

September 2, 2009

***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: Notice of Sole Source Contract with Scott MacIntyre for the purchase of mobile radio spectrum**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with Scott MacIntyre to purchase mobile radio frequencies spectrum for \$850,000. This purchase was completed on June 30, 2009.

The purchase of this spectrum is associated with PacifiCorp's mobile radio system. PacifiCorp requires a mobile radio system for reliable communications between company personnel for the purpose of ensuring safety, switching, coordination of crews, determining material availability, and providing coverage in areas that do not have cell phone coverage. In 2003, the Federal Communications Commission mandated that existing wideband radio channels below 512 MHz must either be converted to narrowband channels by December 31, 2012, or decommissioned. To comply with that mandate, PacifiCorp has is undertaking The Mobile Radio Replacement Project. The Mobile Radio Replacement Project is intended to preserve comparable mobile communication coverage and capabilities. Securing suitable spectrum is essential for the success of this project as it provides the foundation for each radio system.

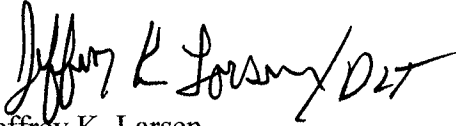
PacifiCorp is in the process identifying and purchasing mobile radio spectrum channels that are not currently in use and available for sale. Every effort is being made to find the most cost effective frequencies for the radio system. Prior to this transaction Mr. MacIntyre purchased this spectrum at auction from the Federal Communications Commission. He is the only holder of this specific spectrum in this specific area.

This sole source procurement contract was authorized by Nancy Kent, Managing Director, Information Technology.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey K. Larsen" with a stylized flourish at the end.

Jeffrey K. Larsen  
Vice President, Regulation

cc: Division of Public Utilities  
Committee of Consumer Services