

Joanna Huang

03/17/2000



"Mitchell, Kathy" <kathy.mitchell@avistacorp.com> on 03/09/2000 03:12:53 PM

To: "Joanna Huang (E-mail)" <jhuang@wutc.wa.gov>
cc:

Subject: Questions

Joanna,

The 10K is scheduled to be filed 3/16.

The Proxy statement is scheduled to be available the first week of April.

See the attached spreadsheet for my summary of incentives for 1997 and 1998. I'm thinking that you may have been missing one piece of the puzzle...that is, the team incentives that were expensed in 1998 and paid in 1999. I show them as Item 6. It looks as though it was accrued to account 920.

Have a good weekend!

KM

<<IncentiveSummary.xls>>



- IncentiveSummary.xls

WUTC		
DOCKET NO. <u>WE-991606</u>		
EXHIBIT # <u>372</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Incentive Summaries

<u>Item</u>	<u>1997 - Recorded</u>	<u>1998 - Recorded</u>	<u>Total</u>	<u>Capital</u>	<u>Expense</u>
1 Pacesetter Recorded & Paid	248,324.50		248,324.50	25,625.00	222,699.50
2 Team Recorded & Paid 97	265,362.88		265,362.88	-	265,362.88
3 Team Recorded 97 & Paid 9	774,009.90	231,273.00	1,005,282.90	-	1,005,282.90
4 Team Recorded 98 & Paid 98		726,522.85	726,522.85	5,454.64	721,068.21
5 Pacesetter Recorded & Paid 98		374,695.40	374,695.40	137,217.00	237,478.40
6 Team Recorded 98 & Paid 99		3,450,000.00	3,450,000.00	-	3,450,000.00
	<u>1,287,697.28</u>	<u>4,782,491.25</u>	<u>6,070,188.53</u>	<u>168,296.64</u>	<u>5,901,891.89</u>

Items 1-5 should agree to the totals of the queries I faxed you when you combine Utility Codes 1,2&3 (remember that portions of the Pacesetters listed here were charged to capital accounts.)

Item 6 - I don't believe you received anything from Wayne or me regarding this. This is the total of the Team Incentive expense that was accrued/expensed to account 7920 in 1998 with the intention that it would be paid out in 1999.

Item 3 - Additional note. I discovered that a portion of this team incentive was actually paid and expensed in 1998, not 1997 -- that's the \$231,273. It was, however, a reward from the 1997 plan that had inadvertently not been recorded in 1997.

Items 4&5 - I know that you are interested in the incentives that are included in the labor \$ report I got from Tara and used in the adjustment. These items would be included in that report, however, as the report only looks at labor expense, only the expense piece is relevant.