

June 29, 2012

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Gary Widerburg 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 Joy Mining Machinery

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source purchase agreement with Joy Machinery. The estimated value of the equipment purchase is \$2,315,630.

Bridger Coal Company needs to replace one of its continuous miners that is reaching the end of its useful life. The Company has purchased a new Joy 12CM12-11BX model continuous miner from Joy Machinery. The continuous miner is used in support of the longwall miner in underground mining operations. Joy Mining is the OEM supplier of continuous miners at Bridger Coal Company. Joy Mining Machinery provides excellent post purchase service, including spare parts, at the mining site.

This sole source procurement contract was authorized on May 10, 2012 by Cindy Crane, Vice President of Interwest Mining Company.

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

Sincerely,

Jeffrey K. Larsen Vice President, Regulation & Government Affairs

cc: Division of Public Utilities Office of Consumer Services 201 South Main, Suite 2300 Salt Lake City, Utah 84111