

July 5, 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 IBM**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into sole source contract with International Business Machines Corp. (IBM) which exceeds \$500,000. The contract has a projected cost of \$750,000 over a three year period.

PacifiCorp currently uses the Rivermine telecom expense management (TEM) tool to manage the entire communications lifecycle including procurement, inventory management, auditing, invoice processing, optimization, cost allocation, contract management, mobile device management, asset decommissioning and the analytics associated with these activities. The Rivermine tool, which is provided through a service agreement with IBM, is configured to interface with the SAP and a change to other TEM products on the market would require a complete reconfiguration at substantial time and expense. IBM is the only known provider who can meet PacifiCorp's standard for this service.

The sole source procurement contracts were authorized February 8, 2013, by Robert Metcalf, Sr. Director - Technology Management and IT Infrastructure Services.

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

Sincerely,

Jeffrey K. Larsen  
Vice President, Regulation and Government Affairs

cc: Division of Public Utilities  
Office of Consumer Services