

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 Utility System Efficiencies Inc.

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with Utility System Efficiencies Inc. to provide a variety of main grid, bulk transmission system engineering and technical support. The contract is estimated to not exceed \$2,000,000 for calendar year 2009.

The contract with Utility System Efficiencies Inc. will be used to provide main grid professional services support as an extension of PacifiCorp Transmission's current engineering staff. It is essential for PacifiCorp's transmission unit to augment its existing technical engineering staff to complete the additional work associated with the expansion of PacifiCorp's transmission grid. In addition there has been a substantial increase in the workload associated with FERC order 890 compliance.

The particular work under this contract is very detailed and specific to the Western Electric Coordination Council and PacifiCorp's grid system. Utility System Efficiencies Inc. has unique technical and professional engineering capabilities, including detailed and unique technical knowledge of the electric grid in the western United States and specifically the Western Electric Coordination Council area. In addition, PacifiCorp and Utility System Efficiencies Inc. have worked for over a year on other projects which provides this contractor with a unique understanding of the PacifiCorp transmission system and its requirements, something no other contractor can provide.

This sole source procurement contract was authorized by Darrell Gerrard, Vice President, Transmission Systems Planning, Pacific Power.

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