

# LEBOEUF, LAMB, GREENE & MACRAE LLP

NEW YORK  
WASHINGTON, D.C.  
ALBANY  
BOSTON  
CHICAGO  
HARTFORD  
HOUSTON  
JACKSONVILLE  
LOS ANGELES  
PITTSBURGH  
SAN FRANCISCO

1875 CONNECTICUT AVE., N.W.  
SUITE 1200  
WASHINGTON, D.C. 20009-5728  
(202) 986-8000  
FACSIMILE: (202) 986-8102

E-MAIL ADDRESS: SBEHREND@LLGM.COM  
WRITER'S DIRECT DIAL: (202) 986-8018

LONDON  
A MULTINATIONAL  
PARTNERSHIP  
PARIS  
BRUSSELS  
JOHANNESBURG  
(PTY) LTD.  
MOSCOW  
RIYADH  
AFFILIATED OFFICE  
BISHKEK  
ALMATY  
BEIJING

August 12, 2005

ATTN: Christopher M. Regan  
Senior Project Manager  
Spent Fuel Project Office  
Office of the Nuclear Material Safety and Safeguards  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

ATTN: Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

Re: Information regarding Application of PacifiCorp for Approval of Indirect  
Transfer of License; Trojan Nuclear Plant/ISFSI; Docket Nos. 72-17; NRC  
License No. SNM-2509

Dear Sir:

## I. INTRODUCTION

On June 30, 2005, PacifiCorp filed an Application for Approval of Indirect Transfer of its License No. SNM-2509 regarding the Trojan Independent Spent Fuel Storage Installation ("Trojan ISFSI") which relates to the former Trojan Plant, pursuant to Section 184 of the Atomic Energy Act of 1954, as amended ("AEA"), Section 72.50 of the Nuclear Regulatory Commission's ("NRC" or "Commission") Rules, 10 C.F.R. § 72.50 (2005), and pursuant to the procedures described in 10 C.F.R. Part 2 (2005) (the "June 30 Application"). The Commission published its "Notice of Consideration of Approval of Proposed Corporate Restructuring and Opportunity for Hearing" pertaining to PacifiCorp's June 30, 2005 Application at 70 Fed. Reg. 43461-62. (July 27, 2005).

NMS501

August 12, 2005

Page 2

As explained in the June 30 Application, PacifiCorp was a minority (2.5%) owner and non-operating licensee of the former Trojan nuclear generating facility (the "Trojan Generating Plant") and is a minority (2.5%) owner and non-operating licensee of the Trojan ISFSI. The indirect transfer of License No. SNM-2509 will occur in connection with the sale (the "Transaction") of PacifiCorp, a wholly-owned indirect subsidiary of Scottish Power plc, to a newly formed wholly-owned subsidiary of MidAmerican Energy Holdings Company ("MEHC").

As discussed in greater detail in the June 30 Application, PacifiCorp will continue to be a 2.5% non-operating licensee of the Trojan ISFSI and as such PacifiCorp's license is not being transferred to another party. MEHC will acquire all of the issued and outstanding common stock of PacifiCorp. PacifiCorp will continue to exist and operate under its present name, will continue to hold the NRC license in the same name and will have the same license obligations regarding the Trojan ISFSI as it currently has as a non-operating licensee.

This letter is being filed to inform the Commission of a name change to the newly formed MEHC subsidiary that will directly own PacifiCorp after the consummation of the Transaction and to update the Commission as to a potential future change in the upstream capital structure of MEHC.

## II. NAME CHANGE

As stated at page 2 of the June 30 Application, the newly formed MEHC subsidiary was originally known as NWQ, LLC. However, instead of being named NWQ, LLC, the acquiring company will be known as PPW Holdings LLC. The name of the licensee (PacifiCorp) will still remain the same, and the name change from NWQ, LLC to PPW Holdings LLC will not otherwise affect the Transaction.

## III. BERKSHIRE HATHAWAY STOCK CONVERSION

MEHC anticipates that there will be a change in its upstream capital structure now that the new energy legislation, the Domenici-Barton Energy Policy Act of 2005 ("Energy Act"),<sup>1</sup> has been signed into law by President Bush. Among other things, the Energy Act repeals the Public Utility Holding Company Act of 1935, as amended ("PUHCA") effective six months after enactment.

As a result of the repeal of PUHCA, Berkshire Hathaway Inc. ("Berkshire Hathaway") will likely convert its convertible preferred stock in MEHC into common shares, increasing Berkshire Hathaway's 9.9% voting interest in MEHC to a voting interest of approximately

---

<sup>1</sup> H.R. Rep. No. 109-190 (Conf. Rep.).

August 12, 2005

Page 3

83.75% (or 80.5%<sup>2</sup> on a diluted basis) of the common stock of MEHC (the "Conversion"). This letter is also to inform the Commission of that proposed conversion of stock.

MEHC is a privately owned company with publicly traded fixed-income securities.<sup>3</sup> The private investor group which currently owns MEHC consists of Berkshire Hathaway, Walter Scott, Jr. (including family interests), David Sokol (chairman and chief executive officer of MEHC) and Gregory Abel (president and chief operating officer of MEHC). Berkshire Hathaway currently has a voting interest in MEHC of approximately 9.9%.<sup>4</sup> Voting control of MEHC currently rests with Mr. Scott. Once PUHCA is repealed, Berkshire Hathaway has the option of converting its preferred, non-voting stock to common stock. If Berkshire Hathaway chooses to proceed with the Conversion, Berkshire Hathaway will have a voting interest in MEHC and its subsidiaries, including MidAmerican and PacifiCorp (after the Acquisition is consummated), of approximately 86.7%. Thus voting control over MEHC would be transferred from Mr. Scott to Berkshire Hathaway before or immediately after the Acquisition of PacifiCorp is consummated.

Significantly, there will be no new owners of MEHC as a result of the Conversion; only the relative voting interests of current owners will change. Upon Conversion, Berkshire Hathaway would have the rights of a common stockholder and the ability to elect nine of the ten members of MEHC's board of directors.

#### IV. DE MINIMIS NRC CHANGES

As noted above, as a result of the Berkshire conversion, there will be no changes to PacifiCorp, the non-operating NRC licensee. Also, there will be no operational changes to MEHC which will be the holding company of PacifiCorp as a result of the Transaction. It is not anticipated after the conversion of the Berkshire preferred stock or after the Transaction that there will be more than one non-U.S. citizen participating on the board of MEHC.<sup>5</sup>

---

<sup>2</sup> These figures increase to approximately 89% and 86.7% (on a diluted basis) on a pro forma basis if the conversion were to occur after the proposed acquisition of PacifiCorp.

<sup>3</sup> See *MidAmerican Energy Co.*, 89 FERC ¶ 62,225 (1999).

<sup>4</sup> Berkshire Hathaway is a holding company owning subsidiaries engaged in a number of diverse business activities. The most important of these is the property and casualty insurance business conducted on both a direct and reinsurance basis through a number of subsidiaries. Included in this group of subsidiaries is GEICO, one of the five largest auto insurers in the United States, General Re, one of the four largest re-insurers in the world, and the Berkshire Hathaway Reinsurance Group.

<sup>5</sup> As discussed in the Application, Greg Abel who is one of the MEHC shareholders and is on the MEHC board is a Canadian citizen.

August 12, 2005

Page 4

## V. CONCLUSION

It is respectfully submitted that inasmuch as: (1) there will be no changes to PacifiCorp, the non-operating licensee; (2) there will be no operational changes at MEHC (the holding company level); and (3) that the only change will be the relative voting interests of the investment group as described in the June 30 Application and above in this letter, these de minimis NRC changes do not trigger the threshold requiring that a formal application be filed. Accordingly, it is respectfully submitted that additional formal NRC approvals not be required in connection with the Berkshire stock conversion, other than this notification filing, plus any additional information that the NRC Staff may request. Expedient handling of this request is respectfully requested, particularly if a formal application process for the Berkshire stock conversion is deemed necessary.

Consistent with the terms of the Transaction, the parties still anticipate closing on the Transaction by the end of the first quarter of calendar year 2006. Other than as explained in this letter, the June 30 Application remains the same in all respects. Accordingly, the parties request that the NRC complete its review of the Transaction pursuant to its streamlined schedule and procedures to permit the issuance of the necessary consent order as promptly as possible, and in any event before December 30, 2005. The parties will inform the NRC upon the closing of the Transaction.

For purposes of answering questions regarding the contents of this letter, please contact Sam Behrends IV, LeBoeuf, Lamb, Greene & MacRae, LLP, Suite 1200, Washington, D.C., 20009 (sbehrend@llgm.com) or Robert Andersen, LeBoeuf, Lamb, Greene & MacRae, LLP, Suite 1200, Washington, D.C. 20009 (randersen@llgm.com).

Sincerely yours,



Samuel Behrends IV  
Attorney for MEHC

cc: E. William Brach, NRC, Director, Spent Fuel Project Office, NMSS  
James R. Hall, NRC, Senior Project Manager, SFPO  
Brooke Smith, Esq., NRC, Office of General Counsel  
Thomas Fredrichs, NRC, DWMEP, NMSS  
J. Erb, PacifiCorp  
M. Douglas Dunn, Attorney for PacifiCorp Holdings, Inc.  
D. Anderson, MidAmerican Energy Holdings Company  
J. Andreasen, MidAmerican Energy Holdings Company