

April 10, 2020

VIA ELECTRONIC FILING

Mark L. Johnson Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacy, Washington 98503

04/10/20 09:00 State Of WASH. TIL. AND TRANSP. COMMISSION

RE: DO NOT REDOCKET Docket UE-151343—Affiliated Interest Filing—FlightSafety

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, PacifiCorp dba Pacific Power & Light Company (PacifiCorp or Company) provides notice of an affiliated interest transaction with FlightSafety International, Inc. (FlightSafety) to provide unmanned aircraft systems training and certification services. A copy of the proposed Second Amendment to Master Contract is included as Attachment A.

In June 2015, Berkshire Hathaway Energy Company (BHE) entered into a Master Professional Services Contract (Master Contract) with FlightSafety. By signing the Affiliate Participation Letter to the Master Professional Services Contract, PacifiCorp became a participant in the contract. PacifiCorp filed notice with the Washington Utilities and Transportation Commission (Commission) of this affiliate agreement June 26, 2015, which became the above-referenced docket¹. On September 27, 2017, PacifiCorp filed notice with the Commission of the agreement between BHE and FlightSafety to extend the terms of the Master Contract through and including July 31, 2020 (Amended Master Contract).

BHE recently issued a request for proposal to procure training for field drone pilots to perform facility inspections. FlightSafety was the only bidder to respond who was able to provide the necessary services in the required locations of Portland and Medford, Oregon. PacifiCorp now seeks to modify the Amended Master Contract to include training for field drone pilots (Second Amendment to Master Contract).

PacifiCorp is a wholly-owned indirect subsidiary of BHE. BHE is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). FlightSafety is also a subsidiary of Berkshire Hathaway. RCW 80.16.010 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 more of voting securities." Therefore, Berkshire Hathaway's ownership interest in FlightSafety and BHE creates an affiliated interest for PacifiCorp.

Also included with this filing is a notarized verification from Mark Speight, Procurement Specialist, regarding the Second Amendment to Master Contract.

¹ The issue was listed as a "no-action" item on the agenda for the August 13, 2015 public meeting.

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It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah Street, Suite 2000

Portland, Oregon, 97232

Please contact Jennifer Angell, Regulatory Project Manager, at (503) 331-4414 if you have any informal questions.

Sincerely,

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Michael Wilding
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Enclosures

151343-PPL-Attach-A-4-10-20.pdf 151343-PPL-Verification-Speight-4-10-20.pdf