

June 13, 2016

***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-16 _____—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 or Company), a division of PacifiCorp, provides notice of affiliated interest transactions with BNSF Railway Company (BNSF) for a Customer Requested Work Agreement under which Pacific Power will perform service line maintenance at BNSF's request. A verified copy of the Customer Requested Work Agreement (Agreement) is included with this Notice as Attachment A.

Pacific Power is an unincorporated division of PacifiCorp. 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.

Klamath County, Oregon has made plans to widen a county road that is adjacent to BNSF's property. As a result of the road widening project, one of BNSF's current signal crossing cabinets must be moved to the other side of the road. BNSF requires Pacific Power to perform the service line maintenance required to move the signal crossing cabinet.

Pacific Power uses standardized pricing for these types of agreements. BNSF will pay Pacific Power \$2,486 for the work performed under the Agreement. Completing the service line maintenance as set forth in the Agreement is in the public interest because it allows Pacific Power to install and maintain facilities necessary to provide electric service and to meet its obligation to provide safe and reliable electric service. If the service line maintenance to be performed under the Agreement was not completed, Pacific Power would not be able to meet its obligation to provide electric service. As the relevant utility, Pacific Power is the only entity that can provide the required services to BNSF.

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Also included with this filing is a notarized verification from Jeff Erb, Assistant General Counsel regarding the Customer Requested Work Agreement.

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, Regulatory Projects Manager, at 503-813-5410 if you have any informal questions.

Sincerely,


R. Bryce Dalley
Vice President, Regulation

Enclosure

WASHINGTON AFFILIATED INTEREST FILING

ATTACHMENT A

CUSTOMER REQUESTED WORK AGREEMENT

PACIFIC POWER, a division of PACIFICORP CUSTOMER REQUESTED WORK AGREEMENT

This Customer Requested Work Agreement (this "Agreement"), dated May 19, 2016 ("Agreement Date"), is between Pacific Power, a division of PacifiCorp ("Company"), and **BNSF RAILWAY**, ("Customer"), for work to be performed by Company for Customer at or near **2943 Laverne Ave** in **Klamath County**, State of Oregon.

Description:

Relocate service and meter to new signal crossing cabinet location.

The Customer will provide, all necessary trenching and backfilling, and will furnish and install all distribution transformer pads, conduit and duct required by the Company. Company may abandon in place any underground cables installed under this Contract that are no longer useful to Company.

Customer also agrees to:

- a) Establish final grade for routing of circuits, placement of transformer pads, vaults, junction boxes and other underground facilities as required by Company.
- b) Install and maintain property lines and survey stakes; and,
- c) Make no permanent surface improvements, except curb and gutters, before Company completes installation of its facilities.
- d) Provide legal rights-of-way to Company, at no cost to the Company, using Company standard forms.

If any change in grade, or property lines, or any surface improvements require Company to change its facilities, or causes additional cost to Company, Customer agrees to reimburse Company for such change or cost.

Third-Party Relocation Costs: This work does not include any third-party relocation costs. Customer shall be solely responsible for obtaining cost estimates from any third-parties attached to the existing facilities, and Customer shall be solely responsible for making all necessary arrangements to transfer third-party facilities to the replacement facilities, or any alternative arrangements to accommodate all such third-parties.

Payment to Company: In consideration of the work to be performed by Company, Customer agrees to pay the estimated costs of the work in advance, with the understanding that there will be no other charges or refunds for the above specified work. Customer has previously paid for design, permitting or other work in the amount of \$0.00. The total advance for this work is \$2486.00, with a **balance due of \$2486.00. Estimated cost is valid for 90 days from the Agreement Date.**

Any correspondence regarding this work shall be directed to the appropriate party as shown below:

BNSF RAILWAY
Greg Van De Graff
P.O. Box 2440
Spokane, WA 99210
Phone (509) 840-0200

Pacific Power
Kirk Daniels
1950 Mallard Ln
Klamath Falls, OR 97601
Phone (541) 883-7828

This Agreement, upon execution by both Company and Customer, shall be a binding agreement for work performed by Company to accommodate Customer at the Customer's expense. The provisions of Appendix A, General Terms and Conditions, are an integral part of this Agreement.

BNSF RAILWAY

By _____
Signature
Title _____

Print name of Signing Officer

Date

PACIFIC POWER, a division of PACIFICORP

By _____
Signature
Title Manager

Cary Ann Bailey
Print name of Signing Manager/Officer

Date

Appendix A
GENERAL TERMS AND CONDITIONS

LIABILITY AND INDEMNIFICATION

The Customer shall indemnify, defend and hold harmless the Company to this Agreement and the Company's officers, directors, agents, employees, successors and assigns from any and all claims, demands, suits, losses, costs, and damages of any nature whatsoever, including attorney's fees and other costs of litigation brought or made against or incurred by the Company and resulting from, arising out of, or in any way connected with any act, omission, fault or negligence of the Customer, its employees or any officer, director, or employee or agent of the same and related to the subject matter of this Agreement. The indemnity obligation shall include, but not be limited to, loss of or damage to property, bodily or personal injury to, or the death of any person. The Customer's obligation under this provision of the Agreement shall not extend to liability caused by the sole negligence of the Company.

WAIVER OF JURY TRIAL

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 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.

WORK COMPLETION

Company agrees to use commercially reasonable efforts to begin performance of the work on the dates date(s) specified above. In those instances where by reason of unanticipated events or emergencies which cause power outages or threaten the Company's ability to continuously provide electric service as it is required to do by law or by contract, then the Company personnel assigned to perform the work may be withdrawn from the work until such time as the unanticipated event or emergency is concluded. In the event that the Company personnel are removed from the work in response to such an event or emergency, then the time for completion of the work shall be extended by a period of time equal to that period from the time the personnel are removed from the work until they are available to complete the work plus 48 hours.

It is expressly agreed that the Company and those persons employed by the Company in connection with the work described herein are not employed by or employees of the Customer.

Company warrants that its work shall be consistent with prudent utility practices. COMPANY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, AND SIMILAR WARRANTIES. Company's liability for any action arising out of its activities relating to this Agreement shall be limited to repair or replacement of any non-operating or defective portion of the work. Under no circumstances shall Company be liable for economic losses, costs or damages, including but not limited to special, indirect, incidental, punitive, exemplary or consequential damages.

The Customer may, at reasonable times and by written agreement with the Company, request additional work within the general scope of the work as described in this Agreement or request the omission of or variation in the work, provided, however, that the Customer and Company agree to increase or decrease the amount the Customer is to pay the Company and such changes in scope are reasonably acceptable to the Company. Any such change to the scope of the work and the associated adjustment of costs shall be in writing and shall be submitted when obtained as an addendum to this agreement after being signed by both parties.

GENERAL

PAYMENTS: All bills or amounts due hereunder shall be payable to Company as set forth herein or on the 25th day following the postmarked date of the invoice is not otherwise specified. In the event that all or a portion of Customer's bill is disputed by Customer, Customer shall pay the total bill and shall designate that portion disputed. If it is later determined that Customer is entitled to a refund of all or any portion of the disputed amount, Company shall refund that portion of the amount of which Customer is found to be entitled. All billing statements shall show the amount due for the work performed.

COLLECTION: Customer shall pay all costs of collection, including court costs and reasonable attorney's fees upon default of customer, in addition to interest at a rate of 1.5 percent per month on any amounts not paid within thirty (30) day of invoice.

ASSIGNMENT: Customer shall not assign this Agreement to any successor without the written consent of Company, which consent shall not be unreasonably withheld. If properly assigned, this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the party making the assignment.

WASHINGTON AFFILIATED INTEREST FILING

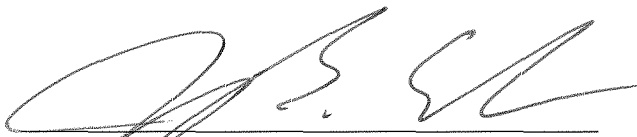
VERIFICATION

VERIFICATION

I, Jeffery B. Erb, am Assistant General Counsel of Pacific Power and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Customer Requested Work Agreement, I verify that the Customer Requested Work Agreement is a true and accurate copy of the original.

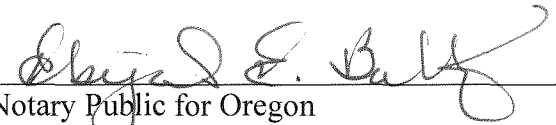
I declare upon the penalty of perjury, that the foregoing is true and correct.

Executed on June 10, 2016 at Portland, Oregon.



Jeffery B. Erb
Assistant General Counsel
Pacific Power

Subscribed and sworn to me on this 10th day of June, 2016.



Notary Public for Oregon

My Commission expires: November 12, 2018

