

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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| WASHINGTON UTILITIES AND |) | |
| TRANSPORTATION COMMISSION, |) | |
| |) | Docket No. UE-050684 |
| Complainant, |) | |
| |) | Docket No. UE-050412 |
| vs. |) | |
| |) | <i>(consolidated)</i> |
| PACIFICORP d/b/a PACIFIC POWER & |) | |
| LIGHT COMPANY |) | |
| |) | |
| Respondent. |) | |

EXHIBIT NO. ____ (JTS-15)

PACIFICORP RESPONSE TO ICNU DATA REQUEST NO. 11.1

November 3, 2005

ICNU Data Request 11.1

Exhibit No. ____ (PMW-3), Tab 4, O&M Adjustments, page 4.10.5 shows the total incentives included in the O&M expense.

- a. Please identify the number and classification of employees that will qualify for the Bonus/Incentives of \$2.972 million.
- b. Please explain the Long Term Incentive Plan adjustment.
- c. Please identify the number and classification of employees that will qualify for the Long Term Incentive Plan.
- d. Please identify the number and classification of employees that qualify for the Incentive (Performance Share).
- e. Please explain why the Incentive (Performance Share) amount is reduced by \$15 million.
- f. Please confirm that on a total Company basis, the amount of total incentives included in the revenue requirement is \$33.297 million. If the amount is different, please explain why and identify the amount in the filing.

Response to ICNU Data Request 11.1

- a. 3,161 employees qualify to receive Bonus/Incentives. All regular, full- and part-time, non-union employees of the Company are eligible.
- b. The Long Term Incentive describes deferred shares that are part of the Annual Incentive Plan ("AIP") and are a replacement for the Executive Share Option Plan (ExSOP).

Eligible Employees' AIP maximum percentage (opportunity) is uplifted by one-third, with additional bonus dollars allocated in shares that are deferred for a period of three years. The total dollar value of this one-third uplift is calculated in the same manner as the Annual Incentive; and is based on Company, Business Unit, and Individual goal attainment. Shares are purchased on behalf of the Employee and are held beneficially for the participant. Voting and dividend rights are retained by the participants. Dividends are automatically reinvested, unless otherwise specified.

The adjustment is due to the change in the delivery of long term incentive from Stock Options to Shares based upon the eligible employees and projected award levels.

UE-050684/PacifiCorp

October 19, 2005

ICNU 11th Set Data Request 11.1

- c. 186 employees qualify for Long Term Incentive. Eligible employees are those with a competitive market level of \$129,900 or higher.
- d. 3,161 employees qualify to receive Incentive (Performance Share). All regular, full- and part-time, non-union employees of the Company are eligible.
- e. The \$15 million reduction is to reflect an average target payout of 50% for AIP in the pro-forma period ended March 2006, compared to an approximately 70% average payout in the test period ended September 2004.
- f.. Yes, total incentives included in the revenue requirement is \$33,296,654. The amount consists of three elements, as shown on page 4.10.5 of Exhibit No.__(PMW-3): Bonus/Incentive, Long Term Incentive Plan and Incentive (Performance Share).

Responder: Paul M. Wrigley

Witness: Paul M. Wrigley