

September 3, 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 Contracts with Sturgeon Electric

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with Sturgeon Electric to construct the transmission line from Windstar Substation to tap the Casper to Dave Johnston 230 kV line. The cost of this contract is estimated to be \$2,542,507. The line was completed in July, 2009.

To ensure the delivery of 237 MW of power from Glenrock, Rolling Hills and Glenrock III wind generation projects a second transmission tap line is required to interconnect into PacifiCorp's 230 kW transmission system. Without the second set of tap lines there is significant probability that the output of the wind farms will be restricted to under 100 MW. Construction of the taps to the Casper line has been delayed by the Balance-of-Plant contractor and additional delay would severely impact both the economic and environmental benefits of the projects. Because the wind projects were nearing completion and there had not been significant progress on the tap line, the Casper tap line was removed from the Balance-of-Plant contractor's scope of work.

Sturgeon Electric had performed much of the design and preliminary work on the tap line. In addition Sturgeon has requested and received competitively attractive pricing from steel vendors for the transmission towers. Because of the advance work already performed, Sturgeon is the only firm that can achieve the construction within the required time constraints.

This sole source procurement contract was authorized by Cindy Crane, Vice President, Strategy and Division Services, PacifiCorp.

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
Committee of Consumer Services