

February 17, 2016

***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 84114

Re: Notice of Non-Competitive Procurement with SAP America Inc.

Commissioners:

In accordance with PacifiCorp's Procurement Policy, the Company must report to the Commission purchases of goods or services exceeding \$500,000 that are not competitively bid. This letter hereby serves as notice that, on January 11, 2016, PacifiCorp entered into a non-competitively bid release under an existing software end user licensing agreement with SAP America Inc. for 2016 Maintenance, which exceeds \$500,000. This release has a projected cost of \$3,200,000.00.

Pursuant to PacifiCorp's Procurement Policy, a supplier may be awarded a contract on a non-competitive basis under certain circumstances, such as when competitive bidding is impossible or impractical, or when otherwise a non-competitive procurement has been demonstrated to be in the best interest of the Company. Accordingly, the work release entered into by PacifiCorp with SAP America Inc. was justified. SAP America is the manufacturer of the software application and sole provider of the systems maintenance needed to support PacifiCorp's IT operations.

If you have any questions, please feel free to contact Bob Lively at 801-220-4052.

Sincerely,

Jeffrey K. Larsen
Vice President, Regulation

cc: Division of Public Utilities
Office of Consumer Services