

MODIFICATION REQUEST COVER SHEET

Name of Filer	WILLIAM S. AYER
Reporting Period	<input checked="" type="checkbox"/> Annual report <input type="checkbox"/> Candidate/Appointee report
Type of Request	<input type="checkbox"/> New <input type="checkbox"/> Renewal with No Change <input checked="" type="checkbox"/> Renewal with Change – <u>original granted on April 26, 2012</u>
Office Held/Sought & Term	Regent, University of Washington Appointed term expires September 30, 2016
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 type="checkbox"/> Spousal: Interpretation #02-06 <input checked="" type="checkbox"/> WAC 390-28-100 (1)(b) & 1(e) – Income and ownership – other hardship
Supporting Documents (attached)	<input checked="" type="checkbox"/> Current F-1 <input checked="" type="checkbox"/> Modification Application <input checked="" type="checkbox"/> Prior order (if renewal) – Order #3095
Reason(s) for Modification (as stated by filer)	<p><u>Alaska Air Group</u></p> <ul style="list-style-type: none"> • Mr. Ayer is requesting a reporting modification that would exempt him from disclosing the business customers that paid \$10,000 or more during the reporting period to Alaska Air Group, an entity for which he is the CEO. • Alaska Air Group includes Alaska Airlines and Horizon Air. The company's annual revenue is approximately \$5.2 billion with 12,163 employees. • Mr. Ayer stated that Alaska Air Group has a high volume of reportable business customers: 3,300 corporate account, 8,992 premier-level frequent flyers, and thousands of customers who buy multiple tickets exceeding \$10,000 (whom the company does not track). Mr. Ayer provided a list of known government customers who have travel accounts with Alaska Air Group. • Mr. Ayer provided a list of properties that Alaska Air Group holds in Washington. <p><u>Puget Sound Energy</u></p> <ul style="list-style-type: none"> • Mr. Ayer is requesting a reporting modification that would exempt him from disclosing the business and other governmental customers that paid \$10,000 or more during the reporting period to Puget Sound Energy (PSE).

- Mr. Ayer is Chairman of the Board for PSE. During 2013, PSE provided electricity to approximately 1.1 million customers and natural gas to over 800,000 customers in several counties in Washington. PSE's total operating revenue for 2013 for electricity and gas was over \$3.2 billion.
 - Mr. Ayer stated that compiling a complete list of customers doing more than \$10,000 of business with PSE would be an extremely expensive and time-consuming task, if it is even possible to do so. He said that PSE systems do not currently have the capability to identify reportable customers. Mr. Ayer estimated that the list of reportable business and other governmental customers would likely exceed 100,000 customers.
 - Mr. Ayer stated that PSE does not list its customers individually in publicly available sources such as websites or publications. PSE does not publicly make available the identity of PSE customers.
 - Mr. Ayer disclosed that the University of Washington paid PSE \$10,503,951.61 for electricity and natural gas services during 2013.
 - Mr. Ayer stated that he is not aware of all of the reportable PSE customers. He said he will not be in a position, as a Regent, to make decisions that might knowingly impact a PSE customer.
- Museum of Flight Foundation (the Museum)
- Mr. Ayer is requesting a reporting modification that would exempt him from disclosing the business customers that paid \$10,000 or more during the reporting period to Museum of Flight Foundation.
 - In 2013 the Museum had approximately \$16 million in revenues and had over 540,000 visitors.
 - The Museum employs between 140 to 200 employees as well as hundreds of volunteers.
 - A small number of those customers reach the \$10,000 threshold.
 - The customers, who the Museum is aware have reached the reporting threshold, were disclosed on the F1 Supplement.
 - The Museum uses many different software systems, some of which are point of sale systems and not databases; therefore the Museum is unable to definitely attest to there being no other customers that reach the \$10,000 threshold.