

February 11, 2011

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

Julie P. Orchard  
Commission Secretary  
Public Service Commission of Utah  
Heber M. Wells Building  
160 East 300 South  
Salt Lake City, Utah 84145

**Re: Notice of Sole Source Contract with Black and Veatch Corporation**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into an extension of two sole source contracts with Black and Veatch Corporation which exceeds \$500,000. The contracts are for engineering support during the construction of the fish passage projects at the Swift and Merwin dams. The contracts have an estimated cost of \$2,200,000 and \$1,466,900 respectively and cover the projects through 2013.

Black and Veatch was originally retained to perform engineering services through the project design and procurement. By virtue of the firm's experience, depth of available technical services and successful performance of previous contract services, Black and Veatch is best suited to provide the remaining engineering services for completion of this project. Utilizing another firm at this phase of the floating surface collector, fish passage project would add significant risk to the project. In addition, by retaining the incumbent engineering firm, the relationships with and approvals of the FERC, Washington state, and county agencies can be maintained and project delay can be avoided.

The contract extensions were authorized on October 4, 2010 and December 13, 2010, by Micheal Dunn, President, PacifiCorp Energy.

If you have any questions, please feel free to contact Dave Taylor at 801-220-2923.

Sincerely,

Jeffrey K. Larsen  
Vice President, Regulation

cc: Division of Public Utilities  
Office of Consumer Services