

March 29, 2013

***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 Siemens Energy, Inc.

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a sole source contract with Siemens Energy, Inc. which exceeds \$500,000. The contract has an estimated cost of \$700,000.

A malfunction with the exciter control system has potentially damaged the Hunter Unit 1 generator stator. Siemens Energy is the original equipment manufacturer and has recently been involved with the investigating the exciter control issues on this unit. PacifiCorp Energy has contracted with Siemens Energy to continue the work required to inspect, repair, and completely test the generator and exciter control system. Siemens has the experience and historical testing records for this particular stator.

The sole source contract extensions were authorized on January 4, 2013, by Dana Ralston, Vice President Generation.

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