

April 10, 2014

VIA ELECTRONIC FILING AND HAND 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 VMWare, Inc.

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into an extension of sole source contract with VMWare, Inc. which exceeds \$500,000. The contract has a projected cost of \$514,000 for 2014.

As part of MidAmerican Energy Holdings Company's effort to aggregate system wide unified ITT systems to promote synergy, consistency, and cost savings, in December 2010 MEHC entered into a three year enterprise level license agreement with VMWare to provide software, support and services. At the time VMWare was the only known provider of this software. This contract is being extended on year through 2014 through Ahead, a VMWare gold level reseller. As part of the extension agreement, Ahead will provide additional services to MEHC at no costs.

This sole source procurement contract was authorized December 31, 2013, by Robert Metcalf, Senior Director, Technology Management.

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