

June 29, 2015

***VIA ELECTRONIC FILING***

***AND OVERNIGHT DELIVERY***

Steven V. King

Executive Director and Secretary

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

**RE: Docket No. UE-15\_\_\_\_\_—Affiliated Interest Filing—PacifiCorp and FlightSafety International, Inc.**

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, Pacific Power & Light Company, a division of PacifiCorp (PacifiCorp or Company), provides notice of an affiliate interest transaction with FlightSafety International, Inc. (FlightSafety).

FlightSafety offers a variety of aviation training services, including training for pilots, flight attendants and customer service. PacifiCorp intends to use the flight simulator training services offered for a specific navigation system installed in its aircraft. A copy of the Master Professional Services Contract between Berkshire Hathaway Energy Company and FlightSafety International, Inc. for Flight Training, including Exhibit F, Form of Affiliate Participation Letter, under which PacifiCorp would become bound (Agreement), is included with this notice as Attachment A.

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

PacifiCorp owns one aircraft and employs pilots to fly the aircraft. The Federal Aviation Administration (FAA) requires that all pilots take flight simulator training at least once per year, and BHE requires pilots to take training at least twice per year. PacifiCorp’s aircraft uses a specific navigation system for which only FlightSafety offers the required training. No other vendors offer this training. Accordingly, it is necessary to use FlightSafety’s training services.

PacifiCorp expects to pay approximately $51,200 over two years for the training from FlightSafety. See Attachment A (and specifically, Exhibit B thereto) for the annual rates.

Transacting with FlightSafety is in the public interest. PacifiCorp uses the corporate aircraft for a variety of purposes, such as transporting personnel throughout its six states in emergency situations and to transport personnel to conduct ordinary-course utility business if doing so is more cost-effective or more efficient than commercial flights. The pilots on staff must take at least two trainings per year to meet FAA and BHE safety requirements. Because FlightSafety is the only entity offering training for the navigation system in the corporate aircraft, it is essential for PacifiCorp to transact with FlightSafety.

Also included with this filing is a notarized verification from Jeffery B. Erb, Assistant General Counsel, Pacific Power, regarding the Agreement.

Informal questions concerning this filing may be directed to Ariel Son, Manager, Regulatory Projects, at (503) 813-5410.

Sincerely,

R. Bryce Dalley

Vice President, Regulation

Enclosures

**WASHINGTON AFFILIATED INTEREST FILING**

**Master Professional Services Contract**

**between**

**Berkshire Hathaway Energy Company**

**and**

**FlightSafety International, Inc.**

**for**

**Flight Training**

**And**

**Affiliate Participation Letter**

**WASHINGTON AFFILIATED INTEREST FILING**

**VERIFICATION**

**VERIFICATION**

I, Jeffery B. Erb, am Assistant General Counsel for PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Master Professional Services Contract between Berkshire Hathaway Energy Company and FlightSafety International, Inc. for Flight Training, I verify that the Master Professional Services Contract between Berkshire Hathaway Energy Company and FlightSafety International, Inc. for Flight Training is a true and accurate copy.

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

Executed on June 29, 2015 at Portland, Oregon

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Jeffery B. Erb

Assistant General Counsel

Subscribed and sworn to me on this 29th day of June, 2015.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public for Oregon

My Commission expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_