

April 20, 2012

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

Gary Widerburg  
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 Osmose Utilities Services, Inc.**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into an extension of a non-bid contract with Osmose Utilities Services for \$18,000,000 over a two year period.

Osmose Utility Services is the primary vendor providing pole tests, treat, and inspection services for PacifiCorp. In February 2009, through a competitive bid and evaluation process, PacifiCorp entered into a three year master service agreement with Osmose Utility Services to provide pole tests, treat, and inspection services. The contract with Osmose has been extended for an additional two years. A new competitive bid for pole tests, treat, and inspect services will be conducted prior to the end of 2013.

Osmose Utility Services is the only contractor that has made the necessary investment to interface with PacifiCorp's Facility Point Inspection (FPI) data base system. This interface allows Osmose to remotely access and update records for all inspections, tests, can chemical treatments of the company's poles. Other vendors have been unwilling to make the financial investment to interface with the FPI system without a longer term contractual commitment.

This sole source procurement contract was authorized on November 15, 2011, by Tim Adams, Director, Business Transformation.

If you have any questions, please feel free to contact Dave Taylor at 801-220-2923.

Sincerely,

Jeffrey K. Larsen  
Vice President, Regulation & Government Affairs

cc: Division of Public Utilities  
Office of Consumer Services