

Deliver the GBU Operating Plan

Objective/Description:

Achieve substantial completion of the Operating Plan actions and milestones for the fiscal year 2006.

Measurement/Metric:

Completion of Plan items, unless mitigating circumstances direct actions elsewhere.

Resource development and construction

Objective/Description:

Complete the budgeted new resource and CAI construction projects scheduled and required for FY06, support and facilitate the RFP and NBA processes with options and cost definitions/studies.

Measurement/Metric:

Currant Creek phases 1&2 complete in FY06, complete the Huntington 2 environmental project milestones for the FY, produce NBA as required by RSIG for the RFP, LNB projects at JB 2 complete, and Lake Side meeting milestone schedule for FY06

Safety and Health

Objective/Description:

Personal involvement in driving the OSHMS and improvements in health and safety. Personally visit plants celebrating significant achievements in safety. Support the initiatives and Safety Action plans to improve performance on the Group Health and Safety standards. Conduct personal safety walkdowns of at least two plant facilities during the year.

Measurement/Metric:

At least four celebratory visits, two plant walkdowns and improvement in the GBU score on Group standards

Support and lead corporate initiatives w/ special relevance for GBU

Objective/Description:

Provide personal support and leadership for the Clean Air initiative, the Klamath relicensing/litigation initiative, the Rebasing initiative, Best Practice work, and HR forum work.

Measurement/Metric:

Feed back from other members of initiative teams and assessment by the CEO

Asset/Capital mgmnt and SOx compliance and control effectiveness

Objective/Description:

Continue to improve the effectiveness of asset planning and capital deployment through refined asset plans, prioritizations driven by the asset plans, improved project mgmnt evidenced by audit, and improved capex forecasting. SOx controls are defined and tested with no deficiencies.

Measurement/Metric:

Asset plans for all units in place and being used in budgeting processes, project management tools and processes in place as measured by plant reviews, and SOx compliance has been demonstrated.

GBU Organizational Effectiveness

Objective/Description:

Personal leadership and support for delivering the GBU Core Strategy work owned by Rich Woolley and the Fleet Management Team. Drive the review/revision process forward as a platform for planning and strategizing the direction of the BU, around physical and financial performance and process improvements.

Measurement/Metric:

Assessment subjective by CEO.

Special corporate support/assignments

Objective/Description:

Support the sale and approval process for the MEHC purchase of PacifiCorp.

Measurement/Metric:

Sale process proceeding if not complete, through meeting all approvals and requirements of the SPA.

PacifiCorp Balanced Score Card

Objective/Description:

Achieve the PPW BSC objectives

Measurement/Metric:

Each stakeholder item has metrics

Dee Jense

Divisional Financial

Objective/Description:

Performance of the Financial quadrant of the Divisional Scorecard Overall performance of all financial metrics on the Divisional Scorecard.

Measurement/Metric:

Divisional Scorecard

BCC Underground Project

Objective/Description:

Develop Underground Mine

Measurement/Metric:

Completion dates for critical mine development projects.

EWMC Development Projects

Objective/Description:

Development for mining Mill Fork reserves.

Measurement/Metric:

Completion dates for critical mine development projects.

MidAmerican Project

Objective/Description:

Contribute to successful completion of MidAmerican acquisition of PacifiCorp.

Measurement/Metric:

Acquisition approval process is moving forward successfully according to plan.

Health & Safety

Objective/Description:

Improve on group health and safety standards assessment overall score, focusing on leadership, employee involvement, training and competence and occupational health.

Measurement/Metric:

4% improvement

Visibility Activities

Objective/Description:

Community, customer and employee (outside of Mining) visibility target:

- * Interaction with community leaders/customers
- * Fuel Resources/Mining community service activities
- * Presentation at employee orientation meeting

Measurement/Metric:

Achieve milestones.

Andy MacRitchie

Operating Costs

Description:

Manage operating costs by optimizing process, system and employee efficiency

Measurement:

OMAG vs. Budget

Customer Service

Description:

Maintain Stakeholder satisfaction while delivering strategies and solutions facing the company. Ensure that the key regulatory contacts and influencers are appropriately briefed re. these issues and relationships actively worked.

Measurement:

Results of Stakeholder survey

Motivation, Drive and Focus

Description:

Improve workforce climate and capability

Measurement:

Completion of climate & workforce improvement plan milestones:

- Training objectives to build organizational competence
- Climate Improvement action milestones
- Talent management action milestones
- Community objectives

Strategy Development and Implementation

Description:

Proactively develop, shape and implement strategies in our regulatory and legislative environments to ensure optimal positioning with stakeholders and return for shareholders.

Measurement:

Regulatory milestones. Proceeding outcomes. Legislative deliverables. Stakeholder views.

Stakeholder Management

Description:

Robust management of stakeholder relationships and communications.

Measurement:

Stakeholder views.

Transaction Delivery

Description:

Delivery of MEHC transaction

Measurement:

Milestone achievement. Optimised outcome.

Health & Safety

Description:

Employee Involvement:

»Perform personal safety and health responsibilities according to applicable Office Health & Safety Manual.

»Attend and participate in safety meetings. Make-up for any missed absences. Participate in emergency response drills.

»Promptly report hazardous conditions, incidents and/or close calls.

Training:

»Successfully complete PacifiCorp's online course PL045 "Corporate Office Safety".

Occupational Health:

»Attend health fairs and/or other related safety meetings.

Measurement:

»Maintain records of attendance at safety meetings, training, etc.

»Participation in any assigned health/safety roles, health fair, wellness events

Richard Peach

PacifiCorp/Financial

Description:

1. Ensure all FY06 quarterly EBIT forecasts meet or exceed targets by identifying viable options for senior management team where gaps exists.

2. Continually stress test FY06 financial targets to identify positive or negative trends and ensure necessary communications and actions.

3. Ensure Business Plan supported by up to date treasury financing plan

4. Ensure Tax strategies appropriately implemented and cash taxes minimized thru strong management of tax issues with IRS and Regulation

Measurement:

1. quarterly forecasts vs budget

2. approved financing plan

PacifiCorp / Customer/Stakeholder

Description:

1. Increase profile with employees: site visits, brown bag lunches, new employee orientation

2. Increase Portland business involvement: local business and finance organizations

3. Continue community involvement: friends of the children

Measurement:

1. number of internal events attended
2. external attendances

PacifiCorp/Process

Description:

1. successfully implement Rebasing initiatives: business planning, property tax, regulatory tax, capital management, revenue requirement
2. improve the quality of Corporate Finance products
3. s404 continues on track for successful compliance

Measurement:

1. integration of new areas into Corporate Finance
2. new Rebasing approaches implemented
3. freshened up suite of Corporate Finance products
4. s404 milestones delivered

PacifiCorp/Process

Description:

1. Successful integration with MEHC
2. Successful separation from SP and PPM

Measurement:

1. Deliver finance integration plan with MEHC
2. Deliver finance separation plan with SP and PPM

PacifiCorp/Employee

Description:

1. Improve communication and employee morale within corporate finance
2. Attract and retain finance talent
3. Improve work/life balance

Measurement:

1. Attitude and Action scores or equivalent survey
2. Retention of key staff.
3. Filling of key vacancies with strong recruits.
4. Leadership survey results.

Rich Walje

Meet Budget

Description:

Meet EVP Utah OMAG and OEI Targets

Measurement:

OMAG and OEI Budget

Increase Utah Opinion Leaders

Description:

Help Utah Opinion Leaders to appreciate the responsiveness, investments and presence of PacifiCorp in Utah.

Measurement:

Through the opinion leader survey.

Ad hoc or informal surveying of leaders specifically related to the EVP Utah's personal performance.

Enhance Utah Presence

Description:

Enhance the company's reputation and responsiveness to Utah oriented issues and preferences by implementing the Utah presence plan.

Measurement:

Achieve plan milestones and an increase of at least 15 Utah based professional employees.

Health and Safety

Description:

Employee Involvement

» Perform personal safety and health responsibilities according to applicable Office Health & Safety Manual.

» Attend and participate in safety meetings. Make-up for any missed absences. Participate in emergency response drills.

» Promptly report hazardous conditions, incidents and/or close calls.

» If assigned, serve as a floor warden, medical responder or floor safety coordinator.

Training

» Successfully complete PacifiCorp's online course PL045 "Corporate Office Safety". (required*)

Occupational Health

» Attend health fairs and/or other related safety meetings.

Measurement:

» Maintain records of attendance at safety meetings, training, etc.

» Participation in any assigned health/safety roles, health fair, wellness events

Community Participation

Description:

It is important to the company that its leadership team take a similar leadership role in making our communities, states and country a better place to live through participation in non-profit and NGO exercises.

Measurement:

Participate in at least three non-profit or business associations to provide company voice and leadership in Utah.

Participate in Utah Energy and Regulatory Processes

Description:

It is important that Utah's regulatory and energy policy processes produce results that are favorable to the company and enhance its financial and shareholder performance. This effort needs to cover legislative, regulatory and policy activities.

Measurement:

* Delivery of the company's most important legislative goals and prevention of adverse outcomes.

* Participation in energy policy setting in Utah and the western region, through WGA and Utah processes.

* Support of regulatory activities such as RTOs and PCAMs.

Complete MEHC Deal

Description:

Support the activities required to complete the MEHC/PacifiCorp deal.

Measurement:

Successful completion of the deal per the milestones established by the transition team.

Stan Watters

Performance on the Financial quadrant of the Divisional scorecard

Objective/Description:

Overall performance of all financial metrics on the Divisional scorecard

Measurement/Metric:

Divisional Scorecard

Employee Involvement (Employee sessions, Climate plan, succession planning, and talent development)

Objective/Description:

Hold 15 employee sessions during the year. Improve organizational effectiveness through climate plan, succession planning, and talent development

Measurement/Metric:

Number of sessions completed vs. 15. Complete succession planning for key positions, achieve C&T climate milestones

Load and Revenue Forecasting and NPC forecasting

Objective/Description:

Improve load and revenue forecasting by completing tangible process improvements consistent with Load and Revenue Forecasting enhancement plan. Improve NPC financial forecasting including implementation of GRID forecasting system. Improve accuracy of official quarterly forecasts adjusted for weather

Measurement/Metric:

Weather adjusted year ahead annual MAPE for retail energy vs. budget (within 2%). Weather adjusted within year average monthly MAPE for revenue actual vs. budget (within 3.5%). Achieve 12 out of 16 retail forecasting audit and financial forecasting modeling milestones. Demonstrated implementation of the GRID financial forecasting tool. No significant errors or omissions in official quarterly forecasts.

Customer Service and Community Development

Objective/Description:

Make a minimum of 8 large industrial customer visits and 6 community related activities during the fiscal year. Improve industrial relationships through support of state leaders to deal with responsiveness concerns

Measurement/Metric:

Number of visits vs. goal. Achieve company related TQS targets

Delivery of the IRP and RFP to achieve system balancing requirements

Objective/Description:

Delivery of the IRP and RFP milestones. Complete IRP/RFP milestones including thermal, renewable, and DSM resource procurement RFP activities. Achieve acknowledgement of the IRP

Measurement/Metric:

Complete at least 15 milestones out of a total of 20. Achieve significant progress towards FY07/FY08 load and resource balance. Achieve significant progress towards 2009 RFP decision.

MidAmerican Transaction

Objective/Description:

Support the approval process for the MidAmerican Transaction. Achieve a transmission path between the PacifiCorp and MidAmerican systems to meet SEC requirements. Review and comment on Testimony and respond to data requests as required. Support integration/separation requirements in C&T.

Measurement/Metric:

- * Successful completion of transmission path.
- * Data requests answered on time consistent with other regulatory goals
- * Complete intergration/separation requirements associated with the C&T business Unit.

Matthew Wright

Performance of Financial Quadrant of Divisional (PacifiCorp) Scorecard

Objective/Description:

Overall performance of financial metrics on the PacifiCorp scorecard.

Measurement/Metric:

Divisional scorecard

Capital and Maintenance Plan Delivery

Objective/Description:

Improve network reliability and integrity by completing core components of the Power Delivery capital and maintenance plans.

Measurement/Metric:

% completion within budget

Customer & Community Visibility

Objective/Description:

Ensure the views and perspectives of our customers and communities are understood and factored into our planning and operations. Work with state leads (Walje, Tarantola, etc.) to facilitate resolution of major customer/community issues.

Measurement/Metric:

At least 10 customer visits.

At least 5 community visits.

Rating of Power Delivery support by state leads.

Employee Visibility

Objective/Description:

Continue to maintain high visibility with employees to build trust in management and aid communication efforts.

Measurement/Metric:

At least 40 employee meetings/visits.

Health & Safety

Objective/Description:

Embed health & safety as a value in Power Delivery and become PacifiCorp's #1 health & safety advocate at the Executive level.

Measurement/Metric:

Scorecard safety metrics.

Quality of Power Delivery and PacifiCorp health & safety committee meetings.

Operating Plan Delivery

Objective/Description:

Ensure Power Delivery achieves its Operating Plan objectives for the year.

Measurement/Metric:

At least 90% completion.

Contribution to PacifiCorp and ScottishPower Group Goals

Objective/Description:

Maintain strong contribution to the overall success of PacifiCorp and ScottishPower.

Measurement/Metric:

Achievement of SOX deadlines.

Strong support for sale to MidAmerican.

Full participation at all Board and other Executive level meetings.