), or with the United States Mail, addressed to Bank or Grantee, as the case may be, prepaid and registered or certified mail or delivery charges prepaid, return receipt requested, at the following addresses:

To Grantee: Pacific Power
4025 Old Highway 99 South
Roseburg, OR 97471

With a copy to:	Pacific Power 825 NE Multnomah Blvd, Ste. 1700 Portland, Oregon 97232 Attn: Right of Way Department
To Bank:	U.S. Bank National Association Corporate Real Estate 777 East Milwaukee Avenue Milwaukee, WI 53202 Attn: Robin Preston
With a copy to:	U.S. Bank National Association 800 Nicollet Mall BC-MN-H21R Minneapolis, Minnesota 55402 Attn: Corporate Real Estate – Corporate Counsel

Rejection or refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, demand or request. Either party may change its notice address so long as it notifies the other party in writing.

9. Miscellaneous.

(a) Generally. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto and shall run with the land. Time is of the essence with respect to the payment and performance of the obligations set forth in this Agreement. No third party beneficiary rights are created by this Agreement.

(b) Entire Agreement. This Agreement contains the entire agreement between the parties and may be amended only by an instrument in writing signed by both parties. All approvals required hereunder shall also be in writing.

(c) Grantee's Cost. All Work contemplated under this Agreement shall be performed by Grantee at its sole cost and expense.

(d) Jury Trial Waiver. 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 Agreement. Each party further waives any right to consolidate, or to request the consolidation of, 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.

(e) Counterparts. This Agreement may be executed in any number of counterparts with the same force and effect as if all signatures were appended to one document, each of which shall be deemed an original.

(f) No Representations Regarding Title to Property. The parties hereby acknowledge that Bank makes no representations or warranties regarding the nature of its real property interest in the Property, including the Easement Area. This acknowledgment is a material inducement for the Bank to enter into this Agreement.

[Remainder of page intentionally left blank.
Signature and acknowledgment pages follow.]

WHEREFORE, Bank and Grantee have executed this Agreement as of the date first above written.

BANK:

U.S. BANK NATIONAL ASSOCIATION

By:_____

Name: _____

Its:_____

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 2016, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the person who signed as _____ of U.S. BANK NATIONAL ASSOCIATION, the banking association that executed the within and foregoing instrument, and acknowledged said instrument to be a free and voluntary act and deed and the free and voluntary act and deed of U.S. BANK NATIONAL ASSOCIATION for the uses and purposes therein mentioned; and on oath stated that he was authorized to execute the said instrument on behalf of said U.S. BANK NATIONAL ASSOCIATION.

IN WITNESS WHEREOF I have hereunto set my hand and official seal this ____ day of _____, 20__.

_____
Notary Public

GRANTEE:

PACIFICORP

By:_____

Jana Mejdell, Director Real Estate Management

STATE OF OREGON)
) ss.
COUNTY OF MULTNOMAH)

On this _____ day of _____, 2016, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Jana Mejdell, to me known to be the person who signed as Director, Real Estate Management, of PacifiCorp, the person that executed the within and foregoing instrument, and acknowledged said instrument to be her free and voluntary act and deed and the free and voluntary act and deed of PacifiCorp, for the uses and purposes therein mentioned; and on oath stated that she was authorized to execute the said instrument on behalf of said PacifiCorp.

IN WITNESS WHEREOF I have hereunto set my hand and official seal this ____ day of _____, 2016.

_____

Notary Public

EXHIBIT A

Legal Description of the Property

ROSEBURG, BLOCK 40, LOT 5, 6, PT 3, PT 4 & PT 7 (OUT DOWNTOWN DEV DIST) SEE R70353 FOR BAL TL, ACRES .15

Assessor's Map No. 27-05W-19BC Parcel No. 09600

EXHIBIT B

Legal Description of the Easement Area

PROPERTY DESCRIPTION

Section: 19BC, Township: 27S, Range: 05W, WILLAMETTE Meridian,
DOUGLAS County, State of OREGON.
Map / Tax Lot or Parcel No.: 27-05W-19BC-09600

N

CC#:11166 WO#: 6065329	This drawing should be used only as a representation of the location of the easement area. The exact location of all structures, lines and appurtenances is subject to change within the boundaries of the described easement area.
Landowner Name: US National Bank Drawn by: S. WATSON	Exhibit B

EXHIBIT B

PACIFIC POWER
A DIVISION OF PACIFICORP