Attachment G

Network Performance

And Outage Reporting

FY2004 thru Qtr 4

(Apr. 1, 2003 – Mar. 31, 2004)

Executive Summary

During Fiscal Year 2004 (4/1/2003-3/31/2004) the Company continued to make strides in improving overall system reliability. This effort went a great distance in meeting the commitments made during the ScottishPower Merger. These commitments, titled "Company's Performance Standards", were a series of reliability improvements which fundamentally improved upon the Company's underlying performance by measurable amounts. In past years the Company initiated many efforts that delivered better data from which to make targeted reliability enhancements. During this year, the Company was able to capitalize on that work.

In spite of some challenging weather during fiscal 2004, the Company achieved substantial Performance Standards successes during Fiscal Year 2004. These results and improvements will be demonstrated in this document. As mentioned above, this has been the result of two significant efforts: first, the focused attention by Company personnel to document and analyze outages, and second, understanding and analyzing how best to drive reliability results. This work builds upon the outage management systems implemented (CADOPS and Prosper/US), the improved focus on engineering and operating to deliver higher reliability to customers, and the agreements between the Company and State regulators for performance delivery (the Uplifted Baselines and Merger Commitment Targets). The analysis provided later will also evaluate several additional metrics to ensure that true performance results are being delivered. Evidence shows that the Company is delivering improved system reliability through these efforts.

Contents

1 Introduction

As the Company has previously reported, during the merger process, ScottishPower testimony articulated the need for good outage reporting systems that could lead to well-engineered operational and facility improvements. This dataset would provide a well-informed understanding of how the network had performed, thus improvement plans could be strategically targeted to deliver reliability improvements tailored to network issues, resulting in performance at the best possible cost. This direction established the importance of accurate and consistent customer outage reporting and as such, has become an increased focus for PacifiCorp. Throughout the company[1], plans were implemented that improved the comprehensive collection of customer and system reliability information. This has led the way to both facility improvements, under the program named "Reliability Initiatives", and operational improvements, including scorecards targeted toward "Show Up" Times (duration for the crew to arrive on-site) and Restoration Times (duration for the outage restoration to be effected). Simultaneously, the Company has worked with its regulators to assess the impact of these reporting improvements on PacifiCorp's Performance Standards and resulted in adjustments to the historic Performance baselines. These adjustments have been accepted and each state has had appropriate Merger Commitment Targets set. This report will analyze progress the Company has made in meeting those targets which have been established.

This document will discuss Performance Standards 1-5 and, where targets have been met, identify performance that was delivered. In areas where targets have not yet been met, it will address the plans for delivering the improvements to achieve those targets.

[1] California territories CADOPS implementation occurred in March 2004, with uplift analysis to be conducted after a sufficient (several months) history exists for review. In accord with the merger stipulation, PacifiCorp will file corrected historical performance and establish its merger commitment targets.

2

Background

Performance Standards

As part of the stipulations between the state Public Utility Commissions, PacifiCorp and ScottishPower during the merger of the two companies in 1999, a commitment was made to improve the Company's network performance by 2005. The network performance standards ("PS") and associated improvement percentages are as follows:

- PS1 – SAIDI (System Average Interruption Duration Index) to improve sustained outage durations for underlying performance by 10%
- PS2 – SAIFI (System Average Interruption Frequency Index) to improve sustained outage frequency for underlying performance by 10%
- PS3 – MAIFI (Momentary Average Interruption Frequency Index) to improve momentary outage frequency for underlying performance by 5%
- PS4 – Worst Performing Circuits to improve circuit performance scores by 20%
- PS5 – Restore 80% of customers within 3 hours of interruption during underlying performance time periods

PS1 and PS2: These improvement targets are based upon historical, uplifted values, as agreed upon with each state's regulatory staff (and filed and approved in accord with the pertinent stipulations). The baselines utilized data during the 5-year period prior to the merger, specifically fiscal years 1995-1999. Using available data, uplift factors were calculated and merger commitment targets established, agreed upon and filed. Each state's baseline, uplifted baseline, merger commitment target, current performance and forecast performance will be subsequently explored.

PS3: While CADOPS and its implementation materially improved the consistency and reliability of sustained outage performance, it affected the systems for which momentary (MAIFI) data collection had historically been done. The Company examined the prior method of calculating momentary metrics. Commission staff members have agreed to use this method to reconstruct and complete the historical record for MAIFI. It is of note that all

states, except Washington, experienced the necessary MAIFI improvement in years prior to the implementation of CADOPS, thus these states' PS3 commitment has already been met. Previously, these had been calculated by using the quantity of circuit breaker operations that were not associated with switching or maintenance activities. With CADOPS implementation, the feed from the systems factoring this data into the outage reporting system was severed and the only momentary interruptions calculated were for circuits that had feeder-level SCADA. However, the index for MAIFI is calculated by dividing the momentary interruptions that SCADA reported by the total number of customers (whether they were severed by SCADA circuits or not). This has led to an under-reporting of MAIFI which the Company will retroactively correct, for future performance reports.

PS4: Since the merger, the Company has identified its five Worst Performing Circuits (WPC's) for each state. WPC's are established by a rolling 3-year blended weighting of sustained outage duration and frequency, momentary outage frequency and circuit breaker lock-outs. While this blending includes momentary outages, its weighting is of lesser value (compared to sustained interruptions) and thus, should not materially affect the results for PS4 delivery. Simultaneous to their selection, appropriate improvement initiatives have been developed and are underway. For interim evaluation of the program's effectiveness, the Company has recalculated the WPC's uplifted score and begun recalculating subsequent scores based on the amount of uplift logically applied to the time period. The improvement cycle is a five year schedule as set forth in the merger testimony: the first two years after circuit identification are to implement appropriate improvement plans, and the following three years are to measure that improvement. As with other Performance Standards the Company is striving to evaluate these improvements as soon as feasible and when appropriate, identify that the commitment has been met.

PS5: Upon completion of the merger, the Company began measuring and reporting its outage restoration durations with a target that 80% of customers will be restored within 3 hours. While typically reported in its Quarterly Customer Guarantee reports, it will be reported here and monthly, yearly and merger-to-date results will be provided.

3

Generally Used Terms

To ensure clear understanding of the analyses provided in this document, this section will define the various terms used when referring to interruption types, performance metrics and the internal measures developed to meet the merger commitment.

Interruption Types

Below are the definitions for interruption events. For further details, refer to IEEE P1366-2003[1] Standard for Reliability Indices.

Sustained Outage

A sustained outage is defined as an outage of equal to or greater than 5 minutes in duration.

Momentary Outage

A momentary outage is defined as an outage of less than 5 minutes in duration. In general, PacifiCorp has historically captured this data using substation breaker fault counts.

Momentary Outage Event

A momentary outage event is defined as the series of momentary events that occur with a single system protection operation. For example, when a substation circuit breaker operates repeatedly to clear a fault, sequence of operations is considered one momentary outage event.

Reliability Indices

SAIDI

SAIDI (sustained average interruption duration index) is an industry-defined term to define the average duration summed for all sustained outages a customer experiences in a given time-frame. It is calculated by summing all customer minutes lost for sustained outages (those exceeding 5 minutes) and dividing by all customers served within the study area.

Daily SAIDI

[1] P1366-2003 was adopted by the IEEE Commissioners on December 23, 2003. The definitions and methodology detailed therein are now industry standards.

Many of the charts depicted within this document use a daily SAIDI value. This concept was introduced in IEEE Standard P1366-2003. This is the day's total customer minutes out of service divided by the static customer count for the year. It is the total average outage duration customers experienced for that given day. When these daily values are accumulated through the year, it yields the year's SAIDI results.

SAIFI

SAIFI (sustained average interruption frequency index) is an industry-defined term that attempts to identify the frequency of all sustained outages that the average customer experiences during a given time-frame. It is calculated by summing all customer interruptions for sustained outages (those exceeding 5 minutes in duration) and dividing by all customers served within the study area.

MAIFI

MAIFI (momentary average interruption frequency index) is an industry-defined term that attempts to identify the frequency of all momentary outages that a customer will experience during a given time-frame. It is calculated by summing all customer interruptions for momentary outages (those less than 5 minutes duration) and dividing by all customers served within the study area.

CAIDI

CAIDI (customer average interruption duration index) is an industry-defined term that is the result of dividing the duration of the average customer's sustained outages by the frequency of outages for that average customer. While the Company did not specify this metric under the umbrella of the Performance Standards Program within the context of the Merger Commitments, it's derived by dividing PS1 (SAIDI) by PS2 (SAIFI).

Performance Types

PacifiCorp recognizes three categories of performance: underlying performance and two categories of extreme outage events – "major events" and "normalizing events". Extreme events represent the atypical, extraordinary outages beyond the usual, ordinary outages which are the "underlying outages". The three types of events are further defined below.

Major Events

A Major Event is generally defined as 10% of customers within an operating area experiencing an outage in a 24 hour period (where reasonable design or operational limits were exceeded). At PacifiCorp, the formal declaration process began after the approval of the Scottish Power merger in December 1999. Prior to the merger, there was no systematic

company-wide performance exclusion process, and as a result few events were ever declared as unusual for regulatory staff review. At this time, the Company has not tended to exclude each of the events that meet the Major Event criteria.

Normalizing Events

Normalizing Events are those extraordinary, abnormal events that distort results of ordinary, underlying performance that may not be declared via the formal Major Event process. Normalizing Events are established using the proposed IEEE P1366 Guide major event definition, where a statistically-based day's SAIDI (or average customer outage duration) and an associated "customer minutes lost" threshold is set. Five-year average customer counts are used to set a CML threshold to define a normalizing event day.

Underlying Events

Within the industry, there has been a great need to develop methodologies to evaluate year-on-year performance. This has led to the development of methods for segregating outlier days, via the approaches described above. Those days which remain after segregating Major Events and Normalizing Events represent "underlying" performance, and are valid (with some minor considerations for changes in reporting practices) for establishing and evaluating meaningful performance trends over time.

Merger Commitment Terms

Baseline

Prior to the implementation of CADOPS and the focus on outage reporting processes, the Company routinely evaluated performance based upon then-current paper-based decentralized processing. These systems tended to underreport performance results. When the Company and its regulators developed the Performance Standards embodied in its merger commitments, it was recognized these performance metrics would need to be adjusted to account for those outages that had previously not been reported and measured. In order to determine improvements in performance, a baseline had to be set from which to measure. The Company established baseline performance using the 5 years of reliability and performance results prior to the merger with ScottishPower (fiscal year 1995 through fiscal year 1999). This dataset, in addition to customer satisfaction results, trouble calls and outage records formed the basis for evaluating service reliability results.

Baseline Uplift

With the ScottishPower merger, there was an elevated focus on the outage reporting processes in the Company. This resulted in a "reporting discipline" uplift in metrics. Thereafter,

systems were implemented that captured all customers associated with a given outage, and a "connectivity" uplift occurred for performance metrics. Since the Company and its regulators needed to evaluate future performance results, it became necessary to develop a defensible calculation that could be applied to prior historical performance, which became the basis for the Baseline Uplift. Using the factors discussed above, the Company evaluated system performance metrics and established baseline uplift values, from which merger commitment targets were established. In general, the day-to-day performance was analyzed, removing extreme events (as outlined above) and thereafter correlated to trouble calls, customer satisfaction. Then, statistical relationships were developed that led to a calculation for uplift as a result of reporting discipline, then uplift associated with network connectivity. The compound of these two is the total uplift experienced for the state in question and is displayed later graphically in each state's performance history.

Merger Commitment Target

For each state, the Company and its regulators have established merger commitment targets as embodied in its Performance Standards, PS1-4. These are performance results that will be delivered, according to merger stipulations, by the end of fiscal year 2005 (or 3/31/2005).

4

Status of System Performance

During fiscal year 2004, PacifiCorp made continued and notable progress in meeting its merger commitments under the Performance Standards (PS) program. At year-end, the Company has met 17 of its 30 merger commitments.

The current accomplishment for each standard by state is listed below.

State	PS1 - SAIDI	PS2 - SAIFI	PS3 - MAIFI	PS4 - CPI	PS5: 80%
California	?	?	?	x	x
Idaho	✓	✓	✓	✓	x
Oregon	✓	✓	✓	✓	x
Utah	✓	✓	✓	✓	x
Washington	✓	x	x	✓	x
Wyoming	x	✓	✓	✓	x

? Commitment targets not yet established due to recent implementation of CADOPS. Targets to be established 2nd Quarter FY05.

X Commitment not met ahead of schedule but plans underway to meet commitment during FY05.

✓ *Merger Commitment met ahead of schedule (FY04 or earlier).*

Performance Improvement Enabling Programs

After the Company and its regulators established the uplifted performance baselines and merger commitment targets, it continued in deploying its Network Initiatives Programs as well as initiated process improvement activities. These activities, that led to performance results far better than original plans are discussed below.

Network Initiatives

As the Network Initiatives program matures, it continues to provide early value to the Company in delivering a higher level of reliability to its customers. It has delivered traditional reliability improvement measures as well as technology solutions that may be considered leading edge. These planning, engineering and construction activities continue to be delivered earlier in the year, such that their benefits are received sooner than in the past. Such measures as improved fusing programs, installation of sectionalizers and reclosers, as well as reconstruction of specific portions of the delivery system continue to improve reliability customers experience.

Process Improvements

Such enabling tools as CADOPS, in addition to *Scorecards* (monthly published corporate targets) and the *Every Minute Counts* campaign, have created a focus for employees. These tools and methods ensure that each employee keep reliability at the forefront as they perform their work.

Every Minute Counts

In order to engage the entire Power Delivery organization on reliability-focused daily performance, the Company shares with all operating staff the state-level reliability targets for SAIDI (assuming the focus on SAIDI roll into an improved SAIFI). These state targets are published and monthly performance targets are delivered to all operating staff to create visibility of daily and monthly performance patterns. This initiative is entitled *Every Minute Counts*.

At year-end, the Company's *Every Minute Counts* campaign, and the focus on outage management that it generated, delivered according to the initial vision. As we kick off FY2005, we will build upon the success this program delivered with heightened focus for those areas where merger commitments still need to be met. The fundamental components for performance management, including Cumulative SAIDI, Assign-to-Arrive and Call-to-First Restoration should continue. The Company will explore whether additional metrics can provide operating staff members with even better tools to continue this focus and keep delivering improved reliability.

Performance Results

Figures PC-1 and PC-3 show:

- SAIDI and SAIFI for the baseline period (fiscal 1995-1999),
- SAIDI and SAIFI for the baseline period (fiscal 1995-1999) corrected for uplifts,
- FY2003 actual performance,
- FY2004 actual performance,
- FY2005 company-wide target.

As shown in the chart below as well as other sections of this report, the Company delivered better performance in FY2004 than in FY2003, and in most states it has met many of its FY2005 merger commitment targets ahead of schedule.

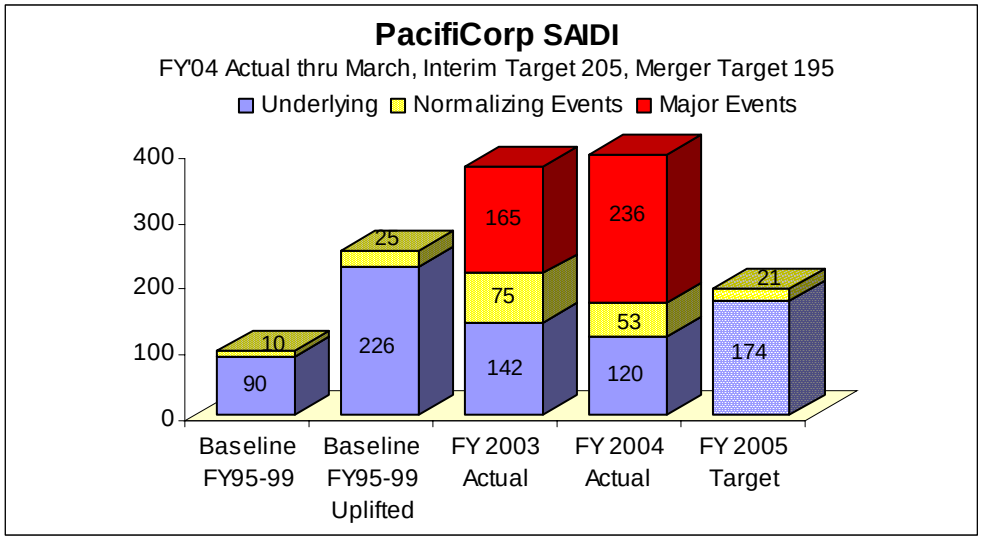

Figure PC-1

The following chart reflects cumulative SAIDI for the baseline period, baseline period performance adjusted for uplift, FY2003 and FY2004 actual performance, FY2004 Operating Plan, and the FY2005 company-wide target. Clearly, the company-wide SAIDI result shows notable improvement in FY2004.

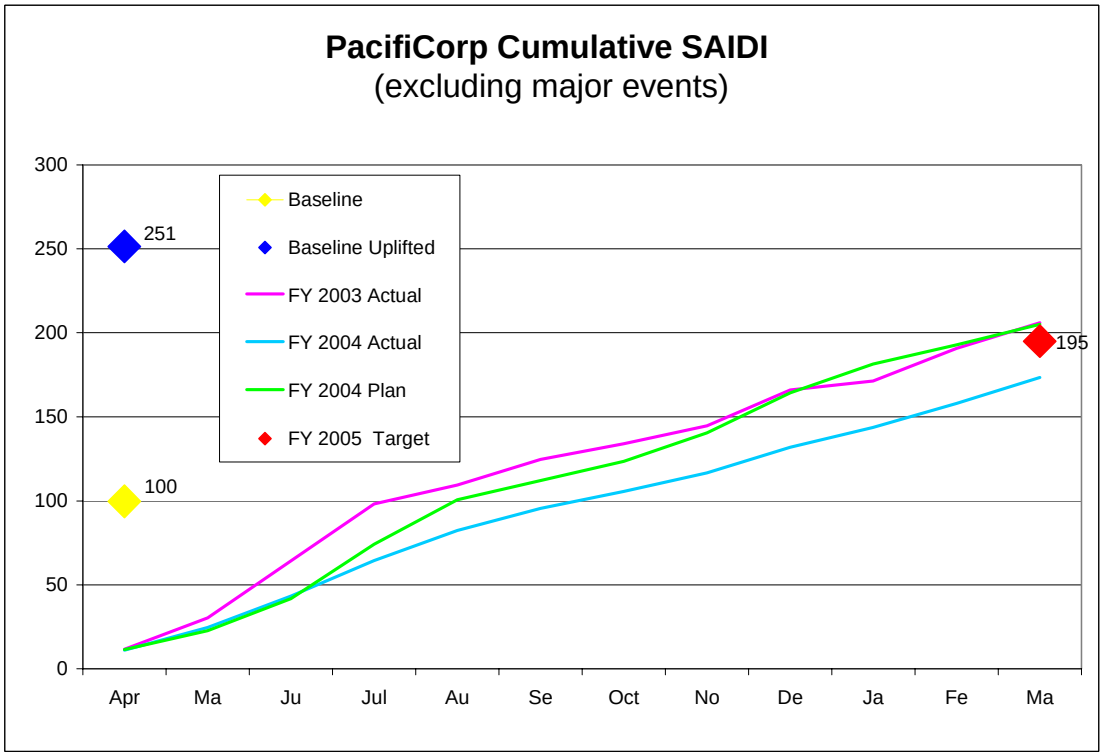

Figure PC-2

PacifiCorp's company-wide SAIFI is shown in Figure PC-3.

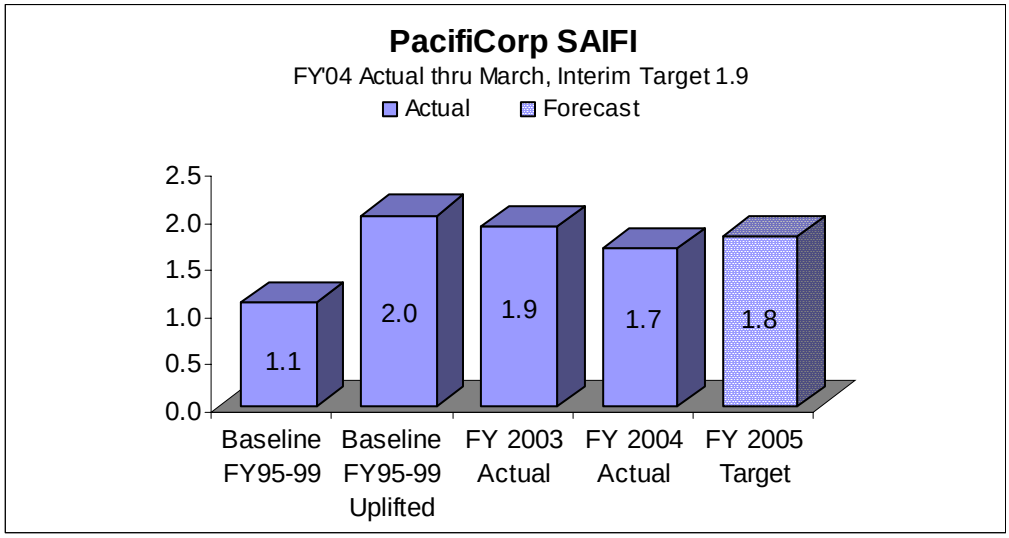

Figure PC-3

Figure PC-4 illustrates PacifiCorp's Sustained Interruptions for the baseline, the baseline with the uplift factor applied, FY2003 and FY2004. With the implementation of CADOPS, interruption counts have increased company-wide due to greater capture of smaller outages affecting single customers. While this drives the interruption count up, it has very little impact on SAIDI and SAIFI as shown in the charts in the previous section. Sustained interruptions have increased; however, SAIDI for this period does not show a commensurate increase, rather a decrease for the period, evidencing improved capture of smaller outages.

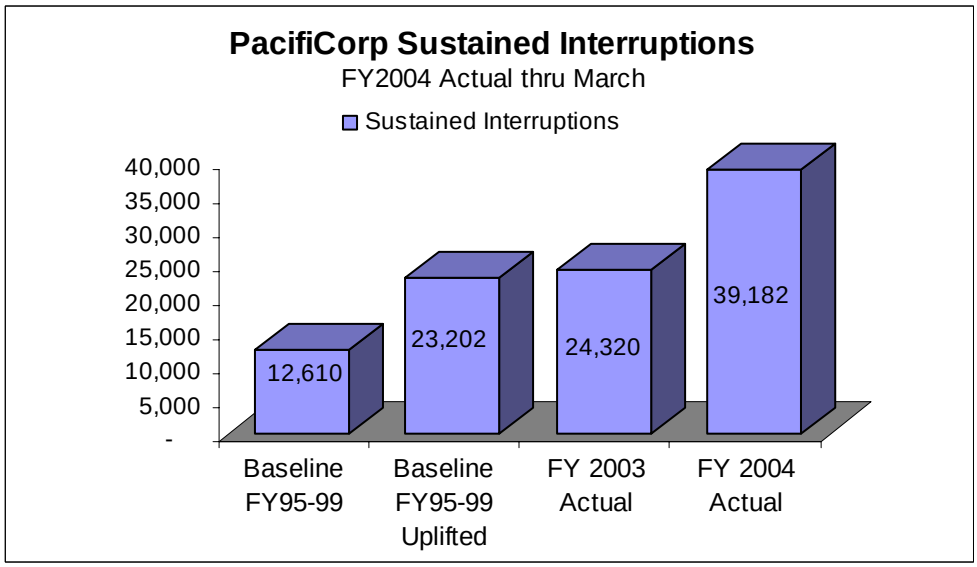

Figure PC-4

Figure PC-5 illustrates total company-wide CAIDI. This is an indicator of the operator's response to a sustained outage, and demonstrates the effectiveness of the outage restoration process. The Company has undertaken its "Every Minute Counts" program which is targeted to focus attention on promptly responding and restoring outages. Each state's CAIDI chart is included in its respective section of this report. These charts are shown without uplift calculations applied (it assumes a similar amount of under-reporting for both SAIDI and SAIFI) and are offered as another measure that demonstrates the improvements the Company is delivering in its outage restoration process.

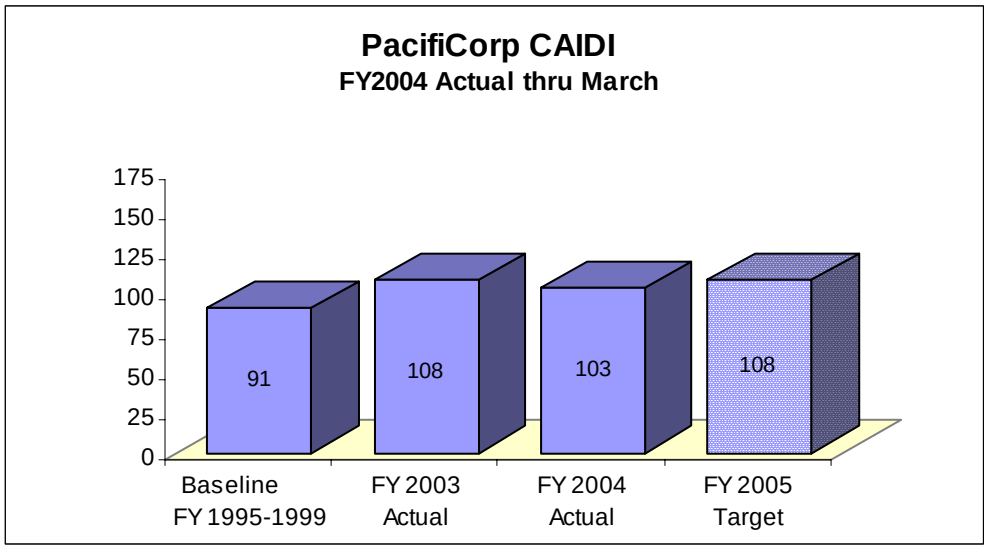

Figure PC-5

Cause Analysis

The charts in Figure PC-6 depict PacifiCorp company-wide Cause Analysis for the current reporting period. The charts show the distribution of sustained incidents by cause category, and the distribution of customer minutes lost by the same cause categories. It can be seen that some cause categories are greater contributors to CML but are not proportionate contributors to incident count, and vice versa. "Equipment Failure" category tends to include non-failed equipment (i.e., blown fuses miscoded "Equipment Failure" are properly operating and protecting devices); the Company continues to address cause code training. Outages in "Other" category are primarily blown fuses and outages of undetermined cause.

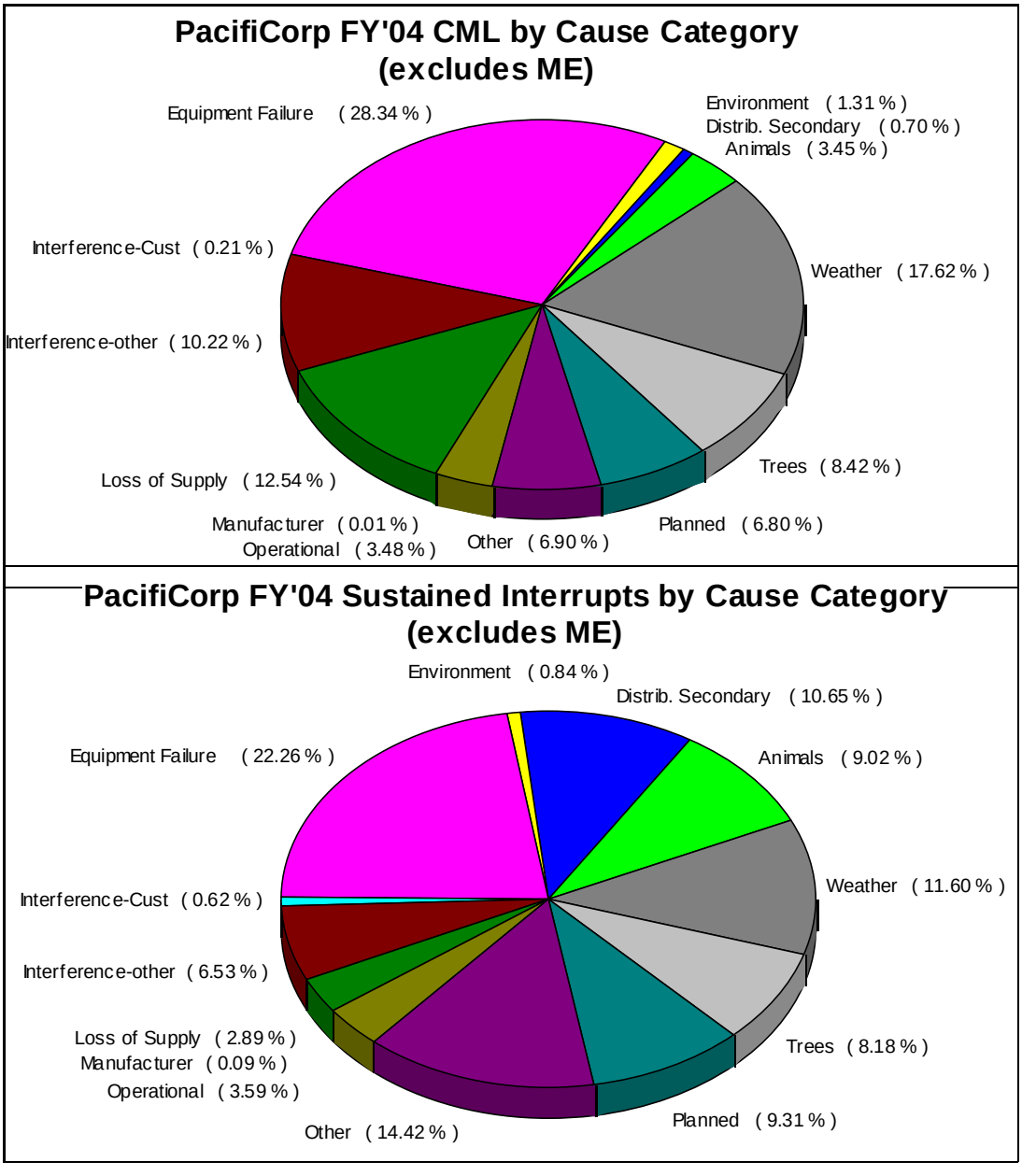

Figure PC-6

Customers Restored Within 3 Hours – PS5

The table below shows the percentage of PacifiCorp customers restored within 3 hours for each month in the reporting period as well as the cumulative fiscal year-to-date and merger-to-date percentage.

PS 5 – PacifiCorp: FY to date = 85% Merger to date = 86%					
April	May	June	July	August	September
91%	89%	82%	88%	82%	81%
October	November	December	January	February	March
89%	84%	81%	79%	77%	82%

Customer Complaints

PacifiCorp tracks two avenues of customer complaints: 1) customer calls to the Company via its internal "800" telephone line and, 2) direct customer contacts to the state public utilities commissions. Below is a table of company-wide totals comparing this fiscal year period with the same period for the previous fiscal year. State-specific data is included in each state's section of this report. While Major Events have been excluded from all other performance metrics, we have not excluded reliability and power quality complaints attributable to Major Events from the Company's Customer Complaints records at this time.

PacifiCorp's customer complaint record experienced a drastic increase in Utah and Oregon during the late December/early January severe snowstorms, primarily due to the Company's overloaded outage management system. This prevented or delayed many customers from reaching a Customer Service agent during their outage. The Utah and Oregon experience during Major Events drove state and Company totals up for the reporting period.

	Current Period		**Previous Period**	
	FY 2004 thru Qtr 4		FY 2003 thru Qtr 4	
PACIFICORP	Company	PUC	Company	PUC
Reliability	207	246	82	99
Power Quality	15	8	7	8
TOTALS	222	254	89	107
GRAND TOTALS	**476**		**196**	

5

Washington Performance - FY2004

During FY2004, performance in Washington has been influenced heavily by the focus the Company has directed toward delivering improved reliability to meet its merger commitments. These have been the result of process and operational improvements as well as construction projects within the Network Initiatives Programs. Ahead of schedule, PacifiCorp achieved its Washington SAIDI FY2004 interim target in FY2003, and its Washington SAIDI FY2005 merger commitment target in FY2004.

While the Company has exceeded its SAIDI targets, it has been more challenged to meet its merger commitment SAIFI target of 0.975 events. During this year, the performance challenges the Company experienced resulted from a heavy summer storm and some transmission outages resulting from construction projects and summer fires; these led to higher SAIFI but had minimal effect on SAIDI. The Company will continue to evaluate this unusually high SAIFI metric, establish the amount these particular abnormal events had on the result, and determine measures it can take to address the issue. As it proceeds, the Company will highlight opportunities for improving SAIFI, but will also consider those which may impact SAIDI as well.

The chart below depicts Washington SAIDI for the baseline, the uplifted baseline, FY2003 and FY2004 actual performance, and the FY2005 internal target of 138 minutes.

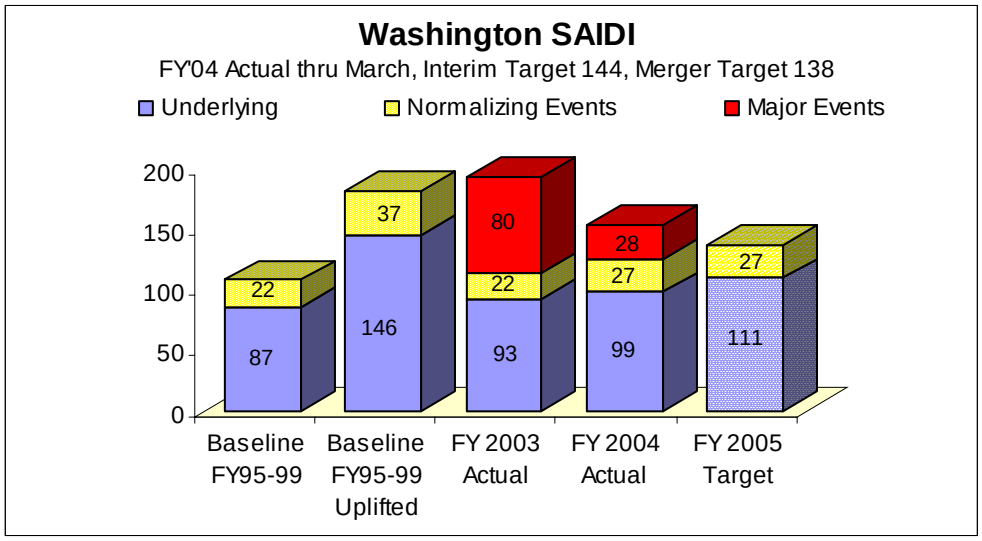

Figure WA-1

The Cumulative SAIDI chart below shows the agreed Washington baseline, the uplifted baseline, the FY2003 and 2004 performance, FY2004 Plan, and the FY2005 internal target.

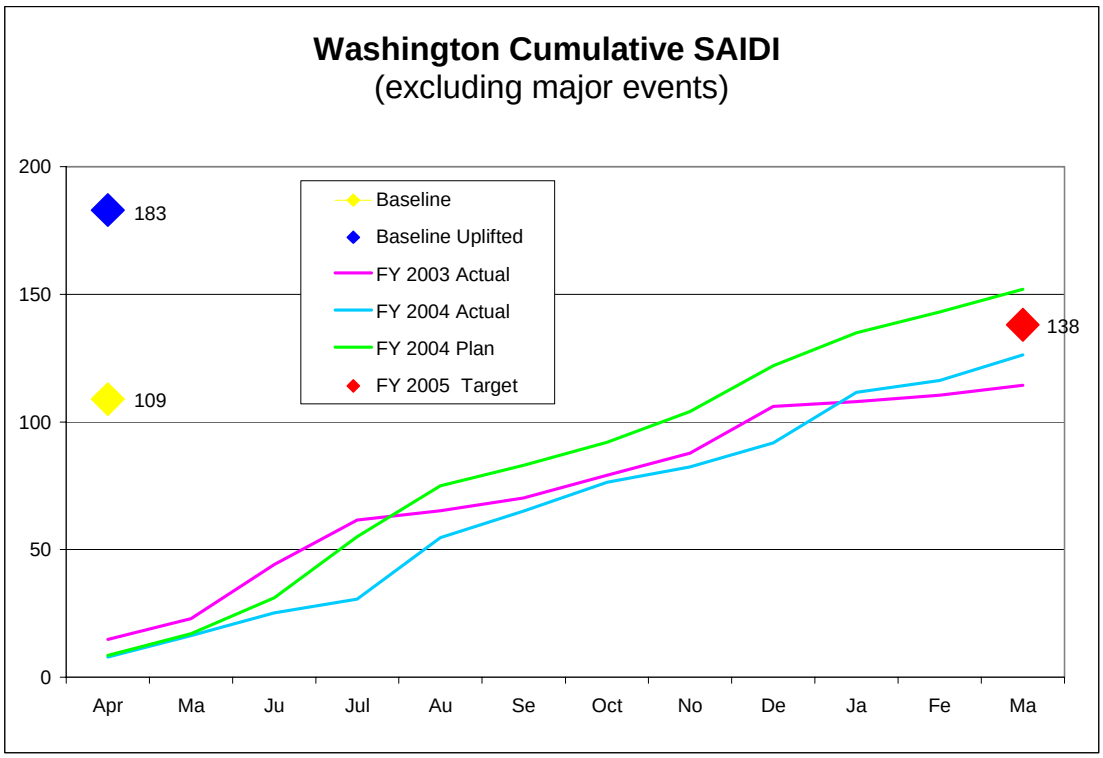

Figure WA-2

Washington's SAIFI performance toward the FY2004 interim target and FY2005 merger target is reflected in the next chart. Unlike its Washington SAIDI performance, the Company did not achieve its Washington SAIFI interim target in FY2004. As stated previously, the Company will evaluate the effect that transmission outages and other unusual events played in this area. This is strictly an internal target and the Company is diligently pursuing its FY2005 merger commitment target.

Washington's FY2004 Sustained Interruptions is charted in Figure WA-4.

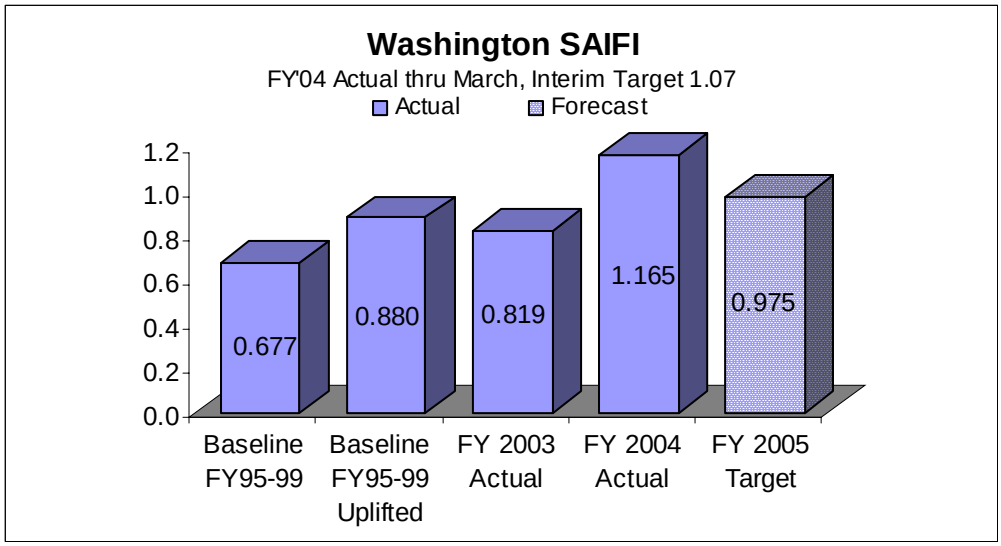

Figure WA-3

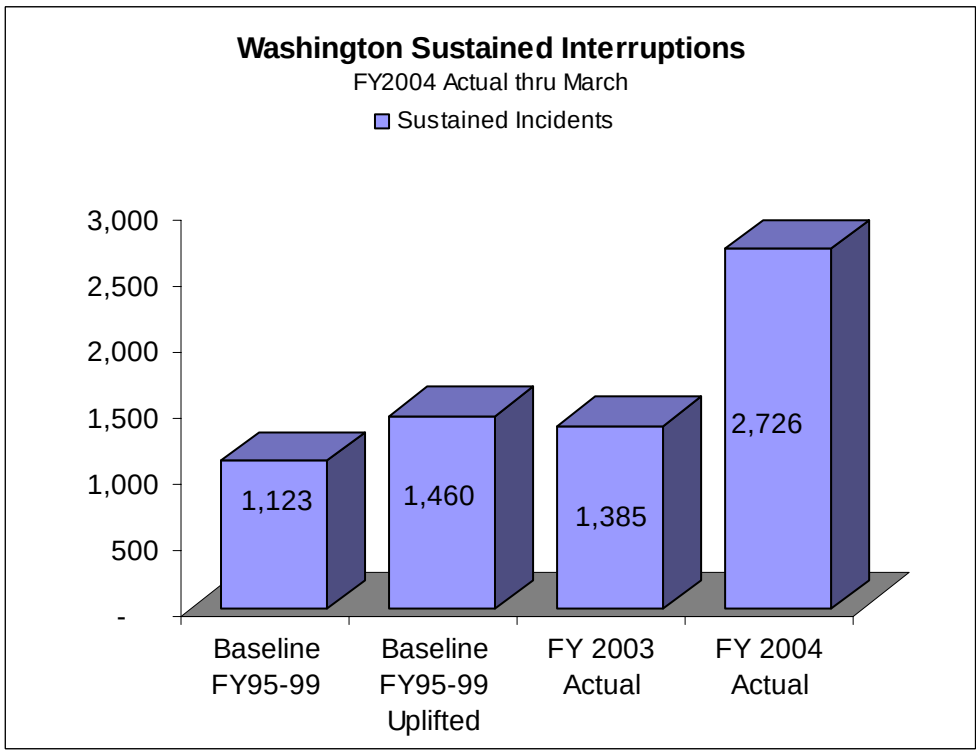

Figure WA-4

Washington's CAIDI (defined earlier in this report and further discussed in the total Company section) for the baseline period FY1995-1999, FY2003, FY2004, and the FY2005 target is charted in Figure WA-5.

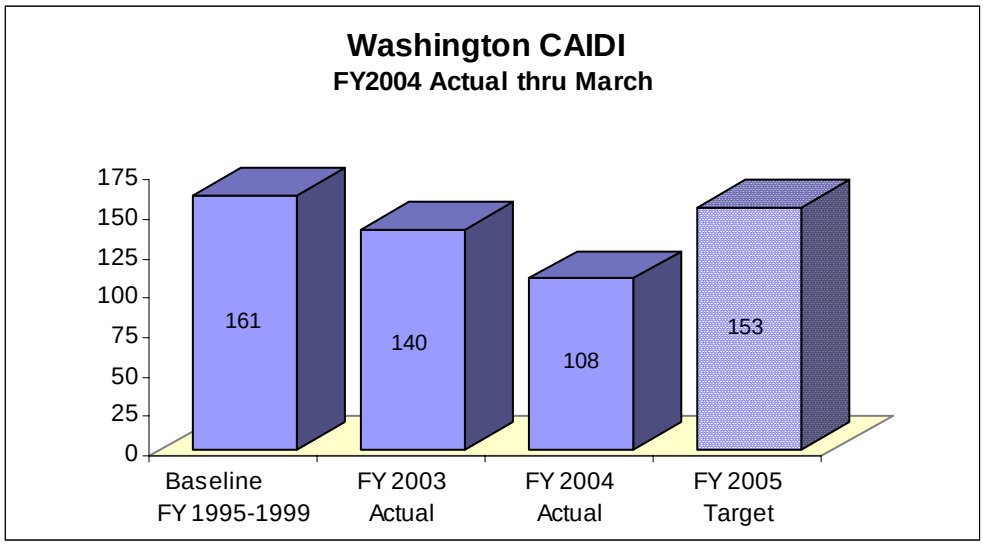

Figure WA-5

Washington Operating Area Performance for the reporting period is listed in the table below.

FY2004 thru Qtr 4	Major Events Included		Major Events Excluded	
	SAIDI	SAIFI	SAIDI	SAIFI
SUNNYSIDE	114.32	1.25	114.32	1.25
WALLA WALLA	130.43	1.72	130.43	1.72
YAKIMA	180.37	1.18	133.72	1.00

Washington Major Events

The table below lists declared Major Events during the reporting period in Washington. (FY2004 number of customers served in Washington: 123,873.)

Date	Description	Incidents	SAIDI (avg. cust. min. lost)	SAIFI (avg. cust. interruptions)
10/28-30/2003	Storm	104	28	0.13

Washington Normalizing Events

The following table lists Normalizing Events during the performance period in Washington.

Date	Description	Incidents	SAIDI (avg. cust. min. lost)	SAIFI (avg. cust. interruptions)
8/5/2003	Storm	64	13	0.038
10/28-30/2003	Storm	45	4	0.020
1/5/2004	Storm	42	9	0.069

Washington "2.5 Beta" Thresholds

Performance Year	SAIDI Threshold	CML Threshold
FY2004	6.20	767,993
FY2005	7.44	934,585

Cause Analysis

Washington Incidents Cause Analysis for the reporting period is depicted in the two following charts. As noted earlier in the report, "Equipment Failure" tends to include non-failed equipment; "Other" includes blown fuses and outages of unknown cause. The Company is addressing cause code clarity and training.

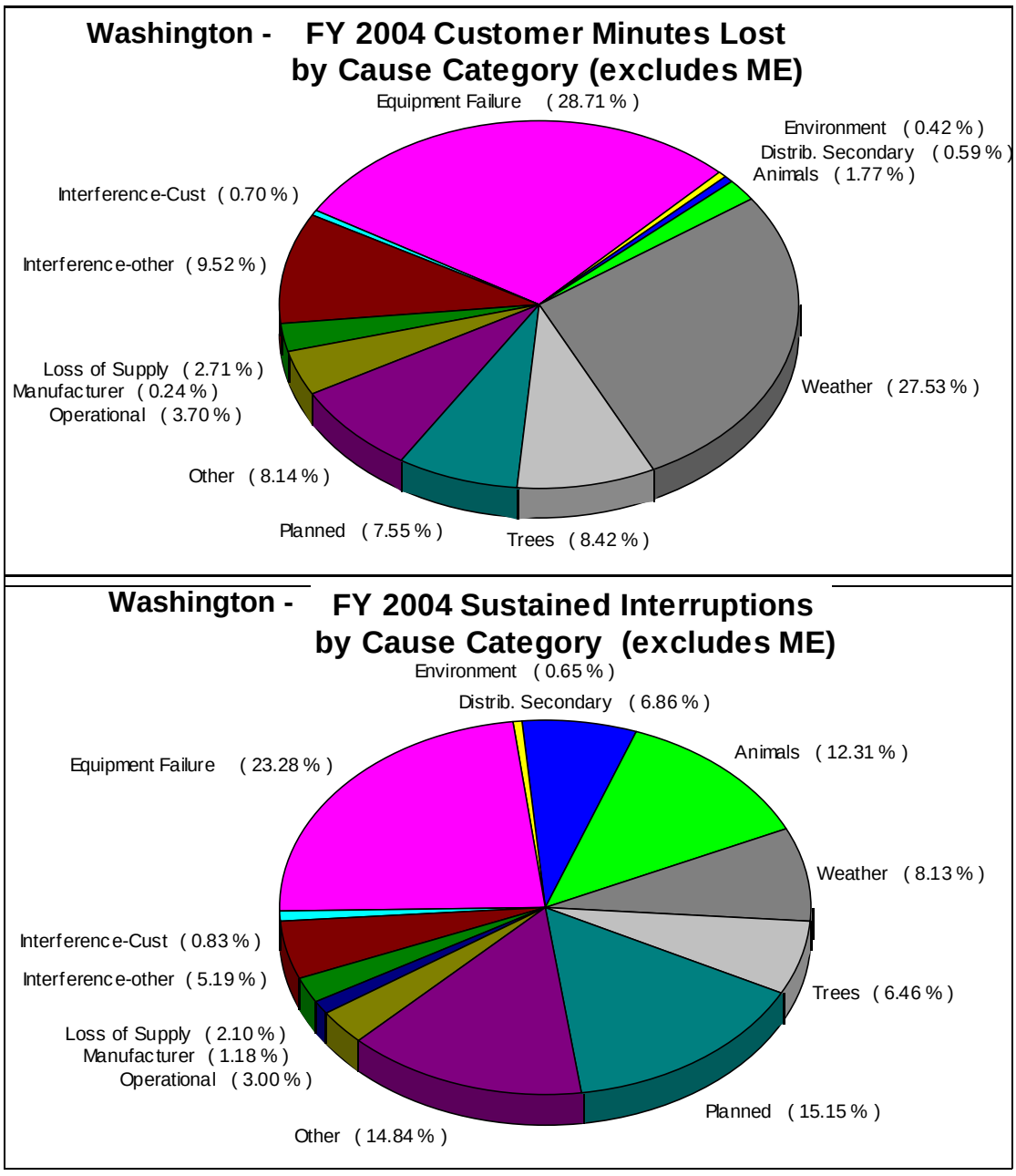

Figure WA-6

Worst Performing Circuits – PS4

Listed below is the status of the Worst Performing Circuits selected each year of the program.

ID Yr	Circuit ID	Circuit Name	Baseline CPI	Uplifted CPI	Current CPI	Remedial Action	Status
1	4Y1	NILE	397	732	271	Process Improvement	Complete
1	5Y245	ZILLAH	172	473	78	Reconductor, New Poles, Process Improvement	Complete
1	5Y330	DONALD	135	211	98	Process Improvement	Complete
1	5Y380	TAMPICO	284	578	147	Process Improvement	Complete
1	5Y690	PAHTOE	187	263	107	Replace & re-locate UG, Process Improvement	Complete
2	5Y203	PARKER	197	331	62	Process Improvement	Complete
2	5Y437	10TH STREET	122	225	85	Process Improvement	Complete
2	5Y600	SOUTH	122	210	86	Process Improvement	Complete
2	5Y93	HIGHLAND	158	262	53	Process Improvement	Complete
2	5Y94	FORNEY	142	238	106	Replaced deteriorated facilities	Complete
3	5W150	PINE STREET	90	243	155	Substation bus protection	Complete
3	5W50	TAUMARSON FEEDER	91	152	108	Substation bus protection, Fault Indicators	Complete
3	5Y120	HILLSIDE	110	80	147	Maintenance Work, Process Improvement	Complete
3	5Y273	18TH AVE	25	35	35	Maintenance Work, Process Improvement	Complete
3	5Y302	BONNEVIEW	143	229	177	Substation animal guards	Complete
4	4W22	WINDWARD	92	74	175	Engineering Study	Complete
4	5W342	POMEROY	100	192	92	Engineering Study	Complete
4	5Y202	HARRAH	109	145	220	Replace hydraulic reclosers, fuses	Complete
4	5Y316	WANETA	113	140	124	Reclosers, fault indicators, animal guards	Deferred
4	5Y351	EUCLID	195	198	153	Fuse coordination, fuse taping, animal guard installation	Deferred

The five Worst Performing Circuits selected this year (program year 5) in Washington are:

ID Year	Circuit Name	Circuit ID	Operating Area	CPI	Proposed Improvement Plan
5	Reser Road	5W16	Walla Walla	258	Replace hydraulic recloser
5	East Valley	5Y441	Yakima	258	Replace hydraulic reclosers
5	Wright	5Y444	Yakima	258	Fuse coordination study
5	Jefferson	5Y352	Sunnyside	190	Add recloser, replace hydraulic recloser
5	Touchet	5W124	Walla Walla	203	Replace hydraulic reclosers

Customers Restored Within 3 Hours – PS5

The table below shows the percentage of Washington customers restored within 3 hours for each month in the reporting period as well as the cumulative fiscal year-to-date and merger-to-date percentage.

PS 5 – Washington: FY to date = 83% Merger to date = 80%					
April	May	June	July	August	September
54%	90%	89%	96%	73%	89%
October	November	December	January	February	March
52%	74%	95%	79%	75%	83%

Customer Complaints

Washington Customer Complaints about Power Quality or Reliability during the current reporting period compared to the same period last fiscal year is shown in the table below.

	Current Period		**Previous Period**	
	FY2004 thru Qtr 4		FY2003 thru Qtr 4	
WASHINGTON	Company	PUC	Company	PUC
Reliability	1	0	1	1
Power Quality	0	0	0	0
TOTALS	1	0	1	1
GRAND TOTALS	**1**		**2**	

Merger Commitment Status Report

Progress through FY2004

The table below shows current progress toward the Company's FY2005 merger commitment targets for Washington. The Company met many targets ahead of schedule in Washington.

Performance Standard	Target	Current	Achieved	Note
PS1– SAIDI (10%)	138	126	✓	
PS2 – SAIFI (10%)	0.975	1.165		Evaluating baseline history and recent events impacting SAIFI
PS3 – MAIFI (5%)	3.29	0.17		Currently replicating pre-CADOPS measurement method to ensure delivery of target
PS4 – W orst Circuits (20%)	361	140	✓	Delivered 69% improvement on Program Year 1 Circuits
	203	79	✓	Delivered 69% improvement on Program Year 2 Circuits
	118	124		Work in Progress on Program Year 3 Circuits
	120	153		Work in Progress on Program Year 4 Circuits
PS5 – Restore Within 3 Hrs	80%	80%	n/a	Pre-FY2005 results do not apply

FY2005 Focus

In Washington, the Company will strive to achieve targets PS2 (SAIFI), PS3 (MAIFI), and PS5 (80% Customers Restored Within 3 Hours) by:

- Evaluating SAIFI for specific events that led to year-end results, determining whether appropriate target was set in light of these events and CADOPS implementation;
- Implementing and evaluating measures that improve frequency of outage events, regardless of whether they are sustained or momentary in duration. (Particular focus on Walla Walla outages during the summer timeframe.);
- Replicating pre-CADOPS MAIFI measurement system to ensure Network Initiatives Program has delivered expected improvement in momentary outages;
- Targeting more training and communication vehicles on restoration performance;
- Continuing to evaluate days which met Major Event criteria for exclusion from underlying performance targets.

Washington Service Territory Map