

July 30, 2014

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. P.O. Box 47250 Olympia, WA 98504-7250

Attn: Steven V. King

Executive Director and Secretary

RE: Docket No. UE-132289—Affiliated Interest Filing—PacifiCorp and BNSF Railway

Company

Refiling to include confidential designation.

Dear Mr. King:

On December 13, 2013, Pacific Power & Light Company (Pacific Power or Company), a division of PacifiCorp, submitted an affiliated interest filing in the above-referenced docket. The filing was approved on the no action agenda at the January 16, 2014, open meeting of the Washington Utilities and Transportation Commission and the docket was closed. The Company is resubmitting this filing in order to designate as confidential the attachment included in the original filing.

The Company is providing a revised cover letter and confidential attachment as follows:

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, Pacific Power provides notice of an affiliated interest transaction between BNSF Railway Company (BNSF) for coal transportation services. A verified copy of the BNSF Railway Company Common Carrier Pricing Authority 90068 Attachment A Coal Unit Train Commitment Certificate Number BNSF 90068-0072 (Agreement) is included with this Notice as Confidential Attachment A. The Agreement requires that its terms and conditions be kept confidential. Further, disclosure of the terms and conditions of the agreement could erode the Company's bargaining position for similar services from BNSF or other transportation companies. This information is designated confidential under RCW 80.04.095 and submitted in accordance with the provisions of WAC 480-07-160.

PacifiCorp is a wholly owned, indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. BNSF is also a subsidiary of Berkshire Hathaway, Inc. RCW 80.16.020 includes in its definition of "affiliated interest," "every corporation five percent or more of whose voting securities are owned by any person or corporation owning five percent or more of the voting securities of such public service company or by any person or corporation in any such chain of successive ownership of five percent or

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more of voting securities." Therefore, Berkshire Hathaway, Inc.'s ownership interest in BHE and BNSF creates an affiliated interest.

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 the Dave Johnston plant. 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 plant. PacifiCorp will retain the responsibility of unloading the unit coal train deliveries at the plant. The Dave Johnston plant is not included in the Commission-approved West Control Area Interiurisdictional Allocation Methodology and therefore does not affect Washington rates. Notwithstanding, the Company is providing this notice out of an abundance of caution to ensure consistent treatment of affiliate contracts under the requirements of RCW 80.16. PacifiCorp owns and operates many generation facilities, some of them fueled by coal. Coalfired 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). The Dave Johnston plant 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.

Included with this filing is a notarized verification from Michelle R. Mishoe, Senior Counsel, PacifiCorp, regarding the Agreement.

Please contact Natasha Siores at (503) 813-6583 if you have any questions.

Sincerely,

R. Bryce Dalley

Vice President, Regulation

R Bryn Darley/Nes

Enclosures

WASHINGTON AFFILIATED INTEREST FILING

VERIFICATION

VERIFICATION

I, Michelle R. Mishoe, am Senior Counsel for PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached BNSF Railway Company Common Carrier Pricing Authority 90068 Attachment A Coal Unit Train Commitment Certificate Number BNSF 90068-0072, I verify that the BNSF Railway Company Common Carrier Pricing Authority 90068 Attachment A Coal Unit Train Commitment Certificate Number BNSF 90068-0072 is a true and accurate copy of the original.

I declare upon the penalty of perjury, that the foregoing is true and correct.

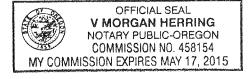
Executed on <u>YMM 29</u>, 2014 at Portland, Oregon.

Michelle R. Mishoe Senior Counsel Pacific Power

Subscribed and sworn to me on this 24 day of July, 2014.

Notary Public for Oregon

My Commission expires: My 17, 2015



WASHINGTON AFFILIATED INTEREST FILING CONFIDENTIAL ATTACHMENT A AGREEMENT

CONFIDENTIAL PER WAC 480-07-160

This entire document is designated as Confidential per WAC 480-07-160