

Rocky Mountain Power
Exhibit RMP__(EDW-1)
Docket No. 08-035-38
Witness: Erich D. Wilson

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Erich D. Wilson

Richard Walje Goals

July 2008



2008 GOALS

RICHARD WALJE
PRESIDENT

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1. Support all company-wide goals. Collaborate with the presidents of Pacific Power, PacifiCorp Energy, MidAmerican Energy Company and MidAmerican Energy Holdings Company to ensure the efficient use of resources, leverage best of practices and consistent external communications.

Safety

2. Develop and implement the 2008 safety improvement plan, and improve Rocky Mountain Power's safety performance by reducing near misses to no more than 18, the recordable incident rate to no more than 2.19, the lost-time accident rate to no more than 0.17, restricted duty cases to no more than 12, medical treatment cases to no more than 28, preventable vehicle accidents to no more than 53, and hearing threshold shifts to no more than one. In addition, achieve a vehicle accident rate of no more than 1.98 per million miles driven, and comply with all mandated health and safety training requirements.

Environmental

3. Correct all noncompliance findings at manned operation facilities within 90 days of identification.
4. Reduce newly identified preventable spill incidents to less than 36. Note: Weeping transformers will be tracked as a separate line item until the historical spills have all been identified and remediated.
5. Perform 18 environmental management system facilities audits (12 service center audits and 6 substation audits).
6. Meet U.S. Fish and Wildlife Service requirements for avian and raptor protection. This is accomplished by reporting all eagle mortalities to the U.S. Fish and Wildlife Service within 48 hours, remediating poles within 30 days and correcting all line facilities within 90 days where protected birds have been killed.
7. Complete the first year of a three-year plan to review, edit and modify the spill prevention control and countermeasure plans.

8. Complete the first year of a three-year plan to remediate oil weeping or leaking substation equipment.
9. Deliver the sulfur hexafluoride (SF₆) gas emission reduction target per the Environmental Protection Agency partnership agreement.
10. Establish a plan and comply with storm water discharge permits and underground injection requirements.
11. Further integrate the environmental services organization within Rocky Mountain Power's construction and operations activities.
12. Increase Blue Sky participation in 2008 by 15 percent for both residential and industrial customers. Goal requires 4,050 new enrollments for Rocky Mountain Power and 5,080 new enrollments for Pacific Power.
13. Deliver demand-side management targets of 200 megawatts of class one schedule firm and/or dispatchable resource as measured at the generator.
14. Deliver demand-side management targets for class two of 20.21 average megawatts at the generator.
15. Support the development and filing of a revised demand-side management program for consideration in the state of Wyoming, and gain approval from the commission by June 1, 2008. Implement the outcome of the commission decision by Sept. 1, 2008.
16. Appropriately adjust the Idaho demand-side management surcharge tariff by April 1, 2008.
17. Achieve green e-certification for the Blue Sky program by February 2008.
18. Develop a modified net metering approach implementation plan which supports both Pacific Power and Rocky Mountain Power by March 2008.

Customer and Community Satisfaction

19. Update and implement a strategic communications plan focused on PacifiCorp Energy's and Rocky Mountain Power's operations, regulations and community relations.
20. Continue to implement customer service improvement plans.
21. Increase visibility and improve relations with industrial customers and consumer associations.

22. Improve J.D. Power residential customer survey results from second quartile rating to first quartile rating in the Western region.
23. Improve J.D. Power business customer survey results for Rocky Mountain Power from third quartile rating to second quartile rating in the Western region.
24. Achieve TQS customer survey score ranking of number two nationally.
25. Reduce the commission complaint rate by 5 percent from 282 to 268.
26. Reduce customer guarantee failures by 5 percent from 240 to 228.
27. Achieve telephone service levels of 83 percent answered in 30 seconds in support of reaching a 90 percent service level by 2010.
28. Achieve billing accuracy at or above 99.0 percent.
29. Achieve meter reading accuracy at or above 99.88 percent.
30. Complete 125 community relations plans for each of the primary communities Rocky Mountain Power serves.

Financial Performance

31. Achieve targeted Rocky Mountain Power net income.
32. Achieve targeted operations, maintenance, administrative and general budget.
33. Achieve targeted capital expenditure investment program.
34. Deliver bad debt net write-offs of less than \$11.7 million (0.35 percent of revenue) for Rocky Mountain Power and Pacific Power combined (\$5.8 million or 0.28 percent of billed revenue for Rocky Mountain Power).
35. Implement governance improvements in capital approvals and capital project monitoring to include budgeted contingency on all multi-year projects over \$10 million. Compliance will be measured by the audit of all projects in this category.
36. Continue to refine the Rocky Mountain Power asset investment plan to assure optimal use of capital.
37. Identify three output measures to gauge the effectiveness of capital investments. Establish a baseline for these measures to support future year planning.
38. Identify and deliver ongoing operational efficiencies.

39. Conduct five annual capital budget meetings in the region/district offices to identify capital investment needs based upon engineering studies, load growth, reliability and condition of assets.
40. Provide supporting documentation for all system distribution projects over \$500,000 and all substation and local transmission projects over \$1.0 million for calendar years 2009 thru 2013 by Sept, 15, 2008.
41. Continue to develop the business such that it is positioned to achieve 2009 net income and capital expenditures consistent with the 10-year plan established in the fall of 2007.

Operational Performance

42. Deliver the capital investment and maintenance plans within budget.
43. Restore 80 percent of customer outages within three hours in Utah, Wyoming and Idaho.
44. Implement the compliance and scheduling center initiative in the remaining 26 service center locations in 2008.
45. Ensure the average age of “A conditions” do not exceed 90 days for conditions identified.
46. Create and deliver reliability work plans to meet “Fuse It or Lose It” and “Saving System Average Interruption Duration Index” projects in Utah, Wyoming and Idaho.
47. Improve system average interruption duration index per customer from 196 to 179 (9 percent improvement).
48. Improve system average interruption frequency index per customer from 1.866 to 1.829 (2 percent improvement).
49. Improve customer average interruption duration index per customer from 105 to 98 (6.7 percent improvement).
50. Create reliability work plans for the 15 underperforming circuits in Rocky Mountain Power’s territory.
51. Measure the targeted reliability improvement focused maintenance plan and baseline improvements for future planning purposes. Specifically target customers experiencing multiple outages.

52. Identify all federal, state and tribal permits or easements for Rocky Mountain Power 230 kilovolt or larger transmission lines, which expire in the next five years. Annually develop and execute plans to renegotiate all such permits or easements expiring in a three-year time frame, and obtain or renew all that expire in 2008.
53. Complete all Western Electricity Coordinating Council-mandated substation maintenance requirements.
54. Refine the existing Rocky Mountain Power infrastructure plan to ensure consistency and to enable effective project scope and design in support of capital efficiency, engineering, competitive procurement and construction requirements
55. Complete all distribution planning studies scheduled for calendar year 2008: 23 by Sept. 30, 2008, and 11 more by Dec. 31, 2008.
56. Complete all local transmission area planning studies scheduled for calendar year 2008, a total of eight by Dec. 31, 2008.
57. Complete Wasatch Front 2008 summer post-peak report by Oct. 31, 2008.
58. Audit, update and train disaster response and recovery command center staff on disaster response.
59. Complete work plan associated with the development of Rocky Mountain Power's disaster contingency plan.
60. Deliver the 2008 risk management plan with satisfactory or better results from any MidAmerican Energy Holdings Company audit.

Major Project Delivery

61. Deliver the Utah load growth (Wasatch Front) capital plan in time to meet the June 1, 2008, in-service date for 118 megavolt-amperes of additional capacity.
62. Deliver the non-Wasatch Front capital plan to add 102 megavolt-amperes of additional capacity.
63. Deliver the 2008 portion of the mobile radio replacement project.
64. Deliver the interactive voice response/automated agent routing technology replacement for the customer call centers by August 2008.
65. Deliver major customer transmission interconnections to large Wyoming loads on time and within 10 percent of the budget estimates provided to customers. Four transmission interconnection projects are scheduled in Wyoming for 2008.

66. Complete the automated meter reading project along the Wasatch Front by November 2008.
67. Complete an automated meter reading/advanced metering infrastructure strategy for Pacific Power by June 2008. Include an assessment of existing and evolving technologies, changing regulatory environment, high level cost/benefit analysis, and timing and technology recommendations.
68. Deliver the 2008 phase of the Three Mile Knoll project.
69. Deliver the secure Web login for customer payment history, account balance and usage history by July 2008.
70. Deliver the online customer bill statement view by November 2008.
71. Deliver the new customer services Web look and feel by December 2008.
72. Comply with each transaction commitment.

Organizational Planning and Development

73. Educate all managers on how the company succeeds financially as a regulated utility.
74. Continue to provide support and resources to assist employees in continuing their professional development.
75. Evaluate training and development programs to ensure they are effective in supporting employees' ability to deliver company objectives.
76. Review apprentice programs and develop improvement plans to assure they are effective and cost efficient.
77. Evaluate the workforce to identify high potential leaders in 2008 and deliver succession plans.
78. Cascade the key information and learnings from the MidAmerican Energy Holdings Company leadership conference to all managers and supervisors.
79. Re-assess management's span of control and implement findings.
80. Identify and develop plans to address long-term labor issues and opportunities to improve operational and resourcing flexibility to address customer and business needs.

81. Develop a resource strategy for internal workforce and contractors and incorporate in the business plan.
82. Update labor contingency plans, and develop a labor relations negotiations strategy in preparation for the 2009 labor negotiations.
83. Initiate and conduct a monthly business issues meeting with management staff.

Quality of Service and Regulatory Commitments

84. Deliver all commitments and associated filings and meetings on time, and communicate to commissions and other parties as appropriate.
85. Deliver performance standards by state (Performance Standards 1 through 4).
86. Prepare a status report outlining the distribution of PacifiCorp employees.

Regulatory and Legislative

87. Execute, evaluate and adjust as necessary the five-year regulatory and public policy agenda for Rocky Mountain Power.
88. Implement, evaluate and adjust the regulatory and legislative plans to strengthen relationships with all levels at the Utah, Wyoming and Idaho commissions and legislative bodies to increase the company's ability to achieve its reliability, customer service and financial goals.
89. Provide legislative, legal and regulatory support to prevent any Utah, Idaho, Wyoming or Montana energy legislation from having a significant adverse affect upon PacifiCorp and its customers.
90. Identify opportunities to position the Rocky Mountain Power president and other PacifiCorp leadership in front of key members of staff of the legislative and executive branches of government in each state that Rocky Mountain Power serves.
91. Effectively administer the approved legislative agendas for each state to assure successful outcomes to the companies' legislative strategy. Prevent passage of legislation detrimental to PacifiCorp.
 - Support and assure successful passage of "carbon reduction" legislation in Utah that complies with company renewable energy objectives.
 - Support and assure successful passage of "Third Party Damages" legislation in Utah, developed to enhance enforcement and assess penalties for willful or negligent "dig ins" to underground lines and facilities.
 - Assure that proposed service territory legislation is resolved acceptably for the company.

92. Develop utility and business coalitions to create consensus legislation and prevent efforts by advocates to legislate an uneconomic renewable portfolio standard for customers.
93. Provide support for the transmission department's plans.
94. Conduct a lessons-learned session on the Idaho rate case by Jan. 30, 2008, with the business units, witnesses and corporate finance to assess and improve the rate case preparation and litigation process.
95. Successfully complete the litigation of the Utah general rate case by Aug. 31, 2008, and resolve issues related to the strategic pricing proposals in line with assumptions included in the 10-year plan.
96. Assess the need for an Idaho rate case filing prior to June 2009 by July 31, 2008.
97. Successfully complete the litigation of the Wyoming general rate case with the associated new resource mechanism and strategic pricing proposals in line with assumptions included in the 10-year plan by May 1, 2008.
98. Develop and gain acceptance of energy assistance legislation in Utah that mitigates rate design exposure in rate cases.
99. Work with Idaho investor-owned utilities to develop the ability to file forecast test periods or other innovative mechanisms to support investment and cost recovery.
100. Support the adoption of the company's clean-energy portfolio standard legislation in Utah.
101. Determine whether the company will actively participate in the development of utility impact fees for new customers in the state of Idaho by Jan. 15, 2008.
102. Meet with key legislative leaders and state decision makers during 2008 to explain current rate case in each state and to receive support or commitment of neutrality in their respective public and private communications regarding the proceedings.

Legal and Risk Management

103. Maintain cost-effective management of legal representation in Rocky Mountain Power states for regulatory and operational matters by continuing the high utilization of in-house counsel while meeting operating budgets.

104. Provide legal support, guidance and preparation to settle or litigate the 2007 Wyoming and Utah rate cases on fair terms in 2008.
105. Protect legal rights to company property located within proposed Mountain View corridor, and successfully protect the lower court decision on the OCI Wyoming damage claim or settle on terms fair to Rocky Mountain Power.
106. Effectively plan, budget and manage litigation efforts to deliver timely rights of way for new \$4 billion transmission projects located within Rocky Mountain Power states.
107. Conclude the 2012 request for proposals on fair terms leading to issuance of the final request for proposal approved by the Utah Public Service Commission in the second quarter of 2008.
108. Maintain and implement policies for Utah, Wyoming and Idaho related to service territory retention and expansion, including required changes in tariffs.
109. Renew 12 of 12 expiring franchise agreements in 2008 or any which previously expired by Dec. 31, 2008.
110. Proactively and satisfactorily resolve legal disputes.
111. Implement a legal document management system across PacifiCorp legal departments to allow individual platform general counsel to efficiently track and monitor all cases under their supervision.
112. Develop and implement a risk management plan for Rocky Mountain Power. Deliver the first phase by Feb. 28, 2008, and the second phase by Dec. 31, 2008.

Compliance with Financial, Legal, Regulatory and Environmental Requirements

113. Ensure all internal and external audits and related Sarbanes-Oxley and Securities and Exchange Commission requirements are satisfied.
114. Ensure adherence to standards of business conduct, including fraud and whistleblower statutes.
115. Meet all Federal Energy Regulatory Commission standards of conduct.
116. Maintain strict compliance with all applicable companywide, state and local environmental requirements, including the Environmental RESPECT Policy.
117. Maintain and monitor compliance plans from Rocky Mountain Power key business leaders resulting in compliance certificates or exception reports to the business unit president and general counsel by Dec. 31, 2008.

118. Develop and implement a plan to ensure the real estate department properly records the company mortgage against all real property interests in all PacifiCorp states.
119. Review and issue timely legal opinions for all PacifiCorp financing requirements in 2008.
120. Enhance the site review program to include Rocky Mountain Power support departments in the review of compliance with travel and entertainment, purchase card and other expenditure policies.