

April 22, 2015

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 Non-Competitive Procurement with Siemens Energy Inc.

Commissioners:

In accordance with PacifiCorp's Procurement Policy, the Company must report to the Commission purchases of goods or services exceeding \$500,000 that are not competitively bid. This letter hereby serves as notice that, on April 14, 2015, PacifiCorp issued a non-competitively bid purchase order pursuant to the terms and conditions of an existing contract with Siemens Energy Inc. ("Siemens"), which exceeds \$500,000. The purchase order has a projected cost of approximately \$3.16 million.

Pursuant to PacifiCorp's Procurement Policy, a supplier may be awarded a contract on a noncompetitive basis under certain circumstances, such as when competitive bidding is impossible or impractical, or when otherwise a non-competitive procurement has been demonstrated to be in the best interest of the Company. Accordingly, the purchase order entered into by PacifiCorp for work to be performed by Siemens was justified. Pursuant to the existing contract with the Company, Siemens, as the original equipment manufacturer, is the long term parts and services provider for PacifiCorp's Lake Side plant combustion turbines. The work to be performed by Siemens to install a combustion turbine exhaust cylinder under this purchase order is contemplated under the terms of the existing contract.

If you have any questions, please feel free to contact Bob Lively at 801-220-4052.

Sincerely,

Jeffrey K. Larsen Vice President, Regulation

cc: Division of Public Utilities Office of Consumer Services