

April 1, 2021

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503-1036

Received
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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

RE: Docket UE-_____—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, PacifiCorp dba Pacific Power & Light Company (PacifiCorp) provides notice of an affiliated interest transaction with Kern River Gas Transmission Company (Kern River) for *Exclusive Right-of-Way and Easement* permits (No. 58-021-0334, No. 58-033-0033 and No.58-033-0124) (Permits), to allow Kern River facilities to cross three property parcels owned by PacifiCorp. A verified copy of each of the Permits is included with this Notice as Attachment A, Attachment B and Attachment C, respectively. Also included with this filing is a verification from Clint Herrera, Property Agent, concerning the Permits.

The Permits apply to certain PacifiCorp property located in Utah County, Utah, where the company is registered with the state to do business as Rocky Mountain Power. Each Permit, in part, carries with it rights of ingress and egress to and from, and access on and along a right-of-way, with the right to use existing and future roads, for the purpose of constructing, inspecting, repairing, protecting and maintaining the facilities and the removal or replacement of same at will, either in whole or in part, and the replacement of said pipeline with either like or different size pipe.

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. Certain of Kern River’s Utah pipelines are in an area used by PacifiCorp and located within Utah County, Utah. Kern River is building a new pipeline to provide service to customers. These Permits are necessary to accommodate the larger pipeline. This transaction is related to the transmission of electric

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service in Utah and does not affect Washington rates. Notwithstanding, PacifiCorp is providing this notice under the requirements of RCW 80.16 et. seq.

The Cook Group was employed as a third-party vendor for the appraisal to avoid preferential pricing. Reports developed by The Cook Group on all three parcels formed the basis of the price that the parties agreed upon. Additionally, an industry-standard fee and a rounded total were used to price the easements.

Kern River is acquiring the rights of way necessary to build, operate, and maintain an improved delivery pipeline. Kern River will pay \$208,000 for the three Permits. Acquiring the Permits is in the public interest because it allows Kern River's need to install and maintain its pipeline in service to its customers. Moreover, PacifiCorp financially benefits from the sale, at a price determined by a third party appraiser. As the sole property owner, PacifiCorp is the only entity that can grant the Permits to Kern River.

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 St Ste 2000
Portland OR 97232-2152

Please contact Ariel Son at (503) 813-5410 if you have any informal questions.

Sincerely,

/s/

Etta Lockey
Vice President, Regulation, Customer & Community Solution
PacifiCorp
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Enclosures

NEW-PPL-Attach-A-4-1-21.pdf
NEW-PPL-Attach-B-4-1-21.pdf
NEW-PPL-Attach-C-4-1-21.pdf
NEW-PPL-Verification-Clint Herrera-4-1-21.pdf