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1 BEFORE THE WASHINGTON

2 UTILITIES AND TRANSPORTATION COMMISSION

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4 In the Matter of the Petition of ) DOCKET NO. UE-180167

)

5 AVISTA CORPORATION d/b/a )

AVISTA UTILITIES )

6 )

For an Order Authorizing the )

7 Company to Revise its Electric )

Book Depreciation Rates and )

8 Authorizing Deferred Accounting )

Treatment for the Difference in )

9 Depreciation Expense )

10 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

11 PREHEARING CONFERENCE, VOLUME I

12 Pages 1-13

13 ADMINISTRATIVE LAW JUDGE ANDREW O'CONNELL

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15 December 12, 2018

16 9:30 A.M.

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Washington Utilities and Transportation Commission

18 1300 South Evergreen Park Drive Southwest

Olympia, Washington 98504

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REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

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1 A P P E A R A N C E S (Continued)

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1 OLYMPIA, WASHINGTON; DECEMBER 12, 2018

2 9:30 A.M.

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4 P R O C E E D I N G S

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6 JUDGE O'CONNELL: Okay. Let's be on the

7 record. Good morning. We're here today for a

8 prehearing conference regarding Avista Corporation's

9 petition for a Commission order authorizing the company

10 to revise its electric book depreciation rates, Docket

11 UE-180167. The time is approximately 9:30 a.m. on

12 December 12th, 2018.

13 My name is Andrew O'Connell. I am an

14 administrative law judge with the Washington Utilities

15 and Transportation Commission, and I will be presiding

16 in this matter along with the Commissioners.

17 After this hearing, I'll prepare an order

18 outlining the procedure going forward in this case, but

19 to start, I intend to take appearances and address

20 petitions for intervention. Let's begin with Avista.

21 MR. MEYER: Thank you, Your Honor. David

22 Meyer appearing for Avista. Would the short form of

23 appearance suffice?

24 JUDGE O'CONNELL: Yes, it would.

25 MR. MEYER: Okay. Thank you.

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1 JUDGE O'CONNELL: And Staff?

2 MR. CASEY: This is Christopher Casey

3 appearing for Commission Staff. I also put in a notice

4 of appearance yesterday, but I'd like to note that

5 should have been a substitution of counsel for Brett

6 Shearer so he can be removed from this docket.

7 JUDGE O'CONNELL: Okay. Thank you.

8 And Public Counsel?

9 MS. SUETAKE: Thank you, Your Honor. This

10 is Nina Suetake appearing on behalf of Public Counsel.

11 JUDGE O'CONNELL: And Mr. Pepple?

12 MR. PEPPLE: Good morning, Your Honor.

13 Tyler Pepple for the Alliance of Western Energy

14 Consumers.

15 JUDGE O'CONNELL: Thank you.

16 And Sierra Club?

17 MR. GERHART: Good morning, Your Honor.

18 This is Matthew Gerhart appearing on behalf of Sierra

19 Club.

20 MS. DARBY: And this is Marta Darby also

21 appearing on behalf of the Sierra Club, Your Honor.

22 JUDGE O'CONNELL: Okay. Thank you.

23 That brings us to the petitions for

24 intervention. There's one thing I wanted to address

25 before getting into the petitions for intervention.

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1 Mr. Pepple, I notice that your petition to

2 intervene was on behalf of the Industrial Customers of

3 Northwest Utilities, but my understanding is that

4 organization is now the Alliance of Western Energy

5 Consumers; is that correct?

6 MR. PEPPLE: That's correct, Your Honor.

7 The -- we -- ICNU merged with Northwest Gas Users

8 effective April 1st of this year. So I'm happy to

9 handle that any way you would like.

10 JUDGE O'CONNELL: Well, I think that we can

11 handle it on the record right now in this hearing. Can

12 I confirm with you that the rest of the information in

13 the petition is still correct as it applies to you and

14 the Alliance of Western Energy Consumers?

15 MR. PEPPLE: Yes, the -- the only change

16 that may need to be made is that AWEC now represents

17 both gas and electric customers of Avista.

18 JUDGE O'CONNELL: Well, Mr. Pepple, let me

19 ask, what would be your preference, would you like to

20 refile a clarification, or I am inclined to accept your

21 clarification here at the hearing and consider the

22 petition to be on behalf of the Alliance of Western

23 Energy Consumers.

24 MR. PEPPLE: Your Honor, that -- that

25 proposal is fine with me assuming no other party

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1 objects.

2 JUDGE O'CONNELL: And I would like to ask if

3 there's any objection to me considering the petition to

4 be on behalf of Alliance of Western Energy Consumers?

5 MR. CASEY: No objection.

6 MR. MEYER: No objection from Avista.

7 MS. SUETAKE: No objection, Your Honor.

8 JUDGE O'CONNELL: Then with that --

9 MR. GERHART: No objection from Sierra Club.

10 JUDGE O'CONNELL: Thank you.

11 With that, then I will consider petition to

12 intervene to be on behalf of the Alliance of Western

13 Energy Consumers.

14 Are there any petitions for intervention

15 other than the ones that have been filed in writing with

16 the Commission? Hearing none, let's proceed.

17 I've read the two petitions to intervene,

18 the one on behalf of the Alliance of Western Energy

19 Consumers and the one on behalf of Sierra Club. I'm

20 unaware of any written objections to these petitions.

21 Are there any objections?

22 MR. MEYER: No objection, Your Honor.

23 MR. CASEY: No objection from Staff, Your

24 Honor.

25 MS. SUETAKE: No objection from Public

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1 Counsel.

2 JUDGE O'CONNELL: Okay. Hearing no

3 objections, then the petitions to intervene will be

4 granted.

5 I want to touch on the issue of a protective

6 order. Is there a need for a protective order in this

7 case and if so, would a standard -- the Commission's

8 standard protective order be sufficient?

9 Mr. Meyer?

10 MR. MEYER: Yes, yes, there is a need and a

11 standard form would be sufficient. Thank you.

12 JUDGE O'CONNELL: Is -- does any party have

13 an opposing perspective? Hearing nothing, I will issue

14 a protective order in the coming days.

15 I want to next remind the parties that the

16 Commission has adopted new procedural rules regarding

17 electronic filing and service. Commission requires

18 electronic filing of documents for formal filings;

19 however, in this case, the Commission will also require

20 the filing of an original and three paper copies for

21 internal distributions. And in the event that there is

22 information designated as confidential, request that you

23 file the original and three copies of the fully

24 unredacted versions and then for the -- any of the

25 redacted versions, it's unnecessary to file a paper

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1 copy. Electronic copies of the partly or fully redacted

2 versions will be sufficient.

3 Also, the Commission's rules provide for

4 electronic service of documents. The Commission will

5 serve the parties electronically and the parties will

6 serve each other electronically. If any party has not

7 yet designated a lead representative for service, please

8 do so via an email to me. My email address is

9 Andrew.j.oconnell@utc.wa.gov.

10 Also, if anyone would like to add names of

11 support staff or other representatives who should

12 receive electronic courtesy copies, please also email me

13 that information if you have not already provided it. I

14 notice that in a number of the notices of appearances

15 and the petitions to intervene, there are additional

16 support staff that have been identified and I'll ensure

17 that those are included.

18 So that brings me to the procedural

19 schedule. I've been provided a draft proposed

20 procedural schedule. Is there consensus on this

21 proposal?

22 Mr. Casey?

23 MR. CASEY: Your Honor, I believe there is,

24 although we did have to make a tweak. So kind of into

25 yesterday evening, I emailed the parties yesterday, I

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1 heard back from Sierra Club that they had no objections.

2 I talked to Public Counsel this morning and had no

3 objections. So we should check in with -- with

4 Mr. Pepple and Mr. Meyer if they were okay with pushing

5 the hearing date from May 1 to May 6 to allow for time

6 for one last round of discovery after the

7 cross-answering and rebuttal round of testimony.

8 JUDGE O'CONNELL: I will defer to the

9 parties on whether you need an opportunity to go off the

10 record, take a couple minutes to discuss. Would that be

11 acceptable?

12 MR. MEYER: Well, not necessarily. We won't

13 need that opportunity. This is Avista. We are fine

14 with those recent edits as of yesterday afternoon, so we

15 are fine with the schedule.

16 JUDGE O'CONNELL: Okay. And as I recall,

17 there was someone else that needed to check in.

18 MR. PEPPLE: Yeah, this -- this is Tyler

19 Pepple for AWEC, and we're fine with the May 6th hearing

20 date as well.

21 JUDGE O'CONNELL: And so just so I can

22 confirm, the change that's been made to the schedule

23 from the one that I was given is the evidentiary hearing

24 will be -- is proposed as May 6th?

25 MR. CASEY: Yes, that's correct, and just to

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1 double-check, the discovery deadline is April 23rd, and

2 cross-examination, exhibits, witness list, and time

3 estimates will be due April 29th, 2019.

4 JUDGE O'CONNELL: Okay. I have made those

5 adjustments on my copy, and I have confirmed with

6 Commission availability that May 6th will work for the

7 Commission. I will confirm that the proposed schedule

8 works otherwise for the Commission and incorporate it

9 into the prehearing conference order.

10 A few other items I believe we need to

11 address before we adjourn for the day. During

12 proceedings at the Commission, I am aware that the

13 parties often request that any data requests and

14 responses are shared with every other party. Typically

15 it's the data request No. 1. I would make this easier

16 on the parties by including such a requirement in the

17 prehearing conference order. Is there any objection to

18 my including that requirement?

19 MR. MEYER: None from Avista.

20 MR. CASEY: None from Staff, Your Honor.

21 MS. SUETAKE: None from Public Counsel.

22 MR. GERHART: No objection from Sierra Club,

23 Your Honor.

24 JUDGE O'CONNELL: And, Mr. Pepple, not

25 hearing an objection from you, I'm taking that as you

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1 are okay with that requirement?

2 MR. PEPPLE: Yeah, no objection, Your Honor.

3 JUDGE O'CONNELL: Okay. So is there

4 anything else we should discuss today?

5 MR. MEYER: I would just like on behalf of

6 Avista to thank Staff counsel, Mr. Casey, for his work

7 in putting this schedule together and coordinating with

8 the parties. So thank you very much.

9 JUDGE O'CONNELL: Okay. And I would like to

10 thank all the parties today for getting together and

11 discussing and coming prepared to the hearing and being

12 on time, and I would thank you for your efforts today.

13 And if there's nothing else, I will issue an order

14 shortly containing the procedural schedule and other

15 guidelines for the disposition of this case as well as a

16 protective order. We are adjourned. Thank you.

17 (Adjourned at 9:40 a.m.)

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3 STATE OF WASHINGTON

4 COUNTY OF THURSTON

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6 I, Tayler Garlinghouse, a Certified Shorthand

7 Reporter in and for the State of Washington, do hereby

8 certify that the foregoing transcript is true and

9 accurate to the best of my knowledge, skill and ability.

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13 Tayler Garlinghouse, CCR 3358

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