

August 25, 2014

***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 MCG Energy Solutions**

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into an extension of sole source contract with MCG Energy Solutions which exceeds \$500,000. The contract has a projected cost of \$1,600,000 for a three year period.

MCG Energy Solutions currently provides PacifiCorp with control area scheduling (CAS) and integrated asset manager (IAM) systems. This contract is for the enhancement of the existing contract to provide the necessary support for PacifiCorp's participation in the PacifiCorp/California Independent System Operator Energy Imbalance Market (EIM). Developing the necessary EIM functionality within the existing CAS and IAM systems is the most efficient and cost effective method to enable this functionality and will ensure completion of the project within the targeted timeline.

This sole source procurement contract was authorized October 15, 2013, by Nancy Kent, Managing Director, IT Applications & Corporate Security.

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