

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

JURISDICTION:	Washington	DATE PREPARED:	4/18/2000
CASE NO:	UE-991606	WITNESS:	Kathy Mitchell
	UG-991607	RESPONDER:	Don Falkner
REQUESTER:	Public Counsel	DEPT:	Rates
TYPE:	Data Request	TELEPHONE:	(509) 495-4407
DUE DATE:	4/19/2000	FIELD AUDIT:	___ Yes <u>X</u> ___ No
REQUEST NO.:	129		

WUTPC	DOCKET NO. <u>UE-991606</u>	ADMIT <input checked="" type="checkbox"/>	W/D <input type="checkbox"/>	REJECT <input type="checkbox"/>
	EXHIBIT # <u>411</u>			

REQUEST:

Provide complete copies of the appointment books or calendars for Mr. Redmond, Mr. Matthews

RESPONSE:

Avista has previously provided information concerning the manner in which officer compensation expense has been allocated between regulated and unregulated activities. See response to Staff DR 172. In addition, this was the subject of cross examination of both Mr. Matthews and Ms. Mitchell.

Mr. Matthews' executive assistant did review his historical calendar for the 7 months, June through December of 1998, that Mr. Matthews did work during the test period and tabulated the time spent on regulated utility versus unregulated matters. The percentage of time spent on regulated utility activities was 83%. This compares with the 60% assignment of his compensation expense that is actually reflected in the Company's pro forma revenue requirement. The Company continues to believe, however, that the informed judgement of officers concerning their time allocations is a better basis for the assignments, rather than relying on a formulaic approach based on calendar time entries.

Avista objects, however, to providing copies of the actual personal appointment calendars on the following grounds: subjecting the personal appointment calendar of a Chairman and CEO of any major corporation to third party scrutiny (even with a protective order) presents a number of highly sensitive issues and concerns. Review of such a private calendar may provide information or inferences about sensitive strategic issues based on the subject matter of the scheduled meetings and those attending – strategies that go to the very core of the Company's business. This would work serious competitive harm to the Company.

Moreover, a CEO's private calendar is a necessary and essential tool for effectively and efficiently organizing his or her time. If such scheduling information might have to be made known, at some later date, to any third party, this would have a chilling effect on

the use of such a necessary tool. Furthermore, the knowledge that such a personal appointment calendar may, at some future time, be subject to third party review, may have a similar chilling effect on another party's willingness to contact or do business at the highest levels with Avista. Because of the foregoing, we submit that there are several policy reasons for denying access to these calendars.

Additionally, the request for Mr. Redmond's calendar is objected to for the additional reason that no salary expense for Mr. Redmond has been reflected in the pro forma revenue requirement.