

PRIVATE AND CONFIDENTIAL

July 28, 2000

Mr. Carl Koupal
Executive Vice President
Western Resources, Inc.
818 South Kansas Avenue
Topeka, KS 66601

Dear Carl:

Per your request, Resources Connection ("Resources") has completed its assessment of marketplace prevalence as it relates to executive usage of company planes. The following provides an overview on both the percentage of companies allowing executives to utilize the company plane for personal travel as well as reasonable benefit levels in this area.

The percentage of organizations allowing executives the ability to utilize a company plane for personal reasons is limited; however, this is a result of the few number of organizations which have access to a plane through the purchase or lease of one. On average, only 16.7% of organizations provide executives this benefit. Of those companies providing this benefit, a very limited number of individuals are eligible to take advantage. On average, companies allow the CEO and an additional seven executives access to the company plane, or what equates to 3.0% of the employee population.

Typically two approaches are taken when dealing with the cost of the personal use of the company plane. Some organizations will cover the expense; however, the value of the benefit must be accounted for in the individual's W2 income. Other organizations require actual payment to the company for the use of the plane. On average, 66.7% of companies require payment from the CEO and 83.3% require payments from other members of top management.

An analysis of the benefit value typically received by an executive from those companies covering the cost of company plane usage was performed. The following data reflects an assortment of companies disclosing company plane benefits in the prior fiscal year.

Company Name	Value of Benefit
Albertson's	\$39,400 – All Officers

American Financial	\$180,000 – CEO \$75,000 – Other Officers
Aon Corp.	\$31,600 – All Officers
Sundstrand Corp.	\$46,000 – CEO \$39,000 – Other Officers
Tele-Communications Inc.**	\$35,000
Tenet Healthcare	\$44,000 – CEO \$37,000 – Other Officers
Torchmark Corp.	\$54,000 – All Officers
Triarc Companies	\$225,000 – CEO \$99,000 – Other Officers
Fleming Companies Inc.	\$50,000 – All Officers
Fluor Corp.	\$36,000 – All Officers
Great Lakes Chemical Corp.	\$42,000 – All Officers
Timberland Co.	\$60,000 – CEO \$35,000 – Other Officers
K-Mart Corp.	\$90,000 – CEO \$70,000 – Other Officers
Average	\$71,769 – CEO \$49,462 – Other Officers

Overall, the data indicates that the CEO position is typically provided a greater benefit through the personal usage of the company plane than are the remaining executive officers. However, the data consistently reflects that executive officers are typically provided between \$40,000 and \$50,000 in benefit value. Additionally, several companies indicated that the Company grosses-up the executive on the benefit received. Twenty-five percent of the companies specifically indicated the gross-up feature, however the number may actually be higher but not reported in the proxy statement.

Lastly, Western Resources requested that Resources assess the utilization of caps on the amount of plane use, whether it be in dollars or time, an executive is eligible for under this benefit. Both published survey and our proxy statement review indicated that this is not a common practice. Specifically, only Tele-Communications, Inc. reported the use of a cap.

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Carl, after you have had the opportunity to review the above findings, please contact me at
REDACTED to discuss your questions and comments.

Very truly yours,

Cara King, Practice Leader
Human Capital Consulting

c: Brent Longnecker