

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	03/31/2014
CASE NO:	UE-140188 & UG-140189	WITNESS:	Karen Feltes
REQUESTER:	Public Counsel	RESPONDER:	Annette Brandon
TYPE:	Data Request	DEPT:	Federal & State Regulation
REQUEST NO.:	PC – 092	TELEPHONE:	(509) 495-4324
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REQUEST:

Avista's Response to Public Counsel Data Request No. 8, Attachment B.

This response shows that, on average, [Begin confidential]

End

[confidential] Please explain why Avista's executive compensation adjustment is not calculated using these labor allocations.

RESPONSE:

The Company's response to PC_DR_008 Confidential Attachment B was a summary of actual hours recorded to the general ledger, rather than an estimate of each officer's allocation for 2015. Each officer considers a number of factors, including actual time from prior years, when developing their individual allocation percentage. Current and past job responsibilities, anticipated changes due to projects specific to the upcoming year(s), anticipated responsibility changes and/or overall upcoming Company strategic initiatives and associated roles are all taken into consideration when developing these allocations. On an actual basis, officers record their time for each two week period to the appropriate utility/non-utility project and FERC account into the timekeeping system. These actual amounts can help in the development of estimates for future time periods.