

December 23, 2013

***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: Steven V. King
 Executive Director and Secretary

**RE: Docket No. UE 13-\_\_\_\_\_\_—Affiliated Interest Filing—PacifiCorp and Amarillo Gear Company, LLC**

Dear Mr. King:

Under the provisions of RCW 80.16.020 and in accordance with WAC 480-100-245, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) provides notice of an affiliated interest transaction with Amarillo Gear Company, LLC (Amarillo) for the purchase of certain parts required for equipment for generating electricity at the Company’s Gadsby Plant located in Salt Lake City, Utah. Included with this filing as Attachment A is a copy of the purchase order that will be issued to initiate and set the terms and conditions of purchase.

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 interest in the Marmon Group common stock greater than five percent. The Marmon Group consists of approximately 150 companies, divided into eleven business sectors including engineered wire and cable, industrial products and building wire. Amarillo 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 and the Marmon Group’s ownership interest in Amarillo creates an affiliated interest.

Amarillo manufactures gear drives for a variety of industrial uses. Certain gearboxes in some of PacifiCorp generation equipment contain such gear drives manufactured by Amarillo, which have been in place since 1993. PacifiCorp needs to purchase parts to make repairs and maintain equipment originally manufactured by Amarillo. PacifiCorp is not aware of any other similar aftermarket products offered by other manufacturers of these parts. If PacifiCorp were to choose another type of pump, it would require a significant redesign of its generation. The Gadsby Plant is not included in the West Control Area Inter-jurisdictional Allocation Methodology and therefore not included in 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.

PacifiCorp will purchase a mobile filtration cart for $7,800 and a spare filter cartridge for $490, for a total purchase price of $8290. This will be a one-time purchase. This transaction is in the public interest, as it will allow the Company to purchase replacement parts for pump drives to be able to operate and maintain safe and reliable generation for its customers.

Also included with this filing is a notarized verification from Michelle R. Mishoe, Senior Counsel, PacifiCorp, regarding the Attachment.

Please contact Bryce Dalley, Director, Regulatory Affairs & Revenue Requirement at 503-813-6389 if you have any questions.

Sincerely,

William R. Griffith

Vice President, Regulation

Enclosures

**WASHINGTON AFFILIATED INTEREST FILING**

**ATTACHMENT A**

**WASHINGTON AFFILIATED INTEREST FILING**

**VERIFICATION**

**VERIFICATION**

I, Michelle R. Mishoe, am Senior Counsel for PacifiCorp and am authorized to make this verification on its behalf. Based on my personal knowledge about the attached Form of Credit Agreement and Form of Amended and Restated Letter of Credit Agreements, I verify that the Form of Credit Agreement and Form of Amended and Restated Letter of Credit Agreements are true and accurate copies.

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

Executed on \_\_\_\_\_\_\_\_\_\_\_ \_\_, 2013 at Portland, Oregon.

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Michelle R. Mishoe

Senior Counsel

Subscribed and sworn to me on this \_\_\_ day of December, 2013.

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Notary Public for Oregon

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