

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 Patrick Energy Services, Inc.**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source extension of a contract with Patrick Energy Services which now exceeds \$500,000. The contract for owner's engineer services for the Terminal Substation transformer replacement has an estimated cost of \$768,000.

Patrick Energy Services, Inc. has provided owner's engineering services for the preconstruction phase of the transformer replacement at the Terminal Substation. The current scope of Patrick Energy Services' contract ended on May 2, 2011, with the execution of the engineering procurement and construction (EPC) contract for the project.

Patrick Energy Services was initially selected as the owner's engineer for the preconstruction phase of the Terminal Transformer Replacement project based on both lowest cost and highest technical qualifications. Patrick has performed exceptionally well to date. In addition, Patrick has opened an office in Salt Lake City within a few miles of the project site and has brought on additional staff to support the project locally. Because of the competitive price, quality of work, and the steep learning curve for any potential new owner's engineer the contract with Patrick Energy Services was extended to include owner's engineering support during the EPC phase of the Terminal Transformer Replacement project.

The sole source contract was authorized John Cupparo, Senior Vice President, Transmission, on April 22 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