

March 19, 2019

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Received
Records Management
03/19/19 16:47
State Of WASH
UTIL. AND TRANSP
COMMISSION

RE: Docket UE-19 _____ —Affiliated Interest Filing—PacifiCorp and BNSF Railway Company

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, Pacific Power & Light Company (Pacific Power), a division of PacifiCorp, provides notice of an affiliated interest transaction with BNSF Railway Company (BNSF) for licenses allowing PacifiCorp to perform a substation switch requiring the relocation and upgrade of facilities along or across BNSF property in Casper, Wyoming. To accommodate this project, eight different licenses were obtained from BNSF. A verified copy of each License for Electric Supply Line Across or Along Railway Property (Licenses), is included with this Notice as Attachment A, Attachment B, Attachment C, Attachment D, Attachment E, Attachment F, Attachment G, and Attachment H.

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 80.16.010 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, Inc.’s ownership interest in BHE and BNSF creates an affiliated interest relationship between the company and BNSF.

PacifiCorp is shutting down its Orpha substation and bringing the new Jackalope substation on-line to accommodate new load. The substation replacement will require relocation of distribution feeds and associated infrastructure that will require crossing BNSF’s property at multiple locations. Specifically, this particular project required PacifiCorp to cross BNSF’s property at eight different locations, as further described in Attachments A through H, respectively. This transaction is related to the distribution of electric service in Wyoming and therefore does not affect Washington rates. Notwithstanding, PacifiCorp is providing this notice out of an abundance of caution to ensure consistent treatment of affiliate contracts under the requirements of RCW 80.16 et. seq.

BNSF uses standardized pricing for these types of licenses. PacifiCorp will pay \$40,048 total for eight licenses, which includes \$3,700 for each License, \$800 for additional processing, and \$506 for Railroad protective liability insurance per license. Obtaining the Licenses are in the public

interest because it allows PacifiCorp to install and maintain facilities necessary to provide electric service and to meet its obligation to provide safe and reliable electric service. Without the licenses, PacifiCorp would not be able to meet its obligation to provide electric service. As the property owner, BNSF is the only entity that can provide the Licenses to PacifiCorp.

Also included with this filing is a notarized verification from Brian Bridge, Senior Property Agent, regarding the Licenses.

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

By E-Mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, Oregon, 97232

Please contact Ariel Son at (503) 813-5410 if you have any informal questions.

Sincerely,

 /s/
Etta Lockey
Vice President, Regulation
Pacific Power & Light Company
825 NE Multnomah St., Suite 2000
Portland, Oregon 97232
(503) 813-5701
etta.lockey@pacificorp.com

Enclosures

NEW-PPL-Attach-A-3-19-19.pdf
NEW-PPL-Attach-B-3-19-19.pdf
NEW-PPL-Attach-C-3-19-19.pdf
NEW-PPL-Attach-D-3-19-19.pdf
NEW-PPL-Attach-E-3-19-19.pdf
NEW-PPL-Attach-F-3-19-19.pdf
NEW-PPL-Attach-G-3-19-19.pdf
NEW-PPL-Attach-H-3-19-19.pdf
NEW-PPL-Verification-Bridge-3-19-19.pdf