

NORTHWEST



NATURAL GAS COMPANY

ONE PACIFIC SQUARE
220 N.W. SECOND AVENUE • PORTLAND, OREGON 97209

LAWRENCE REICHMAN
Associate Counsel
DID: (503) 220-2404
FAX: (503) 721-2516

March 22, 1996

**VIA FACSIMILE AND
FIRST CLASS MAIL**

Steve McLellan
Secretary
Washington Utilities and
Transportation Commission
1300 S. Evergreen Pk Dr SW
Olympia, WA 98504-0128


**Re: WUTC vs. Cascade Natural Gas Corporation; Reply in Support of Northwest
Natural Gas Company's Objection to Second Supplemental Order on
Prehearing Conference; Docket: UG 951415**

Dear Mr. McLellan:

Enclosed are an original and nineteen copies of Northwest Natural Gas
Company's Reply in Docket No. UG 951415, WUTC vs. Cascade Natural Gas
Corporation. A copy of this Reply has been served by facsimile and mail upon all
parties of record in this proceeding.

Please call me if you have any questions.

Sincerely yours,


Lawrence Reichman

RECEIVED
96 MAR 26 10:44
STATE OF WASH
UTILITY DIVISION
COMMUNICATIONS

LHR:lt
Enclosure

cc: S.K. Ackerman
K.H. Evans
B.B. Samson
Service List

BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Washington Utilities and Transportation Commission,)		
)		UG-951415
Complainant,)		REPLY IN SUPPORT OF
vs.)		NORTHWEST NATURAL GAS
)		COMPANY'S OBJECTION TO
Cascade Natural Gas Corporation,)		SECOND SUPPLEMENTAL
)		ORDER ON PREHEARING
Respondent.)		CONFERENCE

Northwest Natural Gas Company ("NNG") respectfully submits this Reply Memorandum to respond to two issues raised in the Answer of Commission Staff to NNG's Objection to Second Supplemental Order on Prehearing Conference ("Answer").

In its Answer, Commission Staff cites WAC 480-09-430(3) in support of its statement that: "By failing to appear at the February 15, 1996 prehearing conference, NNG has waived any objection to rulings arising out of the prehearing conference, including rulings on petitions to intervene." Commission Staff is incorrect. WAC 480-09-430(3) states that: "A party's failure to attend the conference, in the absence of a showing of good cause for that failure, will constitute the party's waiver of all objections to any order or ruling arising out of the conference...." (Emphasis added.) This rule applies only to a party's failure to attend the conference. Prior to the time when NNG's Petition to Intervene is granted, NNG is not a party to this proceeding. Accordingly, this rule simply does not apply and NNG's failure to attend the prehearing conference is not

a reason to deny its Petition to Intervene.

The reason that NNG desires to intervene in this case is that on many occasions in the past, other parties have asserted that decisions made and policies applied in proceedings involving other utilities in Washington must be applied to NNG, and negotiations on those issues have been difficult. Accordingly, NNG believed that it needed to intervene in this case in order to protect its ability to assert its views on issues that may arise and decisions that may be applied to NNG in the future.

Commission Staff states in its Answer:

“[A] rate case is not a rulemaking. The Commission has long recognized each company as separate and distinct from others in the same industry. Should NNG submit its own rate case, the Commission will determine the issues in a manner specific to NNG.”

NNG would like to think that decisions made and policies applied in this case do not necessarily become policy for NNG, but our experience has demonstrated that a more active role in other LDC cases is warranted.

For the foregoing reasons, as well as the reasons stated in NNG's original objections, the Commission should reverse the order of the Administrative Law Judge and grant NNG's Petition to Intervene.

Dated this 22nd day of March, 1996.

Respectfully submitted,

NORTHWEST NATURAL GAS COMPANY

By:



Lawrence Reichman
Associate Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the attached Reply In Support of Northwest Natural Gas Company's Objection to Second Supplemental Order on Prehearing Conference upon all parties of record in Docket UG-951415 by facsimile to the indicated mailings and by mailing a copy thereof, properly addressed with first-class postage prepaid, to the parties or attorneys of parties on the following list:

John T. Stoltz
Senior Vice President
Cascade Natural Gas
Rates and Planning
PO Box 24464
Seattle, WA 98124

John L. West
Miller Nash Wiener Hager
& Carlsen
4400 Two Union Square
601 Union Street
Seattle, WA 98101
Fax No.: (206) 622-7485

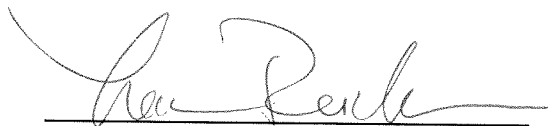
Robert Cederbaum
Assistant Attorney General
Washington Utilities and
Transportation Commission
State Mail Stop 40128
1300 S. Evergreen Pk Dr SW
Olympia, WA 98504-0128
Fax No.: (360) 586-5522

Robert F. Manifold
Assistant Attorney General
Office of the Attorney General
Public Counsel
900 4th Avenue Suite 2000
Seattle, WA 98164
Fax No.: (206) 389-2058

DATED this 22nd day of March, 1996.

NORTHWEST NATURAL GAS COMPANY

By:



Lawrence Reichman
Associate Counsel