



*Timothy K. Clark
Senior Attorney
1407 W. North Temple, Suite 320
Salt Lake City, UT 84116
801-220-4565 Office
Tim.Clark@pacificorp.com*

VIA ELECTRONIC FILING

September 2, 2020

Gary Widerburg
Commission Administrator
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*, issued January 27, 2006, as amended March 14, 2006, and June 5, 2006, PacifiCorp hereby provides notice of an affiliate interest transactions with FlightSafety International, Inc. (FlightSafety) to provide unmanned aircraft systems training and certification services. Copies of the Master Professional Services Contract between Berkshire Hathaway Energy Company and FlightSafety and the affiliate participation letter (Agreement) between the parties are included as Confidential Attachment A. Attachment A contains commercially-sensitive information, which if disclosed, could expose PacifiCorp to competitive harm and cause increased costs. Additionally, PacifiCorp is bound by the Agreement to maintain its confidentiality.

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

FlightSafety offers a variety of aviation training services, including training for pilots, flight attendants, and customer service workers. PacifiCorp intends to use the flight simulator training services offered by FlightSafety that is specific to the navigation system used in PacifiCorp's aircraft. PacifiCorp owns aircraft used for its operations and employs pilots to fly the aircraft. The Federal Aviation Administration (FAA) requires that all pilots take flight

Public Service Commission of Utah
September 2, 2020
Page 2

REDACTED

simulator training at least once per year, and BHE requires pilots to take training every nine months. PacifiCorp's aircraft uses a specific navigation system on which FlightSafety offers the required training. BHE issued an aggregate competitive tender seeking proposals for pilot training services. The services are to include the provision of initial, recurrent ground school and simulator training on Garmin navigation system, testing, and checking for the FAA, Flight Inspection Services pilots in aircraft types, hours specified, suppliers, services, and processes in accordance with Title 14 Code of Federal Regulations (CFR) Part 61, 135, and 142. FlightSafety proved the sole bidder to respond. PacifiCorp expects to pay FlightSafety approximately \$[REDACTED] for the training it is to provide. See Attachment A (and specifically, Exhibit B thereto) for the pricing schedule.

Transacting with FlightSafety is in the public interest. PacifiCorp uses its aircraft for a variety of purposes, including transporting personnel throughout its six states in emergency situations and to transport personnel to conduct ordinary-course utility business if doing so is more cost-effective than commercial flights. The pilots on staff must take at least one to two trainings per year to meet FAA and BHE safety requirements. Because FlightSafety is the only service provider that offers training on the navigation system installed in PacifiCorp's aircraft, it is essential for PacifiCorp to transact with FlightSafety.

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

Sincerely,



Timothy K. Clark
Senior Attorney
PacifiCorp

Enclosures

cc: Chris Parker, DPU
Michele Beck, OCS

CONFIDENTIAL

ATTACHMENT A

to

PacifiCorp Notice of Affiliate Transaction

**THIS ATTACHMENT IS CONFIDENTIAL IN ITS
ENTIRETY AND IS PROVIDED UNDER SEPARATE
COVER**

CERTIFICATE OF SERVICE

Docket No. 05-035-54

I hereby certify that on September 2, 2020, 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

Division of Public Utilities

Chris Parker chrisparker@utah.gov

Dr. Artie Powell wpowell@utah.gov



Mary Penfield
Adviser, Regulatory Operations