

October 20, 2008

***VIA ELECTRONIC FILING
AND OVERNIGHT 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: **Sole Source Contract with Tetra Tech EC to complete the balance of the plant projects at Glenrock III**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp Energy, a Division of PacifiCorp, has entered into a sole source balance of plant contract with Tetra Tech EC for the Glenrock III wind project. The estimated amount of this purchase is \$18,677,300.

The Glenrock III wind project is a 39 MW wind energy generation facility being constructed on the Company's Glenrock wind site (portions of which were previously utilized for coal mining for the Dave Johnston power plant) located approximately 25 miles east of Casper in Converse County, Wyoming. The Glenrock III project is under construction and is targeted to be in service by December 31, 2008. Remaining work on the project includes procurement of balance of plant (such as cable and pad-mount transformers), construction, testing and commissioning.

Tetra Tech EC is currently performing work on site and has the permits necessary to complete the remaining project work to bring the project on line. Contracting with Tetra Tech to complete the remaining project work at the site will lower mobilization costs and eliminate the need to engage dual contractors, which in turn would exceed the man power levels allowed by the Glenrock III construction permit. Additionally, re-permitting to allow two contractors at the site would cause schedule delays and place at risk the federal production tax credit which expires December 31, 2008.

This sole source procurement contract was authorized by Nick Rahn, Vice President, Resource Development and Construction, PacifiCorp Energy. If you have any questions, please feel free to contact me.

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Sincerely,

Jeffrey K. Larsen

Vice President, Regulation

cc: Division of Public Utilities
Committee of Consumer Services