

December 5, 2017

VIA ELECTRONIC FILING

Gary Widerburg
Commission Administrator
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 General Electric International, Inc.

Commissioners:

In accordance with PacifiCorp's Procurement Policy, the Company must report to the Commission purchases of goods or services exceeding \$1,000,000 that are not competitively bid. This letter hereby serves as notice that, on September 28, 2017, PacifiCorp entered into a non-competitively bid contract with General Electric International, Inc. ("GE") that exceeds \$1,000,000. The contract is for the purchase of three Neural network boiler optimizers for use in our Jim Bridger facility and has a value of \$1,185,000.

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. The contract entered into by PacifiCorp with GE was justified as it is in the best interest of the Company based on the following: the GE combustion optimizer is currently utilized on another Unit. There are significant benefits from having a single Neural Network Optimization ("NNO") platform. Having identical systems at the station provides efficiencies for implementation and maintenance of the neural network, improves operational continuity and enhances operator understanding and utilization. Managing two separate systems will limit the consolidation of training resources. Adding these units will reduce maintenance costs due to the ability to integrate and consolidate maintenance resources. Additionally, other units require testing prior to installation; the benefits of the optimizer will be realized sooner with the GE product.

If you have any questions, please feel free to contact Jana Saba at (801) 220-2823.

Sincerely,



Joelle R. Steward
Vice President, Regulation

cc: Division of Public Utilities
Office of Consumer Services

CERTIFICATE OF SERVICE

Docket No. 17-999-01

I hereby certify that on December 5, 2017, a true and correct copy of the foregoing was served by electronic mail to the following:

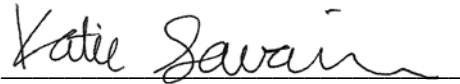
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Katie Savarin
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