



Implementation Plan
Corporate Presence and Staffing Commitments
August 31, 2011

Background

In response to concerns expressed by stakeholders and as a condition of its acquisition of PacifiCorp, MidAmerican Energy Holdings Company made the following commitments regarding local decision making and staffing levels:

Commitment 47: (Corporate Presence) MEHC understands that having adequate staffing and representation in each state is not optional. We understand its importance to customers, to regulators and to states. MEHC and PacifiCorp commit to maintaining adequate staffing and presence in each state, consistent with the provision of safe and reliable service and cost-effective operations.

Commitment U5: PacifiCorp and MEHC commit to maintaining sufficient operations and front line staffing to provide safe, adequate and reliable service in recognition of the level of load and customer growth in Utah.

Commitment U6: PacifiCorp and MEHC commit to increasing the number of corporate and senior management positions in Utah to better reflect the relative size of Utah's retail load compared to the retail loads of the other states. Positions to be examined will include, but not be limited to, engineering, purchasing, information technology, land rights, legal, commercial transactions and asset management. By September 1, 2007, MEHC and PacifiCorp will file a plan with the Commission that explicitly sets forth: (1) senior management positions (and associated corporate personnel positions identified by those senior managers) that have been identified for location in Utah; (2) the timeframe for implementing different stages of the plan; and (3) an economic analysis supporting the cost effectiveness of the plan. MEHC will promptly implement the plan pursuant to the timeframe.

Commitment U7: PacifiCorp and MEHC will authorize senior management personnel located in Utah to make decisions on behalf of PacifiCorp pertaining to (1) local Utah retail customer service issues related to tariff interpretation, line extensions, service additions, DSM program implementation and (2) customer service matters related to adequate investment in and maintenance of the Utah sub-transmission and distribution network and outage response. MEHC and PacifiCorp will include a description of the implementation of this commitment in the filing required in Commitment U 6.

Commitment O2: a) The corporate headquarters of PacifiCorp will remain in Oregon. MEHC commits to maintaining a balance of corporate and senior management positions between Oregon and Utah. To achieve such

balance, MEHC may decide as appropriate to locate a few corporate and senior management positions, and associated staff, in Utah, if cost effective. By September 1, 2007, MEHC and PacifiCorp will file a plan with the Commission that explicitly sets forth: (1) corporate and senior management positions (and associated corporate personnel positions) that have been identified for location in Oregon and Utah; (2) the timeframe for implementing different stages of the plan; and (3) an economic analysis supporting the cost effectiveness of the plan. MEHC will promptly implement the plan pursuant to the timeframe. If corporate or senior managers, and related staff, are relocated from Oregon to Utah under the Plan, the costs of relocation will not be included in Oregon rates.

b) PacifiCorp and MEHC will ensure that senior management personnel located in Oregon continue to have authority to make decisions on Add Oregon Commitments behalf of PacifiCorp pertaining to (1) local Oregon retail customer service issues related to tariff interpretation, line extensions, service additions, DSM program implementation and (2) customer service matters related to adequate investment in and maintenance of the Oregon sub-transmission and distribution network and outage response. Such decisions will be subject to normal and prompt corporate approval procedures, senior executive approval and board approval, as appropriate. MEHC and PacifiCorp will include a description of the implementation of this commitment in the filing required in paragraph a).

In response to these commitments Rocky Mountain Power and Pacific Power filed a progress report in September 2007. After review of the progress the Public Service Commission of Utah requested the company submit for consideration by the commission an annual progress report. The following table outlines the company's progress in addressing these commitments.

	Directors and Up					
	<u>March 1, 2006</u>		<u>November 31, 2008</u>		<u>August 31, 2011</u>	
	<u>Employees</u>	<u>Percentage</u>	<u>Employees</u>	<u>Percentage</u>	<u>Employees</u>	<u>Percentage</u>
Oregon	193	72%	102	61%	105	55%
Utah	49	18%	52	31%	63	33%
Other	28	10%	13	8%	24	13%

The table on the pages 3 and 4 summarizes the actions taken between November 31, 2008 and August 31, 2011.

Staffing Review and Plan

Shared Functions		Recommended Changes	Status August 31, 2011
Department	Group		
Customer Services	Call Centers	Regionalization was not recommended.	N/A
	Metering	Regionalization was not recommended.	N/A
	Business Services	Regionalization was not recommended.	N/A
	Tariff management	2008 Recommendation – Consideration be given to regionalization as attrition occurs.	A regulatory liaison position was transferred to Salt Lake City in 2008. This position is responsible for the interpretation of the company’s line extension policies. No further positions have been created, or moved to, or moved from Salt Lake City.
	Customer Communications	Regionalization was not recommended	N/A
Asset Management	Engineering Design	2008 Recommendation – increased local oversight of projects through the creation of nine professional project engineer positions. The plan was to have one of the engineers assuming management responsibility for the group.	<p>Eight (8) full time employee (FTE) design position were originally committed by Engineering Design for Salt Lake City. This including 4 positions to support RMP operating capital projects and the remaining 4 to support the Energy Gateway program. In 2008, 4 positions for the Energy Gateway Program were transferred to the RMP PMO located in Salt Lake City. The current commitment for Engineering Design is to add 4 full time positions.</p> <p>To date, eight (8) additional positions were filled within Engineering Design in Salt Lake City. This includes: Engineering Director, Transmission Engineering Design Manager, External Engineering Project Manager, Internal Engineering Project Manager, Transmission design Engineers (2), Civil Engineer (2). A ninth position is currently posted for a Protection and Control Engineer and is expected to be filled as soon as qualified candidate is available.</p>
	Maintenance Planning	2008 Recommendation – transfer of a position from Portland to Salt Lake City with responsibility for crisis management and coordination of risk management. In addition, the location of positions within these organizations would be considered as positions are made available through attrition or the addition of new resources.	Responsibility for crisis management and coordination has been transferred to Salt Lake City.
	Risk Management Planning		
	Planning and Technologies	2008 Recommendation - the location of positions within these organizations would be considered as positions are made available through attrition or the addition of new resources.	Planning Technologies no longer exists. RMP neither gained nor lost any positions based on the elimination of this group.
Operations	Distribution Dispatch	Regionalization was not recommended.	N/A

	Logistics (Utah based)	Regionalization was not recommended. The location of positions within these organizations would be considered as positions are made available through attrition or the addition of new resources.	No changes were made in 2010 or 2011.
	Logistics (Oregon based)	Regionalization was not recommended. The location of positions within these organizations would be considered as positions are made available through attrition or the addition of new resources.	No changes were made in 2010 or 2011.
Health, Safety and Environmental Services	Environmental Services	2008 Recommendation – complete a review of the organizational structure of the environmental service organization and health and safety to optimize on-the-ground resources.	A new position responsible for Rocky Mountain Power environmental compliance was created and filled in 2008. In addition, responsibility for health was transferred from Portland to Salt Lake City and a new position created and filled.
Procurement	Staff	2008 Recommendation – the long term plan was to retain 18 procurement positions in Portland to support information technology, corporate (human resources, finance, etc.), hydroelectric generation and Pacific Power. The balance of the procurement department would be located at the PacifiCorp Energy generating sites and in Salt Lake City. The location of the director's position will be reviewed when the position is made available through attrition.	Currently there are 47 employees in procurement. Of the 47 employees, 23 are located in Oregon, 15 in Utah, 9 in Wyoming. There are an additional 8 contractors in the procurement organization. Of the 8 contractors, 2 are located in Oregon, 5 in Utah, 1 in Wyoming
Information Technology	Staff	2008 Recommendation – the location of positions within this organization would be considered as positions are made available through attrition or the addition of new resources.	Currently information technology has 63 employees in the Salt Lake City. The increase is a result of the infrastructure consolidation of all MidAmerican Holding company IT groups. All positions as they open are being posted in both Portland and Salt Lake City.
Commercial and Trading	Demand-side Management	2008 Recommendation – the location of positions within this organization should be considered as positions are made available through attrition or the addition of new resources.	Overall responsibility for demand side management was transferred to Rocky Mountain Power in 2008. In 2010 the Demand-side Management department was reorganized to align resources with geographical delivery requirements. In 2010 and 2011 the following positions were created or relocated to Salt Lake City: Manager of process and compliance Manager of non residential load control programs Lead senior financial analyst Financial analyst Lead senior project manager Career project manager