

April 14, 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 Osmose Utilities Services, 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 December 1, 2015, PacifiCorp entered into a non-competitively bid amendment to a services contract with Osmose Utilities Services, Inc. ("Osmose"), which exceeds \$500,000. The contract amendment serves to extend the contract term for one year and has a projected cost of approximately \$9.4 million based on the pricing schedule.

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 contract amendment entered into by PacifiCorp with Osmose was justified. The extension of the existing services contract will ensure a continuity of service from Osmose, which provides pole test, treat, reinforce, and inspection services, until PacifiCorp can complete a competitive bid process for such services.

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