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August 29, 2025

VIA ELECTRONIC FILING

Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503-1036

RE: Docket UE-25_____ — Affiliated Interest Filing—PacifiCorp and Kern River Gas Transmission Company

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, PacifiCorp dba Pacific Power & Light Company (PacifiCorp) provides notice of an affiliated interest transaction with Kern River Gas Transmission Company (KRG T) for an Encroachment Permit (Permit). The Permit will allow for the installation of electrical facilities along KRG T's pipelines in Salt Lake County, Utah.

PacifiCorp is a wholly owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). KRG T is also a wholly owned indirect subsidiary of BHE. 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, BHE's ownership interest in both entities creates an affiliated interest relationship between PacifiCorp and KRG T.

KRG T owns and operates a pipeline system, which transports natural gas to several western states. Some of its Utah pipelines are sited within Salt Lake County in an area used by PacifiCorp. This Permit is needed by PacifiCorp to install a new transmission line along KRG T's pipelines to provide service to customers. For the safe operation of KRG T's and PacifiCorp's facilities, PacifiCorp will install its facilities in compliance with the encroachment specifications included in Attachment A. Acquiring the Permit and the subsequent work is in the public interest because it facilitates PacifiCorp's service to its customers. The total financial impact is expected to be \$4.9 million, with Washington's share of allocated costs approximately \$370 thousand.

As part of PacifiCorp's transmission line siting process, a structured and consistent process is conducted with pipeline operators to evaluate and mitigate potential impacts on pipeline infrastructure. This includes assessing the physical proximity of transmission structures to pipelines and analyzing electrical interactions that may necessitate cathodic protection to prevent corrosion.

PacifiCorp enters into standalone agreements with each pipeline company to formalize this coordination. These agreements typically include compensation for engineering studies required to assess potential impacts, as well as reimbursement for the design and implementation of any

mitigation measures deemed necessary. This process is applied uniformly across all pipeline entities to ensure fairness, technical rigor, and regulatory compliance.

PacifiCorp has established a right of way corridor that contains both 345 and 138 kilovolt transmission lines that extend between PacifiCorp's Oquirrh and Terminal Substations on the west side of the Salt Lake Valley. KRG T also has two large natural gas lines that share an easement in the same corridor. PacifiCorp recently installed a new 345 kilovolt transmission line in 2024 closest to the existing KRG T gas lines. The coordinated effort described above was completed with KRG T during which an agreement was signed in July 2024. The agreement obligated PacifiCorp to compensate KRG T for support during the installation of the 345 kilovolt transmission line in addition to the studies and cathodic mitigation efforts that KRG T was federally required to install.

While this agreement with Kern River was executed in July of 2024, due to an isolated process anomaly, this agreement was not flagged for internal affiliate review and this notice was not filed with the Commission. However, PacifiCorp's internal controls flagged the invoices to Kern River, and PacifiCorp now files this notice of this affiliate transaction.

In order to ensure that the process anomaly that resulted in this transaction being initially missed is not repeated, PacifiCorp's Project Management Office will implement various improvements:

- Annual Training: All PMO employees must review and complete annual training on Affiliate Requirements.
- Checklist Integration: A checklist item will be added to the Scope and Project Document Review task in the Project Plan Template to assist in identifying potential affiliate transactions.
- Timely Form Completion: As soon as a Project Manager (PM) becomes aware that a transaction with an affiliate may be necessary—and no later than two months prior to entering into a contract or verbal agreement—the PM must complete an Affiliate Transaction Review Form.
- Right-of-Way (ROW) and Legal Consultation: PMs will consult with ROW and Legal project team members to help identify potential affiliate transactions early in the project lifecycle.

A verified copy of the Permit and the encroachment specifications are included with this notice as Attachment A. Also included with this filing is a verification from Spencer Fowler, Principal Engineering & Operations Project Manager, concerning the Permit.

Washington Utilities and Transportation Commission
August 29, 2025
Page 3

PacifiCorp respectfully requests that all data requests regarding this matter be addressed to:
datarequest@pacificorp.com. Please direct informal questions to Ariel Son, Regulatory Affairs
Manager, at ariel.son@pacificorp.com, or (971) 242-6299.

Sincerely,

/s/

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Enclosures
NEW-PAC-Attach-A-8-29-25.pdf
NEW-PAC-Verification-Fowler-8-29-25.pdf