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VIA ELECTRONIC FILING

March 23, 2022

Gary Widerburg
Commission Administrator
Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, Utah 84111-2305

Re: PacifiCorp Notice of Affiliate Transaction — PacifiCorp and BNSF Railway
Company
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 affiliated interest transaction with BNSF Railway Company ("BNSF") for coal transportation services, from all Wyoming Powder River Basin coal mines to the PacifiCorp Dave Johnston power plant, located in Glenrock, Wyoming.

The existing long-term rail agreement to provide for the transportation of coal needed to fuel PacifiCorp's Dave Johnston plant expired on December 31, 2021. PacifiCorp is the owner and operator of the Dave Johnston plant. The Dave Johnston plant is "captive" to the BNSF Railroad with respect to rail service. There are no other rail delivery options available from alternative railroads, and the distance between the mines and plant makes shipping coal via truck both cost prohibitive and logistically impractical. The new agreement, *BNSF Railway Common Carrier Pricing Authority 90068 Attachment A Coal Unit Train Commitment Certificate Number BNSF 90068-0100* ("Agreement"), has been negotiated at arms-length, and the value will vary depending on the source mine for the coal. The aggregate cost is currently estimated to be \$ [REDACTED] based on expected future supplier mix, for the three-year Agreement through December 31, 2024.

Included with this letter as Attachment A is a copy of the Agreement, which PacifiCorp considers to be of utmost commercial sensitivity and *highly* confidential. It contains

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commercially sensitive pricing information that could expose PacifiCorp and BNSF to competitive injury if disclosure is unrestricted. As such, the Company requests special handling pursuant to Utah Admin. Rule R746-1-601(d). Confidential information is subject to Utah Public Service Commission Rules R746-1-602 and 603.

PacifiCorp 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, the ownership interest of Berkshire Hathaway, Inc., in BHE and in BNSF creates an affiliated interest relationship between PacifiCorp and BNSF.

Entering into the new Agreement is in the public interest because it allows PacifiCorp to continue to efficiently operate the Dave Johnston plant. Without the new Agreement, PacifiCorp would not be able to obtain the coal needed to continue operating the plant at a reasonable cost. BNSF is the only entity that can provide the coal to PacifiCorp via rail.

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

Sincerely,



Timothy K. Clark
Senior Attorney
PacifiCorp

cc: Chris Parker, DPU
Michele Beck, OCS

Highly Confidential Attachment A

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