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               BEFORE THE WASHINGTON UTILITIES AND
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                    TRANSPORTATION COMMISSION
     WASHINGTON UTILITIES AND
                                   ) Docket No. UE-001734
     TRANSPORTATION COMMISSION,
                                   )
                                     Volume II
 4
                                      Pages 21 to 28
                    Complainant,
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               vs.
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     PACIFICORP d/b/a PACIFIC
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    POWER AND LIGHT,
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                    Respondent.
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                A hearing in the above matter was held on May
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     21, 2002, at 1:30 p.m., at 1300 South Evergreen Park
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    Drive Southwest, Room 206, Olympia, Washington, before
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    Administrative Law Judge KAREN M. CAILLE.
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                The parties were present as follows:
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                THE COMMISSION, by GREGORY J. TRAUTMAN,
     Assistant Attorney General, 1400 South Evergreen Park
    Drive Southwest, Olympia, Washington 98504-0128,
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     Telephone (360) 664-1187, Fax (360) 586-5522, E-mail
     gtrautman@wutc.wa.gov.
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19
                PACIFICORP, by JAMES C. PAINE, Attorney at
     Law, Stoel Rives, 900 Southwest Fifth Avenue, Suite
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     2600, Portland, Oregon 97204, Telephone (503) 294-9246,
    Fax (503) 220-2480, E-mail jcpaine@stoel.com.
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     Joan E. Kinn, CCR, RPR
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    Court Reporter
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- 2 JUDGE CAILLE: Good afternoon, this is Docket
- 3 Number UE-001734, Washington Utilities and
- 4 Transportation Commission versus PacifiCorp doing
- 5 business as Pacific Power and Light. This matter
- 6 concerns PacifiCorp's application for tariff revisions
- 7 which would allow PacifiCorp to charge the customer the
- 8 costs associated with removing PacifiCorp's utility
- 9 property from the customer's location when the customer
- 10 changes utility service providers.
- 11 Today is May 21st, 2002, and we are convened
- in a hearing room at the Commission's offices in
- 13 Olympia, Washington. My name is Karen Caille, and I am
- 14 the presiding Administrative Law Judge in this
- 15 proceeding.
- 16 Since August of last year, the proceedings in
- 17 this docket have been suspended to allow PacifiCorp and
- 18 Columbia Rural Electric Association to pursue a service
- 19 territory agreement that could alleviate PacifiCorp's
- 20 stated need for the newly proposed changes. The parties
- 21 have engaged in negotiations to resolve the issues in
- 22 dispute. Throughout this process, the parties have kept
- 23 the Commission informed of their progress. In March of
- 24 this year, PacifiCorp and CREA, that's C-R-E-A, filed
- 25 with the Commission an agreement in principle. The

- 1 parties informed the Commission at that time that they
- 2 needed additional time to resolve issues that still were
- 3 outstanding. So today's scheduled pre-hearing
- 4 conference is a status conference to learn the status of
- 5 those negotiations and to discuss what process may be
- 6 needed for this docket.
- 7 So if we would begin with the appearances, if
- 8 you, Mr. Paine, I know you have already made an
- 9 appearance here, so if you will just state your name and
- 10 who you represent.
- 11 MR. PAINE: Thank you. James Paine,
- 12 P-A-I-N-E, of the Stoel Rives law firm appearing on
- 13 behalf of PacifiCorp.
- 14 MR. TRAUTMAN: Gregory J. Trautman, Assistant
- 15 Attorney General, appearing for Commission Staff.
- JUDGE CAILLE: And are there any appearances
- 17 on the bridge line?
- Okay, hearing none, then let the record
- 19 reflect there are no other appearances.
- 20 And, Mr. Paine, if you could give us an
- 21 account of the status of this proceeding.
- 22 MR. PAINE: I will. Judge Caille, last week
- 23 was the last of a series of negotiations between CREA
- 24 and PacifiCorp. Unfortunately, it did not generate or
- 25 result in a territorial service agreement, if you will,

- 1 or for that matter in any other agreements that were
- 2 discussed in the previously filed agreement in principle
- 3 that had been executed between CREA and PacifiCorp. I
- 4 am here today to indicate to you that we do not believe
- 5 that we will be able to negotiate successfully a service
- 6 territory agreement with Columbia REA.
- 7 As that affects this docket, PacifiCorp, that
- 8 is specifically the company's request to implement
- 9 charges for removal of their facilities from customers
- 10 that leave, I believe that what we would be looking at
- 11 next is to reestablish the procedural schedule, and that
- 12 is what I am here to tell you today.
- JUDGE CAILLE: Okay.
- 14 MR. PAINE: I would like to mention that
- 15 Mr. Wallis's participation was very gratifying, that is
- 16 he did help a great, great deal in getting us close.
- 17 Unfortunately, it did not work out, but Mr. Wallis did
- 18 yeoman work on this matter, and we do appreciate his
- 19 efforts.
- JUDGE CAILLE: I will pass that on.
- 21 MR. PAINE: Thank you.
- 23 but the other parties in this proceeding were Public
- 24 Counsel originally, Staff, and was it Northwest Energy
- 25 Coalition?

- 1 MR. PAINE: ICNU.
- 2 JUDGE CAILLE: ICNU.
- 3 MR. PAINE: That's correct.
- 4 JUDGE CAILLE: Why don't we go off the record
- 5 to discuss schedule.
- 6 (Discussion off the record.)
- 7 JUDGE CAILLE: We have had an off record
- 8 discussion concerning scheduling, and it appears that
- 9 since we are missing some parties and some parties may
- 10 have understood this just to be a status conference and
- 11 not a scheduling conference, I will be setting a new
- 12 pre-hearing conference date to reestablish a schedule in
- 13 this proceeding. And unfortunately at this point in
- 14 time, I can not guarantee a date. I'm going to have to
- 15 go back and check with our staff to see what is
- 16 available, and I will E-mail the parties and then send
- 17 out a notice.
- 18 And with that, Mr. Paine, you had mentioned
- 19 off the record about waiving the statutory time frame.
- 20 MR. PAINE: That is correct. As you pointed
- 21 out, Your Honor, the procedural schedule has been
- 22 suspended to May 21st, 2002. PacifiCorp is certainly
- 23 willing to work with the Commission staff and other
- 24 interested parties. We will formally waive one more
- 25 month at this stage to June 21st, if that is all right.

- 1 Hopefully by that time we will have had a pre-hearing
- 2 conference and established, reestablished I should say,
- 3 a procedural schedule.
- 4 JUDGE CAILLE: And, Mr. Paine, if you don't
- 5 mind, would you mention what you had read out of that
- 6 August order.
- 7 MR. PAINE: One of the points that was made
- 8 in that August 10th, 2001, order, which was the 3rd
- 9 Supplemental Order in this matter, was that Staff had
- 10 three qualifications to their support of the suspension
- 11 request. One of them was:
- 12 That to preserve the status quo,
- 13 PacifiCorp's agreement to waive the
- suspension period for an additional 5
- months should be interpreted to mean
- that if the negotiations fail, the
- 17 Commission will have 3 months and 25
- days after December 31st, 2001, to
- 19 resolve the instant docket.
- That's on page two of that order. And all
- 21 I'm suggesting to you is that PacifiCorp is well aware
- 22 that the Commission has already got a busy schedule set
- 23 this summer. We will work with the Commission and other
- 24 parties in an effort to set a procedural schedule. We
- 25 are confident that we will not demand in any sense that

- 1 it be processed within 3 months, 25 days. We would like
- 2 to see it processed this year, however.
- JUDGE CAILLE: Yes, and we will make every
- 4 effort to make that happen. And I just would note for
- 5 the record that this was the 3rd Supplemental Order that
- 6 amended the pre-hearing conference, it's dated August
- 7 the 10th, and at that time it granted a suspension of
- 8 the procedural schedule to December 31st, 2001, and
- 9 that's the date that Staff is referring to in that
- 10 motion. There was another request for an extension of
- 11 the procedural schedule that came in on December the
- 12 27th.
- MR. PAINE: That is correct.
- 14 JUDGE CAILLE: And I believe we extended it
- 15 to January 31st, 2002. And then I think we -- and then
- 16 there was a request to extend it to May 15th, 2002, and
- 17 it was extended to today's date, May 21st, 2002. That's
- 18 just so that it's clear on the record.
- MR. PAINE: All right.
- 20 JUDGE CAILLE: So if there's nothing further
- 21 from you folks, I will close this meeting and go search
- 22 for dates for our pre-hearing conference, and I commend
- 23 you for making the efforts that you did. Sometimes
- 24 these things just don't work out.
- 25 MR. PAINE: We are sorry it did not work out.

1 Thank you. JUDGE CAILLE: Thank you. We're off the record. (Hearing adjourned at 1:55 p.m.)