FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

Steven Dalhoff, Treasurer
DYNEGY Inc. Political Action Committee
1000 Louisiana, Suite 5800
Houston, TX 77002

SEP 27 2002

Identification Number: C00350363

Reference: July Monthly (6/1/02-6/30/02) and August Monthly (7/1/02-7/31/02)

Dear Mr. Dalhoff:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the amount deducted per pay period and the frequency of the deduction. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

Any amendment or clarification should be filed with the Federal Election Commission. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Jim Krebs

Jim Krebs
Campaign Finance Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A (FEC Form 3X)
ITEMIZED RECEIPTS

Use separate schedule(s) for each category of the Detailed Summary Page

FOR LINE NUMBER PAGE OF
(check only one)
☐ 11a ☐ 11b ☐ 11c ☐ 12 ☐ 13 ☐ 14 ☐ 15 ☐ 16 ☐ 17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)
Critical Reason Inc. PAC

A. Full Name (Last, First, Middle Initial)
Smith, Tomorrow

Mailing Address
21 Gettysburg Ave

City: Springfield | State: VA | Zip Code: 22222

FOR LC number of contributing federal political committee: C

Name of Employer: Critical Reason Inc.

Occupation: Executive Officer

Receipt For: ☐ Primary ☐ General ☐ Other (specify)

Aggregate Year-to-Date: 885.00

payroll deduction

Date of Receipt: __ / __ / ____

Amount of Each Receipt this Period: 90.00

($15 biweekly)

"Adding Extra Text/Explanation: When using FECFile electronic filing software, this information can be entered using the "memo text" window. To make a "memo text" entry, select the "View" menu on the FECFile toolbar. Select "All Transactions." (single click highlights) the transaction to which the "memo text" will be attached. Then select the "Edit" menu on the toolbar and select "memo text."

When using FECFile electronic filing software, enter this information in the "description" field.

Payroll Deductions

Once an individual's deductions aggregate over $200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, type "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct $15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions ($90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are $195—still below the $200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach $285. Now the committee itemizes the total contributions received from the manager during the third quarter ($90), providing the year-to-date total in the appropriate space. (See item A in the illustration above.)