

July 9, 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 UE-15 \_\_\_\_\_—Affiliated Interest Filing—PacifiCorp and Bridger Coal Company**

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 a proposed affiliate interest transaction with Bridger Coal Company (BCC). The proposed transaction is a transfer of certain mining longwall section equipment (Joy Longwall) by PacifiCorp to BCC. BCC is a joint venture owned 66.67 percent by PacifiCorp through its direct wholly-owned subsidiary Pacific Minerals, Inc., and Idaho Power Company which owns the remaining 33.33 percent.

**BACKGROUND AND PROPOSED TRANSFER**

BCC is the primary supplier of coal to the Jim Bridger generating plant located in southwest Wyoming. BCC currently uses DBT America, Inc. longwall coal mining equipment (DBT Longwall) for coal extraction, which was chosen based on pre-mining feasibility evaluations. The evaluations at the time indicated the DBT Longwall would be well-suited to extract coal based on the projected coal seam thickness. Actual coal seam thickness was less than projections in some of the mined areas. As a result, unacceptable amounts of rock (also known as “ash”) are extracted with the coal cut. Higher ash content decreases the efficiency of the coal supply. To maintain efficiency and maximize boiler combustion, the Jim Bridger plant requires consistent coal quality. Coal extracted with the DBT Longwall must often be blended with other coal supplies to reduce ash.

At PacifiCorp’s Deer Creek mine in Utah, coal was extracted using the Joy Longwall mining equipment. The Deer Creek mine is closing, and the Joy Longwall is therefore no longer needed at the Deer Creek mine.

PacifiCorp requests to transfer the Joy Longwall to BCC so that BCC may use the Joy Longwall at the BCC mine. The Joy Longwall will operate more efficiently than the DBT Longwall, and bypass waste material. The Joy Longwall meets BCC’s operating requirements. The cutting height better matches the coal seam thickness, which will reduce the ash content.

Also, certain coal mining support equipment (Support Equipment), including material haulage equipment, feeder breakers and high voltage electric cable, is no longer needed at the Deer Creek mine, and can also be transferred to BCC.

The proposed transfer of the Joy Longwall and Support Equipment is priced at market value and supported by both joint owners of BCC. The purchase price for the Joy Longwall is the market value of \$13.3 million as determined by an average of three independent appraisals.<sup>1</sup> PacifiCorp will also incur expenses for refurbishing the Joy Longwall and shipping it to BCC. These expenses are estimated to be \$4.6 million and will be reimbursed by BCC. The purchase price for the Support Equipment is the market value of approximately \$1.2 million<sup>2</sup> as determined by an average of informal appraisals.<sup>3</sup>

A copy of the Sale and Purchase Agreement (Agreement) between PacifiCorp and BCC for the Joy Longwall and Support Equipment is included as Attachment A. Also included with this filing is a notarized verification of the Agreement, from Jeffery B. Erb, Assistant General Counsel, Pacific Power.

#### **AFFILIATE STATUS AND NOTICE**

BCC is a joint venture owned 66.67 percent by PacifiCorp through its direct, wholly-owned subsidiary Pacific Minerals, Inc., and 33.33 percent by Idaho Power Company. 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, PacifiCorp’s ownership interest in BCC via Pacific Minerals, Inc. creates an affiliated interest relationship between the Company and BCC.

Transacting with BCC is in the public interest. The transfer will not have a negative effect on PacifiCorp’s ability to serve its customers or otherwise affect the public. PacifiCorp, its customers, and the public will benefit from extraction of coal with less ash content, which will better meet the operational needs for the Jim Bridger generating plant boilers. The Jim Bridger generating plant will be able to produce the same number of megawatt hours using less coal. BCC will keep the existing DBT Longwall, but transfer of the Joy Longwall will allow BCC to avoid the significant expense of a refurbishment of the DBT Longwall at this time. Additionally, PacifiCorp will be able to more efficiently and effectively manage its fuel costs. The costs per MMBtu for fuel produced by the Joy Longwall are projected to be less than the costs per MMBtu for fuel produced by the DBT Longwall currently in use at BCC.

Informal questions concerning this filing may be directed to Natasha Siores, Director, Regulatory Affairs and Revenue Requirement, at (503) 813-6583.

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<sup>1</sup> The transfer of the Joy Longwall is subject to a six percent Wyoming sales tax that will be paid by BCC.

<sup>2</sup> In addition, approximately \$40,000 in shipping costs will be incurred by PacifiCorp and reimbursed by BCC to transport the Support Equipment to BCC.


<sup>3</sup> PacifiCorp received informal valuations from five vendors. Not all vendors supplied valuations for all components of the Support Equipment. PacifiCorp averaged the supplied values where applicable to determine the market value.

Washington Utilities and Transportation Commission

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Sincerely,

A handwritten signature in cursive script that reads "R. Bryce Dalley AS".

R. Bryce Dalley

Vice President, Regulation

Enclosures

**WASHINGTON AFFILIATED INTEREST FILING**

**SALE AND PURCHASE AGREEMENT  
BETWEEN  
PACIFICORP  
AND  
BRIDGER COAL COMPANY  
FOR  
JOY LONGWALL AND SUPPORT EQUIPMENT**

## SALE AND PURCHASE AGREEMENT

THIS SALE AND PURCHASE AGREEMENT (this "Agreement"), is made as of June 4, 2015, by and between PACIFICORP, an Oregon corporation, as seller ("Seller"), having a place of business at 825 NE Multnomah, Portland, Oregon, 97232 on the one hand, and Bridger Coal Company ("Buyer"), a joint venture of Pacific Minerals, Inc., a Wyoming corporation and wholly owned subsidiary of Seller, and Idaho Energy Resources Co., a Wyoming corporation, as buyer, having a place of business at 1088 Nine Mile Road, Point of Rocks, Wyoming, 82942 on the other hand.

1. Purchase and Sale. Subject to the terms of this Agreement, Seller agrees to sell, transfer and convey to Buyer, and Buyer agrees to purchase and receive, all and not less than all of Seller's right, title and interest in and to each and every one of the items of property (collectively, the "Equipment") described on Exhibit "A" attached hereto. In consideration, Buyer agrees to pay Seller the "Purchase Price" of the Equipment as set forth and adjusted as provided in Exhibit A to this Agreement, on or before the second business day following the later of the effectiveness of this Section or Seller's notice to Buyer of the final Purchase Price. The "Transportation" cost set forth therein is included in the Purchase Price as an estimate and Seller will increase or reduce the Purchase Price for the final, actual costs of transportation to Buyer's Premises. The sale is not effective and consummated until Seller is in receipt of the Purchase Price. Buyer is responsible for payment of all applicable sales tax on this purchase and sale. Seller's obligation to convey the Equipment is expressly conditioned on Seller obtaining all required regulatory approvals, and Buyer's obligation to purchase the Equipment is likewise expressly conditioned on Buyer obtaining all required regulatory approvals.

2. Delivery. Seller agrees to cause the Equipment to be delivered to Buyer's premises at Bridger Coal Company, Underground Mine, 1088 Nine Mile Rd., Point of Rocks, Wyoming ("Buyer's Premises"). Seller will maintain insurance covering the transportation and delivery of the Equipment to Buyer's Premises as evidenced in the Certificate of Liability Insurance attached hereto as Exhibit C, and shall cause Buyer to be a loss payee thereunder.

3. Storage License. In consideration of the sum of \$1.00 paid in hand by Seller, Buyer grants to Seller a license to store all Equipment at reasonable locations on Buyer's Premises, free and clear of any liens or claims of Buyer, pending receipt of regulatory approvals by Seller and Buyer for the purchase and sale. In the event regulatory approvals are not received by Seller or Buyer, Buyer grants to Seller a license to store all Equipment on Buyer's premises until the Equipment is otherwise disposed or relocated, in consideration of payment by Seller to Buyer of the sum of \$1.00 per month.

4. Title Documentation. Upon receipt of payment in full of the Purchase Price, Seller will execute and deliver to Buyer the "Bill of Sale" in the form of Exhibit "B" hereto. Upon execution of the Bill of Sale by Seller, all risk of loss or damage to the Equipment shall pass to Buyer.

5. DISCLAIMER OF WARRANTIES. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT THE EQUIPMENT IS SOLD "AS IS" AND "WHERE IS" WITH NO

**WARRANTIES OR REPRESENTATIONS BY SELLER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, AS TO ANY MATTER RELATING TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES AS TO WHETHER THE EQUIPMENT WILL BE IN THE STATE IN WHICH IT IS NOW WHEN IT ARRIVES ON BUYER'S PREMISES, AND BUYER HEREBY WAIVES THE RIGHT TO ASSERT ANY AND ALL SUCH WARRANTIES AGAINST SELLER, SUBJECT ONLY TO THE WARRANTY BY SELLER THAT SELLER HAS GOOD, VALID AND MARKETABLE TITLE TO ALL OF THE PURCHASED ASSETS, AND WILL EFFECTIVELY CONVEY THE EQUIPMENT TO BUYER FREE AND CLEAR OF ANY LIEN, CLAIM OR ENCUMBRANCE OF ANY PARTY CLAIMING AN INTEREST THROUGH SELLER.**


6. General. This Agreement is governed by the laws of the State of Wyoming. This Agreement constitutes the entire understanding and agreement between Buyer and Seller in connection with its subject matter and all prior understandings and agreements, whether oral or written, are merged into and superseded hereby. This Agreement may be amended only by a written instrument executed by both Buyer and Seller. 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.

7. Liabilities Not Assumed. Buyer does not assume, and shall have no responsibility for, any liability of Seller relating to the Equipment which has arisen, been accrued by Seller, or incurred by Seller or is otherwise based on events taking place, prior to the removal from Joywall of the Equipment for Transportation of the Equipment to Buyer's Premises.


8. Survival. All representations, warranties, covenants and obligations under this Agreement will survive Seller's conveyance of the Equipment to Buyer under the Bill of Sale.

IN WITNESS WHEREOF, the parties hereto have caused their authorized representatives to execute this Agreement as of the date first set forth above.

BRIDGER COAL COMPANY  
a Wyoming joint venture

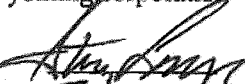
By   
Name Steve Larson  
Title Vice President

PACIFICORP  
an Oregon corporation

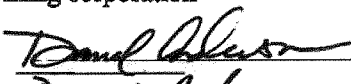
By   
Name Steve Larson  
Title Vice President

Acknowledged:

Pacific Minerals, Inc.  
a Wyoming corporation

By   
Name Steve Larson  
Title Vice President

Idaho Energy Resources Co.  
a Wyoming corporation

By   
Name Daniel Anderson  
Title President

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## EXHIBIT "A" TO PURCHASE AGREEMENT

Equipment Description and component pricing and adjustment:

Longwall Equipment:

Component	Serial Number	EW Asset #	Csp. date	Description	Quantity	Price
Shields		21-226	12/6/2010, 4/18/2011	Joy Shields (two legged, 1,170 ton capacity, reconstructed)	130 Each	\$ 8,120,000.00
Shearer	LVS613D	22-223	12/6/2010	Joy T1S with dual 72" diameter cutting drums and lump breaker (reconstructed)	1 Each	620,000.00
AFC		22-224	12/6/2010	Joy AFC - #1 (2 x 600 hp x 940 millimeter - reconstructed)	116 Each	330,866.67
		22-225	4/18/2011	Joy AFC - #2 (2 x 600 hp x 940 millimeter - reconstructed)	116 Each	434,200.00
Drives	HD1109	22-214	4/18/2011	Joy Headgate Drive (2 x 250 hp x 1,154 millimeter)	1 Each	226,166.67
	TD1109	22-215	4/18/2011	Joy Tailgate Drive	1 Each	124,400.00
		22-185		Joy Headgate Drive	1 Each	251,000.00
		22-186		Joy Tailgate Drive	1 Each	114,566.67
Stage Loader	SL1109	22-216	4/18/2011	Joy Stage Loader	1 Each	415,666.67
	SL1083	22-210		Joy Stage Loader	1 Each	279,000.00
Crusher	CR1109	22-217	4/18/2011	Joy Crusher	1 Each	219,666.67
	CR1083	22-209		Joy Crusher	1 Each	141,333.33
Emulsion		22-211	3/30/2006	Emulsion Pump and Control System (Haulinco)	1 Each	51,666.67
	97201	22-222	4/18/2011	Emulsion System Assembly (control/transfer/skid - Haulinco)	1 Lot	64,333.33
	70	22-219	4/18/2011	Emulsion System Pump - #1 (Haulinco)	1 Each	34,000.00
	71	22-220	4/18/2011	Emulsion System Pump - #2 (Haulinco)	1 Each	32,333.33
	72	22-221	4/18/2011	Emulsion System Pump - #3 (Haulinco)	1 Each	32,333.33
Monorail		22-160	12/31/1993	Monorail Cable Handling Device (Westfalia)	1 Each	31,333.33
		22-227	1/30/2012	Monorail System - #1	1 System	102,333.33
		22-228	6/26/2012	Monorail System - #2 (Schuff)	1 System	102,333.33
				Monorail Trainers	5 EA	20,833.33
Scrubber	4145	19-039	4/5/2002	Scrubber System (Spendrup)	1 System	16,333.33
	4146	19-040	4/5/2002	Scrubber System (Spendrup)	1 System	16,333.33
Communication		22-000	12/6/2010	Communication System (reconstructed - Joy Global)	1 System	19,666.67
Tailpiece	BT1109	08-735	4/18/2011	Crawler-Mounted Tailpiece (Joy-BT-1109)	1 Each	120,666.67
	64-223	08-703	12/31/1997	Crawler-Mounted Tailpiece (Long Aisle-111JA 00565)	1 Each	71,000.00
Electrical	P0331A	06-584	4/18/2011	Electrical Power Center #1 (reconstructed - Intermountain Electronics)	1 Each	169,333.33
	P0346A	06-585	4/18/2011	Electrical Power Center #2 (reconstructed - Intermountain Electronics)	1 Each	169,333.33
	P0331B	22-226	4/18/2011	Electrical Master Control (RS206)	1 Lot	52,166.67
		21-999	4/18/2011	Electrical System	1 System	56,333.33
	P0346B	22-218	12/6/2010	Electrical Master Control (RS206)	1 Lot	41,666.67
				Electrical Master Control (Reconstructed)	1 Lot	28,333.33
Chain Containers		22-102	12/31/1987	Chain Containers	1 Each	2,166.67
		22-103	12/31/1987	Chain Containers	1 Each	833.33
		22-104	12/31/1987	Chain Containers	1 Each	833.33
		22-105	12/31/1987	Chain Containers	1 Each	833.33
		22-106	12/31/1987	Chain Containers	1 Each	833.33
		22-107	12/31/1987	Chain Containers	1 Each	833.33
		22-108	12/31/1987	Chain Containers	1 Each	833.33
		22-109	12/31/1987	Chain Containers	1 Each	833.33
		22-995	12/31/1989	Chain Containers (Dale Mining Co.)	1 Each	833.33
Other			12/31/1998	Support Transport Trailer	1 Each	6,833.33
			12/31/1998	Support Transport Trailer	1 Each	3,833.33
	906001	23-108	12/31/1990	Shield Retriever (Petit64641)	1 Each	161,666.67
	15728	22-203	12/31/2011	Shield Retriever Electric (Petit6-1159 R)	1 Each	170,833.33
	003-83572	14-074	12/31/1991	Skid-Mounted Rotary Air Compressor (Sullair-580CFM-7734)	1 Each	500.00
		22-195		Move Pump (480 volt)	1 Each	41,666.67
Inventory Parts						46,461.33
Transport Trailers						200,000.00
Total (excluding the leased shearer)						\$ 13,344,161.33
Sales Tax						\$ 803,649.68
Total						\$ 14,147,811.01

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Miscellaneous Equipment:

Equip No.	Asset Description	Make	Model	Serial No.	In-service		Price	Sales Tax	Trans.	Total
					Date					
23-122	Shield Transporter (30X)	Wagner	3412	81217982	12/31/1991		\$ 125,000.00	\$ 7,500.00	\$ 2,000.00	\$ 134,500.00
23-144	Diesel Powered Tow Vehicle	Eimco	980L	980-907	12/31/1997		75,000.00	4,500.00	2,000.00	81,500.00
23-164	Mobile Rock Duster	Eimco	975	975-0732	2/23/2006		67,500.00	4,050.00	2,000.00	73,550.00
23-170	UG Road Grader	Getman	RDG-1504C	6926	7/31/2007		200,000.00	12,000.00	2,000.00	214,000.00
23-177	Diesel Powered Tow Vehicle	Eimco	980L	980-0881	12/29/2009		102,500.00	6,150.00	2,000.00	110,650.00
03-049	Feeder Breaker	Long Airdox	6MFBM-48A	27208 54-2087	12/31/1996		55,000.00	3,300.00	3,250.00	61,550.00
03-050	Feeder Breaker	Long Airdox	6MFBM-48A	27208 54-2091	12/31/1997		54,333.33	3,260.00	3,250.00	60,843.33
05-141	Battery Powered Section Scoop	Fairchild	n/a	T339-620	8/11/2011		166,000.00	9,960.00	11,458.00	187,418.00
05-142	Battery Powered Section Scoop	Fairchild	n/a	T339-621	8/11/2011		183,333.33	11,000.00	11,458.00	205,791.33
08-709	48" Pony Drive	DBT	n/a	95357-10	1/14/2004		50,625.00	3,037.50		53,662.50
n/a	350 MCM Electrical Power Cable	n/a	n/a	qty - 5,000'	12/31/1989		48,034.35	2,882.06	500.00	51,416.41
04-058	Pan Bolter (longwall face extraction)	ARO	n/a	15019	3/31/2005		62,500.00	3,750.00	500.00	66,750.00
04-058	Pan Bolter-Bolt Intensifier	Hilti	n/a	n/a	6/22/2012					
<b>Total</b>							<b>\$1,189,826.02</b>	<b>\$71,389.56</b>	<b>\$40,416.00</b>	<b>\$1,301,631.58</b>

Rebuild Estimate:

DATE	PO NO	Vendor	Description	PO/Firm Est.	Estimate
2/4/2015	RLX71628	Anikter	4/0 Cable for LW Bretby	\$ 19,967.50	\$ -
2/4/2015	RLM165400	Intermountain Electronics	Bretby	11,043.60	-
2/5/2015	RLM165404	Lewis Goetz	Hyd Hoses for Bretby	4,825.05	-
2/5/2015	RLN8314	Echo Industries	Repair of LW cables	-	11,000.00
2/5/2015	RLN8315	Echo Industries	Assembly of Bretby	-	1,200.00
2/16/2015	RLM165517	Mine West	Conflow sprays and housings	3,440.52	-
2/16/2015	RLN8331	Joy Mfg	LW Storage Charges	1,000.00	-
2/18/2015	RL-OH-285	Joy Mfg	Rebuild and Re-hand Shearer	529,370.00	-
2/18/2015	RL-OH-286	Joy Mfg	Rebuild and Re-Hand Headgate	178,273.00	-
2/18/2015	RL-OH-287	Joy Mfg	Rebuild and Re-Hand Tailgate Drive	252,460.00	-
4/28/2015	OH287 CO1	Joy Mfg	Change order to replace gob plate sigma race	10,710.00	-
2/18/2015	RL-OH-288	Joy Mfg	Rebuild Stageloader	225,641.00	-
4/28/2015	OH288 CO1	Joy Mfg	Change order to make extension to fit CMT	11,572.00	-
2/18/2015	RL-OH-289	Joy Mfg	Rebuild Crusher	119,640.00	-
2/18/2015	RL-OH-290	Joy Mfg	Crawler Mounted Tailpiece Rebuild	121,927.00	-
2/18/2015	RL-OH-284	Joy Mfg	Shield Rebuild Basic	500,000.00	-
3/31/2015	RL-OH-293	Joy Mfg	Gate Shield topple protection (5)	-	100,000.00
4/17/2015	RL-OH-294	Joy Mfg	Special Panline Rebuild	1,050,000.00	-
2/20/2015	RL-OH-292	Intermountain Electronics	Face Controller Rebuild (22-226)	27,513.00	-
		Morcon	Monorail Rebuild	164,906.50	-
4/8/2015	RLM165961	Morgantown Machine	Fabricate Trolleys	31,178.25	-
3/31/2015	RLN-8380	Morgantown Machine	Monorail Rebuild	-	60,000.00
4/8/2015	RLM-165960	Morgantown Machine	Push Pull	34,285.00	-
3/31/2015	RLN-8379	Morgantown Machine	Emulsion Pump Rebuild Option 2	34,877.45	-
3/31/2015	RLN-8379	Morgantown Machine	Emulsion Tank Skid Repairs	13,845.00	-
3/31/2015	RLN-8385	Morgantown Machine	Shearer Drum Rebuild	50,000.00	-
4.6/2015	RLM165943	ESCO	Bit Sleeves and Blocks for Drums	31,680.00	-
		Neilson Construction	Transportation from Deer Creek to Joy	-	45,000.00
		Joy Mfg	Handling Charges	-	45,000.00
2/25/2015	RLW-35742	M-Tec	Re-tip of face conveyor flygts	60,400.00	-
2/25/2015	RLM165607	Joy Mfg	New E-bolts for Conveyor chain	19,225.47	-
2/25/2015	RLN8343	Intermountain Electronics	Test and clean section transformer	30,186.00	-
2/25/2015	RLW-35743	Seetech	Clean and repair High Pressure Filters	8,703.92	-
2/25/2015	RLN8344	Guymon's	Face Chain Disassembly	2,336.00	-
2/25/2015	RLN8345	Guymon's	Assembly of Conveyor Chain	14,268.00	-
2/25/2015	RLN8345	Guymon's	Clean and Repair E-Bolts	5,120.00	-
2/26/2015	RLM165624	RM Wilson	Face Chain, Nuts, Bolts	98,345.40	-
2/26/2015	RLW35746	Industrial Electric	600 HP Motors of LW equipment (2)	16,754.48	-
2/26/2015	RLW35747	Industrial Electric	250 HP Motors (3)	20,238.12	-
3/5/2015	Issue from INV	Industrial Electric	650 TVFS Fluid Coupler	16,000.00	-
3/5/2015	Issue from INV	Industrial Electric	562 TVFE Fluid Coupler	49,181.55	-
4/20/2015	RLN8395	Guymon's	Chain Trailers (4)	7,200.00	-
	Subtotals			\$ 3,776,113.81	\$ 262,200.00
	Total (excluding sales tax)				\$ 4,038,313.81
	Sales Tax				240,279.67
	Total				\$ 4,278,593.48

**EXHIBIT "B" TO  
PURCHASE AND SALE AGREEMENT**

BILL OF SALE

This Bill of Sale is executed and delivered this \_\_\_ day of \_\_\_\_\_, 2015, by PACIFICORP, an Oregon corporation, as seller ("Seller"), to Bridger Coal Company ("Buyer"), in consideration of the payment by Buyer to Seller of \$18,242,372.32 (as adjusted as provided under Transportation in Exhibit A) the receipt of which is hereby acknowledged. All applicable sales tax, which is estimated at \$1,112,318.91, will be paid by the Buyer directly to appropriate taxing authorities and \$882,866.67 for the second armored face conveyor (pan line) which will be contracted for directly by the Buyer. Seller hereby sells, transfers and conveys all of its right, title and interest in and to the property described on Schedule "I" attached hereto (the "Equipment") to Buyer and its successors and assigns, to have and to hold forever.

**THE EQUIPMENT IS SOLD HEREUNDER "AS IS" AND "WHERE IS" WITH NO WARRANTIES OR REPRESENTATIONS BY SELLER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, AS TO ANY MATTER RELATING TO THE EQUIPMENT, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SUBJECT ONLY TO THE WARRANTY BY SELLER THAT SELLER HAS GOOD, VALID AND MARKETABLE TITLE TO ALL OF THE PURCHASED ASSETS, AND HEREBY CONVEYS THE EQUIPMENT TO BUYER FREE AND CLEAR OF ANY LIEN, CLAIM OR ENCUMBRANCE OF ANY PARTY CLAIMING AN INTEREST THROUGH SELLER.**

SELLER

PACIFICORP

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

Transportation to Buyer:

Item	Items Per Load	Units	Move Time		Estimated Dollars
			>45 Days		
Line Shields	Per Shield	123	\$	2,200.00	\$ 270,600.00
Gate Shields	Per Shield	7	\$	2,700.00	18,900.00
Pan Line	6 Pans Per Load	232	\$	1,700.00	65,733.33
Head Drive & Tail Drive	Each	4	\$	4,900.00	19,600.00
Stage Loader	Each	2	\$	3,700.00	7,400.00
Mobile Tailpiece	Each	2	\$	3,700.00	7,400.00
Crusher	Each	2	\$	2,700.00	5,400.00
Shearer					-
Arms	Each	1	\$	3,600.00	3,600.00
Body	Each	1	\$	2,700.00	2,700.00
Monorail	Each	2	\$	1,500.00	3,000.00
Electronics	Each	2	\$	1,550.00	3,100.00
Chain	2 Per Load	9	\$	1,550.00	13,950.00
Chain Tubs	2 Per Load	9	\$	1,550.00	13,950.00
Chain Trailers	1 Per Load	4	\$	1,950.00	7,800.00
Pump Car	1 Per Load	4	\$	1,950.00	7,800.00
Portable Cars	1 Per Load	2	\$	1,950.00	3,900.00
Monorail Trailers	1 Per Load	5	\$	2,050.00	10,250.00
					\$ 465,083.33
Escalation (2014 to 2015)					9,301.67
Contingency @ 10%					47,438.50
					<hr/>
	Total				\$ 512,521.83

Transportation to Buyer, the rebuild of certain equipment is subject to change and Seller will notify Buyer of the final Purchase Price adjusted for those changes.

**EXHIBIT "C" TO  
PURCHASE AND SALE AGREEMENT**

Client#: 4996

NIELCONI

**ACORD CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)  
06/04/2016

<p>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.</p>	
<p><b>IMPORTANT:</b> If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).</p>	
<p><b>PRODUCER</b> GRADY DOTSON COBB STRECKER DUNPHY &amp; ZIMMERMANN 5 TRIAD CENTER SUITE 340 SALT LAKE CITY, UT 84180</p>	<p><b>CONTACT NAME:</b> NANCY OLIVER <b>PHONE (A/C No. Ext):</b> 801-532-5975 <b>FAX (A/C No.):</b> 801-537-7488 <b>E-MAIL ADDRESS:</b> noliver@csdz.com</p>
<p><b>INSURED</b> NIELSON CONSTRUCTION PO BOX 620 HUNTINGTON, UT 84528</p>	
<p><b>INSURER(S) AFFORDING COVERAGE</b></p> <p>INSURER A: ZURICH AMERICAN INSURANCE COMPA INSURER B: HANOVER INSURANCE COMPANY INSURER C: TRAVELERS PROPERTY CASUALTY CO. INSURER D: INSURER E: INSURER F:</p>	

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

LINE	TYPE OF INSURANCE	ADDITIONAL INSURER (N/A)	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXP. DATE (MM/DD/YYYY)	LIMITS
A	<p><b>GENERAL LIABILITY</b></p> <p><input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY  <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  <input checked="" type="checkbox"/> CONTRACTUAL LIAB PER  <input checked="" type="checkbox"/> POLICY FORM AND XCU</p> <p>GEN'L AGGREGATE LIMIT APPLIES PER:  <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC</p>		GLO388901801	05/01/2015	05/01/2016	<p>EACH OCCURRENCE \$1,000,000                      DAMAGE TO RENTED PREMISES (Per occurrence) \$100,000                      MED EXP (Any one person) \$10,000                      PERSONAL &amp; ADV INJURY \$1,000,000                      GENERAL AGGREGATE \$2,000,000                      PRODUCTS - COMPOP AGG \$2,000,000                      \$</p>
A	<p><b>AUTOMOBILE LIABILITY</b></p> <p><input checked="" type="checkbox"/> ANY AUTO  <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS  <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS</p>		BAP388901701	05/01/2015	05/01/2016	<p>COMBINED SINGLE LIMIT (Per accident) \$1,000,000                      BODILY INJURY (Per person) \$                      BODILY INJURY (Per accident) \$                      PROPERTY DAMAGE (Per accident) \$                      \$</p>
C	<p><input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR  <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE  <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000</p>		ZUP51M3082215NF	05/01/2015	05/01/2016	<p>EACH OCCURRENCE \$5,000,000                      AGGREGATE \$5,000,000                      \$</p>
	<p><b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>                      ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N                      If yes, describe under DESCRIPTION OF OPERATIONS below</p>	N/A				<p>WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/>                      E.L. EACH ACCIDENT \$                      E.L. DISEASE - EA EMPLOYEE \$                      E.L. DISEASE - POLICY LIMIT \$</p>
B	<p><b>MOTOR TRUCK CARGO (BROAD FORM)</b></p>		RH4A23830101	05/01/2015	05/01/2016	<p>PROPERTY IN VEHICLES \$2,000,000                      DEDUCTIBLE \$10,000</p>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
**ADDITIONAL INSURED ONLY IF REQUIRED BY WRITTEN CONTRACT WITH RESPECT TO GENERAL LIABILITY: ENERGY WEST**

<p><b>CERTIFICATE HOLDER</b></p> <p>ENERGY WEST 31 NORTH MAIN STREET HUNTINGTON, UT 84528</p>	<p><b>CANCELLATION</b></p> <p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE <i>[Signature]</i></p>
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**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 Sale and Purchase Agreement between PacifiCorp and Bridger Coal Company for the Joy Longwall and Support Equipment, I verify that the Sale and Purchase Agreement between PacifiCorp and Bridger Coal Company for the Joy Longwall and Support Equipment is a true and accurate copy.

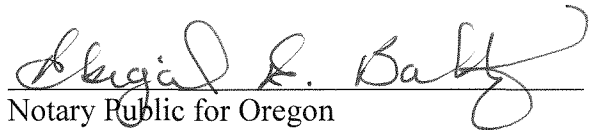
I declare upon the penalty of perjury, that the foregoing is true and correct.

Executed on July 9, 2015, at Portland, Oregon.



Jeffery B. Erb  
Assistant General Counsel

Subscribed and sworn to me on this 9th day of July, 2015.



Notary Public for Oregon

My Commission expires: November 12, 2018

