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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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In the Matter of the Application of:)

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PUGET SOUND POWER & LIGHT ) DOCKET NO. UE-950195

4 COMPANY ) VOLUME 1

) PAGES 1 - 12

5 For Approval of (1) Conservation )

Asset Transaction under the )

6 Washington Conservation Financing )

Statute and (2) Proposed Tariff )

7 Revisions and Rate Mechanism. )

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9 A hearing in the above matter was held on

10 March 23, 1995 at 9:30 a.m. at 1300 South Evergreen

11 Park Drive Southwest, Olympia, Washington before

12 Administrative Law Judge ELMER CANFIELD.

13 The parties were present as follows:

14 PUGET SOUND POWER & LIGHT COMPANY, by JAMES

M. VAN NOSTRAND, Attorney at Law, 411 - 108th Avenue

15 Northeast, Bellevue, Washington 98004.

16 WASHINGTON UTILITIES AND TRANSPORTATION

COMMISSION STAFF, by ROBERT CEDARBAUM, Assistant

17 Attorney General, 1400 South Evergreen Park Drive

Southwest, Olympia, Washington 98504.

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19 FOR THE PUBLIC, DONALD TROTTER, Assistant

Attorney General, 900 Fourth Avenue, Suite 2000,

Seattle, Washington 98504.

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Cheryl Macdonald, CSR

25 Court Reporter

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WITNESSES:  
(No witnesses.)

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EXAM

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EXHIBITS:

MARKED

ADMITTED

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1 PROCEEDINGS

2 JUDGE CANFIELD: This pre-hearing  
3 conference will please come to order. This is docket  
4 No. UE-950195 in the matter of the application of  
5 Puget Sound Power and Light Company for approval of  
6 conservation asset transaction under the Washington  
7 conservation financing statute and proposed tariff  
8 revisions and rate mechanism. The proceeding today is  
9 being conducted by Administrative Law Judge Elmer  
10 Canfield of the Office of Administrative Hearings on  
11 Thursday, March 23, 1995 in Olympia, pursuant to  
12 notice to all interested parties. The commissioners  
13 will be sitting on the case when evidentiary hearings  
14 are held.

15 At today's session we're going to be taking  
16 appearances, and as further indicated on the notice of  
17 hearing, take interventions, mark and distribute  
18 applicant's direct testimony and exhibits. We'll also  
19 deal with discovery matters, the schedule and other  
20 preliminary matters. We would like to start by taking  
21 appearances beginning with the applicant, please.

22 MR. VAN NOSTRAND: On behalf of Puget Sound  
23 Power and Light Company, James M. Van Nostrand,  
24 411 - 108th Avenue Northeast, Bellevue 98004.

25 JUDGE CANFIELD: Thank you. Over here,

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1 please.

2 MR. CEDARBAUM: Representing Commission  
3 staff, my name is Robert Cedarbaum, assistant attorney  
4 general. My address is the Heritage Plaza Building,  
5 1400 South Evergreen Park Drive Southwest in Olympia.  
6 The zip code is 98504.

7 JUDGE CANFIELD: Thank you.

8 MR. TROTTER: Donald T. Trotter, assistant  
9 attorney general for the public counsel section of the  
10 attorney general's office. My address is 900 Fourth  
11 Avenue, Suite 2000, Seattle, Washington 98164.

12 JUDGE CANFIELD: Thank you. Any other  
13 appearances?

14 Let the record reflect there are none. Are  
15 there any preliminary matters that anyone has to  
16 address at the outset before we get started this  
17 morning?

18 Hearing nothing right off the bat, I will  
19 go ahead. Usually at the initial juncture we would  
20 deal with interventions, and I did check downstairs at  
21 the records center and there had been no petitions to  
22 intervene filed, and I guess I can just ask if there  
23 are any interventions being requested at this time.

24 Let the record reflect there are none, and  
25 we have a number of matters to cover at the session

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1 this morning. I don't have any preference in the  
2 particular order that we take them in. Maybe I can  
3 leave that open to the parties to address. We've got  
4 to deal with the exhibits. I haven't seen the  
5 proposed exhibits yet. We will be marking those for  
6 identification, and I don't know whether a protective  
7 order is going to be requested or not in the matter.  
8 Maybe I can have the applicant address that initially  
9 whether the applicant is requesting the issuance of  
10 protective order in the matter.

11 MR. VAN NOSTRAND: Yes, Your Honor, we will  
12 be.

13 JUDGE CANFIELD: I don't know if that's  
14 been discussed among the parties or not, but any  
15 comment on that request one way or the other?

16 MR. CEDARBAUM: The Commission staff was  
17 advised by the company earlier this week that some of  
18 the materials we've requested through data requests is  
19 confidential, and so in order to treat that we don't  
20 have any objection to a protective order being issued  
21 by the Commission in this proceeding. I think until  
22 that order is actually issued, I think we've agreed to  
23 kind of go on an honor system and so that we can get  
24 this information today, but the protective order being  
25 issued is something we don't object to.

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1                   JUDGE CANFIELD: Okay. Any comment, Mr.  
2 Trotter?

3                   MR. TROTTER: No.

4                   JUDGE CANFIELD: With that, I will grant  
5 the request for a protective order, and will request  
6 that the Commission issue one as soon as possible, and  
7 it will be patterned after the protective order in the  
8 Electric Lightwave matter, UT-901029. That's the  
9 form used by the Commission for a number of years, and  
10 I will request that that be issued as soon as possible  
11 so that those matters can be taken care of. I did  
12 check downstairs to see if there's any possibility of  
13 reducing the number of prefiled evidence in the  
14 matter, and was advised that that was not the case,  
15 that they had not prepared a full distribution list,  
16 so we'll leave it as it is at the original plus 19  
17 copies.

18                   I will note that in the notice of hearing  
19 the Commission did invoke the discovery provisions of  
20 WAC 480-09-480, and the Commission also shortened the  
21 response time for data requests to five business days.  
22 As I understand, Mr. Cedarbaum, there have already  
23 been some data requests made in the matter?

24                   MR. CEDARBAUM: That's right, Your Honor.  
25 I think we issued some formal data requests, about 13

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1 or 14. We've copied Mr. Trotter on the requests  
2 themselves and we've received responses, and so the  
3 five-day turnaround time has worked so far. It's been  
4 fine.

5 JUDGE CANFIELD: Okay. We haven't  
6 discussed scheduling yet. I don't know whether  
7 there's going to be any particular need for a  
8 discovery schedule. I guess we can address that in  
9 due course as well, but has the schedule been  
10 discussed among the parties, Mr. Cedarbaum?

11 MR. CEDARBAUM: A discovery schedule?

12 JUDGE CANFIELD: Well, schedule in general  
13 as well as any possible discovery schedule.

14 MR. CEDARBAUM: No on both counts. Other  
15 than the data requests that we've issued and the  
16 responses that have come in so far. We haven't  
17 discussed the need for deposition. At this time I  
18 don't see that need. It may come up in the future, so  
19 I'd just as soon leave that open for now. If we see  
20 the need for deposition we can, I think, agree to that  
21 informally and advise you on the schedule. If we have  
22 a problem with it we'll get in touch.

23 JUDGE CANFIELD: So it would be your  
24 proposal to leave that open and allow the parties to  
25 deal informally to the extent possible.

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1 MR. CEDARBAUM: That's right.

2 JUDGE CANFIELD: Any comments from the  
3 others on that?

4 MR. VAN NOSTRAND: That's fine, Your Honor.

5 JUDGE CANFIELD: Let's leave that as  
6 discussed then. Is the applicant prepared to  
7 distribute the testimony and exhibits at today's  
8 session?

9 MR. VAN NOSTRAND: Yes, Your Honor. Do  
10 that now?

11 JUDGE CANFIELD: Okay. Why don't we go off  
12 the record for a moment to distribute those around  
13 then, so I will take a short recess.

14 (Recess.)

15 JUDGE CANFIELD: We're back on the record  
16 now after a short recess during which time the  
17 prefiled evidence was distributed, and I did go ahead  
18 and assign numbers to them off the record, which I  
19 will recap on the record. The prefiled testimony of  
20 D. E. Gaines, G A I N E S, was identified as DEG-1.  
21 I will mark that for identification as Exhibit T-1.  
22 There was one accompanying exhibit of Mr. Gaines  
23 identified as DEG-2. I will mark that as Exhibit 2  
24 for identification.

25 (Marked Exhibits T-1 and 2.)



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1                   JUDGE CANFIELD:  And Mr. Van Nostrand  
2 indicated that that was the extent of the prefiled  
3 testimony and exhibits, and he did note that the  
4 application is on file at the Commission as well.  Do  
5 you know when that was filed?

6                   MR. VAN NOSTRAND:  Yes, Your Honor.  
7 February 16.

8                   JUDGE CANFIELD:  February 16, 1995.  
9 We will be dealing with scheduling at today's session  
10 as well.  I believe earlier Mr. Cedarbaum indicated  
11 that that had not been discussed among the parties.  
12 Maybe it would be appropriate to take a short recess  
13 to discuss the scheduling-type matters and come back  
14 on the record.

15                   MR. CEDARBAUM:  It's my understanding that  
16 the Commission has a proposed schedule.  I don't know  
17 if the company knows about it or not.  I don't care if  
18 we do that off the record or or on the record.

19                   JUDGE CANFIELD:  Why don't we take a short  
20 break to discuss the scheduling matter and come back  
21 on and announce the schedule.  So take another short  
22 recess.

23                   (Recess.)

24                   JUDGE CANFIELD:  We're back on the record  
25 after a brief recess during which time the proposed

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1 schedule was outlined and discussed, and I believe the  
2 parties indicated that they could live with the  
3 schedule. Let me just go ahead and announce it on the  
4 record. The prefiling date for staff and public  
5 counsel set at April 24. The prefiling date for  
6 company rebuttal set at May 28, and the cross of all  
7 parties set at May 23 to be continued to May 25 if  
8 necessary, and oral argument set for May 25, and that  
9 would follow the evidentiary hearings on the matter.  
10 And with that let me just briefly go around the room.

11           Mr. Van Nostrand, I believe you indicated  
12 that the applicant could live with and accept that  
13 schedule.

14           MR. VAN NOSTRAND: Yes, Your Honor. That  
15 the acceptable.

16           JUDGE CANFIELD: And Mr. Cedarbaum.

17           MR. CEDARBAUM: It's acceptable to staff.

18           JUDGE CANFIELD: Mr. Trotter.

19           MR. TROTTER: Yes.

20           JUDGE CANFIELD: That schedule  
21 will be adopted. I will be getting out a pre-hearing  
22 conference order summarizing these matters that we've  
23 discussed at the conference today, but I'm also  
24 understanding, Mr. Cedarbaum, that the Commission will  
25 be issuing a notice of hearing on that. Is that

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1 correct?

2 MR. CEDARBAUM: Yes. I would assume that  
3 the notice of hearing will go out for the only  
4 evidentiary phase that will remain in this case for  
5 the end of May, but that the prefiling dates, the 24th  
6 and the 28th, are being set today.

7 JUDGE CANFIELD: Yeah, that's my  
8 understanding as well, and if that wasn't understood,  
9 let it be so understood that these dates are being  
10 adopted and are so set at today's pre-hearing  
11 conference.

12 MR. VAN NOSTRAND: Your Honor, did you  
13 indicate that the oral argument on the 25th, was that  
14 at 9:30 in the morning?

15 JUDGE CANFIELD: That's my understanding  
16 that it would be noticed out for 9:30 on May 25, but  
17 if the evidentiary hearing had not yet been concluded  
18 that it would be bumped to later on in the day  
19 following the conclusion of the testimony. I will ask  
20 if there are any other matters that the parties have  
21 to address at the session today. I've covered the  
22 matters that have occurred to me. Maybe I can ask Mr.  
23 Van Nostrand if there's anything further that he has  
24 to address today.

25 MR. VAN NOSTRAND: No, Your Honor.

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1 JUDGE CANFIELD: And Mr. Cedarbaum.

2 MR. CEDARBAUM: No.

3 JUDGE CANFIELD: Mr. Trotter.

4 MR. TROTTER: No.

5 JUDGE CANFIELD: With that then I will  
6 thank you all for coming in and participating and, as  
7 indicated, I will try to get a pre-hearing conference  
8 order out as soon as possible, and I will also request  
9 the Commission to issue a protective order as soon as  
10 possible in the matter. So with that, thank you all.  
11 This session is adjourned.

12 (Hearing adjourned at 9:55 a.m.)

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