

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET UG-060256
TRANSPORTATION COMMISSION,)	
)	ORDER 03
Complainant,)	
)	
v.)	PREHEARING CONFERENCE
)	ORDER
CASCADE NATURAL GAS)	
CORPORATION,)	
Respondent.)	
.....)	

- 1 **NATURE OF PROCEEDING.** Docket UG-060256 involves the filing of tariffs seeking a general increase in the rates and charges of Cascade Natural Gas Corporation (Cascade or the Company). The Washington Utilities and Transportation Commission (Commission) suspended the proposed tariffs and directed that the proposal be set for hearing.

- 2 **CONFERENCE.** The Commission convened a prehearing conference in this docket at Olympia, Washington on July 25, 2006, before Administrative Law Judge Ann E. Rendahl upon notice to all parties.

- 3 **APPEARANCES.** James Van Nostrand, Perkins Coie, LLP, Portland, Oregon, represents Cascade. Judith Krebs, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of the Attorney General (Public Counsel). Greg Trautman, Assistant Attorney General, Olympia, Washington, represents the Commission’s regulatory staff (Commission Staff or Staff).¹ Vincent J. Diaz, Fox Island, Washington, represents the International

¹ In formal proceedings, such as this case, the Commission’s regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as any other party to the proceeding. There is an “*ex parte* wall” separating the Commissioners, the presiding Administrative Law Judge, and the

Chemical Workers Union Council/UFCW Local 121-C. Ed Finklea and Chad Stokes, attorneys, Cable Huston Benedict Haagensen & Lloyd LLP, Portland, Oregon, represent the Northwest Industrial Gas Users (NWIGU). Nancy Glaser and Danielle Dixon, staff members, Seattle, WA, represent the NW Energy Coalition. Brad Purdy, attorney, Boise, Idaho, represents the Energy Project. Scott Magie, project director, Longview, Washington, represents the Mint Farm Energy Center LLC. Updated contact information provided at the conference for the parties' representatives is attached as Appendix A to this Order.²

- 4 **EFFECT OF PROPOSED ACQUISITION ON THE PROCEEDING.** The Commission convened the prehearing conference to address whether the proposed acquisition of Cascade by MDU Resources Group (MDU), announced on July 11, 2006, is likely to have any effect on this rate case proceeding. The Commission asked the parties to address whether they anticipate any effect on this proceeding, and if so, whether there is a need to amend the procedural schedule.
- 5 Following extensive discussion, the parties agreed that they did not anticipate any effect on this proceeding from the proposed acquisition. The parties noted that the timing of the rate case and proposed merger do not overlap: The rate case will go to hearing in the fall with a decision by January 2007, while MDU will not likely file a request for approval of the proposed merger until this fall, with a requested approval in the summer of 2007. At the request of NWIGU, parties may file additional comments on the issue following receipt of Cascade's responses to data requests about the proposed acquisition.
- 6 **PROCEDURAL SCHEDULE.** The Commission amends the procedural schedule in this proceeding to include an opportunity for parties to submit comments concerning Cascade's responses to data requests addressing the effect of the proposed acquisition on the rate case. An updated procedural schedule is attached as Appendix B to this Order.

Commissioners' policy and accounting advisors from all parties, including advocacy Staff. *RCW 34.05.455.*

² We also attach as Appendix C an updated list of contact information for attorneys, paralegals and client contact persons, for informal distribution of information. Only the lead counsel will receive service of Commission-generated communications; counsel and the party's designated client representative will receive formal service of Commission orders.

- 7 The presiding officer allowed the parties to submit comments to the Commission electronically under WAC 480-07-145(6), providing a one-day extension of the paper-filing requirement. **Parties must submit comments electronically on August 8, 2006, by 3 p.m., either through the Commission's Records Center Web Portal (www.wutc.wa.gov/e-filing) or via e-mail to records@wutc.wa.gov, and must file an original, plus 11 paper copies, of the document with the Commission by August 9, 2006.** Parties must also file the required redacted version of any confidential document. Finally, to perfect filing, parties must provide courtesy copies to the presiding administrative law judge and advisory staff as well as the parties to the proceeding.
- 8 **NOTICE TO PARTIES: Any objection to the provisions of this Order must be filed within ten (10) days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.**

Dated at Olympia, Washington, and effective July 26, 2006.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

ANN E. RENDAHL
Administrative Law Judge

APPENDIX A

**PARTIES' REPRESENTATIVES
DOCKET UG-060256**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Cascade Natural Gas	James Van Nostrand <u>Perkins Coie LLP</u> 1120 NW Couch St. 10 th Floor Portland, OR 97209-4128	<u>(503) 727-2162</u>	<u>(503) 346-2162</u>	JVanNostrand@perkinscoie.com
International Chemical Workers Union Local 121-C	Vincent J. Diaz 1095 Makah Place Fox Island, WA 98333	<u>(253) 670-2005</u>	<u>(253) 549-0084</u>	vinceiwuc@aol.com
Northwest Industrial Gas Users	Edward A. Finklea Chad M. Stokes Cable Huston Benedict Haagensen & Lloyd LLP 1001 SW Fifth Avenue Suite 2000 Portland, OR 97204-1136	(503) 224-3092 (503) 224-3092	(503) 224-3176 (503) 224-3176	efinklea@chbh.com cstokes@chbh.com
NW Energy Coalition	Nancy Glaser Danielle Dixon 219 First Avenue South Suite 100 Seattle, WA 98104	(206) 621-0094 (206) 621-0094	(206) 621-0097 (206) 621-0097	nglaser@nwenergy.org danielle@nwenergy.org
The Energy Project	Brad M. Purdy Attorney at Law 2019 N 17 th Street Boise, ID 83702	(208) 384-1299	(208) 384-8511	bmpurdy@hotmail.com
Mint Farm Energy Center LLC	Scott Magie, Project Director 1200 Prudential Boulevard Longview, WA	(605) 359-0200	(605) 336-1014	SMMagie@mintfarmenergy.com

APPENDIX A (CONTINUED)

**PARTIES' REPRESENTATIVES
DOCKET UG-060256**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Cost Management Services, Inc.	John A. Cameron Davis Wright Tremaine LLP 1300 SW Fifth Avenue Suite 2300 Portland, OR 97201 P. Douglas Betzold Chief Executive Officer 2737 78 th Avenue SE Mercer Island, WA 98040	(503) 241-2300 (206) 236-8808	(503) 778-5299 (206) 236-8807	johncameron@dwt.com
Public Counsel	Judy Krebs Public Counsel Section Office of Attorney General 900 Fourth Avenue Suite 2000 Seattle, WA 98164-1012	(206) 464-6595	(206) 389-2079	judyk@atg.wa.gov
Commission Staff	Greg Trautman Assistant Attorney General 1400 S. Evergreen Pk. Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	(360) 664-1187	(360) 586-5522	gtrautma@wutc.wa.gov

**APPENDIX B
PROCEDURAL SCHEDULE
DOCKET UG-060256**

EVENT	DATE	INTERVAL
Deadline for firming schedule for public hearing(s)	May 19, 2006	
Date reserved for parties' settlement discussions	July 25, 2006 ³	67 days
<u>Comments on Cascade's response to DRs re: MDU acquisition</u>	<u>August 8, 2006, by 3 pm electronically, and paper by August 9</u>	<u>14 days</u>
Answering testimony from staff, Public Counsel, intervenors	August 15, 2006	7 days
Rebuttal (company) and cross rebuttal (others)	September 12, 2006	28 days
Prehearing Conference	October 5, 2006	17 days
Hearing to begin (five days reserved for use if needed)	October 9, 2006	4 days
Simultaneous initial briefs ⁴	November 15, 2006	37 days
Simultaneous answering briefs	December 1, 2006	16 days
Suspension date	January 16, 2007	46 days

³ The parties agreed that they would make any necessary scheduling arrangements.

⁴ Cascade agreed to fund the costs of an expedited transcript to enable a speedy briefing schedule.

APPENDIX C

**INFORMAL DISTRIBUTION LIST (In addition to counsel of record)
DOCKET UG-060256**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Cascade Natural Gas	Jon Stoltz (Company Contact)	(206) 381-6823	(206) 654-4039	jstoltz@cng.com
	Jason B. Keyes (Attorney)	(503) 386-7681	(206) 386-7500	jbkeyes@stoel.com
	Jennifer Fry (Attorney Staff)	(503) 294-9273	(503) 220-2480	jlfry@stoel.com
Public Counsel	Steve Johnson (Attorney Staff)	(206) 464-6253	(206) 389-2079	stevenj@atg.wa.gov
	Kathryn Zsoka	(206) 389-3972	(206) 389-2079	kathrynz@atg.wa.gov
Northwest Industrial Gas Users	Paula Pyron (Company Contact)	(503) 636-2580	(503) 636-0703	ppyron@nwigu.org
	Chad Stokes (Attorney)	(503) 224-3092	(503) 224-3176	cstokes@chbh.com
	Nancy Herzberg (Attorney Staff)	(503) 224-3092	(503) 224-3176	nherzberg@chbh.com
	Donald W. Schoenbeck	(503) 232-6155	(360) 737-7628	dws@r-c-s-inc.com
NW Energy Coalition	Nancy Glaser (Lead Representative and Company Contact)	(206) 621-0094	(206) 621-0097	nglaswer@nwenergy.org
	Danielle Dixon (Associate Representative)	(206) 621-0094	(206) 621-0097	danielle@nwenergy.org
Cost Management Services	John Cameron (Lead Counsel)	(503) 241-2300	(503) 778-5299	johncameron@dwt.com
	Doug Betzold (Company Contact)	(206) 236-8808		

APPENDIX C (CONTINUED)

**INFORMAL DISTRIBUTION LIST (In addition to counsel of record)
DOCKET NO. UG-060256**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Commission Advisory Staff	<u>Ann Rendahl</u> (Admin. Law Judge)	<u>(360) 664-1144</u>	(360) 664-2654	arendahl@wutc.wa.gov
	Dick Byers (Policy)		(360) 664-3604	dbyers@wutc.wa.gov
	Nicolas Gardia (Policy)		(360) 664-3604	ngarcia@wutc.wa.gov
	Maurice Twitchell (Accounting adviser)			mltwitch@comcast.net
	Kippi Walker (Administrative Support)	(360) 664-1139	(360) 664-2654	kwalker@wutc.wa.gov