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December 21, 2021

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 Mason Bruce and Girard

Dear Commissioners:

In accordance with PacifiCorp's ("the Company") Procurement Policy, the Company must report to the Public Service Commission of Utah ("Commission") purchases of goods or services exceeding \$1,000,000 that are not competitively bid. This letter hereby serves as notice that PacifiCorp has entered a non-competitively bid contract with Mason Bruce and Girard that exceeds \$1,000,000. The contract is for the implementation of a Water Quality Compliance Workplan ("Workplan"), approved by the Washington Department of Ecology in accordance with Washington Administrative Code (WAC) 173-201A-5010(5) and the 401 Water Quality Certification/Order for the continued operation of PacifiCorp's Merwin Hydroelectric Project. The total contract price is \$ [REDACTED].

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 and its customers.

The Workplan is required to meet state water quality standards for temperature and dissolved oxygen in the Lewis River downstream of PacifiCorp's Merwin Hydroelectric Project. PacifiCorp's previous ten-year compliance schedule to address downstream temperature and dissolved oxygen under the Merwin 401 Certification expired on November 7, 2021. As a condition of the Federal Energy Regulatory Commission license and associated Section 401 Clean Water Act Certification/Order, PacifiCorp must either find an operational or engineering solution to meet state water quality standards or pursue a regulatory process to obtain site specific water quality standards. Over the past year and half, Mason Bruce and Girard has developed and run Lewis River reservoir water quality models, evaluated potential solutions for attaining temperature and dissolved oxygen standards, and developed the Workplan submitted to the WDOE requesting a new (second) ten-year compliance schedule. The terms of the WDOE's November 5, 2021 approval of the new compliance schedule require implementation of the Workplan developed by the Mason Bruce and Girard consultant team.

Based on their expertise and involvement with the development of the Workplan, PacifiCorp moved forward with the business decision to retain Mason Bruce and Girard to deliver the new Workplan that could lead to a potential future Use Attainability Analysis (regulatory process for site specific standards). The existing team not only developed the Workplan that has been accepted by the WDOE, but they are respected and trusted by that agency. This same consultant team is also working on a Use Attainability Analysis for another hydroelectric project in the state, which will be the first attempted in the State of Washington. Given the reputation this consultant team has built with the WDOE, as well as their extensive, hands-on knowledge of the Workplan, PacifiCorp believes it is in the best interest of its customers to enter into the contract with Mason Bruce and Girard without a competitive bidding process.

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

Sincerely,



Joelle Steward
Vice President, Regulation

cc: Division of Public Utilities
Office of Consumer Services