



*R. Jeff Richards  
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July 9, 2019

Gary Widerburg  
Commission Administrator  
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 transaction with Kern River Gas Transmission Company (Kern River), for an encroachment permit to allow PacifiCorp to construct and connect a new transmission line to an existing transmission line located in an easement on Kern River's property near Eagle Mountain, Utah. A copy of the encroachment permit is included as Attachment A.

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). Kern River is also a wholly-owned indirect subsidiary of BHE. Therefore, BHE's ownership interest in PacifiCorp and Kern River creates an affiliated interest relationship between PacifiCorp and Kern River in some PacifiCorp jurisdictions.

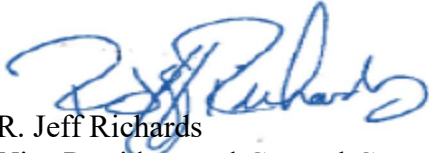
Kern River owns and operates the Kern River pipeline system, which transports natural gas to California, Nevada, and Utah. Certain of Kern River's Utah pipelines are in an area being used by PacifiCorp for a transmission line near Eagle Mountain, Utah. PacifiCorp is constructing new transmission lines that will connect perpendicular to the existing transmission line located on Kern River's property. No fee is being paid by PacifiCorp to Kern River for the encroachment permit.

Gary Widerburg  
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The encroachment permit is needed to enable PacifiCorp to construct new transmission lines to enable PacifiCorp to continue to provide safe and reliable service in the area. Accordingly, execution of the Agreements is in the public interest.

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

Best Regards,



R. Jeff Richards  
Vice President and General Counsel  
PacifiCorp

Enclosures

cc: Chris Parker, DPU  
Michele Beck, OCS

**ATTACHMENT A**  
**Encroachment Permit**



Permit No.
Date
One Call Ticket No(s).

**ENCROACHMENT PERMIT**

This Encroachment Permit is made and entered into on the date indicated below by and between the encroaching party ("PERMITTEE") and Kern River Gas Transmission Company ("KERN RIVER"), as set forth below, for the purpose of allowing PERMITTEE to construct or maintain an encroachment on KERN RIVER'S right of way or facilities. Facilities shall include, but are not limited to: fee properties, easements, pipelines, meter buildings and valve sites.

**PERMITTEE:** \_\_\_\_\_ **Landowner Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Easement Tract No(s):** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Location of encroachment:**  CA  NV  UT  WY **County:** \_\_\_\_\_ **City:** \_\_\_\_\_  EVA  FIL  LAS

**Line #:** \_\_\_\_\_ **Milepost To:** \_\_\_\_\_ **From:** \_\_\_\_\_ **Eng. Stations:** \_\_\_\_\_

**Section:** \_\_\_\_\_ **Township:** \_\_\_\_\_ **Range:** \_\_\_\_\_ **GPS Coordinates:** \_\_\_\_\_

**Line #:** \_\_\_\_\_ **Milepost To:** \_\_\_\_\_ **From:** \_\_\_\_\_ **Eng. Stations:** \_\_\_\_\_

**Section:** \_\_\_\_\_ **Township:** \_\_\_\_\_ **Range:** \_\_\_\_\_ **GPS Coordinates:** \_\_\_\_\_

**Description of Encroachment:** \_\_\_\_\_

This permit is granted to PERMITTEE subject to the terms, conditions and any special provisions shown below, with the encroachment specifications shown on the reverse side of this form and specifically in accordance with the following item(s): \_\_\_\_\_

**NOTICE: ANY DAMAGES TO KERN RIVER'S FACILITIES SHALL BE REIMBURSED IN ENTIRETY BY PERMITTEE**

- It is understood that PERMITTEE will cause the encroachment at no expense to KERN RIVER. PERMITTEE shall be responsible for restoration of all disturbed land on KERN RIVER'S right of way caused by the construction or maintenance of said encroachment. PERMITTEE agrees to supply KERN RIVER plans and drawings, in detail, illustrating the proposed encroachment and KERN RIVER'S facilities, unless KERN RIVER elects not to require such plans.
- So that KERN RIVER may schedule its personnel - and not delay PERMITTEE'S work - PERMITTEE agrees to notify KERN RIVER 48 hours before any work commences on or near its right of way.
- This permit does not change or modify any provisions of KERN RIVER'S existing right of way contracts or easements. This permit is revocable at KERN RIVER'S sole discretion for safety reasons or for noncompliance with any terms, requirements, conditions and/or specifications of this Permit upon written notice given to PERMITTEE and/or current owner of record. KERN RIVER is not liable for any costs or damages related to revocation of this permit.
- **DISCLAIMER OF WARRANTY** – KERN RIVER does not warrant the condition of its right of way or facilities nor its fitness or suitability for any particular purpose. Additionally, KERN RIVER does not warrant its right of way or facilities for subsidence, compaction or geotechnical stability of any kind.
- PERMITTEE hereby represents and warrants that it has or will obtain prior to construction all necessary agreements, approvals, authorizations, certificates, licenses, zoning and permits from any and all landowners and agencies, public and private, for the construction activities set forth herein.

**Special provisions:** \_\_\_\_\_

- PERMITTEE agrees to save and hold harmless KERN RIVER, its officers, agents, employees and its subcontractors and their officers, agents and employees from any and all claims for damages, injury or death resulting from the continuation and maintenance of said encroachment. A KERN RIVER representative must be present during all construction activities. PERMITTEE shall be liable for all costs incurred for any damages.
- **GOVERNING LAW AND JURY WAIVER.** This Agreement and the rights and duties of the parties arising out of this Agreement shall be governed by and construed in accordance with the laws of the State of Utah, except provisions of that law referring to governance or construction of the laws of another jurisdiction. Any suit, action, or proceeding arising out of or relating to this Agreement may only be instituted in a state or federal court in Salt Lake City, Utah. Each party waives any objection which it may have now or hereafter to exclusive venue of such action or proceeding in the state or federal courts of Salt Lake City, Utah, and irrevocably submits to the jurisdiction of any such state or federal court in any such suit, action or proceeding. **TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.**

EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

- PERMITTEE agrees that KERN RIVER may remove any encroachment, or portion thereof, if in KERN RIVER'S sole judgment it is reasonably necessary to do so in order to construct, alter, maintain, protect, repair or replace gas transmission facilities located within the right of way and easement. Should KERN RIVER remove any such encroachments, or

portions thereof, KERN RIVER will not be liable to PERMITTEE or its successors or assigns for any damages resulting by reason of such removal, except for those damages arising out of the sole negligence of KERN RIVER.

- KERN RIVER may request evidence of general liability and other appropriate and usual insurance prior to any activity and/or construction on or near KERN RIVER'S rights of way. In the event of excavation under KERN RIVER'S pipelines, KERN RIVER must be named as an additional insured. Any rights of subrogation or recovery will be waived by PERMITTEE in favor of KERN RIVER. The insurance limits, terms and conditions that may be required will be dependent on the specific facilities potentially impacted and what would be usually and prudently obtained in similar industry situations.
- All metallic utility lines impacting KERN RIVER'S pipelines shall have cathodic test leads connecting both the utility and the pipelines. KERN RIVER will install, at PERMITTEE'S expense, such test leads on its pipelines if required. If KERN RIVER determines in its sole discretion that interference studies and/or mitigation (including; but not limited to, bonds or galvanic drains) are required, PERMITTEE agrees to pay for the studies and/or mitigation necessary to protect against the metallic utility lines.
- For high voltage AC power lines, high voltage DC power lines or DC traction systems impacting KERN RIVER'S pipelines, if KERN RIVER determines in its sole discretion that AC or DC mitigation studies and/or AC or DC mitigation is required from any of PERMITTEE'S facilities, PERMITTEE agrees to pay for the studies and/or mitigation necessary (including future studies and/or additional mitigation, and maintenance of the mitigation systems) to protect against the power lines for the life of the facility.

**PERMITTEE**

On this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_ I acknowledge that I have received, and reviewed with a KERN RIVER representative, the requirements, conditions and specifications of this Permit. I also understand the provision and prescribed penalties as provided under the law regarding excavation.

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Your local KERN RIVER contact is:**

Phone #: \_\_\_\_\_

**KERN RIVER GAS TRANSMISSION COMPANY**

**VOID WITHOUT AUTHORIZATION**

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

# ENCROACHMENT SPECIFICATIONS

KERN RIVER GAS TRANSMISSION COMPANY, hereinafter called "KERN RIVER" is an interstate transporter of natural gas, which is regulated by the U.S. Department of Transportation Office of Pipeline Safety. The following specifications are designed to comply with applicable state and federal regulations to assure the safety of the public and to protect the pipeline.

The following specifications are minimum requirements for most proposed encroachments to avoid conflict with the existing easement rights. These are not the only types of activities permitted. Additional specifications may be required depending upon the proposed encroachments. Encroachments will be at PERMITTEE'S cost. Please contact the nearest KERN RIVER office to review your individual situation.

Because easements run with the land and are subject to KERN RIVER'S rights, encroaching parties will need to pass along to subsequent landowners the restrictions contained herein which shall be covenants running with the land and be binding upon PERMITTEE, its heirs, legal representatives and successors in title.

## GENERAL REQUIREMENTS FOR SURFACE ALTERATIONS

- A) Most state laws require 48 hours, or two working days' notice, be given to utility companies prior to beginning excavation. PERMITTEE will call 811 to contact the local 'One Call' or 'Dig Alert' system at least 48 hours, or two working days, prior to commencing any construction or excavation activity.
- B) KERN RIVER'S easement restricts the placement of a structure or any part of a structure within the right of way, except as may be expressly permitted herein.
- C) An authorized KERN RIVER representative must be on-site during any work performed on or across the right of way.
- D) The KERN RIVER representative will determine the existing cover over the pipeline.
- E) Any change in the amount of existing cover material (soil) on and over the right of way must be approved in advance and shall be no less than that required by the U.S. Department of Transportation.

## 1) FENCES/WALLS

- A) Fences shall not be installed parallel to the pipeline within the KERN RIVER'S easement. For fences installed across the right of way, the first post either side of the pipe shall be set 5 feet from the center of the pipeline in a hand dug hole.
- B) PERMITTEE shall provide access through or around fence(s) crossing the right of way to allow performance of normal right of way maintenance.
- C) Installer shall adhere to provisions A and C of GENERAL REQUIREMENTS FOR SURFACE ALTERATIONS.
- D) Walls will be evaluated on a case by case basis and may require additional approval or provisions to protect the facilities.

## 2) LANDSCAPING (plantings that require excavating deeper than 1 foot)

- A) Flower beds and shrubs are permitted within the right of way, but may be damaged by required annual surveys, if planted directly over the pipeline. Heavy maintenance may require total clearing of the right of way.
- B) No trees or deep rooted shrubs are allowed within the easement.
- C) Lawns and vegetable gardens are acceptable.
- D) Provisions A and C of the GENERAL REQUIREMENTS FOR SURFACE ALTERATIONS pertain to this type of planting.

## 3) STREETS, ROADS, PAVED PARKING LOTS AND DRIVEWAYS

- A) Residential driveways intended for light vehicle access to a single family dwelling must have a minimum of 5.5 feet of cover over the pipeline or an alternative engineered solution.
- B) Driveways shall not run lengthwise within the right of way and must cross on an angle, which when measured between the proposed drive and the right of way is not less than 45 degrees.
- C) An opportunity for KERN RIVER to make a pipe inspection must be given prior to the start of any construction.
- D) Provisions A, C, D and E of the GENERAL REQUIREMENTS FOR SURFACE ALTERATIONS pertain to driveway crossings.
- E) Street or road construction may require a specific encroachment agreement from the KERN RIVER, and plans for such crossings shall be submitted 90 days prior to work commencement to allow time for project impact review by the local KERN RIVER office.
- F) KERN RIVER may require leak detection access points through concrete or asphalt surfaces.

## 4) TEMPORARY EQUIPMENT CROSSINGS

- A) To protect KERN RIVER'S pipelines from external loading, KERN RIVER must perform an evaluation to determine the effects of any proposed equipment use. KERN RIVER reserves the right to approve or deny the use of certain types of equipment. Make/model of equipment, maximum axle weight and crossing location will need to be provided. Mats, timber bridges, or other protective materials deemed necessary by KERN RIVER shall be placed over KERN RIVER facilities for the duration of any loading. Protective materials shall be purchased, placed, and removed at no cost to KERN RIVER. The right of way must be restored to its original condition.
- B) KERN RIVER may require markings to identify specific areas where equipment use is authorized.

## 5) OPEN WATERWAYS

- A) Open waterways smaller than 3 feet wide at the bottom are defined as "ditches" and must have a minimum of 3.5 feet of cover from the top of the pipe to the bottom of the ditch, or the ditch must be lined using an approved method and material. Larger open waterways are defined as "canals" and are considered on an individual basis.
- B) Anyone altering (clearing, regrading or changing alignment) a waterway must obtain approval from KERN RIVER prior to making changes and shall meet all Provisions of the GENERAL REQUIREMENTS FOR SURFACE ALTERATIONS.
- C) An opportunity will be provided for KERN RIVER to install casing and/or other structural protection prior to canal installation.

## 6) EXCAVATION

- A) Plans for any excavation on the right of way must be approved prior to commencing work. Excavating within 5 feet of the pipeline shall be done by hand until the pipeline is exposed and shall be done only in the presence of an authorized KERN RIVER representative. When excavating for crossing a ditch line, after the pipe has been

exposed, the excavation equipment must be positioned such that it will not reach within 2 feet of the pipeline. Final stripping on sides and top of the pipeline shall be by hand.

- B) When a backhoe is used, the bucket teeth should be curled under each time it is brought back into the ditch to reduce the chance of teeth contacting the pipe.
- C) In certain circumstances, KERN RIVER representative may require bucket teeth to be barred and side cutters to be removed, unless written authorization from KERN RIVER is obtained.

## GENERAL REQUIREMENTS FOR BURIED LINE CROSSINGS

- A) All buried lines crossing KERN RIVER'S right of way shall be installed in accordance with all applicable codes and requirements governing such installations.
- B) All foreign lines shall cross KERN RIVER'S right of way at an angle as close to 90 degrees as possible. Parallel occupancy of KERN RIVER'S right of way shall not be allowed unless specifically permitted by KERN RIVER.
- C) All buried lines should cross under the pipeline. However, when obstructions or unfavorable soil conditions are encountered, or when the KERN RIVER pipeline is located at a depth greater than 4 feet, approval to cross over the line may be granted.
- D) To avoid unexpected service interruptions of buried lines crossing over KERN RIVER pipeline, a minimum of 24 inches of cover (or local minimum required depth) must be provided over the crossing line.
- E) All buried lines crossing the KERN RIVER'S pipeline shall maintain a minimum separation of 24 inches between the two facilities, with the same depth carried across the entire right of way.
- F) A joint trench is the recommended method for multiple utility crossings. Under normal circumstances this requires that only one permit be obtained by the excavating company.
- G) No foreign appurtenances (meters, poles, drop boxes, collection basins, etc.) shall be located on or within the right of way, except as may be permitted herein.
- H) A buried warning tape color coded identifying the encroaching party shall be placed 12 to 18 inches above the crossing line and extend across the entire right of way as a protective measure.
- I) An authorized KERN RIVER representative must be on-site during all excavation, backfill and clean-up work performed on the right of way.

## 7) COMMUNICATION LINES (TELEPHONE, TV, OTHER DATA LINES)

- A) Communication lines shall meet all provisions of the GENERAL REQUIREMENTS FOR BURIED LINE CROSSINGS
- B) Communication lines shall be encased in a rigid nonmetallic conduit across the full width of the right of way.
- C) Signs shall be placed by the encroaching party at each edge of the right of way to mark the underground cable angle and path of crossing.

## 8) POWER LINES

- A) Power lines shall meet all of the above GENERAL REQUIREMENTS FOR BURIED LINE CROSSINGS and shall be installed in accordance with the National Electrical Safety code.
- B) Power lines shall have minimum clearances between lines of 24 inches for 0 to 600 volts; 30 inches for 601 to 22,000 volts; 36 inches for 22,001 to 40,000 volts; and 42 inches for 40,001 volts and above.
- C) Power lines shall be encased in rigid nonmetallic conduit.
- D) Signs shall be placed by the encroaching party at each edge of the right of way to mark the underground cable angle and path of crossing. If the underground cable crosses above the pipeline, the signs shall so indicate.
- E) In the event a power line crosses over the pipeline, it will be necessary to cover the crossing in red dye concrete (6 inches thick) across the full width of the right of way.

## 9) SEWER AND WATER LINES

- A) Sewer and water lines shall meet all above GENERAL REQUIREMENTS FOR BURIED LINE CROSSINGS. Nonmetallic water lines are required.
- B) Sewer line crossings are limited to tight lines only.
- C) Septic tanks and drain fields are not permitted within the right of way.

## 10) SUBSURFACE DRAINAGE TILE (NONMETALLIC)

- A) Drainage tile shall meet all above provisions of GENERAL REQUIREMENTS FOR BURIED LINE CROSSINGS.

## 11) METALLIC PIPE CROSSINGS

- A) All 4 inch and larger metallic pipes crossing KERN RIVER'S pipeline, or any metallic pipe transporting hazardous materials (petroleum, natural gas, etc.), shall have two cathodic protection test leads installed on the KERN RIVER pipeline(s) and two on the crossing pipe at the point of intersection. The test leads shall be terminated in an above-ground test post.
- B) KERN RIVER personnel must install the leads on KERN RIVER'S pipeline(s).
- C) Metallic pipe crossings shall have a permanent protective coating for the full width of the right of way.
- D) Additional interference mitigation may be required, and shall be installed at PERMITTEE'S expense.

## 12) ABOVE GROUND LINE CROSSINGS

- A) Shall maintain a minimum of 30 feet of vertical clearance across the right of way.
- B) Shall have no poles or appurtenances located on or within the right of way.
- C) Above-ground crossings shall not be above or closer than 25 feet horizontally to any gas escape vent (e.g., relief valve vent, station blow down vent, block valve vent, etc.).
- D) High voltage AC, DC or DC traction systems may require additional studies and mitigation as detailed.

## 13) BLASTING

- A) Blasting for grade or ditch excavation shall be utilized only after all other reasonable means have been used and are unsuccessful in achieving the required results.
- B) Blasting plans shall be submitted to KERN RIVER for approval at least 4 business days prior to the anticipated start of any blasting activities. KERN RIVER must approve blasting plans, at its sole discretion, prior to blasting activity.
- C) All blasting shall be done with the KERN RIVER authorized representative present.

**CERTIFICATE OF SERVICE**

Docket No. 05-035-54

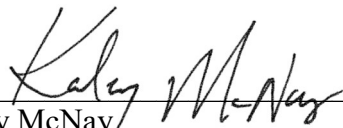
I hereby certify that on July 9, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

**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)

  
\_\_\_\_\_  
Kaley McNay  
Coordinator, Regulatory Operations