

BU	Actual	Adjusted	Items Removed		
			Perspective	Object Description	Object Metric
PPW	87%	70%	Financial		EBIT vs. target
Generation	76%	76%	None	-	-
Mining	100%	100%	None	-	-
C&T	88%	88%	None	-	-
PD	87%	77%	Financial	Achieve maximum allowed return	EBIT (US GAAP) vs target
CS/CED	98%	98%	None	-	-
CBS	95%	95%	None	-	-
Regulation	99%	89%	Cust/Stake	Ensure that federal and state laws and attitudes amongst state and federal elected officials do not impede cost recovery opportunities	Achievement of legislative agenda and support/neutrality amongst elected officials for the company's regulatory filings
			Process	Facilitate timely reports and disclosure of lobby and campaign expenses in accordance with state and federal laws	Percent of lobbying reports delivered timely and accurate
Strategy & MP	100%	100%	None	-	-
HR	98%	98%	None	-	-
Finance	90%	64%	Financial	Strong contribution towards delivery of PacifiCorp EBIT target	PacifiCorp EBIT v budget (questionable)
Treasury	98%	98%	None	-	-
Communications	99%	85%	Cust/Stake	Enhance and protect reputation of ScottishPower group	Customer surveys and opinion leader surveys (TQS, JD Powers, Opinion Leader Survey, Regulation survey of Commissions, Media Audit, Analyst and institution surveys)
			Process	Promote good coverage for ScottishPower in the media through efficient handling of inquiries and provision of timely, accurate and credible materials to media outlets	(Media audit) Develop survey questionnaire for media outlets and Officers
Risk Mgmt	85%	82%	Process	Reduce volatility of earnings	Percentage of 2003 budgeted earnings (EBIT) as a cap
Internal Audit	99%	99%	None	-	-
Average:	93.27%	87.93%			

Perspective	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	YE Incentive Award (%)	YE Incentive Award (adjusted)
					Q1	Q2	Q3	Q4			
Financial		EBIT vs. target	20.0%	Scaled	90-100%	90-100%	90-100%	90-100%	80%	17.1%	0.0%
		Optimize Cash Flow Position	5.0%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Earn up to the allowable rate of return	7.5%	Scaled	TBD	TBD	70-90%	70-90%	70%	5.5%	5.5%
		Reduce Energy Commodity Risks	7.5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	7.5%	7.5%
Customer / Stakeholder			30%								
		Achieve aspirated image and reputation among stakeholders	5.0%	Scaled	0%	70-80%	90-100%	90-100%	100%	5%	5%
		TGS survey	5.0%	Scaled	TBD	90-100%	90-100%	90-100%	100%	5%	5%
		Opinion leader survey	5.0%	Scaled	TBD	TBD	80-90%	80-90%	80%	4.2%	4.2%
		JD Power Survey	5.0%	Scaled	TBD	0%	80-90%	60-70%	60%	3%	3%
		Compliance with guaranteed service standards SAIDI	2.5%	Scaled	0%	90-100%	90-100%	90-100%	90%	2.4%	2.4%
		Compliance with guaranteed service standards SAIFI	2.5%	Scaled	0%	80-90%	90-100%	90-100%	100%	2.5%	2.5%
		Optimize link between economic and environmental values	5.0%	Scaled	TBD	TBD	90-100%	90-100%	100%	5%	5%
Employee			30%								
		Increase employee satisfaction	5.0%	Scaled	TBD	TBD	TBD	90-100%	100%	5%	5%
		Improve adherence to Performance Management Process	5.0%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Meet all OSHA and MSHA requirements	2.5%	Scaled	90-100%	80-90%	90-100%	0%	0%	0%	0%
		Implement and adhere to PacifiCorp Safety Policy	5.0%	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	5%
Process			10%								
		Ensure that PacifiCorp costs can be recovered through the regulatory process	10.0%	Scaled	TBD	90-100%	80-90%	90-100%	100%	10%	10%
Total										87%	70%

GENERATION

Perspective	Weight	Objective Description	Objective Metric	Weight	Performance				Year End Performance	YE Incentive Award	YE Incentive Award (adjusted)
					Q1	Q2	Q3	Q4			
Financial	40%	Optimize OMMG	Actual vs Plan OMMG	10%	90-100%	90-100%	80-90%	60-70%	60%	6.3%	6.3%
		Achieve net margin target	Actual vs Plan Net Margin	25%	90-100%	90-100%	0%	80-90%	80%	21%	21%
		Optimize capital expenditure	Actual vs Plan Capital Expenditure	5%	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Customer/ Stakeholder	30%	Maximize Equivalent Availability	Actual vs Plan Equivalent Availability	20%	0%	0%	0%	60-70%	60%	12%	12%
		Continuous Environmental Improvement	Number of coal plants and hydro basins that are ISO registered or conformance	5%	90-100%	90-100%	80-90%	90-100%	100%	5%	5%
			Number of specific non-conformances in 3rd party audit at ISO registered plants	5%	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Employee	20%	Increase employee satisfaction	Employee satisfaction score based on Generation Attitude and Action survey	3%	TBD	TBD	TBD	90-100%	100%	3%	3%
		Improve adherence to Performance Management process	Performance objectives set and development plans completed according to schedule	4%	90-100%	90-100%	90-100%	90-100%	100%	4%	4%
		Create motivated and productive workforce	Number of PCO milestones achieved vs plan	6%	90-100%	80-90%	80-90%	90-100%	100%	6%	6%
		Provide a safe and healthy environment for all workers	Lost time vs targets	3%	0%	0%	0%	0%	0%	0%	0%
		Implement and adhere to PacifiCorp Safety Policy	Recordable incident rates vs targets	2%	60-70%	0%	0%	0%	0%	0%	0%
Process	10%	Optimize thermal efficiency	Implementation of established milestones as evaluated by the Executive Safety Committee	2%	TBD	TBD	90-100%	90-100%	100%	2%	2%
		Ensure that BU costs can be recovered through the regulatory process	Actual vs projected Thermal Efficiency	7%	80-90%	0%	0%	60-70%	60%	4.2%	4.2%
				100%					Total	76%	76%

MINING

Perspective	Weight	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	Y/E Incentive Award	Y/E Incentive Award (adjusted)
						Q1	Q2	Q3	Q4			
Financial	35%	Optimize delivered coal costs	Delivered coal \$/mmbtu - Actual vs Plan	25%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	25%	25%
		Optimize OMAG costs	Actual OMAG vs Plan	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Optimize capital investment	Net CAPEX vs Plan	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Customer / Stakeholder	30%	Provide a consistent and continuous supply of coal to power stations	Percent of Plant specific quality/continuity parameters achieved - Actual vs Forecast	15%	Scaled	TBD	90-100%	90-100%	90-100%	90%	14.7%	14.7%
		Continuous environmental improvement	Percent of Mine supervisory employees receiving environmental awareness training	5%	Scaled	TBD	TBD	100%	100%	100%	5%	5%
			Percent of environmental management system compliant with ISO 14001 completed by target dates	5%	Cliff	TBD	TBD	100%	100%	100%	5%	5%
			Glenrock Coal Company reclamation \$/CY - Actual vs Plan	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Employee	25%	Increase employee satisfaction	Employee satisfaction score based on PacifiCorp Attitude & Action survey	5%	Scaled	TBD	TBD	90-100%	90-100%	100%	5%	5%
		Improve adherence to performance management process	Performance objectives set and development plans completed according to schedule	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Create motivated and productive workforce	Percent of Mine supervisory employees receiving leadership training by target dates	5%	Scaled	TBD	TBD	90-100%	90-100%	100%	5%	5%
		Improve safety	Lost-time frequency rate - Actual vs target	2.5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	2.5%	2.5%
		Implement and adhere to PacifiCorp Safety Policy	Recordable Incident Rate - Actual vs target	2.5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	2.5%	2.5%
Process	10%	Implement and adhere to PacifiCorp Safety Policy	Implementation of established milestones as evaluated by the Executive Safety Committee	5%	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	5%
		Optimize fuel cost recovery	Percent of normalized cost recovered	5%	Scaled	TBD	90-100%	90-100%	90-100%	100%	5%	5%
	100%		Percent of milestones completed vs plan for implementation of regulatory initiatives	5%	Cliff	TBD	TBD	TBD	100%	5%	5%	
Total											100%	100%

COMMERCIAL TRADING

Perspective	Weight	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	YE/Incentive Award	YE/Incentive Award (adjusted)
						Q1	Q2	Q3	Q4			
Financial	30%	Ensure the capital expenditure is optimized Manage operating costs by optimizing process systems and employee efficiency Develop a portfolio management strategy to minimize volatility. Align portfolio management strategy with risk/return tolerance and effectively manage the risks of the trading and transaction books.	Net CAPEX vs plan OMAG cost vs plan Net position exposures vs targets Risk measures (VAR, PAR) vs SP targets Average resolution time Gadsby Construction Progress	4%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	4%	4%
						90-100%	90-100%	60-70%	0%	0%	0%	
						90-100%	90-100%	90-100%	90-100%	100%	6.5%	
						90-100%	90-100%	90-100%	90-100%	100%	6.5%	
						90-100%	90-100%	60-70%	0%	3%	3%	
						TBD	90-100%	90-100%	90-100%	100%	4%	
						TBD	90-100%	90-100%	90-100%	100%	4%	
Customer / Stakeholder	25%	Manage potential loss due to counterparty default Improve communications across business units Ensure customer satisfaction and meet contractual obligations	Number of daily violations of daily "ok" to trade list Qualitative assessment (1-10 scale) for communication Qualitative assessment (1-10 scale) for customer satisfaction	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
						TBD	TBD	TBD	0%	0%	0%	
						TBD	90-100%	90-100%	90-100%	100%	10%	
Employee	20%	Increase employee satisfaction Improve adherence to performance management process Improve safety Maximize transaction processing efficiency	Employee satisfaction score based on Generation Attitude and Action survey Performance objectives set and development plans completed according to schedule Training hours vs budget Retention of top performers Lost time vs target Recordables vs target Implementation of established milestones as evaluated by the Executive Safety Committee	5%	Scaled	TBD	TBD	TBD	90-100%	100%	5%	5%
						90-100%	90-100%	90-100%	90-100%	100%	5%	
						90-100%	90-100%	90-100%	90-100%	100%	2.5%	
						90-100%	90-100%	90-100%	90-100%	100%	2.5%	
						90-100%	90-100%	90-100%	90-100%	100%	1.25%	
						90-100%	90-100%	90-100%	90-100%	100%	1.25%	
Process	25%	Ensure all processes are adequately documented and implemented Ensure adequate resources are available to supply PacifiCorp's load requirements Ensure that the costs of the BU can be recovered through the regulatory process.	Delivery of reports before trading day Percent processes documented (operational) vs total processes in place Weather adjusted variance of demand forecasts vs targets Percent reserves margin maintained for PacifiCorp system Over/Under recovery of Business Unit Costs Percent recovery of new plant in 2002/03 rates cases IRP regulatory filing completed and accepted	5%	Cliff	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
						90-100%	90-100%	90-100%	80-90%	80%	3.4%	
						90-100%	90-100%	90-100%	90-100%	100%	4%	
						90-100%	90-100%	90-100%	90-100%	100%	4%	
						TBD	TBD	TBD	90-100%	100%	2%	
						TBD	TBD	TBD	90-100%	100%	2%	
						TBD	TBD	TBD	90-100%	100%	4%	
						TBD	TBD	TBD	90-100%	100%	4%	
						TBD	TBD	TBD	90-100%	100%	2%	
						TBD	TBD	TBD	90-100%	100%	4%	
Total (*)											88%	88%

POWER DELIVERY

Perspective	Weight	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	Efficientive Award	YEfficientive Award (adjusted)
						Q1	Q2	Q3	Q4			
Financial	40%	Achieve maximum allowed return Generate sustainable cash flow, within regulated boundaries Optimize OMAG Optimize CAPEX	EBIT (US GAAP) vs target Controllable cash flow (COF) OMAG vs Plan Net CAPEX vs Plan	10%	Scaled	70-80%	70-80%	0%	90-100%	100%	10%	0%
						90-100%	90-100%	90-100%	90-100%	100%	10%	
						90-100%	90-100%	90-100%	90-100%	100%	10%	
						90-100%	90-100%	80-90%	80%	8.8%	8.8%	
Customer / Stakeholder	30%	Achieve customer service standards that meet regulator's expectations  Achieve aspired image and reputation among stakeholders  Meet requirements for availability and reliability  Continue environmental improvement	Customer call service level  No. of complaints upheld by State PUC  TQS Survey  Customer Guarantee Failures (CG1-CG8)  Reliability of Supply, SAIDI (Excludes major storms)  Reliability of Supply, SAIFI (Excludes major storms)  Number of facilities covered by Environmental Management System (EMS)	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
						0%	70-80%	90-100%	90-100%	100%	5%	
						TBD	90-100%	90-100%	90-100%	100%	4%	
						0%	0%	0%	0%	0%	0%	
						0%	90-100%	70-80%	90-100%	100%	4%	
						0%	90-100%	70-80%	90-100%	100%	4%	
						90-100%	60-70%	60-70%	60-70%	100%	4%	
						TBD	TBD	TBD	TBD	100%	4%	
						90-100%	90-100%	90-100%	90-100%	100%	4%	
						90-100%	90-100%	0%	0%	0%	0%	
Process	10%	Increase employee satisfaction  Improve adherence to performance management process  Improve Safety  Implement and adhere to PacifiCorp's Safety Policy	Employee satisfaction score based on PacifiCorp Attitude and Action survey  Performance Objectives set and development plans completed according to schedule  Lost time vs targets  Recordable incident rates vs targets  Implementation of established milestones as evaluated by the Executive Safety Committee	4%	Scaled	TBD	TBD	TBD	TBD	100%	4%	4%
						90-100%	90-100%	90-100%	90-100%	100%	4%	
						90-100%	90-100%	90-100%	90-100%	0%	0%	
						90-100%	90-100%	0%	0%	0%	0%	
Process	10%	Optimize effectiveness and efficiency of CS processes (Metering, Billing, CC, and Credit/Collections)  Maximize efficiency and effectiveness of Transmission processes RMS standards compliance (0 RMS violations due to Transmission Unit)  Obtain support/compliance from trade unions for the company's business plans and actions  Ensure BU costs can be recovered through the regulatory process	Service cost per customer (aggregated for metering, billing, call center, credit/collections)  Zero RMS Violations  Residential connection cost (before CIAC)/New customer  % normalized costs to the allowed regulatory requirement	3%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	3%	3%
						90-100%	90-100%	90-100%	90-100%	100%	2%	
						90-100%	90-100%	90-100%	90-100%	100%	3%	
						TBD	TBD	TBD	TBD	100%	2%	
				100%					Total		87%	77%

CSCED

perspective	Objective Weight Description	Objective Metric	Weight Measure	Performance				Year End Performance	YE Incentive Award	YE Incentive Award (adjusted)
				Q1	Q2	Q3	Q4			
Financial	20%	Meet budget targets for CED (OMAG)	Scaled	90-100%	90-100%	90-100%	80-90%	100%	7.5%	7.5%
		Optimize OEI (CED)	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Deferred expenses for CED	Scaled	90-100%	90-100%	90-100%	90-100%	100%	7.5%	7.5%
Customer / Stakeholder	40%	Work with Power Delivery and Power Supply by coordinating community education regarding construction and relicensing permits.	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
		DSM/LI organization to efficiently meet the company's resource requirements, contribute to environmental agenda and satisfy merger and rate case commitments	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
		Number of rejected permit applications	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
		IRP targets for DSM	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
		Merger Commitments	Cliff	90-100%	90-100%	90-100%	90-100%	100%	5.0%	5.0%
		State orders	Cliff	90-100%	90-100%	90-100%	90-100%	100%	5.0%	5.0%
		Opinion leader survey	Scaled	TBD	80-90%	80-90%	80-90%	80%	8%	8%
Employee	20%	Achieve aspired image and reputation among stakeholders	Scaled	TBD	80-90%	80-90%	80-90%	80%	8%	8%
		Increase employee satisfaction	Scaled	TBD	90-100%	90-100%	90-100%	100%	5%	5%
		Employee satisfaction score based on Pacificorp Attitude & Action survey	Scaled	TBD	90-100%	90-100%	90-100%	100%	5%	5%
Process	20%	Improve adherence to performance management process	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Provide a safe and healthy work environment	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
		Implementation of established milestones as evaluated by the Exec Safety Committee	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
100%	100%	Balance corporate contributions among jurisdictions.	Scaled	TBD	80-90%	70-80%	90-100%	100%	10.0%	10.0%
		Efficient implementation of organizations tracking documentation and communication plans	Scaled	TBD	TBD	TBD	80-90%	80%	2.1%	2.1%
		Ensure that business unit costs can be recovered through the regulatory process	Scaled	TBD	TBD	90-100%	90-100%	100%	7.5%	7.5%
<b>Total</b>									<b>98%</b>	

Perspective	Objective Weight	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	Incentive Award	Incentive Award (adjusted)
						Q1	Q2	Q3	Q4			
Financial	40%	Optimize OMAG	Actual UK GAAP OMAG vs. Plan (w/out assessments)	20%	Scaled	80-90%	90-100%	90-100%	90-100%	100%	20%	20%
		Optimize capital investment	NET UK GAAP CAPEX vs. Plan	10%	Scaled	0%	60-70%	90-100%	90-100%	100%	10%	10%
		Deliver a reliable service at competitive prices	CBS transaction costs benchmarked against competitors	10%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
Customer / Stakeholder	20%	Maximize CC system availability	Customer Facing Systems Availability	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Minimize disruptions in service	Service Level Agreement Compliance	7%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	7%	7%
		"Easy to do business with" by providing satisfactory service via process improvements and attention to customer needs and priorities	Client Satisfaction Survey	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Employee	20%	Ensure minimal impact of uncontrollable disruptions to operations, as well as timely restoration of mission critical systems and information	Monthly Risk Ranking	3%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	3%	3%
		Increase employee satisfaction	Employee Satisfaction	5%	Scaled	TBD	TBD	TBD	TBD	80%	4%	4%
		Improve adherence to performance management process	Performance Objectives	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Process	20%	Implement and adhere to PacificCorp Safety Policy	Lost Time vs Targets	4%	Scaled	0%	0%	0%	0%	0%	0%	0%
			Recordable Incident Rates vs Targets	3%	Scaled	0%	0%	0%	0%	100%	3%	3%
			Implementation of Established Milestones	3%	Cliff	TBD	TBD	90-100%	90-100%	100%	3%	3%
Process	100%	Ensure BU costs can be recovered through the regulatory process	Percent of Normalized Costs	5%	TBD	TBD	80-90%	90-100%	90-100%	100%	5%	5%
		Minimize transaction errors when processing paychecks, expense reports, HR information and travel transactions	Error Rate Per Employee	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Optimal delivery of technology solutions (Tibco, SAP)	Business Case Benefits Realized	5%	Scaled	TBD	TBD	TBD	TBD	100%	5%	5%
Process	100%	Provide support for critical corporate projects (RAP, SRP, facilities relocations)	Projects Delivered On-time Within Budget as Specified	5%	Scaled	TBD	60-70%	90-100%	90-100%	100%	5%	5%
		<b>Total</b>										<b>95%</b>



REGULATION

Perspective	Objective Weight	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	YE Incentive Award	YE Incentive Award (adjusted)
						Q1	Q2	Q3	Q4			
Financial	10%	Manages Regulation and Govt. Affairs BU within Budget	CAPEX vs Target	2%	Scaled	0%	0%	90-100%	90-100%	100%	2%	2%
						90-100%	90-100%	90-100%	90-100%	90%	7.6%	7.6%
Customer / Stakeholder	40%	Manage effective working relationships to promote PacifiCorp position Ensure that federal and state laws and attitudes amongst state and federal elected officials do not impede cost recovery opportunities Develop & implement standards, educate effectively and provide ongoing support, ensure BU spends according to regulated restraints Involvement of PacifiCorp/SP management in regulatory process Support and help shape environmental initiatives to ensure safety, reliability, without subsidization	Regulatory satisfaction survey (credibility, accessibility and accuracy of information) Achievement of legislative agenda and support/neutrality amongst elected officials for the company's regulatory filings Survey rating - accessibility of staff and information Number of top level meetings arranged for PC/ISP management State and Federal legislation consistent with company environmental policy objectives Implementation of legislatively mandated environmental initiatives consistent with legislative requirements Demonstration of customer benefits such that all costs are recoverable	6%	Scaled	TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
						TBD	TBD	90-100%	90-100%	100%	6%	6%
Employee	20%	Increase employee satisfaction Improve adherence to performance management process Implement and adhere to PacifiCorp Safety Policy	Employee satisfaction score based on Regulation Attitude and Action survey Performance objectives set and development plans completed according to schedule Implementation of established milestones as evaluated by the Executive Safety Committee	5%	Scaled	TBD	TBD	90-100%	90-100%	100%	5%	5%
						TBD	TBD	90-100%	90-100%	100%	5%	5%
						TBD	TBD	90-100%	90-100%	100%	10%	10%
						TBD	TBD	90-100%	90-100%	100%	4%	4%
Process	30%	Review and comment on all significant external financial reporting in a timely manner Ensure timely and accurate production of rate case Facilitate timely reports and disclosure of lobby and campaign expenses in accordance with state and federal laws	Establish Service Agreements with Int Coms, Ext Coms & IR and monitor performance to agreements Develop and secure Senior Management approval for REA process mapping and modeling Develop, distribute and explain BU run rate data and analyses in a timely and accurate manner Percent of lobbying reports delivered timely and accurate	5%	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	5%
						TBD	TBD	90-100%	90-100%	100%	10%	10%
						TBD	TBD	90-100%	90-100%	100%	10%	10%
						TBD	TBD	90-100%	90-100%	90%	4.5%	0.0%
				100%					Total	99%	89%	

STRATEGY

Perspective	Weight	Objective Description	Objective Metric	Weight	Measure	Performance Of				Year End Performance	YES/Incentive Award	YES/Incentive Award (adjusted)
						Q1	Q2	Q3	Q4			
<b>Financial 20%</b>												
		Manage operating costs by optimizing process, system and employee efficiency	OMAG costs vs Plan	18%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	18%	18%
		Ensure that capital expenditure is optimized	CAPEX vs Plan	2%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	2%	2%
<b>Customer/Stakeholder 20%</b>												
		Maintain Customer Service/satisfaction while delivering strategies and solutions to major issues facing the company. Ensure that the key customer contacts and influencers are appropriately briefed re. these issues to enable them to effectively communicate with customers	Provide timely and effective updates to RCMs and CAMS regarding major issues and developments	10%	Scaled	TBD	TBD	90-100%	90-100%	100%	10%	10%
		Continue to deliver merger commitments	Merger commitments maintained	4%	Cliff	90-100%	90-100%	90-100%	90-100%	100%	4%	4%
		Optimize link between economic and environmental values	Results of Environmental policy forum satisfaction survey	6%	Cliff	TBD	TBD	90-100%	90-100%	100%	6%	6%
<b>Employee 20%</b>												
		Increase employee satisfaction	Employee satisfaction score based on PacifiCorp Attitude and Action survey	5%	Scaled	TBD	TBD	90-100%	90-100%	100%	5%	5%
		Improve adherence to PM process	Performance objectives set and development plans completed according to schedule	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
			Lost time vs targets	2.5%	Cliff	90-100%	90-100%	90-100%	90-100%	100%	2.5%	2.5%
			Recordable incident rates vs targets	2.5%	Cliff	90-100%	90-100%	90-100%	90-100%	100%	2.5%	2.5%
		Implement and adhere to PacifiCorp Safety Policy	Implementation of established milestones as evaluated by the Executive Safety Committee	5%	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	5%
<b>Process 40%</b>												
		Ensure that costs can be recovered through regulatory process	Audit of decision documentation (not lower than a B and deficiencies corrected)	4%	Cliff	TBD	TBD	90-100%	90-100%	100%	4%	4%
			90 % above the line (as adj. by steering committee)	4%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	4%	4%
		Robust Business Plan & Policies	Agreement on a robust US strategy approved by US Strategy Meeting (Q3)	12%	Cliff	TBD	TBD	90-100%	90-100%	100%	12%	12%
		Timely & effective delivery of strategic projects	Group Planning submission milestones achieved	6%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	6%	6%
		Professional Presentation of PPW to the group	Key milestones delivered vs plan (as approved by Exec/SC)	10%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
			CEO survey on quality and accuracy of materials prepared for review and submitted to AQ	4%	Cliff	TBD	TBD	TBD	90-100%	100%	4%	4%
<b>Total</b>											100%	100%

HUMAN RESOURCES

Perspective	Weight	Objective	Metric	Weight	Performance				Year End Performance	YEF Incentive Award	YEF Incentive Award (adjusted)	
					Q1	Q2	Q3	Q4				
Financial	20%	Meet budget targets for US Corporate HR	Budget Spend vs actual spend	6%	90-100%	90-100%	90-100%	80-90%	80%	5.2%	5.2%	
		Meet FTE budget for US Corporate HR	Budget FTE vs actual FTE	6%	80-90%	80-90%	90-100%	90-100%	100%	6%	6%	
		Manage employee benefits plans, remuneration and other HR targets in US	US Benefit cost vs target of existing plans	4%	80-90%	90-100%	80-90%	90-100%	100%	4%	4%	
		Design and structure HR plans to ensure that they best meet the guidelines established by regulators regarding enhancing customer benefit; provide resources and support to rate cases based upon HR issues	HR recoverability evaluation conducted by Regulation Senior Management	4%	Scaled	TBD	TBD	TBD	90-100%	100%	4%	4%
Customer / Stakeholder	30%	Provide US input to development of HR Strategy and develop US implementation plan to support the delivery of the HR Strategy	US Plan completed and supported by CEC	10%	Cliff	TBD	TBD	90-100%	100%	10%	10%	
		US Monthly Calendar Milestones completed	Milestones met	10%	Scaled	80-90%	90-100%	70-80%	100%	10%	10%	
		Positive relations with PacifiCorp CEC and Board. Provide input to SP Board meetings and committees governing HR matters	Survey of PacifiCorp Board and CEO on quality and effectiveness of HR leadership driving and enabling good business outcomes	5%	Scaled	TBD	TBD	TBD	70-80%	70%	3.9%	3.9%
		Provide support and advice to business units on issues of key HR policy	Survey of business units on service effectiveness	5%	Scaled	TBD	TBD	TBD	90-100%	100%	5%	5%
Employee	10%	Increase employee satisfactions in Corporate HR	Employee satisfaction score based on Attitude and Action survey	3%	Scaled	TBD	TBD	70-80%	80%	2.4%	2.4%	
		Improve adherence to performance management process across Corporate HR	100% of staff in Corporate HR who have targets and feedback on time	4%	Scaled	90-100%	90-100%	90-100%	100%	4%	4%	
		Raise the capability and performance of Corporate HR	100% of Corporate HR staff who have completed their agreed development plans	3%	Scaled	90-100%	90-100%	90-100%	100%	3%	3%	
Process	40%	Obtain support/compliance from trade unions for the company's business plans and actions	Labor council executives satisfaction/local union leadership survey	10%	Scaled	TBD	TBD	90-100%	10%	10%	10%	
		Maintain positive reputation as a leader on employment law related issues through employment compliance and mitigation of employment related litigation	Effective claims resolution and advice, and mitigation of significant litigation cost as judged by GC in U.S.	8%	Scaled	TBD	90-100%	90-100%	100%	8%	8%	
		Ensure critical processes are delivered on time and with business unit input. Leadership surveys; IA reparations; Incentive plans; HR Portals; Performance Management; Benefits open enrollment; Ment programs	Evaluation by PacifiCorp CEC, Business and Corporate dept. heads	12%	Scaled	TBD	TBD	TBD	90-100%	100%	12%	12%
		To maximize the effectiveness of employees through performance management planning, development and organizational climate initiatives	Talent management and gap assessment completed in all business units. OE curriculum identified and initiated to meet the needs of the gap assessment	10%	Cliff	TBD	TBD	90-100%	100%	10%	10%	
				100%					Total	98%	98%	

FINANCE

Perspective	Weighting	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	YE Incentive Award	YE Incentive Award
						Q1	Q2	Q3	Q4			
Financial	40%	Cost effective department	Department actual expenditure vs. budget	10%	Scaled	90-100%	90-100%	70-80%	90-100%	100%	10%	10%
		Strong contribution towards delivery of PacificCorp EBIT target	PacificCorp EBIT v budget	30%	Scaled	90-100%	90-100%	90-100%	80-90%	80%	25.7%	0.0%
Customer / Stakeholder	20%	Strong working relationships with US businesses	Score on Finance customer survey v/s baseline (2.37)	5%	Scaled	TBD	TBD	TBD	90-100%	100%	5%	5%
Employee	20%	No "surprises" for the city	Stock Exchange Announcements vs. forecasts	5%	Cliff	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
		Ensure Board & Executive Trust Team trust quality and transparency of finance information provided	Feedback from D. Nish on Executive Team / Board satisfaction	10%	Cliff	TBD	TBD	TBD	90-100%	100%	10%	10%
		Increase employee satisfaction	Employee satisfaction score based on Attitude and Action survey	5%	Scaled	TBD	TBD	TBD	80-90%	80%	4%	4%
		Improve adherence to performance management process	Performance objectives set and development plans completed according to schedule	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Process	20%	Maintain effective teamwork	% of employees who rate departmental teamwork as "strong" or better	5%	Scaled	TBD	TBD	TBD	70-80%	80%	4%	4%
		Maintain skills / experience of the department staff	No. of employees rated as meeting or exceeding their objectives	5%	Scaled	TBD	TBD	TBD	80-90%	80%	4%	4%
		Comply with best practice disclosures and governance practices, & full compliance with US & UK GAAP	No. of Management Letter points presented to the Audit committee	5%	Scaled	TBD	TBD	TBD	0 items on SUD list	100%	5%	5%
		Dynamic business modeling and scenario planning capability	PWC "Quality of Earnings" Report	5%	Cliff	TBD	TBD	TBD	80-90%	80%	4%	4%
Process	100%	Timeliness of reporting (management reporting & external financial reporting)	Feedback from D. Nish on Exec Team / Board satisfaction	10%	Scaled	TBD	TBD	TBD	80-90%	80%	8%	8%
		Total										

TREASURY

Respective Weighting	Objective Description	Objective Metrics	Weight	Measure	Performance				Year end Performance	YE Incentive Award	YE Incentive Award (adjusted)
					Q1	Q2	Q3	Q4			
40%	Cost effectiveness of department Beat the budget US: GBP rate for the year Adhere to Board guideline regarding fixed: floating dept ratio Obtain cost effective funding	Department actual expenditure vs. budget Fx rate achieved vs. budget rate (<1.45) Actual fixed: floating ratio vs. target, within agreed range Cost of funding obtained vs. comparable issuers at time of financing	10% 10% 5% 10%	Scaled Cliff Cliff Scaled	90-100% 90-100% 90-100% 90-100%	90-100% 90-100% 90-100% 90-100%	90-100% 90-100% 90-100% 90-100%	90-100% 90-100% 90-100% 90-100%	100% 100% 100% 100%	10% 10% 5% 10%	10% 10% 5% 10%
20%	Maximize return on cash given investment constraints (per board resolutions)	Interest rate achieved vs. benchmark of MoneyNet First Tier Institutional MMF 12 month avg yield	5%	Scaled	TBD	TBD	TBD	90-100%	100%	5%	5%
20%	Maintain effective relationships with banks, rating agencies, etc	Feedback on Treasury dept to D. Nish and A. Coats from banks, etc.	20%	Cliff	TBD	TBD	TBD	90-100%	100%	20%	20%
20%	Increase employee satisfaction	Employee satisfaction score based on Attitude and Action survey	10%	Scaled	TBD	TBD	TBD	80-90%	80%	8%	8%
20%	Improve adherence to performance management process	Performance objectives set and development plans completed according to schedule	10%	Scaled	TBD	TBD	TBD	90-100%	100%	10%	10%
20%	Ensure counterparty credit limits are maintained	Breaches of credit limits	5%	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
20%	Ensure that the group is adequately funded	No omissions	10%	Cliff	90-100%	90-100%	90-100%	90-100%	100%	10%	10%
20%	Maintain adequate controls	No. of significant internal/external audit points	5%	Scaled	TBD	TBD	TBD	TBD	100%	5%	5%
100%			100%						Total	98%	98%

COMMUNICATIONS

Perspective	Weight	Objective	Metric	Measure	Performance				Year End Performance	Incentive Award	Incentive Award (Adjusted)
					Q1	Q2	Q3	Q4			
Financial 10%	5%	Effectively manage department spend	Actual spend vs. budget (US budget)	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
	2%	Ensure that the majority of communications costs can be recovered through the regulatory process	Minimize disallowed communications expenditures	Scaled	80-90%	90-100%	90-100%	90-100%	100%	2%	2%
	3%	Ensure communications activities do not compromise recovery of the allowed ROE	Negative impact on regulatory recovery - as identified by Regulation department	Cliff	TBD	90-100%	90-100%	90-100%	100%	3%	3%
Customer / Stakeholder 30%	10%	Provide strategic communications counsel on emerging issues	Judi Johansen / Develop US Exec feedback mechanism on the handling of major issues	Cliff	TBD	TBD	90-100%	90-100%	100%	10%	10%
	10%	Enhance and protect reputation of ScottishPower group	Customer surveys and opinion leader surveys (TQS, JD Powers, Opinion Leader Survey, Regulation survey of Commissions, Media Audit, Analyst and institution surveys)	Cliff	TBD	TBD	90-100%	90-100%	95.0%	9.5%	0.0%
	5%	Provide consistent and clear communications to employees on the company's strategy, key messages, progress & relevant industry issues	Implement a variety of communications channels	Cliff	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
	3%		Develop and implement regulatory, safety, HR-related, energy services communications plans	Cliff	90-100%	90-100%	90-100%	90-100%	100%	3%	3%
	2%		Solicit employee feedback on communications channels periodically	Cliff	90-100%	90-100%	90-100%	90-100%	100%	2%	2%
Employee 20%	10%	Increase employee satisfaction	Employee satisfaction score based on ScottishPower Attitude and Action survey or BU specific survey	Scaled	TBD	TBD	90-100%	90-100%	100%	10%	10%
	5%	Improve adherence to performance management process	% of US Communications Dept employees who have targets and feedback on time	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
	5%	Raise the capability and performance of Corporate Communications Staff	% of Corporate Comm staff who have completed their agreed development plans	Scaled	90-100%	90-100%	90-100%	90-100%	100%	5%	5%
Process 40%	5%	Promote good coverage for ScottishPower in the media through efficient handling of inquiries and provision of timely, accurate and credible materials to media outlets	(Media audit) Develop survey questionnaire for media outlets and Officers	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	0%
	3%	Maintain high readiness to handle the communications aspects of emergency scenarios	US Emergency plans kept current, periodically tested and adjusted as needed	Cliff	90-100%	90-100%	90-100%	90-100%	100%	3%	3%
	3%	Maintain a team of media-trained executives and senior managers	Completion of media training program for US executive team and senior staff	Cliff	90-100%	90-100%	90-100%	90-100%	100%	3%	3%
	5%	Create an environment of understanding among key influencers / stakeholders / decision takers in support of the company's objectives	Surveys of analysts and institution / individual investors	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	5%
	5%	Support delivery of the PacificCorp business plan by developing consistent messages for current or emerging issues	Develop and implement an internal survey measuring quality and depth influencing programs. Include assessment of impact on Corp Business decisions, decision takers/ hoped for/influencing actions taken.	Cliff	TBD	TBD	90-100%	90-100%	100%	5%	5%
	2%	Introduce upgraded group internet	Communications plans to support major issues developed and implemented	Cliff	TBD	TBD	90-100%	90-100%	100%	2%	2%
	8%	Develop effective communications channels to disseminate information to employees	Delivery of phased approach. Activity measurement using web trends software	Cliff	90-100%	90-100%	90-100%	90-100%	100%	8%	8%
	4%	Publication of Annual reports and Accounts; Publication of Environmental Report; Publication of Community Report; Stage AGMs/EGMs; Stage Interims and Prelims results; Manage Major events	Produce at least three all employee communications channels per month	Cliff	90-100%	90-100%	90-100%	90-100%	100%	4%	4%
	0%	Improve the management, measurement and reporting of community involvement activity	Publications- prompt and complete delivery on time and on budget US based events (SMG) 100% on schedule and on budget	Cliff	90-100%	90-100%	90-100%	90-100%	100%	0%	na
	100.0%		N/A for US corporate communications	na	na	na	na	na	na	na	na
<b>Total</b>										96%	98%

RISK MANAGEMENT

Perspective	Weighting	Objective Description	Objective Metric	Weight	Measure	Performance				Year End Performance	YE Incentive Award	YE Incentive Award (adjusted)				
						Q1	Q2	Q3	Q4							
Financial	20%	Meet budget targets for US Corporate Risk	Budget Spend vs actual spend	20%	Scaled	90-100%	90-100%	90-100%	80-90%	80%	16%	16%				
						Customer / Stakeholder										
Customer / Stakeholder	30%	Maintain understanding of the strategic and detailed risks facing the businesses, and provide expert advice on risk mitigation	Establish RAROC	18%	Scaled	TBD	TBD	TBD	70-80%	70%	12.6%	12.6%				
						Proactive challenge/ involvement in GRMC/RF/RAT processes and decisions. Ongoing education of senior management and outside stakeholders in risk and financial issues	Exec/Senior Mgmt/Stakeholder feedback	12%	Scaled	TBD	70-80%	70-80%	80%	9.6%	9.6%	
										Employee						
Employee	20%	Increase employee satisfactions in Corporate Risk	Employee satisfaction score based on PacifiCorp A&A survey	5%	Scaled	TBD	TBD	TBD	90-100%	100%	5%	5%				
						Improve adherence to performance management process across Corporate Risk	100% of staff in Corporate Risk who have targets and feedback on time	5%	Scaled	90-100%	90-100%	90-100%	100%	5%	5%	
										Raise the capability and performance of Corporate Risk	100% of Corporate Risk staff who have completed their agreed development plans	5%	Scaled	90-100%	90-100%	90-100%
						Implement and adhere to PacifiCorp Safety Policy	Implementation of established milestones as evaluated by the Executive Safety Committee	5%	Cliff					TBD	TBD	5%
Process																
Process	30%	Reduce volatility of earnings	Percentage of 2003 budgeted earnings (EBIT) as a cap	3%	Scaled	0%	70-80%	70-80%	80-90%	80%	2.6%	0.0%				
						Effective risk and internal control framework - Develop consistent risk policies, procedures and processes across supporting Energy Risk Management	Policies adopted and approved by ET (or GRMC)	9%	Cliff	TBD	90-100%	90-100%	90-100%	100%	9%	9%
										Implement systems to support measurement and analysis of risk to drive decision making (market credit and operational). Includes tools for real options and support to implement RAROC.	Delivery of project milestones. Improved decision making to enhance returns.	9%	Scaled	60-70%	60-70%	60-70%
Total																
											85%	82%				

INTERNAL AUDIT

Perspective	Objective	Objective Weighting	Description	Objective Metrics	Weighting	Measures	Performance				Year end Performance	YE/Incentive Award	YE/Incentive Award (adjusted)
							Q1	Q2	Q3	Q4			
Financial	Cost effectiveness of department	10%		Department actual expenditure vs. budget	10.0%	Scaled	80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	10%	10%
							90 - 100%	90 - 100%	90 - 100%	90 - 100%	100%	10%	10%
Customer/Stakeholder	Maintain effective process for identifying and assessing key risks	40%		PWC review of scope of work in audit plan	5.0%	Scaled	80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							90 - 100%	90 - 100%	90 - 100%	90 - 100%	100%	5%	5%
							70 - 80%	70 - 80%	90 - 100%	90 - 100%	100%	30%	30%
							80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%		
Employee	Assist the Audit Committee and the Exec Team to comply with best practice on governance / internal control	20%		Feedback from Audit Committee, Chief Executive, Finance Director, ET and PWC on the quality of the governance process.	30.0%	Scaled	80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	30%	30%
							90 - 100%	90 - 100%	90 - 100%	90 - 100%	100%		
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	80%	4%	4%
							70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
Process	Strengthen leadership behaviors	30%		Employee satisfaction score based on PacificCorp A&A survey	5.0%	Scaled	60 - 70%	70 - 80%	90 - 100%	90 - 100%	80%	4%	4%
							70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	60 - 70%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	5%	5%
Process	Improve adherence to performance management process	30%		% of employees who have targets and feedback on time	5.0%	Scaled	60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	5%	5%
							70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	60 - 70%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	5%	5%
Process	Maintain effective teamwork	30%		Actual staff profile vs. profile required	5.0%	Scaled	60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	5%	5%
							70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	60 - 70%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	5%	5%
Process	Maintain skills/ experience	30%		Assessment of the number & quality of audit recommendations by PWC	5.0%	Scaled	80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							90 - 100%	90 - 100%	90 - 100%	90 - 100%	100%	5%	5%
							80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
Process	Identify weaknesses in controls, including major projects and systems implementations, and make recommendations for improvement	30%		Effectiveness of the recommendation status dashboards and results of follow-up reviews	5.0%	Scaled	80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							90 - 100%	90 - 100%	90 - 100%	90 - 100%	100%	5%	5%
							80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							80 - 90%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
Process	Maintain effective audit process	30%		% of plan (subject to changes to the Audit Plan tabled at Audit Committee meetings) that was completed	15.0%	Scaled	60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	15%	15%
							70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	15%	15%
							60 - 70%	60 - 70%	90 - 100%	90 - 100%	100%	15%	15%
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	15%	15%
Process	Completion of audit plan	30%		Additional projects undertaken at the request of the Audit Committee, ET and Business	15.0%	Scaled	60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	15%	15%
							70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	15%	15%
							60 - 70%	60 - 70%	90 - 100%	90 - 100%	100%	15%	15%
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	15%	15%
Process	Efficiency of the audit department	30%		80% of audit work completed within budget 80% of available productive time (excluding vacation, sickness training) spent on audit/ assurance work	5.0%	Scaled	70 - 80%	80 - 90%	90 - 100%	90 - 100%	100%	5%	5%
							80 - 90%	90 - 100%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	60 - 70%	90 - 100%	90 - 100%	100%	5%	5%
							60 - 70%	70 - 80%	90 - 100%	90 - 100%	100%	5%	5%
Total							99%				99%		