

UE-100749/PacifiCorp  
September 8, 2010  
Public Counsel Data Request 83

**Public Counsel Data Request 83**

**Re: PacifiCorp's Response to WUTC Data Request No. 25.**

- a) Please provide a complete list of management fee costs that are charged to PacifiCorp by MEHC on the following bases:
  1. Direct Charges
  2. Indirect Charges
  3. Service Charges
- b) Please provide a narrative explanation, as well as the actual allocation percentages, used to assign indirect and service charges between PacifiCorp and MEHC's other subsidiaries.
- c) How is the management fee (charged by MEHC to PacifiCorp) allocated between PacifiCorp's state operations?
- d) Please provide an explanation of each heading listed under "Invoice Details" in the Attachment WUTC 25-1. Please also provide a complete list of the types of costs included in each:
  1. LTIP
  2. LEGISLATIVE
  3. AIRCRAFT
  4. B-T-L
  5. SERP
  6. MEHC BONUS
  7. MEHC BONUS (heading used twice)
  8. AIRCRAFT
  9. OTHER
  10. A-T-L

**Response to Public Counsel Data Request 83**

- a) Please refer to Attachment PC 83 -1 for a complete list of management fee costs charged to PacifiCorp by MEHC and MEC in calendar year 2009.
- b) Please refer to Attachment PC 83 -2 for the requested narrative explanation and Attachment PC 83-1 for the actual allocation percentages.
- c) The management fee charged by MEHC to PacifiCorp is allocated between PacifiCorp's state operations on an SO factor.
- d)
  1. LTIP – Stands for Long-Term Incentive Partnership Plan. The LTIP is designed to retain and reward key employees for their exceptional performance and motivate them to create long-term, sustainable value. The LTIP provides for annual awards based upon significant accomplishments by the individual participants

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and the achievement of company goals. Participation is discretionary and except for limited situations of extraordinary performance, awards are capped at 1.5 times base salary. These cash-based awards are subject to mandatory deferral and equal annual vesting over a five-year period starting in the performance year. LTIP charges are recorded below-the-line and are not part of rate cases.

2. LEGISLATIVE - Labor and non-labor lobbying charges excluded from rate cases and are booked below-the-line.

3. AIRCRAFT (BTL) - Charges for the use of MEC's planes by executives for business trips benefiting PacifiCorp. Charges in excess of commercial equivalents are booked below-the-line and are not part of rate cases.

4. B-T-L - Stands for below-the-line. These charges are not included in rate cases.

5. SERP - The Supplemental Executive Retirement Plan is a retention tool that provides additional retirement benefits to executives depending upon the achievement of company goals.

6. MEHC BONUS - MEHC's annual incentive awards based on individual and company performances which are measured against defined goals.

7. MEC BONUS - MEC's annual incentive awards based on individual and company performances which are measured against defined goals.

8. AIRCRAFT (ATL) - Charges for the use of MEC's aircraft by executives for business trips benefiting PacifiCorp. These charges are commercial equivalents and are included in rate cases.

9. OTHER - All other invoiced charges not specifically called out under the "Invoice Details" heading. These charges are included in rate cases as decided by PacifiCorp's regulations department.

10. A-T-L - Stands for above-the-line. These charges are included in rate cases.

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SPONSOR: To Be Determined