

February 15, 2011

### *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

Attention:

David Danner

**Executive Secretary** 

RE: Affiliated Interest Filing for PacifiCorp

Dear Mr. Danner:

Pursuant to RCW 80.16.020 and WAC 480-100-245, PacifiCorp, d.b.a. Pacific Power (PacifiCorp or Company), files one verified copy of the Quote from Marmon Utility, LLC. (Marmon Utility), for the purchase of certain pin insulators needed for constructing, maintaining or repairing electric distribution lines. A copy of the Quote is included as Attachment A.

PacifiCorp is an indirect wholly-owned subsidiary of MidAmerican Energy Holdings Company (MEHC). MEHC is a wholly-owned subsidiary of Berkshire Hathaway, Inc (Berkshire). Berkshire currently holds an approximate 64 percent interest in the Marmon Group. The Marmon Group consists of approximately 130 companies, divided into eleven business sectors including engineered wire and cable, industrial products and building wire. Marmon Utility is a member of the Marmon Group. 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's ownership interest in the Marmon Group creates an affiliated interest.

Marmon Utility manufactures electrical distribution cable, cable systems and accessories for aerial and underground utility applications. Among the items manufactured by Marmon Utility is a pin insulator that would be beneficial to maintaining the reliability of the Company's distribution system. PacifiCorp's standards engineering group researched these pin insulators as a potential solution to an issue with covered jumpers tied to porcelain insulators eroding, eventually resulting in component failure. The porcelain insulators with hand ties became obsolete with the implementation of PacifiCorp's raptor policy. PacifiCorp's engineering standards group determined the clamp top insulator manufactured by Marmon Utility would help prevent component failures, should be used

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with all covered jumpers that require attachment to a pole or crossarm, and is consistent with PacifiCorp's raptor policy.

PacifiCorp intends to purchase these pin insulators for use in all six of its states and will hold a certain amount in inventory. The Company anticipates it will spend less than \$50,000 per year for these pin insulators. Marmon Utility is the only known manufacturer of this product. One other company indicated to PacifiCorp that it is in the process of developing a similar product, however no prototype is currently available for review. Based on this evaluation, PacifiCorp desires to purchase the pin insulators from Marmon Utility as a reasonable solution to maintaining the reliability of its distribution system by reducing the probabilities of component failures.

Also included with this filing is a notarized verification from Natalie Hocken, Vice President and General Counsel, Pacific Power, regarding this transaction with Marmon Utility, LLC.

Please do not hesitate to contact me if you have any questions.

Sincerely,

andrea I. Kelly / St.

Vice President, Regulation

Pacific Power

**Enclosures** 

# ATTACHMENT A

# WASHINGTON AFFILIATED INTEREST FILING

QUOTE





PacifiCorp Procurement 825 NE Multnomah Street, Suite 940 Portland, Oregon 97232

**Delivery Address** 

Pacificorp Albany 830 NE Salem Rd ALBANY OR 97321

**Vendor Address** 

MARMON UTILITY LLC

49 DAY ST

SEYMOUR CT 06483-3400

USA

Vendor Phone: (203) 888-2591 Vendor Fax: (203) 888-1987

Vendor: 412998

**Key Dates** 

Quotation Deadline: 12/29/2010

**Request for Quotation** 

Information

**Document Number** 

6000144246

Date

12/27/2010

Contact
Telephone
Contact Fax

DeAnne Garcia (801)220-2441

(801)220-4676

REQUEST FOR QUOTATION ONLY THIS IS NOT AN ORDER

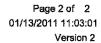
Header Texts Header text	**************************************			
	2. FREIGHT TERMS: A: () PREPAY AND ALLOW - ** FOB DESTINATION ** (VENDOR PAYS AND ABSORBS FREIGHT COSTS) B: () PREPAY AND BILL C: () FREIGHT COLLECT - SHIPPING POINT: - TOTAL SHIPMENT WEIGHT: - SHIPPING POINT ZIP CODE: D: () VENDOR TRUCK			
	3. PROMISED DELIVERY DATE:			

- 3. PROMISED DELIVERY DATE:

  IF SAME FOR ALL ITEMS. IF NOT, LIST BY LINE ITEM

  (IF NOT COMPLETED, THE "DESIRED ON-SITE DATE"

  LISTED AT THE TOP OF THIS RFQ BECOMES THAT DATE)
- 4. ARE PRICES FIRM? ( ) YES ( ) NO IF YES, HOW LONG?
- 5. TERMS OF PAYMENT/CASH DISCOUNT
- 6. CIRCLE THE PART NO. BEING BID FOR EVERY ITEM
- 7. LIST ANY COMMENTS AND/OR EXCEPTIONS IN DETAIL
- 8. BIDS ARE DUE BY 1:00 P.M. ON THE RFQ DUE DATE AND MAY BE FAXED TO: (801) 220-4676.
- 9. PROCUREMENT ADDRESS FOR BID:





PacifiCorp Procurement 825 NE Multnomah Street, Suite 940 Portland, Oregon 97232

6000144246 - 12/27/2010

**Request for Quotation** 

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			garcia@pacificorp.com DRESS: (As noted) **		******	******
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### Garcia, DeAnne

From:

Marilyn McLallin [Marilyn@dewart.com] Tuesday, December 28, 2010 10:03 AM

Sent: To:

Garcia, DeAnne

Subject:

RE: 6000144246: 0000412998 MARMON UTILITY LLC

#### DeAnne,

Hendrix HPI-25VTP-01 std pkg qty = 12, \$19.75 each Lead Time: 2-4 wks.

Terms: \$500.00 minimum order

FOB: Milford, NH 03055

Thank you, Marilyn

----Original Message----

From: Garcia, DeAnne [mailto:DeAnne.Garcia@PacifiCorp.com]

Sent: Tuesday, December 28, 2010 8:40 AM

To: Marilyn McLallin

Subject: FW: 6000144246 : 0000412998 MARMON UTILITY LLC

Please quote.

Thanks, DeAnne

## WASHINGTON AFFILIATED INTEREST FILING

## **VERIFICATION**

#### **VERIFICATION**

I, Natalie L. Hocken, am an officer of PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached email quote, I verify that the email quote 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 2 [14], 2011 at Portland, Oregon.

Natalie Hocken

Vice President & General Counsel

Subscribed and sworn to me on this [4] day of February 2011.

Notary Rublic for Oregon

My Commission expires: November 13, 2014

