



*R. Jeff Richards  
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June 21, 2018

***VIA ELECTRONIC FILING***

Gary Widerburg  
Commission Secretary  
Public Service Commission of Utah  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, Utah 84111

Re: PacifiCorp Notice of Affiliate Transaction  
Docket No. 05-035-54

Dear Mr. Widerburg:

Pursuant to Commitment U3(2), incorporated in the Public Service Commission of Utah's *Report and Order* approving the *Acquisition of PacifiCorp by MidAmerican Energy Holdings Company* (MEHC), issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, Rocky Mountain Power d.b.a. PacifiCorp hereby provides notice of an indirect affiliate interest transaction with Amarillo Gear Company LLC ("Amarillo"). PacifiCorp intends to purchase Amarillo cooling tower gear through EvapTech, Inc. ("Evap"). The parties to the transaction agreed to use PacifiCorp's standard Materials Supply Contract ("Agreement") for this transaction. PacifiCorp requests that the Agreement be treated as confidential because it contains sensitive pricing information which, if disclosed to the public, could erode the company's bargaining power in the future. A copy of the Agreement is included as Confidential Attachment A.

PacifiCorp is a wholly-owned, indirect subsidiary of Berkshire Hathaway Energy Company ("BHE"). BHE is a subsidiary of Berkshire Hathaway, Inc. ("Berkshire Hathaway"). Berkshire currently holds a majority interest in The Marmon Group ("Marmon"). Marmon comprises four autonomous companies consisting of 15 diverse stand-alone business sectors, and about 185 independent manufacturing and service businesses. Amarillo is part of one of the four such autonomous companies, Marmon Food, Beverage & Water Technologies Company. Therefore, Berkshire Hathaway's ownership interest in Marmon creates an affiliated interest between PacifiCorp and Amarillo in some PacifiCorp jurisdictions. However, while this equipment is made by Amarillo, PacifiCorp is purchasing it from Evap. Evap is not an affiliate and PacifiCorp is making this filing out of an abundance of caution.

PacifiCorp recently conducted a request for proposal process to select a vendor to replace cooling tower equipment at its Huntington Plant. The equipment to be replaced includes 14 each of cooling tower gearboxes and shaft assemblies. Of the nine companies who provided a bid in response to

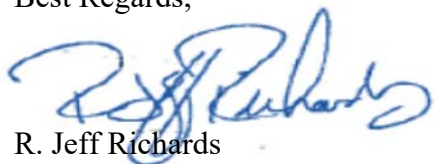
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Notice of Affiliate Transaction  
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the request for proposal, eight companies included Amarillo equipment in their proposals. PacifiCorp selected Evap because it submitted the lowest cost bid. The value of all equipment to be purchased under the Agreement is approximately \$333,000. The value of the Amarillo equipment to be supplied under the Agreement is approximately \$301,000. Detailed pricing information for the equipment to be provided by Evap is contained in Exhibit B to Confidential Attachment A.

The company used its standard request for proposal procurement process when seeking a vendor to equipment as described in the Agreement. The Agreement was prepared in accordance with PacifiCorp's procurement policies and procedures and contains standard commercial terms and conditions to protect PacifiCorp's ability to provide safe and reliable service. Thus, the use of Evap as supplier of the equipment under the Agreement will not harm the public interest.

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

Best Regards,

A handwritten signature in blue ink, appearing to read "R. Jeff Richards".

R. Jeff Richards  
Vice President and General Counsel  
PacifiCorp

Enclosures

## CONFIDENTIAL ATTACHMENT A

*This document is confidential in its entirety and is provided under separate cover.*

**CERTIFICATE OF SERVICE**

Docket No. 05-035-54

I hereby certify that on June 21, 2018, a true and correct copy of the foregoing was served by electronic mail to the following:

**Utah Office of Consumer Services**

Michele Beck            [mbeck@utah.gov](mailto:mbeck@utah.gov)

**Division of Public Utilities**

Chris Parker            [chrisparker@utah.gov](mailto:chrisparker@utah.gov)

  
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Jennifer Angell  
Supervisor, Regulatory Operations