

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
Complainant,)
v.)
PACIFICORP d/b/a PACIFIC POWER &)
LIGHT COMPANY,)
Respondent.)

Docket No. UE-061546

In the Matter of the Petition of)
PACIFIC POWER & LIGHT COMPANY)
For an Accounting Order Approving Deferral)
of Certain Costs Related to the MidAmerican)
Energy Holdings Company Transition.)

Docket No. UE-060817

EXHIBIT NO.____(KEI-11)

PACIFICORP INCENTIVE COMPENSATION ADJUSTMENT

February 14, 2007

PACIFICORP
Incentive Compensation Adjustment

		<u>ICNU</u>
	<u>Adjustment to Expense</u>	
1	Total Incentives:	\$50,728,948
2	Remove 100% Executive Compensation	(\$1,629,930)
3	Non-Executive Compensation	\$49,099,018
4	Remove 50% of Non-Executive	<u>(\$24,549,509)</u>
5	Total Adjustment	(\$26,179,439)
6	Washington SO Factor	7.45610%
7	Washington Allocated	<u>(\$1,951,965)</u>
	<u>Revenue Requirement Impact</u>	
8	Adjustment to Expenses	(\$1,951,965)
9	Income Taxes	\$683,188
10	Net Operating Income	(\$1,268,777)
11	Revenue Requirement Impact ⁽¹⁾	(\$2,044,970)

Notes:

(1) Based on Rate of Return as filed by Company of 8.0591%, and revenue conversion factor of 0.620438.