

September 22, 2010

***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 Joy Mining Machinery at Deer Creek Mine

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with Joy Mining machinery which has exceeded \$500,000 for calendar year 2010. This contract is for original equipment manufacturer (OEM) parts for continuous miners and shuttle cars and other equipment at the Deer Creek Mine. Year to date costs for this contract are \$2,024,572 as of July 31, 2010.

Joy Mining Machinery is the only available supplier to supply new conventional trailing cable electric powered shuttle cars. For over 30 years, Energy West Mining Company has exclusively used Joy shuttle cars to haul coal in the continuous miner sections, at the Deer Creek Mine. Joy shuttle cars are properly designed and well suited to Energy West Mining Company's site specific needs. Joy Mining is also the OEM supplier of continuous miners at the Deer Creek Mine. In addition, Joy Mining Machinery provides excellent post purchase service, including spare parts, at the mining site.

This sole source procurement contract was authorized by Cindy Crane, Vice President, Interwest Mining and Fuels.

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