

MODIFICATION REQUEST COVER SHEET

Name of Filer	MARC DAUDON
Reporting Period	<input checked="" type="checkbox"/> Annual report – calendar year 2012 <input type="checkbox"/> Candidate/Appointee report
Type of Request	<input type="checkbox"/> New <input checked="" type="checkbox"/> Renewal with No Change – <u>original granted on August 25, 2011</u> <input type="checkbox"/> Renewal with Change
Office Held & Term	Executive Board Member, Energy Northwest Appointed term expires June 30, 2014
PDC Protocol	<input type="checkbox"/> Attorney: Interpretation #02-03 <input type="checkbox"/> Judge / Judicial Candidate: Interpretation #02-04 <input type="checkbox"/> Automobile Dealership: Interpretation #02-05 <input checked="" type="checkbox"/> Spousal: Interpretation #02-06 <input checked="" type="checkbox"/> WAC 390-28-100(1)(b) & (1)(e)
Supporting Documents (attached)	<input checked="" type="checkbox"/> Current F-1 <input checked="" type="checkbox"/> Modification Application <input checked="" type="checkbox"/> Prior order (if renewal) – <u>Order #3060</u>
History (brief narrative)	<p>Energy Northwest is a joint operating agency, comprised of 28 member public utilities from across Washington. The Executive Board is made up of eleven members, 3 of which are appointed by the Governor. The agency is headquartered in Richland, Washington and provides electricity, at cost, to public utilities and municipalities. The agency owns and operates four electricity generating stations in Washington. The agency also provides operations and maintenance services for other power generation facilities in the state.</p>
Reason(s) for Modification (as stated by filer)	<p><u>Cascadia Consulting Group, Inc.</u></p> <ul style="list-style-type: none"> • Mr. Daudon is requesting renewal of a reporting modification that would exempt him from disclosing the business customers who paid \$10,000 or more during 2012 to Cascadia Consulting Group Inc., for whom he is President /Principal and has a 47% ownership interest. • Mr. Daudon stated that Cascadia Consulting is an environmental and sustainability consulting firm serving public and private clients with offices in Seattle, Washington and San Jose, California. The firm has 45 employees. • Mr. Daudon stated that he has access to the firm's client list and there are approximately 12 reportable business customers of the firm. • Mr. Daudon stated that some former business clients are listed on the firm's website. He stated that the website also lists the firm's public/governmental clients. • Mr. Daudon stated that disclosing the firm's business customers would cause a competitive hardship because the firm's competitors would become aware of the names of Cascadia's clients. He further stated that the client list is proprietary and that it would be disadvantageous to have all of their clients listed in one place and to have clients in the same sector knowing whom they serve. He said the firm has non-disclosure agreements with some business clients.

- Mr. Daudon stated that the firm's reportable business customers are not in the energy business and do not do business with Energy Northwest, as far as he is aware.
- Mr. Daudon disclosed the firm's governmental customers. He stated that Cascadia Consulting did not receive payments from Energy Northwest during the reporting period.

Seattle Northwest Securities Corporation

- Mr. Daudon is requesting a reporting modification that would exempt him from disclosing the business and other governmental customers that paid \$10,000 or more during 2012 to Seattle Northwest Securities Corporation (SNW).
- Mr. Daudon's spouse, Maud Daudon, is the former President and CEO of SNW. Ms. Daudon left employment with SNW in March 2012.
- Mr. Daudon stated that SNW is a public finance investment bank, broker dealer, and asset management firm. The firm has approximately 100 employees and is headquartered in Seattle, with additional offices in Oregon, Idaho, California, and Utah.
- Mr. Daudon stated that, per Ms. Daudon, disclosing the customers of SNW would put the entity at a competitive disadvantage. He stated that disclosing SNW's customers would make it easier for competitors to try to poach customers. He further said that SNW does not have the means to easily and affordably produce the information.
- Mr. Daudon stated that the business of SNW is completely separate from his work and his service on the board of Energy Northwest. He said his wife's firm serves many different customers in the region, most of which have nothing to do with energy services.
- Mr. Daudon disclosed SNW's governmental clients of which he is aware. He stated that Energy Northwest did not receive any payments from SNW during the reporting period.

**Staff
Recommendations**

Approve renewal of the reporting modification with no change.