

**Attachment 2**

**Professional Services Contract between  
Legislative Budget & Audit Committee  
and  
PFC Energy, LLC**

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JAN 25 2012  
LEGISLATIVE AUDIT

**Written Justification for Section 040 (a) (1) Exception**

Under Section 040 (a) (1) of the Legislative Procurement Procedures, it is not practicable to award this contract by competitive sealed bidding, competitive sealed proposals, or other competitive method as the contract is necessary to provide essential technical information and analysis within the extremely short preparation time available before the commencement of the 2012 legislative session.

The work product being secured is required solely for the purposes of and in the best interests of the Legislative Budget and Audit Committee (LBA) in meeting the requirements of the Legislature to have adequate and appropriate information available on a timely basis to conduct the necessary due diligence in the evaluation and development of oil and gas fiscal legislation.

It is not practicable to competitively bid this contract with PFC Energy, LLC as time is of the essence and the availability of potential providers is extremely limited. PFC Energy, LLC is uniquely capable of providing the necessary services due to their immediate availability of sufficient and appropriate corporate resources, their particular professional knowledge and skills with regard to worldwide and Alaska oil and gas fiscal systems, their open and transparent fiscal modeling paradigm, and their ability to deliver the results of necessary fiscal modeling and provide senior personnel for presentations as needed by legislative committees during the coming session. It is necessary to act immediately to secure these commitments and assure the availability of these professional resources which are essential to responsible conduct of the legislature's deliberative process in the 2012 session.

Accordingly, it is in the best interests of the legislature that the Legislative Budget and Audit Committee (LBA) award a contract to PFC Energy, LLC on these matters without competitive solicitation.

  
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Representative Mike Hawker                      Date 12.13.11  
Chair, Legislative Budget and Audit Committee  
Procurement Officer