

January 12, 2012

***VIA ELECTRONIC FILING
AND HAND 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 MCG Energy Solutions

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with MCG Energy Solutions which exceeds \$500,000. The contract for Integrated Asset Management software and services has a cost of \$798,000.

The PacifiCorp Energy Trading System is a suite of trading and risk management, resource optimization, and integrated asset management applications. The MCG integrated asset manager (IAM) provides energy traders and operators an easy-to-use contract and transaction management system that communicates with all electric markets in North America. The sole source contract with MCG includes IAM perpetual license, IAM gateway perpetual license, annual maintenance and other professional services. MCG is the developer and only supplier with the source code and the only supplier with personnel experienced with the IAM application. No other alternatives are available.

The sole source procurement contract was authorized, authorized by Nancy Kent, Managing Director, Applications and Corporate Security.

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