

September 9, 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 Babcock Power Services

Commissioners:

In accordance with the Company's procurement policy, we hereby notify you that PacifiCorp has entered into a non-bid contract extension with Babcock Power Services which exceeds \$500,000. The contract extension has a projected cost of \$600,000 over an 18 month period.

Babcock Power Services current provides material supply and installation services for the Huntington Plant under a previously competitively bid contract. This contract is being extended through November 2014 to complete the boiler component of the Huntington Unit 1 overhaul. This will maintain consistency of the contract terms for the project and ensure the best negotiated terms with this supplier.

The sole source procurement contracts were authorized July 14, 2014, by Darrell Cunningham, Managing Director, Huntington Plant

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