

August 20, 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 Metalogic
Inspection Services LLC Notice**

Dear Mr. King:

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, Pacific Power & Light Company, a division of PacifiCorp (PacifiCorp or Company), provides this notice of an affiliated interest transaction with Metalogic Inspection Services LLC (Metalogic) for the provision of Linear Phased Array (LPA) examinations of boiler tubing welds and general non-destructive evaluation (NDE) services at certain Company generation facilities. Included with this filing as Attachment A is a copy of the Master General Services Agreement between Berkshire Hathaway Energy Company and Metalogic Inspection Services for Boiler, High Energy Piping, Unfired Pressure Vessel, Non-destructive Inspection and Evaluation Services (Agreement). Exhibit B to the Agreement contains confidential pricing information, which the Company is contractually obligated to keep confidential. Additionally, such pricing information is commercially-sensitive and could erode the Company's bargaining power for similar services in the future. The Company submits Exhibit B as confidential in accordance with WAC 480-07-160.

PacifiCorp is an indirect wholly owned subsidiary of Berkshire Hathaway Energy Company (BHE). Metalogic is also a wholly owned 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." BHE's ownership interest in both the Company and Metalogic creates an affiliate interest.

The Agreement was negotiated between BHE and Metalogic. BHE subsidiaries may take services under the Agreement by executing a participation letter. The Company intends to execute such a participation letter in the near future.

Metalogic provides certain metallurgical testing and evaluation services, including LPA and NDE. LPA is an ultrasonic technique of examining boiler tubes, welding, and is conducted during performance of Company boiler overhaul repair. NDE examination services provide inspection, professional recommendation, and reporting on Company boilers. BHE conducted a formal bid process and selected Metalogic after it achieved the highest score as evaluated against the required LPA scope of work. The Company expects to spend approximately \$600,000 over three years.

PacifiCorp's participation in the Agreement is in the public interest. PacifiCorp owns and operates thermal generation plants that require periodic inspection and testing to ensure efficient operation. Period evaluation and testing of boiler tubes and welding is an important part of the ongoing inspection and testing needs.

Included with this filing is a notarized verification from Michelle R. Mishoe, Senior Counsel, regarding the Master General Services Agreement between Berkshire Hathaway Energy Company and Metalogic Inspection Services for Boiler, High Energy Piping, Unfired Pressure Vessel, Non-destructive Inspection and Evaluation Service.

Please contact Natasha Siores at 503-813-6583 if you have any questions.

Sincerely,

R. Bryce Dalley
Vice President, Regulation

Enclosures

WASHINGTON AFFILIATED INTEREST FILING

ATTACHMENT A

MASTER PROFESSIONAL SERVICES CONTRACT

WASHINGTON AFFILIATED INTEREST FILING

VERIFICATION

VERIFICATION

I, Michelle R. Mishoe, am Senior Counsel for Pacific Power & Light Company and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Master General Services Agreement between Berkshire Hathaway Energy Company and Metalogic Inspection Services for Boiler, High Energy Piping, Unfired Pressure Vessel, Non-destructive Inspection and Evaluation Services, I verify that the Master General Services Agreement between Berkshire Hathaway Energy Company and Metalogic Inspection Services for Boiler, High Energy Piping, Unfired Pressure Vessel, Non-destructive Inspection and Evaluation Services 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.

Michelle R. Mishoe
Senior Counsel
Pacific Power

Subscribed and sworn to me on this ____ day of _____, 2014.

Notary Public for Oregon

My Commission expires: _____