

January 12, 2012

***VIA ELECTRONIC FILING
AND HAND 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 Ground Piercing, Inc.

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into an extension of a sole source contract with Ground Piercing, Inc. which now exceeds \$500,000. The contract for emergency response underground work has a cost of \$700,000.

Ground Piercing, Inc., provides ongoing emergency response, cable replacement and other underground electrical civil work in Yakima and Sunnyside, Washington. Ground Piercing is the only local contractor that can provide electrical grade underground boring. No other local contractors have the necessary equipment, trained personnel, or insurance coverage to provide these services. Contracting with out of area contractors is both time and cost prohibitive.

The sole source procurement contract was authorized November 17, 2011, by Bill Eaquinto, Vice President, Transmission & Distribution Operations.

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