

October 12, 2011

***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 Power Engineers

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a non-bid expansion of a contract with Power Engineers which exceeds \$500,000. The contract for transmission line permit work has an estimated cost of \$735,991.

Power Engineers was awarded a contract through competitive bid to conduct line permit work for the Vantage Heights to Pomona Transmission Line project. Included in the scope of work was to perform an environmental assessment (EA) report under the lead of the Department of Defense (DOD). As the project progressed alternative line routes were considered that also included Bureau of Land Management (BLM) properties. This required that BLM become a co-lead in the EA process. The inclusion of additional alternative line routes and the coordination with the BLM require the expansion of the scope of work under the contract.

To facilitate the process and manage costs, Power Engineers was allowed to act as the third party consultant to the DOD. The expansion of the contract allows them to perform this function for the BLM as well; saving additional time and costs. Because Power Engineers had laid all the ground to develop the line permit and had developed relationships with the state and federal agencies involved in the project, it was prudent to expand the scope of the existing contract.

The sole source contract was authorized Pat Reiten, President and Chief Executive Officer, Pacific Power, on July 11, 2011.

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
Office of Consumer Services