

Exhibit No. ___(EDW-2)
Docket Nos. UE-061546/UE-060817
Witness: Erich D. Wilson

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

vs.

PACIFICORP dba Pacific Power & Light
Company,

Respondent.

Docket No. UE-061546

In the Matter of the Petition of
PACIFICORP dba 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

**PACIFICORP
EXHIBIT ACCOMPANYING REBUTTAL TESTIMONY
OF
ERICH D. WILSON**

Scorecards

March 2007

PacifiCorp Performance Management Scorecard

Commercial & Trading

Category	Objective	Metric	Incentive Metric (X)	Incentive Weight	Incentive Measure
Financial	Align portfolio management strategy with risk/return tolerance	No. of material breaches of risk limits as set out in the Divisional Risk Policy and Procedures			
	Manage operating costs by optimizing process, system, and employee efficiency	Actual OMAG vs. plan (w/out assessments or depreciation - US GAAP)	X	10%	Scaled
	Optimize System Balancing performance	Net Unit Balancing Margin	X	20%	Scaled
	Improve accuracy of load forecasting & reporting	Retail Margin vs. Plan (\$M)			
Stakeholder/ Customer	Manage potential loss due to counterparty default	Number of violations of daily "ok to trade" list			
	Ensure all requests for data are returned on time	Percentage of on-time responses to all data requests (Rate Case, WECC, FERC, 10-Q etc.) and complete other key Regulatory milestones.	X	15%	Scaled
	Delivery of the IRP/RFP	IRP/RFP project milestones completed (20 total)	X	10%	Scaled
	Ensure adequate resources are available to supply PacifiCorp's load requirements	Number of WECC Operating Reserve violations			
Employee	Ensure customer satisfaction and meet contractual obligations	TQS Customer Satisfaction rating of industrial customers			
	Improve Employee satisfaction and effectiveness	Final metric to be determined	X	10%	Scaled
	Build experienced workforce	No. of hours training vs. budgeted hours			
	Attract and retain seasoned professionals	Retention of top performers			
Process	Ensure all processes are adequately documented and controlled	Completion of Controls (inc. SOX404) milestones (4 total)	X	15%	Scaled
	Improve executive decision-making abilities by ensuring high quality and reliable information	Weather adjusted year ahead annual MAPE for energy actual vs. budget			
	Improve executive decision-making abilities by ensuring high quality and reliable information	Weather adjusted within year average monthly MAPE for revenue actual vs. budget	X	20%	Scaled
	Improve executive decision-making abilities by ensuring high quality and reliable information	Completion of retail forecasting audit and financial forecasting modeling milestones (16 total)			
			Total:	100%	

PacifiCorp Performance Management Scorecard

Generation

Category	Objective	Metric	Incentive Metric (X)	Incentive Weight	Incentive Measure
Financial	Increase the value delivered to all stakeholders	YTD Actual vs. budget net margin	X	30%	Scaled
	Optimize OMAG	YTD Actual vs. budget OMAG w/o assessments			
	Optimize capital expenditures	YTD Actual vs. budget CAPEX			
Stakeholder/ Customer	Increase the availability at the best market point	YTD Actual vs. budget market achievement	X	20%	Scaled
	Maximize equivalent availability	YTD Actual vs. budget equivalent availability	X	10%	Scaled
	Deliver the most cost-effective solutions to meet the requirements of the IRP	Currant Creek 1 Phase II project is on schedule and budget to meet a 01 Mar 06 commercial date	X	10%	Scaled
	Be good environmental stewards	Environmental Action Plans milestones completed by agreed schedule dates			
Employee	Improve Employee satisfaction and effectiveness	Achieve workforce / climate improvement plan milestones	X	10%	Scaled
	Provide a safe and healthy environment for all workers	YTD Actual vs. budget lost time incident rate			
	Provide a safe and healthy environment for all workers	YTD Actual vs. budget recordable incident rate	X	5%	Scaled
	To Improve Health and Safety Performance	Improve on Group Health and Safety Standards Assessment Overall Score. ~Focusing on Leadership, Emp. Involvement, Training & Competence and Occ. Health ~Measured as an improvement over 2004/05 assessment	X	5%	Scaled
Process	Capture maximum value of generation	YTD Actual vs. budget Heat Rate			
	Improve unit production cost of generation	Critical Business processes' KPI's met	X	10%	Scaled
	Meet rate case process performance goals	Percentage achievement of CEC approved GRC process milestones			
Total:				100%	

PacifiCorp Performance Management Scorecard

Fuel Resources

Category	Objective	Metric	Incentive Metric (X)	Incentive Weight	Incentive Measure
Financial	Optimize delivered fuel costs	Delivered coal \$/mmbtu actual vs. budget US GAAP	X	15%	Scaled
	Optimize OMAG costs	NET US OMAG \$ actual vs. budget	X	10%	Scaled
	Optimize Capital Investment	CAPEX \$ actual vs. budget with BCC at 100%			
Stakeholder/ Customer	Provide a consistent and continuous supply of coal to power stations	Percent of predicted plant specific quality and continuity parameters achieved	X	15%	Scaled
	Manage environmental responsibilities	Reclamation topsoil acres completed	X	10%	Scaled
Employee	Improve workforce / climate and capability	Achieve workforce / climate improvement plan milestones	X	10%	Scaled
	Manage health & safety processes	Improve on Group Health & Safety Standards Assessment overall score - Focusing on leadership, Emp. Involvement, Training & Competence and Occ. Health	X	5%	Scaled
	Manage health & safety processes	Implement health & safety milestones	X	5%	Scaled
	Improve safety	Lost-Time incident rate			
	Improve safety	Reportable incident rate	X	5%	Scaled
Process	Implement Bridger development plans	Completion of milestones	X	15%	Scaled
	Implement Deer Creek expansion plans	Completion of milestones	X	10%	Scaled
	Attain positive attestation in relation to the effectiveness of controls over financial reporting as required by SOX 404	Completion of documentation, remediation, and operational testing milestones			
	Meet rate case process performance goals	Percentage achievement of CEC approved GRC process milestones			
Total:				100%	

PacifiCorp Performance Management Scorecard

Power Delivery

Category	Objective	Metric	Incentive Metric (X)	Incentive Weight	Incentive Measure
Financial	Optimize Revenues	Wheeling Revenues	X	5%	Scaled
	Optimize OMAG	OMAG vs. plan (without Joint Use net OMAG and adjusted for reimbursable work revenue) Note: Net OMAG before assessments (US GAAP)	X	10%	Scaled
	Optimize Joint Use Profitability	Joint Use EBIT (Total revenue and costs)			
	Optimize CAPEX	Net CAPEX (US GAAP) (excluding IRP, Generation interconnects and customer driven projects)			
	Efficiency Initiatives	Achieve Efficiency Incremental Benefits			
	Achieve write-off target	Bad Debt Write-off	X	5%	Scaled
Stakeholder/ Customer	Achieve aspired image and reputation among stakeholders	Number of Complaints upheld by State PUC			
		TQS - Overall Satisfaction	X	10%	Scaled
	Guaranteed Standards Failures CG1 - CG7	X	15%	Scaled	
Meet requirements for availability and reliability	Reliability of Supply, SAIDI (Excludes Major Events)	X	15%	Scaled	
Employee	Improve Employee satisfaction and effectiveness	Final metric to be confirmed (e.g. improvement vs. plan or score on next A & A survey)			
	Increase employee satisfaction	Power Delivery Climate and Workforce Action Plan	X	10%	Scaled
	Meet OSHA requirements	Recordable Incident Rates vs. Target	X	10%	Scaled
	To Improve Health and Safety Performance	Improve on Group Health and Safety Standards Assessment Overall Score. - Focusing on Leadership, Employee Involvement, Training & Competence and Occupational Health - Measured as an improvement over 2004/05 assessment	X	5%	Scaled
Process	Maximize efficiency and effectiveness of Transmission processes: RMS standards compliance	Zero RMS Violations			
	Maximize efficiency and effectiveness of Grid Ops processes	Number of Grid Ops Control Errors			
	Maximize efficiency and effectiveness of Regional Dispatch processes	Number of Dispatch Control Errors			
	Maximize efficiency and effectiveness of T&D Engineering and Asset Management Maintenance Plan	System Operations and Field Ops Maintenance Program Compliance Level (Preventative and Corrective)	X	15%	Scaled
	Meter reading accuracy (error rate)	Meter reading accuracy (error rate)			
	Corporate Governance	Achieve Corporate Governance Milestones			
	Delivery of Key Regulatory Milestones	Support regulation department in completing pre-filing analysis on time and meeting discovery standards of performance			
Total:				100%	

US Performance Management Scorecard

Total PacifiCorp

Category	Objective	Metric	Incentive Metric (X)	Incentive Weight	Incentive Measure
Financial	Optimize profitability	IAS EBIT excluding IAS 39 (before exceptionals and goodwill) pre cross charge			
	Optimize profitability	IAS EBIT including IAS 39 (before exceptionals and goodwill) pre cross charge			
	Optimize availability at the best market point	YTD actual vs. budget market achievement	X	100%	Scaled
	Optimize Net Earnings	Net Earnings (US GAAP)			
	Optimize Working Capital	IAS Operating cashflow / EBITDA (Excluding IAS39)			
	Achieve maximum allowable rate of return	Return on Equity (ROE)			
	Optimize capital spend	Percentage of capital spend not captured in rates			
	Optimize cashflow position	Total IAS Cashflow			
Stakeholder/ Customer	Meet requirements for availability and reliability	Compliance with guaranteed service standards SAIDI			
	Achieve & Maintain positive company image & reputation with customers, regulators & opinion leaders	No. of Complaints Upheld by State PUC			
		TQS Survey			
		Opinion Leader survey			
Employee	Achieve a harm free working environment for employees	No of LTA's per 100 employees			
	To Improve Health and Safety Performance	Improve on Group Health and Safety Standards Assessment Overall Score. - Focusing on Leadership, Emp. Involvement, Training & Competence and Occ. Health - Measured as an improvement over 2004/05 assessment			
	Improve Employee satisfaction and effectiveness	Performance culture compared to baseline			
Process	Align portfolio management strategy with risk/return tolerance	No. of material breaches of risk limits as set out in the Divisional Risk Policy and Procedures			
	Ensure that PacifiCorp costs can be recovered through the regulatory process	e.g. Percentage of rate case increases awarded vs. budget (as adjusted for changes in revenue requirement)			
	Timely rate case preparation and processing	Delivery of Key Regulation Milestones			
	Attain positive attestation in relation to the effectiveness of control over financial reporting as required by SOX Section 404	Adopt the Entity Level Assessment through acknowledgment of the Guide to Business Conduct, implementation of the training program and awareness of the fraud reporting process			
Total:				100%	