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December 15, 2016

Gary Widerburg
Commission Secretary
Public Service Commission of Utah
Heber M. Wells Building, 4th 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 ongoing ordinary course affiliated interest transactions from time to time with BNSF Railway Company ("BNSF"). Rocky Mountain Power respectfully requests that the Commission consider this notice a blanket notice of ongoing license transactions, and allow Rocky Mountain Power to not file notice of individual, ordinary course of business transactions with BNSF going forward.

PacifiCorp (or the "Company") is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. BNSF is also a subsidiary of Berkshire Hathaway, Inc. Therefore, Berkshire Hathaway, Inc.'s ownership interest in BHE and BNSF may create an affiliated interest relationship between PacifiCorp and BNSF in some PacifiCorp jurisdictions.

In the ordinary course of business, PacifiCorp is often required to obtain crossing license agreements from BNSF for Company facilities that require crossing BNSF property (Licenses). Instances of such Licenses are included as Attachments with this Notice. Attachment A includes a verified copy of the License for Electric Supply Line Across or Along Railway Property, Tracking #16-55721 and Attachment B includes a verified copy of the License for Electric Supply Line Across or Along Railway Property, Tracking #16-55722 (Attachments). Attachment A allows the Company to install a fiber optic line, above or below ground, crossing tracks and railroad property in Klamath Falls, Oregon. Attachment B allows the Company to install two transmission lines and one distribution line crossing tracks in Klamath Falls, Oregon.

BNSF uses standardized pricing for these types of Licenses. The fees are set by BNSF and are non-negotiable. The current fees charged by BNSF for these types of Licenses include the

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following: (i) an application processing fee of \$775.00; (ii) a permit fee starting at \$3,600¹ (iii) a protective liability insurance policy fee of \$460.00; and (iv) a contractor fee for flaggers of \$800/day BNSF also uses standardized documentation for these types of Licenses with non-negotiable terms and conditions.

Obtaining the Licenses is in the public interest because it allows PacifiCorp to install and maintain facilities necessary to provide electric service and to meet its obligation to provide safe and reliable electric service. Without the Licenses, PacifiCorp would not be able to meet its obligation to provide electric service, because the property owner, BNSF is the only entity that can provide the Licenses to the Company.

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

cc: Chris Parker, DPU
Michele Beck, OCS

¹ Current permit fees are \$3,600 for areas less than 200'. For anything over 200' BNSF charges the Company a price per square foot based on comparable land values in the area. This price is non-negotiable.