

June 29, 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 Schauenburg Flexadux**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source purchase agreement with Schauenburg Flexadux. The estimated value of the equipment purchased is \$700,323.

A 72" Schauenburg-Brain Tripper Dewatering system is proposed for installation inside the Bridger Coal underground mine. The installation of the new de-watering sieve unit, de-sliming hydro cyclone system, and discharge chute will be at Main West #1. This unit will separate water that has settled at the bottom of the conveyor belt from the coal product. The clear water will sent to the dewatering system and the sludge will be returned to the conveyor belt.

This sole source procurement contract was authorized on May 10, 2012 by Cindy Crane, Vice President of Interwest Mining Company.

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