



825 NE Multnomah, Suite 2000  
Portland, Oregon 97232

February 19, 2019

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97301-3398

Attn: Filing Center

**RE: UI \_\_\_\_—PacifiCorp Application Requesting Approval for an Affiliate Interest Transaction with Apple Inc.**

PacifiCorp d/b/a Pacific Power encloses for filing its Application Requesting Approval of an Affiliate Interest Transaction with Apple Inc.


PacifiCorp respectfully requests that all data requests regarding this matter be addressed to:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

Please direct any informal questions concerning this filing to Jason Hoffman at (503) 331-4474.

Sincerely,



Etta Lockey  
Vice President, Regulation

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UI \_\_\_\_\_

In the Matter of

PACIFICORP d/b/a PACIFIC POWER

Application for Approval of an Affiliated  
Transaction.

**APPLICATION OF PACIFICORP**

Under ORS 757.495 and in accordance with OAR 860-027-0040, PacifiCorp d/b/a Pacific Power seeks approval from the Public Utility Commission of Oregon (Commission) of an affiliated transaction in which PacifiCorp enters into a right of way easement agreement (Easement) with its affiliate Apple, Inc. (Apple) to allow for the installation of a 230 kilovolt (kV) transmission line across Apple’s property in Prineville, Oregon. A copy of the executed Easement is included with this Application as Attachment A. PacifiCorp respectfully requests that the Commission approve the Easement as an affiliated interest agreement.

**I. BACKGROUND**

PacifiCorp is a wholly-owned indirect subsidiary of Berkshire Hathaway Energy Company (BHE). BHE is a subsidiary of Berkshire Hathaway, Inc. (Berkshire Hathaway). Apple is an affiliate of Berkshire Hathaway. “Affiliated interest,” as defined in ORS 757.015(3), includes every corporation five percent or more of whose voting securities are owned by any corporation or person owning five percent of the voting securities of a public utility or in any successive chain of ownership of a public utility. Berkshire Hathaway’s ownership interest in PacifiCorp through BHE, and ownership interest in Apple, qualifies Apple as an affiliated interest of PacifiCorp.

PacifiCorp is installing a 230 kV transmission line to accommodate added load in Prineville, Oregon and to connect the Corral and Friend substations. The route selected for the

230 kV transmission line to connect the substations was selected as the most reasonable and cost effective route. PacifiCorp currently has existing easement on Apple's property and the new Easement would adjoin existing easements with Apple.

With this Application, PacifiCorp requests Commission authorization to continue to engage in business transactions with Apple as described herein.

## **II. COMPLIANCE WITH OAR 860-027-0040 FILING REQUIREMENTS**

### **A. Name and Address**

PacifiCorp's exact name and address of its principal business office are:

PacifiCorp  
825 NE Multnomah Street  
Portland, OR 97232

### **B. Communications and Notices**

All notices and communications with respect to this Application should be addressed to:

Ajay Kumar  
Attorney  
825 NE Multnomah Street, Suite 1800  
Portland, OR 97232  
Telephone: (503) 813-5161  
Email: [ajay.kumar@pacificorp.com](mailto:ajay.kumar@pacificorp.com)

PacifiCorp Oregon Dockets  
825 NE Multnomah Street, Suite 2000  
Portland, OR 97232  
Email: [OregonDockets@pacificorp.com](mailto:OregonDockets@pacificorp.com)

Additionally, PacifiCorp respectfully requests that all information requests regarding this matter be addressed to:

By e-mail (**preferred**)

[datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail

Data Request Response Center  
PacifiCorp  
825 NE Multnomah St., Suite 2000  
Portland, OR 97232

Informal inquires may also be directed to Jason Hoffman, Regulatory Project Manager, at (503) 331-4474.

**C. Relationship Between PacifiCorp and Affiliated Interest**

PacifiCorp is a wholly-owned, indirect subsidiary of BHE. BHE is a subsidiary of Berkshire Hathaway. Berkshire Hathaway Inc. owns a 5.33 percent interest in Apple. Therefore, Apple is an “affiliated interest” of PacifiCorp as set forth in ORS 757.015(3).

**D. Voting Securities**

PacifiCorp and Apple do not own voting securities in each other.

**E. Common Officers and Directors**

PacifiCorp and Apple do not share any officers or directors.

**F. Pecuniary Interest**

No officer or director of PacifiCorp or Apple is a party to, or has a pecuniary interest in, the contemplated business transaction between PacifiCorp and Apple.

**G. Description of Goods and Services Provided, Cost(s) Incurred; Market Value; Pricing Methods**

The Easement allows PacifiCorp to construct, maintain, and use facilities for electric service across certain Apple property in Prineville, Oregon. PacifiCorp is installing a 230 kV transmission line to connect the Corral and Friend substations to accommodate for added load in the area PacifiCorp serves. The new easement adjoins existing Apple easements and was selected as the most reasonable and cost effective route. PacifiCorp will pay \$27,555 for the Easement, which was based on a Broker Opinion of Value.

**H. Estimate of Amount PacifiCorp will Pay or Collect Annually**

The fee described in Section II.G above will be a one-time fee. PacifiCorp does not anticipate making annual payments to Apple under this Easement.

**I. Reasons Relied Upon for Providing the Proposed Services, and Benefits to the Public**

Entering into the Easement with Apple 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. The route was selected as the most reasonable and cost effective route. Without the Easement, PacifiCorp would be required to site the transmission line in a less cost-effective way. As the relevant property owner, Apple is the only entity that can provide this Easement to PacifiCorp.

**J. Description of the Procurement Process**

As the property owner, Apple is the only entity that can provide the Easement. A Broker's Opinion of Value was used to determine the property values in the area and informed the value for the Easement agreement between PacifiCorp and Apple.

**K. Relationship of Cost of Provision of Services and Market Value**

As described above, the value was determined by a Broker's Opinion of Value for property in the area.

**L. Contract Between Affiliated Interest and PacifiCorp**

A copy of the executed Easement is included in this Application as Attachment A.

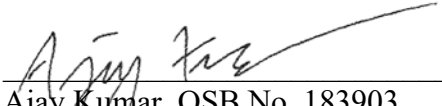
**M. Copy of Board Resolutions**

This transaction did not require approval from PacifiCorp's Board of Directors.

**III. PRAYER FOR RELIEF**

PacifiCorp respectfully requests a Commission order (1) finding that the Easement agreement is consistent with the public interest; and (2) approving the Easement as an affiliated interest agreement.

Respectfully submitted this 19<sup>th</sup> day of February, 2019,

By:   
Ajay Kumar, OSB No. 183903  
Attorney  
PacifiCorp

**ATTACHMENT A**  
**Easement Agreement**

Return to: *Pacific Power*  
*Attn: Right of Way Department*  
*825 NE Multnomah St., Suite 1700*  
*Portland, OR 97232*

CC#: 11231 WO#: 10064894

### **RIGHT OF WAY EASEMENT**

For value received, *APPLE INC.*, a California corporation (“Grantor”), hereby grants to *PACIFICORP*, an Oregon corporation, its successors and assigns (“Grantee”), a perpetual, non-exclusive easement for a right of way in variable width and length, as shown on the exhibits attached hereto; for the construction, reconstruction, operation, maintenance, repair, replacement, enlargement, and removal of Grantee’s electric power transmission, distribution and communication lines and all necessary or desirable accessories and appurtenances thereto, including without limitation: supporting towers, poles, props, guys and anchors, including guys and anchors outside of the right of way; wires, fibers, cables and other conductors and conduits therefor; and pads, transformers, switches, vaults and cabinets, on, over, across or under the surface of the real property of Grantor in *Crook* County, State of *Oregon*, more particularly described as follows and/or shown on *Exhibits A and B* (“Easement Area”) attached hereto and by this reference made a part hereof. Any electrical service to Grantor’s adjacent facilities will be served via Grantee’s transmission system including lines that Grantee may install in the Easement Area.

Together with the right of ingress and egress, for Grantee, its contractors, or agents (collectively, the “Grantee Parties”), to the Easement Area from adjacent lands of Grantor for all activities in connection with the purposes for which this easement has been granted; and together with the present and (without payment therefor) the future right to keep the Easement Area clear of all brush, trees, timber, structures, buildings and other hazards which might endanger Grantee’s facilities or impede Grantee’s activities, Grantee Parties’ right of ingress and egress over Grantor property to access the Easement Area shall (a) utilize Grantor’s security checkpoint unless direct access from a public road is available, (b) comply with Grantor’s security and site access protocols, and (c) utilize all roads, paths and access points upon Grantor’s property so as to minimize the damage and disruption to Grantor’s property attributable to Grantee’s use of the Easement Area. Notwithstanding the forgoing, in the case of an emergency, defined as a need to respond to a power outage or imminent threat of outage, the Grantee may utilize a dedicated key lock box to access the Easement Area if the security checkpoint otherwise does not provide immediate access.

Grantor reserves the right to use and maintain all existing infrastructure, utilities and other existing services within the Easement Area. Prior to constructing any improvements in the Easement Area, Grantee shall (i) conduct a utility survey to locate all existing infrastructure, and (ii) develop all plans and specifications for any improvements to be constructed within the Easement Area to avoid interfering with any existing infrastructure.

At no time shall Grantor place, use or permit any equipment, material or vegetation of any kind that exceeds twelve (12) feet in height, light any fires, place or store any flammable materials, on or within



the Easement Area. Subject to the foregoing limitations, Grantor shall have the right to install and maintain duct banks and other underground utilities, landscaping, roads, curbs, gutters, security fencing, drainage and related appurtenances and improvements upon and under the Easement Area provided that such improvements (1) do not unreasonably interfere with the purpose for which this easement has been granted, and (2) comply with all applicable codes and laws. Grantor shall consult with Grantee prior to making such improvements and Grantee shall cooperate with Grantor to define terms, in accord with the then applicable safety codes, to govern any intended crossing of the Easement Area.

JURY WAIVER. 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 EASEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE, OR TO REQUEST THE CONSOLIDATION OF, 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. THIS PARAGRAPH WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

Grantor represents and warrants that it possesses all right, title and interest in and to the Easement Area.

The rights and obligations of the parties hereto shall be binding upon and shall benefit their respective heirs, successors and assigns and shall run with the land.

Dated this 13th day of November, 2018.

**GRANTOR**

**APPLE INC., a California corporation**

By: 

Printed name: Kristina Raspe

Its: Vice President Global Real Estate

**REPRESENTATIVE ACKNOWLEDGEMENT**

State of \_\_\_\_\_ }  
County of \_\_\_\_\_ } SS.

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, *See attached*

by \_\_\_\_\_, as \_\_\_\_\_,  
Name of Representative Title of Representative

of \_\_\_\_\_,  
Name of Entity on behalf of whom this instrument was executed

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**GRANTEE**

**PACIFICORP, an Oregon corporation**

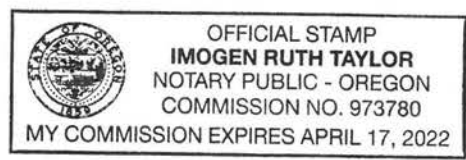
Adams  
\_\_\_\_\_  
Deanna Adams  
Director, Real Estate Management  
Date: 11/20/18

**REPRESENTATIVE ACKNOWLEDGEMENT**

STATE OF OREGON

COUNTY OF MULTNOMAH

This instrument was acknowledged before me this 20<sup>th</sup> day of NOVEMBER, 2018,  
by Deanna Adams, Director, Real Estate Management for PacificCorp, an Oregon corporation.



Imogen Ruth Taylor  
\_\_\_\_\_  
Notary Public  
My Commission expires: APRIL 17, 2022

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Santa Clara )

On November 13, 2018 before me, \_\_\_\_\_  
Date

P. Mungaray, Notary Public  
Here Insert Name and Title of the Officer

personally appeared \_\_\_\_\_

Kristina Raspe  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature P. Mungaray  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

## Exhibit A

LEGAL DESCRIPTION FOR A POWERLINE EASEMENT LOCATED IN THE NE1/4 OF SECTION 12, TOWNSHIP 15 SOUTH, RANGE 15 EAST AND IN THE NW1/4 OF SECTION 7, TOWNSHIP 15 SOUTH, RANGE 16 EAST, W.M., CROOK COUNTY, OREGON

### LEGAL DESCRIPTION – POWERLINE EASEMENT #1

Legal description for a powerline easement, located across Parcel 1 of Partition Plat No. 2013-05, Records of Crook County, Oregon, in the Northeast one-quarter (NE1/4) of Section 12, Township 15 South, Range 15 East, W.M., Crook County, Oregon, more particularly described as follows: Beginning at the Southeast corner of said Parcel 1, thence North 27°11'21" West a distance of 133.99 feet to the True Point of Beginning of this description; thence North 00°35'09" West a distance of 1097.39 feet; thence North 66°09'43" West a distance of 65.30 feet to the East line of said Parcel 1; thence North 00°35'09" West along said East line a distance of 1082.48 feet; thence North 40°01'46" West a distance of 412.51 feet to the North line of said Parcel 1; thence South 89°09'36" West along said North line a distance of 103.22 feet; thence South 40°01'46" East a distance of 449.05 feet; thence South 00°35'09" East a distance of 2177.05 feet; thence North 89°13'11" East a distance of 20.00 feet to the True Point of Beginning. Contains 143,152 square feet.

### LEGAL DESCRIPTION – POWERLINE EASEMENT #2

Legal description for a powerline easement, located in the Northwest one-quarter (NW1/4) of Section 7, Township 15 South, Range 16 East, W.M., Crook County, Oregon, more particularly described as follows: Beginning at the West one-quarter corner of said Section 7, thence North 00°35'09" West along the West line of said Section 7 a distance of 1134.13 feet; thence North 66°09'43" East a distance of 65.30 feet; thence South 00°35'09" East a distance of 1159.91 feet; thence South 89°13'11" West a distance of 60.00 feet to the Point of Beginning, containing 68,815 square feet.

# Exhibit B

EXHIBIT MAP FOR A  
 POWERLINE EASEMENT LOCATED  
 IN SECTION 12, T.15S., R.15E.,  
 AND IN NW1/4 OF SECTION 7,  
 T.15S., R.16E., W.M., CROOK  
 COUNTY, OREGON  
 W.O. 18-5106

**PREPARED FOR**  
 PACIFICORP  
 1407 WEST NORTH TEMPLE  
 SALT LAKE CITY, UT 84116  
 (801) 497-1334

**PREPARED BY**  
 ARMSTRONG SURVEYING, INC.  
 267 NE SECOND ST., STE 100  
 PRINEVILLE, OR 97754  
 (541) 447-7791



JULY 24, 2018  
 UTM ZONE 10 NORTH

