

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 Niels Fugal Sons Company LLC

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with Niels Fugal Sons Company LLC for \$1,350,000 over a three year period.

Many of Rocky Mountain Power's distribution poles are jointly used by communications companies. When a jointly used pole is removed and replaced each licensee has the responsibility to transfer its equipment to the new pole. Niels Fugal Sons Company is the only firm currently licensed with all of Rocky Mountain Power's joint use licensees to perform the transfer of their equipment to Rocky Mountain Power facilities and also capable to remove bare pole stubs. To improve efficiency and eliminate the need for multiple visits to a single facility with multiple licensee authority, Rocky Mountain Power has contracted with Niels Fugal Sons Company to remove bare pole stubs following the transfer of communications equipment. Following the completed transfer and stub removal, Niels Fugal invoices each applicable licensee directly, as well as Rocky Mountain Power for the pole stub removal.

The cost for Niels Fugal Sons Company to remove pole stubs is less than the Rocky Mountain Power's current contracts and less than the Company's internal resources. The opportunity for all of the work to be completed in a single site visit reduces the communication and administration for this equipment transfer. It also provides greater customer service and reduces the time old poles remain in the field.

This sole source procurement contract was authorized on October 17, 2011, by Paul Radakovich, Vice President, Operations.

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