



*R. Jeff Richards  
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October 11, 2017

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 affiliate interest transaction with Bridger Coal Company ("BCC"). The transaction is the rental by PacifiCorp to BCC of certain equipment used for moving longwall mining equipment (Sandvik TS-495 Diesel Powered Shield Hauler or "Shield Hauler") within the BCC underground mine. A copy of the purchase order between PacifiCorp and BCC for rental of the Shield Hauler is included as Attachment A.

### **BACKGROUND AND TRANSACTION**

BCC is the primary supplier of coal to the Jim Bridger generating plant located in southwest Wyoming. BCC currently uses longwall coal mining equipment for coal extraction. BCC will use the Shield Hauler for a longwall move within the Bridger underground mine. A shield hauler is used to haul or transport longwall roof shields and other large equipment during normal operations, as well as during longwall moves from one panel to another. The transaction agreement was made effective on September 20, 2017.

BCC will pay PacifiCorp \$161.63 per day to rent the Shield Hauler for approximately 90-120 days. The daily rental rate is determined by the net book value times the average depreciation rate for this class of assets. Additionally, the rental rate includes an estimated recovery of property tax expense for this equipment. All costs for transportation, operating costs, and equipment repairs are the obligation of BCC.

Utah Public Service Commission  
Notice of Affiliate Transaction  
October 11, 2017

### **AFFILIATE STATUS AND NOTICE**

BCC is a joint venture owned 66.67 percent by PacifiCorp through its direct, wholly-owned subsidiary Pacific Minerals, Inc., and 33.33 percent by Idaho Power Company. Therefore, PacifiCorp's ownership interest in BCC via Pacific Minerals, Inc. creates an affiliated interest relationship between the Company and BCC in some PacifiCorp jurisdictions.

Transacting with BCC is in the public interest. The transfer will not have a negative effect on PacifiCorp's ability to serve its customers or otherwise affect the public. The Deer Creek mine ceased operations in 2015. The Shield Hauler was retained to support the closure of the Deer Creek mine. The Shield Hauler is slated to be disposed of through a public auction at some future date. The Shield Hauler will be returned to Deer Creek following the rental period to await disposition. BCC mine personnel became aware of the availability of the Shield Hauler at the Deer Creek mine when evaluating possible alternatives for rental equipment that was not ideally suited to BCC's requirements and specifications and for which the availability of this class of equipment in the rental market is very limited.

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

# ATTACHMENT A



Bridger Coal Company  
 PO Box 68  
 Point of Rocks, WY 82942

**Supplier**  
 Pacificorp  
 Po Box 5504  
 Portland, OR 97228-5504

**Ship To:**  
 BCC Underground Mine  
 1088 Nine Mile Road  
 Point of Rocks, WY 82942

**Bill To:**  
 Attn: Accounts Payable  
 Bridger Coal Company  
 PO Box 68  
 Point of Rocks, WY 82942  
 BCCinvoicing@pacificorp.com

Type <b>Standard Purchase Order</b>	
Purchase Order No. <b>141451</b>	Revision <b>0</b>

Date of Order <b>Oct 05, 2017</b>	Buyer <b>Andy Pugmire</b>
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Date of Revision	Buyer
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Customer Acct. No.	Supplier No. <b>1147</b>	Payment Terms <b>Due Upon Receipt</b>	Freight Terms <b>Freight Doesn'T Apply</b>	FOB <b>Destination</b>	Ship Via
Supplier Contact			Deliver To <b>BCC Underground Mine</b>		
Note To Vendor Supplier must acknowledge receipt of PO directly to buyer email andy.pugmire@pacificorp.com.					

- ? Equipment: Sandvik TS-495 Diesel Powered Shield Hauler (Asset #400000206376 or 23-178)
- ? Term of Lease: Estimated to be about 90 days.
- o Start: Upon first use of equipment at BCC (estimated to be 9/21/2017).
- o End: Upon return of equipment to Huntington, Utah (estimated to be mid-January 2018).
- ? Rental rate: Daily rate of \$161.63
- ? Lessor: PacifiCorp
- ? Lessee: Bridger Coal Company
- ? Lessee responsibility: Repair and operating costs, transportation costs of equipment from / to Huntington
- ? Business Justification: PacifiCorp owns mining equipment that Bridger Coal Company desires to rent to facilitate the underground longwall move taking place from mid-September 2017 to mid-January 2018. This equipment has been idle since the closure of the Deer Creek Mine.
- ? Billing: Occurs monthly using the existing process used between PacifiCorp and BCC for cost reimbursement.

Line	Part Number	Description	Delivery Date	Qty	UOM	Unit Price (USD)	Tax	Total
1		RENTAL OF SANDVIK TS-495 DIESEL POWERED SHIELD HAULER	Dec 31, 2017	90	Day	\$161.63	Y	\$14,546.70
<b>Total</b>								<b>\$14,546.70</b>

**CERTIFICATE OF SERVICE**

Docket No. 05-035-54

I hereby certify that on October 11, 2017, 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