

March 7, 2014

***VIA ELECTRONIC FILING***

***AND OVERNIGHT DELIVERY***

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

Attn: Stephen V. King
 Executive Director and Secretary

**RE: Docket No. UE-14\_\_\_\_\_—Affiliated Interest Filing—PacifiCorp and BNSF Railway Company**

Dear Mr. King:

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, Pacific Power & Light Company (Pacific Power or Company), provides notice of an affiliated interest transaction with BNSF Railway Company (BNSF) for a license allowing the Company to construct facilities to provide retail electric retail service to a customer in Oregon. A verified copy of the License For Electric Supply Line Across or Along Railway Property, Tracking #14-49237 is included with this Notice as Attachment A.

Pacific Power is a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company (MEHC). MEHC is a subsidiary of Berkshire Hathaway, Inc. BNSF is also a subsidiary of Berkshire Hathaway, Inc. 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, Inc.’s ownership interest in MEHC and BNSF creates an affiliated interest.

The Company needs to install new electric service to a retail customer in Merrill, Oregon, which will require crossing BNSF’s property. Without the license, the Company’s ability to provide adequate, safe, and reliable service to its customers would be diminished. This transaction is related to the distribution of electricity service in Oregon and therefore does not affect Washington rates. Notwithstanding, the Company is providing this notice out of an abundance of caution to ensure consistent treatment of affiliate contracts under the requirements of RCW 80.16.

The Company will pay BNSF $3,000 for the license and $600 in processing fees. Obtaining the license is in the public interest because it allows the Company to install and maintain facilities necessary to provide electric service and to meet its obligation to provide safe and reliable electric service. Not having the license would mean that Pacific Power would not be able to meet its obligation to provide electric service. As the property owner, BNSF is the only entity that can provide this license to the Company.

Also included with this filing is a notarized verification from Michelle R. Mishoe, Senior Counsel, Pacific Power, regarding the license.

Please contact Gary Tawwater, Regulatory Affairs Manager, at (503) 813-6805 if you have any questions.

Sincerely,

R. Bryce Dalley

Vice President, Regulation

Enclosures

**WASHINGTON AFFILIATED INTEREST FILING**

**LICENSE FOR ELECTRIC SUPPLY LINE**

**ACROSS OR ALONG RAILWAY PROPERTY**

**WASHINGTON AFFILIATED INTEREST FILING**

**VERIFICATION**

**VERIFICATION**

I, Michelle R. Mishoe, am Senior Counsel for Pacific Power and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached License For Electric Supply Line Across or Along Railway Property, I verify that the License For Electric Supply Line Across or Along Railway Property is a true and accurate copy of the original.

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

Executed on \_\_\_\_\_\_\_\_\_\_\_ \_\_, 2014 at Portland, Oregon.

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Michelle R. Mishoe

Senior Counsel

Pacific Power

Subscribed and sworn to me on this \_\_\_ day of \_\_\_\_\_\_\_, 2014.

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Notary Public for Oregon

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