

January 13, 2016

***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 84114

**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 December 24, 2015, PacifiCorp entered into a non-competitively bid release under a master contract for parts and services with Siemens Energy Inc. ("Siemens"), which exceeds \$500,000. The release has a projected cost of approximately \$1.5 million.

Pursuant to PacifiCorp's Procurement Policy, a supplier may be awarded a contract on a non-competitive 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 release entered into by PacifiCorp under the contract with Siemens was justified. PacifiCorp required Siemens to provide services and materials for the full replacement of combustion turbine blades at its Lake Side generation facility.

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