

July 10, 2019

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Received
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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

RE: Docket UE-19_____—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, Pacific Power & Light Company (Pacific Power), a division of PacifiCorp, provides notice of an affiliated interest transaction with Kern River Gas Transmission Company (Kern River) for a 10-foot easement on company property near the Blundell Geothermal Plant. A verified copy of the Exclusive Interconnection Site Easement Agreement (Agreement) is included with this Notice as Attachment A.

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). Kern River 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 PacifiCorp and Kern River creates an affiliated interest relationship between PacifiCorp and Kern River.

Kern River owns and operates the Kern River pipeline system, which transports natural gas to California, Nevada, and Utah. PacifiCorp was approached by Smithfield Hog Production (Smithfield) requesting an easement on property near the Blundell Geothermal Plant so it could connect a finishing farm on an adjacent property to an existing Kern River pipeline located on PacifiCorp’s property. To accommodate Smithfield’s request, Pacific Power needs to provide separate easements to Smithfield and to Kern River. The fair market value of the Agreement for Kern River is \$112; however, Kern River will pay the minimum transaction fee of \$250. This transaction is related to the generation of electric service in Utah and 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.

Granting the easements do not interfere with PacifiCorp’s use of the property. Granting the Agreement is in the public interest because it does not interfere with PacifiCorp’s ability to install and maintain facilities necessary to provide electric service or to meet its obligation to provide safe and reliable electric service.

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Also included with this filing is a notarized verification from Mailia Lauto'o, Senior Property Agent, regarding the Agreement.

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

By email (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 Street, Suite 2000
Portland, OR 97232
(503) 813-5701
etta.lockey@pacificorp.com

Enclosure

NEW-PPL-Attach-A-7-10-19.pdf
NEW-PPL-Verification-Lautoo-7-10-19.pdf