

Docket Nos. UE-170033 and UG-170034
(Consolidated) - Vol. I

WUTC v. Puget Sound Energy

February 13, 2017



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Page 1

1 BEFORE THE WASHINGTON
 2 UTILITIES AND TRANSPORTATION COMMISSION
 3 _____
 4 WASHINGTON UTILITIES AND)
 5 TRANSPORTATION COMMISSION,)
 6 Complainant,)
 7 vs.) DOCKET NOS. UE-170033 and
 8 UG-170034 (Consolidated)
 9)
 10 PUGET SOUND ENERGY,)
 11 Respondent.)
 12 _____
 13 PREHEARING CONFERENCE, VOLUME I
 14 Pages 1-48
 15 ADMINISTRATIVE LAW JUDGES DENNIS MOSS & RAYNE PEARSON
 16 _____
 17 9:30 a.m.
 18 February 13, 2017
 19 Washington Utilities and Transportation Commission
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<p>1 A P P E A R A N C E S (Cont.)</p> <p>2 FOR THE SIERRA CLUB:</p> <p>3 TRAVIS RITCHIE</p> <p>4 Sierra Club, Associate Attorney</p> <p>5 85 Second Street, Second Floor</p> <p>6 San Francisco, California 94105</p> <p>7 (415) 977-5727</p> <p>8 travis.ritchie@sierraclub.org</p> <p>9 --o0o--</p>	<p>1 And, of course, we will find out momentarily whether</p> <p>2 there are any objections.</p> <p>3 But the first order of business will be to</p> <p>4 take appearances and we'll start with the Company.</p> <p>5 MS. CARSON: Good morning, Your Honors.</p> <p>6 Sheree Strom Carson with Perkins Coie representing Puget</p> <p>7 Sound Energy. Also, Jason Kuzma and Donna Barnett have</p> <p>8 appeared in this case, although they are not here today.</p> <p>9 JUDGE MOSS: Thank you.</p> <p>10 Mr. ffitc.</p> <p>11 MR. FFITCH: Good morning, Your Honor.</p> <p>12 Simon ffitc representing the Energy Project. Would you</p> <p>13 like the full appearance?</p> <p>14 JUDGE MOSS: No, thanks, as long as you give</p> <p>15 the court reporter all the information. I think -- in</p> <p>16 fact, in this case, I'm happy to say that almost -- I</p> <p>17 believe everyone who's intending to intervene has filed</p> <p>18 a petition, and we've had notices of appearances. So</p> <p>19 we've got a pretty full set of information, which is</p> <p>20 very helpful. Thank you all for that. And we'll just</p> <p>21 go around the room in this direction and then we'll pick</p> <p>22 up over here, and don't let me forget, and then we will</p> <p>23 take anybody who is on the phone.</p> <p>24 So go ahead.</p> <p>25 MR. MORAN: Good morning, Your Honor. Brian</p>
Page 6	Page 8
<p>1 OLYMPIA, WASHINGTON; FEBRUARY 13, 2017</p> <p>2 9:30 A.M.</p> <p>3 --o0o--</p> <p>4 P R O C E E D I N G S</p> <p>5</p> <p>6 JUDGE MOSS: All right. Let's get started.</p> <p>7 Good morning, everybody. My name is Dennis Moss and</p> <p>8 sitting next to me is Rayne Pearson. We are</p> <p>9 administrative law judges with the Washington Utilities</p> <p>10 and Transportation Commission, and we are convened here</p> <p>11 today, and if I can remember, Dockets UE-170033 and</p> <p>12 UG-170034, which is PSE's 2017 general rate case</p> <p>13 following on the heels of a several-year hiatus in rate</p> <p>14 cases under the great plan we approved -- what year was</p> <p>15 that, 2013? I believe so.</p> <p>16 MS. CARSON: Yes.</p> <p>17 JUDGE MOSS: Memory has not failed me yet.</p> <p>18 All right. Well, Judge Pearson and I will</p> <p>19 be co-presiding in this proceeding, and indeed, after</p> <p>20 appearances this morning, I'm going to turn the floor</p> <p>21 over to her to take up the petitions to intervene with</p> <p>22 one exception, or three exceptions actually, I'm going</p> <p>23 to have a few things to say to the Sierra Club, the</p> <p>24 State of Montana, and Invenergy. Other than those</p> <p>25 three, I don't feel any particular need to say anything.</p>	<p>1 Moran with Orrick, Herrington representing the State of</p> <p>2 Montana.</p> <p>3 JUDGE MOSS: Okay. Mr. Moran, welcome.</p> <p>4 MS. GOODIN: Good morning, Your Honors.</p> <p>5 Amanda Goodin with Earth Justice representing the</p> <p>6 Northwest Energy Coalition, Renewable Northwest, and</p> <p>7 Natural Resources Defense Council.</p> <p>8 JUDGE MOSS: Nice to see you again,</p> <p>9 Ms. Goodin.</p> <p>10 MS. GAFKEN: Good morning. Lisa Gafken,</p> <p>11 assistant attorney general.</p> <p>12 JUDGE MOSS: Is your mic on?</p> <p>13 MS. GAFKEN: It should be, but I might not</p> <p>14 be close enough.</p> <p>15 JUDGE MOSS: There you go.</p> <p>16 MS. GAFKEN: Good morning. Lisa Gafken,</p> <p>17 assistant attorney general with Public Counsel, and also</p> <p>18 appearing in this case with me is Armikka Bryant, who is</p> <p>19 also an assistant attorney general.</p> <p>20 JUDGE MOSS: Welcome. This is your first</p> <p>21 appearance before the Commission, I believe?</p> <p>22 MR. BRYANT: No, it's not.</p> <p>23 JUDGE MOSS: It's not? Okay. Well, it's</p> <p>24 your first before me. There you go. Welcome, in any</p> <p>25 event.</p>

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<p>1 MR. BRYANT: Thank you.</p> <p>2 MS. BROWN: Sally Brown, senior assistant</p> <p>3 attorney general appearing on behalf of Commission</p> <p>4 Staff.</p> <p>5 MR. SHEARER: And Brett Shearer, assistant</p> <p>6 attorney general appearing on behalf of Commission Staff</p> <p>7 and assistant attorney generals, Jennifer</p> <p>8 Cameron-Rulkowski, Jeff Roberson, Andrew O'Connell, and</p> <p>9 Chris Casey have also filed appearances in this case,</p> <p>10 Your Honor.</p> <p>11 JUDGE MOSS: All right. And you will all be</p> <p>12 active in the case?</p> <p>13 MR. SHEARER: Yes, to varying extents.</p> <p>14 JUDGE MOSS: All right. Thank you very</p> <p>15 much.</p> <p>16 All right. Let's shift over to the other</p> <p>17 side of the room here.</p> <p>18 MR. ALLAN: Good morning, Your Honor.</p> <p>19 Richard Allan of Marten Law representing Invenergy, LLC.</p> <p>20 JUDGE MOSS: Mr. Allan, welcome. Is this</p> <p>21 your first time before the Commission?</p> <p>22 MR. ALLAN: Yes, it is.</p> <p>23 JUDGE MOSS: All right. Welcome.</p> <p>24 MR. PEPPE: Good morning. Tyler Pepple,</p> <p>25 attorney for the Industrial Customers of Northwest</p>	<p>1 And let's see. All right. I'll just ask at</p> <p>2 this point whether I'm missing anybody else who I didn't</p> <p>3 name.</p> <p>4 MS. LIOTTA: Yes, Your Honor --</p> <p>5 MR. BROOKS: Good morning, Your Honor --</p> <p>6 (Inaudible.)</p> <p>7 JUDGE MOSS: All right. The two of you were</p> <p>8 speaking at the same time. Mr. Brooks, I'll let you go</p> <p>9 first for the Northwest Industrial Gas Users.</p> <p>10 MR. BROOKS: Thank you. Yes, this is Tommy</p> <p>11 Brooks and I am on the line.</p> <p>12 JUDGE MOSS: All right. And, Ms. Liotta, if</p> <p>13 you would go ahead and enter your appearance for the</p> <p>14 FEA.</p> <p>15 MS. LIOTTA: Yes, Your Honor. Good morning.</p> <p>16 This is Rita Liotta with the Federal Executive Agencies.</p> <p>17 JUDGE MOSS: Thank you and welcome.</p> <p>18 MS. LIOTTA: Thank you.</p> <p>19 JUDGE MOSS: Any others?</p> <p>20 All right. That will complete our</p> <p>21 appearances, then, and we will move on to the business</p> <p>22 of the day, and I will turn the floor over to Judge</p> <p>23 Pearson at this point.</p> <p>24 JUDGE PEARSON: Good morning. So with</p> <p>25 respect to the petitions for intervention, are there any</p>
Page 10	Page 12
<p>1 Utilities.</p> <p>2 JUDGE MOSS: Okay. Thank you.</p> <p>3 Now, do we have counsel on the telephone who</p> <p>4 wish to enter appearances today? I think there are</p> <p>5 several, actually, who indicated they would be calling</p> <p>6 in. Do we have counsel for Kroger? How about Nucor</p> <p>7 Steel? Mr. Xenopolous, are you there?</p> <p>8 MR. XENOPOLOUS: Yes, Your Honor. This is</p> <p>9 Damon Xenopolous from Nucor Steel.</p> <p>10 JUDGE MOSS: All right. Thank you. I don't</p> <p>11 know that you'll have any speaking role today, but I'll</p> <p>12 tell you that you came through very faintly just now. I</p> <p>13 believe the court reporter was able to get your name.</p> <p>14 I'll check the spelling with her later. So if you do</p> <p>15 speak again, Mr. Xenopolous, speak up a little bit.</p> <p>16 Let's see, I don't think I heard -- we</p> <p>17 didn't hear anything from Cost Management Services. Do</p> <p>18 we have a representative from Cost Management?</p> <p>19 Apparently not. They filed a petition.</p> <p>20 Lets see, Mr. -- no, that's not right.</p> <p>21 Mr. Ritchie was going to appear by phone, I think. Are</p> <p>22 you on the phone?</p> <p>23 MR. RITCHIE: Yes, Your Honor. This is</p> <p>24 Travis Ritchie with the Sierra Club.</p> <p>25 JUDGE MOSS: All right. Welcome.</p>	<p>1 objections to the petitions for intervention filed by</p> <p>2 those parties other than the three that Judge Moss</p> <p>3 referenced in his opening remarks?</p> <p>4 MS. CARSON: Your Honor, the three that were</p> <p>5 referenced I believe are the State of Montana, Sierra</p> <p>6 Club, and Invenergy; is that correct?</p> <p>7 JUDGE PEARSON: Correct.</p> <p>8 MS. CARSON: PSE has no objections to the</p> <p>9 others, we do have one caveat. I talked with Ms. Amanda</p> <p>10 Goodin from -- who is representing three different</p> <p>11 entities, and PSE's concern was that we seem to have a</p> <p>12 lot of different groups with similar interests, these</p> <p>13 three as well as Sierra Club, all with environmental</p> <p>14 focus and interest on coal strip. And so I clarified</p> <p>15 that, with respect to those three intervenors, they will</p> <p>16 collaborate, coordinate their argument, their</p> <p>17 cross-examination, their testimony so that it will --</p> <p>18 will be as one as opposed to three different sets of</p> <p>19 testimony and argument.</p> <p>20 Our concern is that it can become burdensome</p> <p>21 and duplicative, and I guess we would be interested in</p> <p>22 the Commission's, you know, input as to at what point in</p> <p>23 time these interests are represented and, you know, how</p> <p>24 many different groups might be allowed to intervene to</p> <p>25 represent various environmental interests.</p>

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<p>1 JUDGE MOSS: All right. Did I understand</p> <p>2 you to say, then, that you were talking to the Sierra</p> <p>3 Club in terms of its representation being somehow joined</p> <p>4 with NWC and RBC and Renewables Northwest or just those</p> <p>5 three I just mentioned?</p> <p>6 MS. CARSON: Just those three. I just</p> <p>7 wanted to clarify that there's agreement that those</p> <p>8 three will be coordinated throughout the process.</p> <p>9 JUDGE MOSS: And I understood that by the</p> <p>10 joint petition to intervene so...</p> <p>11 MS. GOODIN: Yes, Your Honor. We are</p> <p>12 planning to coordinate throughout with a single set of</p> <p>13 briefs, single set of cross-examination. So there's no</p> <p>14 issue there.</p> <p>15 JUDGE MOSS: Thank you. I always appreciate</p> <p>16 you saving us 120 pages.</p> <p>17 MS. GOODIN: Yes, we will do what we can.</p> <p>18 MS. CARSON: So with that caveat, then, we</p> <p>19 have no objection to the remainder of intervenors other</p> <p>20 than the three that you mentioned.</p> <p>21 JUDGE PEARSON: Okay. Thank you.</p> <p>22 Ms. Gafken.</p> <p>23 MS. GAFKEN: Public Counsel has no objection</p> <p>24 to the petitions entered and the three that were</p> <p>25 mentioned.</p>	<p>1 MR. RITCHIE: Yes, Your Honor.</p> <p>2 JUDGE MOSS: Did you hear that?</p> <p>3 MR. RITCHIE: I did hear that, and I did</p> <p>4 speak with counsel for PSE. Sierra Club's intention</p> <p>5 with this rate case is to address only issues that are</p> <p>6 within the scope of the Commission's jurisdiction, and</p> <p>7 so I am -- I'm fine agreeing to that. We understand the</p> <p>8 Commission's role as an economic regulator. I</p> <p>9 personally have represented Sierra Club before. Many</p> <p>10 public utility commissions across the West including the</p> <p>11 UTC, most recently in PacifiCorp's general rate case</p> <p>12 from last year, and so we're very well versed how those</p> <p>13 issues relate to each other.</p> <p>14 There's the one concern I think I maybe have</p> <p>15 in trying to narrow Sierra Club's potential list of</p> <p>16 issues ahead of time is that even within that limitation</p> <p>17 of the Commission's jurisdiction on economic issues,</p> <p>18 there are several potential issues that may come up that</p> <p>19 we've just not fully analyzed with our expert yet to</p> <p>20 know where that may end. Our primary interest here is</p> <p>21 certainly coal strip. The coal strip plan both with</p> <p>22 regard to units one and two as well as the depreciation</p> <p>23 schedule for units three and four. But we also plan on</p> <p>24 looking at issues related to revenue requirement,</p> <p>25 impacts that could result from replacement power, and</p>
Page 14	Page 16
<p>1 JUDGE PEARSON: Okay. Thank you.</p> <p>2 MS. BROWN: Neither does Commission Staff,</p> <p>3 although we would appreciate the coordination of both</p> <p>4 parties.</p> <p>5 JUDGE PEARSON: Thank you.</p> <p>6 So hearing no objections to the petitions,</p> <p>7 we will grant those petitions to intervene. As Judge</p> <p>8 Moss said, it was our understanding that those three</p> <p>9 parties would be acting as one in this proceeding.</p> <p>10 MS. GOODIN: Yes.</p> <p>11 JUDGE MOSS: All right. With that, let us</p> <p>12 take up the three, and I'm singling you three out</p> <p>13 because of your special status given your interests</p> <p>14 that's stated in your petitions and wanted to speak to</p> <p>15 you. And I'll first ascertain whether there is any</p> <p>16 objections, in fact, to Sierra Club?</p> <p>17 MS. CARSON: Your Honor, PSE has tried to</p> <p>18 work with Sierra Club for a limited intervention. We</p> <p>19 don't object to Sierra Club intervening with respect to</p> <p>20 coal strip issues that the Commission can address as an</p> <p>21 economic regulator. And that's a similar limitation to</p> <p>22 what the -- what was agreed to in the 2011 general rate</p> <p>23 case. So if there is agreement on that, then we do not</p> <p>24 object to the Sierra Club's intervention.</p> <p>25 JUDGE MOSS: Mr. Ritchie?</p>	<p>1 potentially also revenue requirement impacts that could</p> <p>2 result from plans for cleanup and site remediation at</p> <p>3 the coal strip area.</p> <p>4 So, you know, we are not looking to go on a</p> <p>5 sprawling mission here, but we do want to be able to</p> <p>6 have the opportunity to address those issues that are</p> <p>7 related to both environmental issues that impact revenue</p> <p>8 requirement within the Commission's jurisdiction.</p> <p>9 JUDGE MOSS: Well, I'm not sure those are</p> <p>10 going to be issues in this proceeding. We can talk</p> <p>11 about that a little bit, but all we have before us in</p> <p>12 terms of coal strip in this case is some talk about</p> <p>13 plans for the future. We won't be talking about</p> <p>14 replacement power being a part of the Company's power</p> <p>15 cost in this case, I don't think. So I'm not sure. It</p> <p>16 seems to me that the proper forum for discussing issues</p> <p>17 related to the future shifts in power cost requirements</p> <p>18 that may eventuate assuming coal strips one and two are</p> <p>19 closed or other developments take place in the</p> <p>20 environment, is a matter, at this juncture at least, it</p> <p>21 would be taken up in the integrated resource planning</p> <p>22 process, which I imagine Sierra Club participates in as</p> <p>23 well.</p> <p>24 So let me -- let me hear from Ms. Carson on</p> <p>25 this.</p>

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<p>1 MS. CARSON: Your Honor, PSE agrees with</p> <p>2 that. The replacement power is not an issue in this</p> <p>3 case, and we agree that is more appropriately addressed</p> <p>4 in IRP.</p> <p>5 JUDGE MOSS: Okay. Anybody else want to be</p> <p>6 heard on the Sierra Club at this juncture? Apparently</p> <p>7 not.</p> <p>8 All right. Well, I am inclined,</p> <p>9 Mr. Ritchie, to state at the outset here that I -- my</p> <p>10 understanding has been all along, and it's consistent</p> <p>11 with your petition, that the Sierra Club's interest, as</p> <p>12 you said, your primary interest certainly is coal strip,</p> <p>13 and we do believe the Sierra Club will contribute to our</p> <p>14 hearing process with respect to that issue.</p> <p>15 With that idea in mind, I just -- I'm not</p> <p>16 going to set any specific limits on you at this juncture</p> <p>17 other than to say I'm expecting your focus to remain on</p> <p>18 that issue and issues that are directly implicated by</p> <p>19 it. And, again, I don't think replacement power is</p> <p>20 going to be an issue in this case. There may be others</p> <p>21 that I'm not anticipating at this juncture.</p> <p>22 So as I say, I'm not going to impose some</p> <p>23 sort of an arbitrary limit on you in terms of an issue</p> <p>24 that might arise that's directly related to the coal</p> <p>25 strip discussions that we'll be having through testimony</p>	<p>1 intervention accordingly. So with that limitation, PSE</p> <p>2 does not object.</p> <p>3 JUDGE MOSS: Okay. Any other objections to</p> <p>4 the State of Montana?</p> <p>5 MS. BROWN: This is Sally Brown for</p> <p>6 Commission Staff. I just want to make my record that I</p> <p>7 think it's abundantly clear that the Commission's</p> <p>8 regulatory jurisdiction does not extend to Montana or</p> <p>9 the State of Montana. So as you well know, I mean, the</p> <p>10 Commission's statutory obligation is to regulate in the</p> <p>11 public interest as provided by the public service laws</p> <p>12 and the regulated utilities and that impact the rate</p> <p>13 payers of the State of Washington, not any other state</p> <p>14 in the union.</p> <p>15 Having said that, the Commission Staff is</p> <p>16 not going to object to the State of Montana's limited</p> <p>17 intervention in this proceeding, although I would like</p> <p>18 to have a commitment from Montana's representative on</p> <p>19 the record today that it does not intend to broaden</p> <p>20 issues or impair the orderly and prompt conduct of the</p> <p>21 proceedings in this case.</p> <p>22 JUDGE MOSS: We can have that next unless</p> <p>23 somebody else wants to be heard on the State of Montana.</p> <p>24 Ms. Gafken, do you have a word?</p> <p>25 MS. GAFKEN: I do have a word. I do agree</p>
Page 18	Page 20
<p>1 and otherwise. But I think you're comfortable with the</p> <p>2 idea that that is the focus of your participation in</p> <p>3 this case, are you not?</p> <p>4 MR. RITCHIE: I am, Your Honor, yes. And to</p> <p>5 the extent that -- that I appreciate not putting any --</p> <p>6 any limits on ahead of time to the extent that we see</p> <p>7 something, we will be sure to address why we believe</p> <p>8 it's within the scope and appropriate to address in this</p> <p>9 rate case. Fully understanding the difference between a</p> <p>10 rate case and a forward-looking IRP process. I think</p> <p>11 that works for us, sir.</p> <p>12 JUDGE MOSS: All right. Very good.</p> <p>13 All right. Ms. Carson, how about the State</p> <p>14 of Montana?</p> <p>15 MS. CARSON: PSE also discussed with counsel</p> <p>16 for State of Montana limited intervention for the State</p> <p>17 of Montana. We did have concerns. We do have concerns</p> <p>18 that there's not a substantial interest here that the</p> <p>19 Commission is authorized to address in terms of the</p> <p>20 effect of the closing of coal strip on Montana</p> <p>21 residents. But that being said, PSE is willing to agree</p> <p>22 to a limited intervention by Montana to address again</p> <p>23 coal strip issues that the Commission as an economic</p> <p>24 regulator may address. And we did reach agreement with</p> <p>25 counsel for the State of Montana to limit their</p>	<p>1 with the points that Ms. Brown brought up and also</p> <p>2 Ms. Carson with respect to the limits that the</p> <p>3 Commission has in terms of what they can address and the</p> <p>4 substantial interest that Montana presented in their</p> <p>5 petition. I guess one thing I want to know is of course</p> <p>6 the Commission has a great deal of discretion in terms</p> <p>7 of whether they grant a petition for intervention, and</p> <p>8 the Commission does tend to view the standards broadly.</p> <p>9 So I recognize that, but I would also stress that there</p> <p>10 can be limits placed on an intervention, and this is a</p> <p>11 case where limits would be appropriate.</p> <p>12 So Public Counsel does have some concerns</p> <p>13 that Montana does not meet the standards for</p> <p>14 intervention either under the public interest prong or</p> <p>15 the substantial interest prong. But understanding that</p> <p>16 the Commission does have wide latitude there.</p> <p>17 JUDGE MOSS: Thank you.</p> <p>18 Anybody else want to be heard on this?</p> <p>19 All right. Let's hear from the State of</p> <p>20 Montana.</p> <p>21 MR. MORAN: Thank you, Your Honor. Brian</p> <p>22 Moran for the State of the Montana. We certainly don't</p> <p>23 intend to bring this to a disorderly or inefficient</p> <p>24 process, so we take counsel's cautions to heart and will</p> <p>25 certainly play by those rules. The Commission does have</p>

<p>Page 21</p> <p>1 broad discretion. You know, there are decommissioning 2 and remediation issues. They're more direct, less 3 tangential. We certainly understand the limits of the 4 regulatory body's authority on Montana residents, but we 5 do think with the discretion that Montana does have a 6 dog in this fight, to be colloquial, and we ask that you 7 use your authority to grant us the limited intervention 8 as outlined by Ms. Carson.</p> <p>9 JUDGE MOSS: All right. Well, with the 10 exception to the fact that I don't like your colloquy 11 because I don't like to think of this as a dog fight, 12 rather I'd like to think of it as a concerted 13 professional effort to address the issues that are 14 before us. And I think that you used the right word at 15 the same time which is say cautions, both with respect 16 to the Sierra Club and also with respect to the State of 17 Montana.</p> <p>18 That was my purpose in speaking to you all 19 today was to say I do want you to be cautious as you 20 proceed and to understand that there are procedural -- 21 and I know you know this -- but there are procedural 22 devices that other parties may use if they feel that you 23 are straying into territories where you should not 24 stray. And, of course, we will be careful to maintain 25 good order in the proceeding and keep people within the</p>	<p>Page 23</p> <p>1 have here a certain difference in terms of your status. 2 You are an independent power producer as I understand 3 it, and your interest in the proceeding as I read 4 through the lines of your petition is basically that 5 maybe you would like to sell some power or a power plant 6 or something like that to PSE some point in the future 7 when they have to replace power from a facility such as 8 coal strip that they may shut down at some point in the 9 future.</p> <p>10 So having said that and also that -- that I 11 don't see a particular public interest prong here, I 12 want to give you an opportunity to convince me that 13 there is something more to -- that meets this eye here, 14 and we'll also hear from counsel with whether there are 15 any objections. But I want to give you a chance as a 16 petitioner to speak first.</p> <p>17 MR. ALLAN: Yes, Your Honor. I appreciate 18 it. Richard Allan for Invenergy. To clarify, Invenergy 19 also is a customer of PSE. Invenergy purchases 20 electricity from PSE at its vantage substation. So we 21 are -- we aren't simply a generator or an independent 22 power producer. We are also a customer of PSE that 23 could conceivably be impacted by whatever the economic 24 outcome is from decisions that are made with respect to 25 coal strip one and two.</p>
<p>Page 22</p> <p>1 bounds that they should be kept so as to avoid any -- 2 any disruptive activities.</p> <p>3 I don't anticipate that at all. I just 4 think it's important at our first prehearing conference 5 to sort of get the ground rules straight, if you would. 6 And, Ms. Carson, I understood you to say that you've had 7 this conversation with Mr. Moran or his colleagues and 8 everybody seems to be on the same page.</p> <p>9 That's right, Your Honor.</p> <p>10 MS. CARSON: Correct, Your Honor.</p> <p>11 JUDGE MOSS: I could see you were distracted 12 there. Thank you very much.</p> <p>13 And then last we have Invenergy, and I do -- 14 oh, one more thing about the State of Montana. Somebody 15 made a comment about the substantial interest and the 16 public interest. I do agree that there is not a -- the 17 State can't -- would have a very difficult time 18 exhibiting a substantial interest in the proceeding 19 being a foreign entity as it were. But I think we did 20 talk about this internally, and I think the public 21 interest will be served by Montana's participation so -- 22 and also, of course, by the public interest groups such 23 as the Sierra Club and the others who are participating. 24 So I did want to say that.</p> <p>25 Now I will turn to Invenergy. I think we</p>	<p>Page 24</p> <p>1 That said, we also are -- feel we do have an 2 interest in understanding and making sure that 3 assumptions with respect to retirement and 4 decommissioning costs of coal strip one and two are 5 accurate because they ultimately -- and decisions that 6 are made with respect to that -- that facility 7 ultimately do impact on Invenergy's energy and 8 generating assets.</p> <p>9 JUDGE MOSS: Or may.</p> <p>10 MR. ALLAN: May.</p> <p>11 JUDGE MOSS: Okay. And what's your status 12 as a customer? Are you a marketer or do you actually 13 use electricity that you purchase from PSE for your own 14 business?</p> <p>15 MR. ALLAN: Your Honor, I am not clear on 16 that.</p> <p>17 JUDGE MOSS: Okay. All right. Well, let's 18 hear from the Company and see if we have any objection 19 first from the Company and then we'll ask the other 20 parties.</p> <p>21 MS. CARSON: Your Honor, PSE does object to 22 Invenergy's intervention. The intervention was just 23 filed Friday afternoon. We did not file any 24 counterresponse, but we do have concerns that Invenergy 25 has not demonstrated a substantial interest. It's not</p>

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<p>1 clear to me what type of a customer Invenergy is and 2 maybe takes power -- may be out of the open-access 3 transmission tariff may relate, but it's not clear to 4 me. That wasn't really mentioned in their petition to 5 intervene. 6 We do have concerns that the substantial 7 interest goes to PSE's customers and independent power 8 producers who want to sell power to PSE, that they are 9 not regulated by the Commission. There is not an 10 interest that the Commission is authorized to consider 11 under the substantial interest test based on prior 12 Commission decisions and court decisions. 13 So we do have concerns about this. As Your 14 Honor previously noted, replacement power is not an 15 issue in this case so -- and even when it is, we don't 16 typically have independent power providers who intervene 17 in the cases. So we do object to this intervention. 18 JUDGE MOSS: All right. Does anybody else 19 want to be heard on this? 20 Ms. Gafken. 21 MS. GAFKEN: I'll just weigh in briefly. In 22 looking at the -- first of all, I will start with Public 23 Counsel has no particular objection to Invenergy's 24 petition for intervention. In looking at it, it seemed 25 to me like it was similar to petitions that were filed</p>	<p>1 history with these sorts of things. 2 So does anybody else want to be heard? 3 MS. GAFKEN: I guess the only other thing I 4 would add is along the lines of what I was saying 5 earlier is the limitations, if their petition was 6 granted, then certain limitations could be appropriate. 7 JUDGE MOSS: Sure. 8 Anybody else? Ms. Carson? 9 MS. CARSON: Yeah, it is true in some of 10 those cases, for example, the current ongoing case with 11 NIPPC, they were allowed to intervene, but the 12 Commission did find that there was not a substantial 13 interest. And so it was justified based on the public 14 interest, and it's not really clear to me in this case 15 what Invenergy would contribute to the public interest 16 on the issue of coal strip that isn't already addressed 17 by the many different parties that are in this case at 18 this point in time. 19 JUDGE MOSS: All right. Thank you for that. 20 All right. So we will give you -- we will 21 give you one last word on this, and then I will make a 22 ruling. 23 MR. ALLAN: One thing that -- Your Honor, 24 that Invenergy does have that the other intervenors 25 concerned with coal strip don't have is the experience</p>
Page 26	Page 28
<p>1 in other recent dockets by the Northwest & Intermountain 2 Power Producers Coalition, NIPPC, or Columbia Rural 3 Electric Association, CREA, and Yakima Power in recent 4 dockets dealing with Microsoft and their request to go 5 to the open-access tariff, NIPPC petition that was 6 Docket UE-16113 -- I think 23, 161123, and then the 7 PacifiCorp's Schedule 300, which is Docket UE-161204. 8 Based on the similarities that seem to be there, Public 9 Counsel doesn't have any objections. 10 JUDGE MOSS: Okay. Well, we are familiar, 11 of course, with the cases to which you refer, but I note 12 there is a somewhat what of a -- what I think is perhaps 13 an important distinction, and that is that the 14 organizations CREA and NIPPC are just that, they're 15 organizations. They're trade groups. Their status is 16 somewhat different where we might find the public 17 interest, for example, and participation by such groups. 18 It's a bit more of a stretch to find that for someone 19 who's in the business of buying and selling power, 20 producing power, that sort of thing. 21 It's been a long time since I've had an 22 independent power producer try to come into a Commission 23 proceeding. I don't have a strong recollection one way 24 or the other of that ever having been allowed, and I 25 know the Commission doesn't have a completely uniform</p>	<p>1 of actually operating power plants and, you know, to the 2 extent that there is public interest to be served, I 3 think public interest would be served by having another 4 entity that actually is in the business be able to 5 provide information and to cross-examine on the issues 6 related to the actual operation, decommissioning, and 7 the associated costs. 8 JUDGE MOSS: All right. Thank you, 9 Mr. Allan. I think on balance, it -- our interests are 10 better served by denying your petition to intervene. 11 While I recognize that you have an interest, that is to 12 say you are in the business, I don't think it is a 13 substantial interest in what we will be doing in this 14 proceeding, nor do I think it would be particularly in 15 the public interest. 16 The public interest is well-represented here 17 not only by some of the intervenor groups who are 18 representing perhaps environmental interests and that 19 sort of thing, but also by our own Commission Staff. 20 Our Staff is the representative of the public interest, 21 so we tend to have less of a concern in terms of full 22 participation because of that. 23 I do invite you to follow the proceeding, 24 and all counsel should know and you included, Mr. Allan, 25 you can only talk to us about procedural matters. But</p>

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1 if you have procedural questions along the way, and in
 2 your case, perhaps questions about the status of
 3 something in the case at any given point in the future,
 4 you can contact us by phone or email. I do ask if you
 5 contact us by email, that you copy the parties so that
 6 there is no question of an ex-parte contact or someone
 7 wants to raise a concern about that, they can know that
 8 there's been a contact and raise that concern. Everyone
 9 here should be, and I'm sure is, familiar with our
 10 ex-parte rule both under the Administrative Procedures
 11 Act as a matter of statute and under our own procedural
 12 rules. So I'm sure everybody will be cautious about
 13 that.

14 I don't think I've ever had a call from
 15 counsel that didn't begin with, Judge Moss, can we talk
 16 about a procedural issue, and then they launch into some
 17 substantial question and make me angry, but that's okay.
 18 We've managed to get through that over all these years
 19 and I think we'll get through it again.

20 So I believe with that, that completes our
 21 business in terms of petitions to intervene, and I'm
 22 sure everyone will be happy, I'll be glad to stop
 23 talking now and turn the floor back over to Judge
 24 Pearson.

25 JUDGE PEARSON: Thank you. So we have

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1 already entered a standard protective order with highly
 2 confidential provisions in this proceeding and have made
 3 the discovery rules available to the parties. So that
 4 brings us to the issue of service, and many of you have
 5 consented to electronic service in the documents that
 6 you filed with the Commission. But for the record
 7 today, I will ask each of you to confirm whether you
 8 consent to electronic service if the Commission decides
 9 to serve documents electronically.

10 We can begin with the Company and go around
 11 the room.

12 MS. CARSON: Yes, the Company will agree to
 13 electronic service.

14 JUDGE PEARSON: Thank you.

15 MR. FFITCH: The Energy Project agrees to
 16 electronic service by the Commission.

17 JUDGE PEARSON: Thank you.

18 MR. MORAN: The State of Montana agrees to
 19 electronic service.

20 JUDGE PEARSON: Thank you.

21 MS. GOODIN: The Energy Coalition, Renewable
 22 Northwest, and NRDC agree to electronic service.

23 MS. GAFKEN: Public Counsel also agrees to
 24 electronic service from the Commission.

25 JUDGE PEARSON: Thank you.

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1 MR. SHEARER: And Commission Staff also
 2 agrees to electronic service from the Commission.

3 MR. PEPPLER: ICNU agrees as well.

4 JUDGE MOSS: Okay. Want to take the total
 5 on the phone there?

6 JUDGE PEARSON: Yes. The Federal Executive
 7 Agencies?

8 MS. LIOTTA: Yes, FEA agrees to electronic
 9 service.

10 JUDGE PEARSON: Okay. And Northwest
 11 Industrial Gas Users?

12 MR. BROOKS: Yes, we will consent to
 13 electronic service.

14 JUDGE PEARSON: And ICNU?

15 MR. PEPPLER: That was me.

16 JUDGE PEARSON: Oh, sorry.

17 Nucor Steel.

18 MR. XENOPOLOUS: Yes, Nucor Steel consents
 19 to electronic service from the Commission. Thank you.

20 JUDGE PEARSON: Okay. And the Sierra Club?

21 MR. RITCHIE: Yes, Sierra Club consents to
 22 electronic service from the Commission and all parties
 23 and enthusiastically prefers electronic service.

24 JUDGE PEARSON: Okay. Thank you. I think
 25 that was everyone.

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1 So that brings us to the schedule. Staff
 2 provided a proposed procedural schedule to us prior to
 3 the hearing, and I notice that the suspension date is
 4 December 13th, 2017. Do all the parties agree that
 5 that's the correct suspension date?

6 MS. CARSON: Yes, Your Honor.

7 JUDGE PEARSON: Okay. So do the parties
 8 need a recess to discuss scheduling or has this already
 9 been discussed?

10 MR. SHEARER: We've discussed it via email
 11 to the extent we can discuss it. So we may as well go
 12 forward.

13 JUDGE PEARSON: Okay. So you want to take a
 14 recess, then?

15 MR. SHEARER: That's up to you, Your Honor,
 16 but I'm sure there will be some tinkering, but I don't
 17 think there's a lot of progress to be made among the
 18 parties anymore by ourselves.

19 JUDGE PEARSON: I see. Okay.

20 JUDGE MOSS: Now, you have these hearing
 21 dates that are on here.

22 Do you have this, Ms. Carson?

23 MS. CARSON: I do, and we do have a few
 24 suggested changes.

25 JUDGE MOSS: Well, sure, sure. I don't have

Page 33	<p>1 a problem with that, but I wanted to start by saying we</p> <p>2 did have a discussion internally on the subject of</p> <p>3 hearing dates and we're pretty fixed on these. So are</p> <p>4 the question of working around that, those dates, unless</p> <p>5 there's an irreconcilable conflict that you can bring to</p> <p>6 our attention?</p> <p>7 MS. CARSON: No, there's not. PSE was</p> <p>8 interested in potentially starting the hearing on the</p> <p>9 29th instead of the 28th because the cross-exam exhibit</p> <p>10 date got pushed back to the 24th, and it does not give</p> <p>11 much time for parties to -- for witnesses and attorneys</p> <p>12 to review the cross-exam exhibits. And, of course,</p> <p>13 that's also always primarily an issue for PSE because,</p> <p>14 you know, we get hit with a lot more cross-exam exhibits</p> <p>15 than the other parties. So we were open to considering</p> <p>16 starting the 29th and continuing on through that week to</p> <p>17 the extent necessary. I understand there's an open</p> <p>18 meeting I think the -- that Thursday, so perhaps in the</p> <p>19 afternoon on Thursday and then continuing on Friday.</p> <p>20 JUDGE PEARSON: Okay. So that will work for</p> <p>21 the Commission. As far as the Commissioners' schedules,</p> <p>22 we had that whole week blocked off in the event that it</p> <p>23 was needed. So does Staff have any objection to</p> <p>24 starting the hearing on the 29th?</p> <p>25 MR. SHEARER: No objection from Staff.</p>	Page 35
Page 34	<p>1 JUDGE PEARSON: Okay.</p> <p>2 JUDGE MOSS: Mr. ffitich has something.</p> <p>3 MR. FFITCH: Your Honor, just in that vein,</p> <p>4 perhaps our request has already been granted, but we</p> <p>5 were going to request that the hearing be formally --</p> <p>6 the hearing dates actually formally include the 31st and</p> <p>7 perhaps even Friday, the 1st because we have a witness</p> <p>8 who would only be available on those days so that would</p> <p>9 be helpful to the Energy Project.</p> <p>10 JUDGE PEARSON: Okay. That sounds good. We</p> <p>11 can certainly do that, and we can schedule it for the</p> <p>12 afternoon of the 31st or whenever the open meeting</p> <p>13 concludes with a short break. Whatever works for the</p> <p>14 parties.</p> <p>15 Anyone else?</p> <p>16 MS. GAFKEN: Yes, I have one thing. I have</p> <p>17 mentioned this to the parties, but we have a witness</p> <p>18 that has a hearing in Arkansas on the 30th. And so</p> <p>19 travel could be a little tricky if we start on the 29th,</p> <p>20 I think we're willing to do that with the understanding</p> <p>21 that we may be coming to the parties and the Commission</p> <p>22 with a proposal on how to deal with that witness in</p> <p>23 either getting her here or not. But maybe video or</p> <p>24 something along those lines, but I think there's enough</p> <p>25 dates that are in play that we can work with this.</p>	Page 36
	<p>1 JUDGE MOSS: Yeah, that's a long way off.</p> <p>2 MS. GAFKEN: That too.</p> <p>3 JUDGE MOSS: Yeah, and we don't know at this</p> <p>4 juncture how extensive the hearing will need to be. In</p> <p>5 recent periods, the practice seems to have been for</p> <p>6 counsel to do, shall we say, more focused</p> <p>7 cross-examination. That has sometimes been true in</p> <p>8 earlier years, and so our hearings have gone down to two</p> <p>9 days and three days, that sort of thing.</p> <p>10 I forget the exact number, but I think PSE</p> <p>11 has something like 20 witnesses or something like that.</p> <p>12 Pretty close to that number, and I'm looking at the</p> <p>13 number of intervenors and thinking well, one and a half</p> <p>14 witnesses on average, and we're probably looking at 40</p> <p>15 witnesses in this case. So that's quite a number</p> <p>16 relative to what we normally have, and I'm sure there</p> <p>17 will be waiver for some of those. Still, we may need to</p> <p>18 spill over, so everybody needs to arrange their personal</p> <p>19 schedules to accommodate that. I know I will arrange</p> <p>20 mine that way and forgo my vacation plans as usual.</p> <p>21 Just kidding.</p> <p>22 JUDGE PEARSON: Okay. So is there anything</p> <p>23 further with respect to the schedule?</p> <p>24 MR. SHEARER: Yes, Your Honor. Staff had a</p> <p>25 question. We've discussed among the parties a date</p>	
	<p>1 that's on this, April 3rd, 2017, which is labeled "PSE</p> <p>2 supplemental testimony." Staff is still a little</p> <p>3 unclear as to what that will be and why PSE would need</p> <p>4 that opportunity. So we're happy to let PSE try to</p> <p>5 clarify that for us if we can on the record.</p> <p>6 MS. CARSON: Certainly. PSE has in its past</p> <p>7 general cases and power cost only rate cases submitted</p> <p>8 supplemental testimony. Primarily one of the main</p> <p>9 issues is to update power costs, and we did that</p> <p>10 in 2009, 2011, 2013, and '14 precourse. The Commission</p> <p>11 had at one time expressed a desire that its such</p> <p>12 supplemental filing be provided with ample time for</p> <p>13 other parties to review it before their response</p> <p>14 testimony is due. And so in 2011, we started doing that</p> <p>15 as part of the procedural schedule.</p> <p>16 But it also sets a date if there's any, you</p> <p>17 know, corrections or numbers that were estimates that</p> <p>18 have become known and measurable that we can update that</p> <p>19 and give other parties sufficient time to audit the</p> <p>20 information. But primarily its updating power costs.</p> <p>21 The power costs projections for the filed case I believe</p> <p>22 used the forward natural gas prices for a period for</p> <p>23 September 2016, and this would be updated by four or</p> <p>24 five months. So that's -- we're just doing what we've</p> <p>25 done for several cases in the past.</p>	

Page 37	<p>1 JUDGE PEARSON: Okay.</p> <p>2 MR. SHEARER: We're still a little unclear</p> <p>3 about a power cost update in April and the need for</p> <p>4 that. And will it not be updated again later in the</p> <p>5 case? And if I -- just make sure we understand</p> <p>6 correctly that PSE believes updates to be known as just</p> <p>7 numerical updates. You know, we're not going to get 75</p> <p>8 pages of supplemental testimony or something along those</p> <p>9 lines.</p> <p>10 MS. CARSON: No.</p> <p>11 MR. SHEARER: That's obviously a Staff</p> <p>12 concern.</p> <p>13 MS. CARSON: That hasn't been the case in</p> <p>14 the past with significant amount of testimony. There</p> <p>15 won't be a change in the methodologies. It will just be</p> <p>16 refreshing numbers. And we have in some cases updated</p> <p>17 supplemental testimony power cost, and then again in</p> <p>18 rebuttal, just really depending on what's happening with</p> <p>19 power costs. But, you know, that's -- that's up to the</p> <p>20 Commission. If the Commission doesn't want us to update</p> <p>21 again in rebuttal, we certainly don't need to.</p> <p>22 JUDGE MOSS: Let me just interject here that</p> <p>23 I appreciate your last comment because we have been</p> <p>24 having some internal discussions about the subject of</p> <p>25 power cost updates. In recent cases, we've had power</p>	Page 39	<p>1 that?</p> <p>2 Thank you, Ms. Brown. I appreciate the</p> <p>3 confirmation.</p> <p>4 MS. BROWN: I like mud.</p> <p>5 MS. CARSON: Well, that is why we proposed</p> <p>6 it early in April.</p> <p>7 JUDGE MOSS: Yeah, and I don't want to</p> <p>8 discourage you from doing it that early. That still</p> <p>9 gives the responsive parties three months and, of</p> <p>10 course, if you file it and they don't like, they can</p> <p>11 object to it even then or just as they can object to</p> <p>12 your original testimony and ask me to strike -- or ask</p> <p>13 us to strike portions of that. I mean, this is, you</p> <p>14 know, we play -- we play by the rules and we give</p> <p>15 everybody the full opportunity to do what they need to</p> <p>16 do to represent the interests of their clients. So</p> <p>17 having said all of that, I will be quiet again. Thank</p> <p>18 you.</p> <p>19 MR. SHEARER: Thank you. With those</p> <p>20 clarifications from Ms. Carson and Judge Moss, Staff has</p> <p>21 no objection to including April 3rd on the schedule, and</p> <p>22 we appreciate the parties having that discussion on the</p> <p>23 record.</p> <p>24 JUDGE PEARSON: Okay. Is there anything</p> <p>25 else with respect to the schedule?</p>
Page 38	<p>1 cost updates in rate cases and sometimes multiple power</p> <p>2 cost updates, and sometimes very near the end of the</p> <p>3 case, and in some instances per a request to do it after</p> <p>4 the end of the case and so forth and so on.</p> <p>5 The practice of doing power cost updates in</p> <p>6 general rate cases came into being in a time when power</p> <p>7 costs were high and volatile, and it was an appropriate</p> <p>8 thing to do. It often saved the customers a lot of</p> <p>9 money when we were able to update the power cost in a</p> <p>10 period when gas prices were flying or what have you,</p> <p>11 but, of course, there was the double threat there that</p> <p>12 might go the other way. We've had fairly stable gas</p> <p>13 prices and other fuel source prices, electric prices</p> <p>14 relatively speaking during more recent periods.</p> <p>15 So I think it will be a case of -- it's all</p> <p>16 well and good to file supplemental testimony and to plan</p> <p>17 to do that, but I think the parties need to be aware</p> <p>18 that certainly the further out anybody wants to go with</p> <p>19 that, it's going to be subject to objection from other</p> <p>20 parties, and it may even be something that the</p> <p>21 Commission itself decides it's not something we want to</p> <p>22 do. So just a caution in that regard. And I don't want</p> <p>23 to refer to specific recent cases, but it can become</p> <p>24 disruptive at the end of a case, and so we don't want to</p> <p>25 let that happen here. Have I been muddy enough about</p>	Page 40	<p>1 MS. CARSON: Your Honor, PSE does have one</p> <p>2 other request for a change. The settlement conference</p> <p>3 number two, July 25th, falls at a time of a NARUC</p> <p>4 meeting, I believe. And so some people will not be</p> <p>5 available, and we would like to move it up. Didn't have</p> <p>6 a chance to talk with other parties about this, but I</p> <p>7 would think maybe earlier in July would work. And I</p> <p>8 don't know that we have to come up with that date today,</p> <p>9 but anyway, July 25th isn't a good date.</p> <p>10 JUDGE PEARSON: Okay. As long as we have</p> <p>11 the first settlement conference schedule and then the</p> <p>12 prehearing conference, that's fine, and the parties can</p> <p>13 determine at a later date when the second one will be</p> <p>14 held.</p> <p>15 MR. SHEARER: Yes, Staff has no objection to</p> <p>16 that.</p> <p>17 JUDGE PEARSON: Okay.</p> <p>18 MR. SHEARER: Sounds like a good plan.</p> <p>19 JUDGE PEARSON: Ms. Gafken, did you have</p> <p>20 something to add?</p> <p>21 MS. GAFKEN: Yes, I have two things. I just</p> <p>22 wanted to put in a plug for two public comment hearings</p> <p>23 in this matter. I see that it's on the draft that's up</p> <p>24 there. I just wanted to verbalize that for the record.</p> <p>25 We're proposing, and Olympia and Bellevue, I understand</p>

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<p>1 those are two places where PSE general rate cases and</p> <p>2 comment hearings have been held before. That seems to</p> <p>3 work well. I proposed a couple of weeks there that</p> <p>4 hopefully will work with the schedule.</p> <p>5 The other thing that I wanted to note that's</p> <p>6 not on there and that's the customer notice report</p> <p>7 that's generally about a month or so after the</p> <p>8 prehearing conference, and that's a letter usually that</p> <p>9 Public Counsel will file alerting the Commission about</p> <p>10 the status of the customer notice that goes in with the</p> <p>11 bills and informs them about the rate case. I have</p> <p>12 talked to the Company, and it looks like a slightly</p> <p>13 longer time period will be needed in this case.</p> <p>14 Primarily because lots of files happen in the month of</p> <p>15 March for the Company, and so we've talked about having</p> <p>16 that report due on April 12th.</p> <p>17 JUDGE PEARSON: Can you tell me the name of</p> <p>18 it one more time?</p> <p>19 MS. GAFKEN: Sure, the customer notice</p> <p>20 report.</p> <p>21 JUDGE PEARSON: Customer notice report,</p> <p>22 okay. All the other parties are okay with that?</p> <p>23 JUDGE MOSS: I used to not let Mr. ffitch do</p> <p>24 this to our procedural schedule, but Ms. Gafken thinks</p> <p>25 it's matured around here I guess, so...</p>	<p>1 respond to that?</p> <p>2 MS. GAFKEN: Public Counsel supports that</p> <p>3 request.</p> <p>4 JUDGE PEARSON: Mr. ffitch?</p> <p>5 MR. FFITCH: We have no objection to that,</p> <p>6 although it plays havoc with our embedded numbering</p> <p>7 templates for our system. One must change with the</p> <p>8 times and save paper. And after this matter, I did</p> <p>9 think of one other minor administrative issue to raise.</p> <p>10 JUDGE PEARSON: Okay. Ms. Goodin?</p> <p>11 MS. GOODIN: We also support that request</p> <p>12 and would request electric service of those copies as</p> <p>13 well if possible from other parties.</p> <p>14 JUDGE PEARSON: Okay. Mr. Moran?</p> <p>15 MR. MORAN: We support the request, Your</p> <p>16 Honor.</p> <p>17 MS. CARSON: PSE doesn't object to the</p> <p>18 request.</p> <p>19 MR. PEPPLER: ICNU supports the request.</p> <p>20 JUDGE PEARSON: Okay. And for those on the</p> <p>21 phone.</p> <p>22 MR. XENOPOLOUS: Nucor has no objection,</p> <p>23 Your Honor.</p> <p>24 JUDGE PEARSON: Okay. Thank you.</p> <p>25 MR. BROOKS: No objection from NIGU.</p>
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<p>1 JUDGE PEARSON: Okay. Anything else?</p> <p>2 MR. FFITCH: May I just have a moment, Your</p> <p>3 Honor, to confer with counsel? We have nothing further,</p> <p>4 Your Honor. Thanks.</p> <p>5 JUDGE PEARSON: Okay. Thank you.</p> <p>6 So we appreciate the parties coming to us</p> <p>7 with this schedule and we will adopt it in the</p> <p>8 prehearing conference order with the modifications.</p> <p>9 MR. SHEARER: We did have one more</p> <p>10 administrative question. I guess I've learned from my</p> <p>11 colleagues it has become recent practice to stipulate to</p> <p>12 the standard first DR that all the parties serve each</p> <p>13 other. It struck me that that might be a good idea in</p> <p>14 this case, given that we have so many intervenors, you</p> <p>15 know, please provide copies of any and all of your</p> <p>16 requests and responses to all the parties.</p> <p>17 JUDGE MOSS: Instead of having to do the DR</p> <p>18 asking for exactly the same thing.</p> <p>19 MR. SHEARER: Exactly. So if everybody is</p> <p>20 willing, all the parties are willing to stipulate to</p> <p>21 that now, that would be helpful. Save everybody ten DRs</p> <p>22 from going out to each other.</p> <p>23 JUDGE PEARSON: Okay. That sounds good.</p> <p>24 MR. SHEARER: If you're willing to ask.</p> <p>25 JUDGE PEARSON: Sure, parties want to</p>	<p>1 MS. LIOTTA: FEA has no objection either.</p> <p>2 MR. RITCHIE: Sierra Club supports the</p> <p>3 request.</p> <p>4 JUDGE PEARSON: Okay. Thank you.</p> <p>5 JUDGE MOSS: Well, you all be thinking about</p> <p>6 during the course of discovery in this case, the</p> <p>7 proposal that I made years ago and it never went</p> <p>8 anywhere that -- and that was to come up with some means</p> <p>9 to have a common site for discovery so that you don't</p> <p>10 have to have all this back and forth and back and forth,</p> <p>11 but everybody can find access to the same site and</p> <p>12 discovery can all be available in one place. And, of</p> <p>13 course, in our electronic age, this is increasingly</p> <p>14 possible to do and easy to do for everybody except me,</p> <p>15 and I'm not involved in the discovery process so that</p> <p>16 doesn't matter.</p> <p>17 BPA has done this for years and it seems to</p> <p>18 work very, very well in their proceedings. The only one</p> <p>19 I was ever involved in was 17 or 18 years ago when there</p> <p>20 were 68 parties and it works pretty well. I don't think</p> <p>21 I had a single problem while I was presiding in the</p> <p>22 case, and it went real well.</p> <p>23 MS. CARSON: Your Honor, PSE did make such a</p> <p>24 site available in a current case before the Commission,</p> <p>25 and many parties very much appreciated that and some</p>

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<p>1 parties objected to that. I believe Commission Staff or 2 some members of Commission Staff were not comfortable 3 with that. We certainly would endorse that. It saves a 4 lot of time and email correspondence, and we think it's 5 a good solution. 6 JUDGE MOSS: Okay. Well, I think it's 7 probably best left to the parties to work that sort of 8 thing out among themselves rather than us trying to 9 dictate something from the bench. But I did want to 10 raise the idea again. Thank you for making that point. 11 Perhaps you can have some further discussions and make 12 some progress in this direction. 13 MS. BROWN: I just want say that it does 14 raise issues with regard to compliance with the State's 15 Public Records Act and the Records Retention Act. We 16 have a special database that files within the utility. 17 JUDGE MOSS: Okay. Thank you. 18 JUDGE PEARSON: Okay. 19 JUDGE MOSS: It's the virtue of having the 20 head of the division appearing in the case. Gives you a 21 broader perspective on things. 22 JUDGE PEARSON: Okay. So for filing, so we 23 took a count and we will need an original plus 11 copies 24 for internal distribution at the Commission. And if 25 filings include information designated as confidential</p>	<p>1 adjourned. Thank you. 2 (Adjourned at 10:23 a.m.) 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
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<p>1 or highly confidential, file the original and 11 copies 2 of the fully unredacted version, an original and one 3 copy of any partly redacted version, and an original and 4 one copy of the fully redacted version. So we will 5 require you to submit a witness list showing order of 6 presentation, time estimates for cross-examination of 7 each witness, and cross-examination exhibit list shortly 8 before the evidentiary hearings, and we will exchange 9 cross-examination exhibits prior to the hearing and take 10 up any other business that will maximize efficiency at 11 the hearing such as stipulating to the admission of 12 testimony and exhibits. 13 And if any party has not yet designated a 14 lead representative for service, please do so via an 15 email to Judge Moss and myself as soon as possible. And 16 if anyone would like to add names and email addresses of 17 other representatives or support staff who should 18 receive electronic courtesy copies of all documents 19 filed in this proceeding, please email that to us as 20 well. 21 Is there anything else that we need to 22 address while we're here today? Okay. Hearing nothing, 23 just want to thank the parties for all coming and 24 participating today, and we will issue an order 25 reflecting what was discussed here today, and we are</p>	<p>1 CERTIFICATE 2 3 STATE OF WASHINGTON 4 COUNTY OF THURSTON 5 6 I, Tayler Russell, a Certified Shorthand Reporter 7 in and for the State of Washington, do hereby certify 8 that the foregoing transcript is true and accurate to 9 the best of my knowledge, skill and ability. 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: center;">Tayler Russell, CCR _____</p>