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1 P R O C E E D I N G S

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3 JUDGE MOSS: Good afternoon everyone. We  
4 are convened for our prehearing conference in  
5 anticipation and preparation of our settlement hearing  
6 in the matter styled Washington Utilities and  
7 Transportation Commission against Avista Corporation  
8 doing business as Avista Utilities, Docket No.  
9 UE-011595.

10 Our principle business today is to get our  
11 case arranged for hearing tomorrow morning, so let's  
12 just go ahead and take the appearances, and I did allow  
13 for appearances by telephone, and I understand the  
14 Company representatives are on the telephone conference  
15 line. Mr. Meyer, are you there?

16 MR. MEYERS: Thank you for your  
17 accommodation. For Avista, David Meyer. The other  
18 details are previously in the record in this docket.

19 JUDGE MOSS: We can go with the short form  
20 today.

21 MR. VAN CLEVE: Brad Van Cleve for the  
22 Industrial Customers of Northwest Utilities.

23 MR. CROMWELL: Robert Cromwell for Public  
24 Counsel.

25 MR. THOMPSON: Jonathan Thompson and Don

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1 Trotter for Commission staff.

2 JUDGE MOSS: You all may have some additional  
3 business for me today, but what I have as the first  
4 order of business is to look at our exhibit list and  
5 see if we have all the exhibits, and I think this is  
6 sufficiently brief that we can probably just go ahead  
7 and do it on the record.

8 I have a copy of the settlement stipulation  
9 that was filed, and we would make that a Bench exhibit  
10 and give that the No. 10 for purposes of this  
11 proceeding, and I can furnish a copy of the exhibit  
12 list for everyone, and I apologize. I didn't bring  
13 extra copies with me, but it's only got four exhibits  
14 on it for the moment.

15 The next exhibit is a reserved No. 11 for  
16 Public Counsel's use insofar as Public Counsel may wish  
17 to put on the record any written comments received from  
18 members of the public.

19 MR. MEYERS: Your Honor, does your version of  
20 Exhibit 10 have the Attachment 1 attached?

21 JUDGE MOSS: Yes, it does. So No. 11 is  
22 reserved for Public Counsel. Actually, Mr. Cromwell, I  
23 should ask you. I was not presiding last evening in  
24 Spokane. Did you make any written public comments from  
25 the public part of the record last evening?

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1           MR. CROMWELL: Your Honor, we did not do so  
2 formally last evening. ALJ Mace announced that close  
3 of business today would be the end of the public  
4 comment period and encouraged those attending if they  
5 wished to file a written comment to do so by fax or  
6 e-mail. We have received some here that I've been  
7 gathering. We sent some down to Ms. Hansen, I believe,  
8 yesterday morning. I've received a few more since  
9 then.

10           What I would anticipate doing is bringing  
11 those with me tomorrow morning, and then perhaps with  
12 the understanding of the parties that if we get  
13 something here that comes in the mail that I didn't  
14 have a chance to bring down with me, then those could  
15 be a supplement to the exhibit. I think the idea was  
16 that we need to accept comments through the end of  
17 today.

18           JUDGE MOSS: Okay. We'll follow that plan.  
19 In addition to the two exhibits I've identified, I've  
20 identified as No. 12 the prepared statement by Kelly O.  
21 Norwood, and as No. 13, the prepared statement of Jon  
22 Eliassen for Avista, and I assumed, Mr. Meyer, that you  
23 did want to make those exhibits of record. That is the  
24 Bench's preference.

25           MR. MEYERS: That is correct.

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1           JUDGE MOSS:  Are there any other exhibits  
2  that parties wish to have presented as part of our  
3  record that they are aware of at this time?

4           MR. THOMPSON:  I think we would ask that our  
5  memorandum of Commission staff explaining the  
6  settlement stipulation be made an exhibit.

7           JUDGE MOSS:  Let's talk about that for a  
8  second.  In the interim phase of this proceeding, I  
9  believe it was, we had a similar memorandum in support,  
10 and I think I made the observation in that proceeding,  
11 and I will make it now, that of course the memorandum  
12 with Counsel signature is argument, and that's fine,  
13 and we don't make that an exhibit, but in the interim  
14 proceeding, what I did was inquire of the Staff  
15 witnesses whether with respect to the factual  
16 statements contained in the memorandum, they would  
17 adopt it as their testimony, and then we would have it  
18 of record as support for factual assertions.

19           I would go so far as to say that would be my  
20 preference to do that again, and let me ask whether you  
21 believe your witnesses or one of your witnesses would  
22 be willing to subscribe to that in that fashion.

23           MR. THOMPSON:  I believe they would.  Should  
24 we reserve a number for it?

25           JUDGE MOSS:  Let's go ahead and mark it 14,

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1 and we'll have it either way, but for convenience,  
2 we'll make it a formal exhibit for purposes of the  
3 record, and that will be very helpful. Any other  
4 exhibits?

5 MR. MEYERS: No. Other than to confirm that  
6 the one-page schematic attached to Mr. Norwood's  
7 testimony is deemed part of that same Exhibit No. 12.

8 JUDGE MOSS: I don't seem to have that. Was  
9 that sent as part of the courtesy copy that I got  
10 through e-mail, Mr. Meyer?

11 MR. MEYERS: I'll bet it was not part of  
12 e-mail. It wouldn't e-mail all that well. It was a  
13 colored schematic, a one-page item, and I'm sure the  
14 hard copies have that attached, so I would want to make  
15 sure the official record has that hard-copy colored  
16 version of this. It's called "AVA general rate case  
17 time line."

18 JUDGE MOSS: Were these documents actually  
19 filed here at the Commission?

20 MR. MEYERS: Yes.

21 JUDGE MOSS: I can get that from the records  
22 center. I'm simply working off the courtesy copies you  
23 sent me, which is why I was momentarily confused, but  
24 that would be a part of Exhibit 12 along with the  
25 narrative statement.

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1 MR. MEYERS: Thank you.

2 JUDGE MOSS: Any other exhibits, Mr. Van  
3 Cleve, any for ICNU?

4 MR. VAN CLEVE: No, Your Honor.

5 MR. MEYERS: Your Honor, in going over the  
6 Bench requests, we would anticipate having an exhibit  
7 consisting of we don't know how many pages yet because  
8 it hasn't been prepared, but it's in response to Items  
9 3, 4, 5, and my thinking is it would be an exhibit with  
10 multiple pages, so I wanted to forewarn you, and we can  
11 mark it tomorrow or mark it today, whichever is  
12 required.

13 JUDGE MOSS: The volume of material that we  
14 have here is sufficiently light so that I'm not  
15 concerned about marking exhibits at hearing, so bring  
16 that along, and of course you will want to bring  
17 multiple copies. We will need six for the Bench, and  
18 then of course, the parties will need copies as well.

19 MR. MEYERS: Would you like us to separately  
20 file that with the secretary as well?

21 JUDGE MOSS: That's not necessary. We can  
22 make it part of the record, assuming no objection, and  
23 it will get into the records center in that fashion.

24 MR. MEYERS: Thank you.

25 JUDGE MOSS: The Bench requests did call for



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1 oral responses. It was sort of a heads-up to the  
2 parties about some of the topical areas that the  
3 Commission wishes to inquire into, so let me say in  
4 that connection in terms of our process, we do  
5 anticipate making a topical inquiry.

6 We will probably also go through the  
7 settlement agreement page by page, as you all are  
8 accustomed to from some of our proceedings over the  
9 past couple of years, and that's our plan. Since there  
10 is no opposition to the settlement, the inquiry will be  
11 principally from the Bench, and let me ask, does  
12 anybody plan to have an opening statement by Counsel?

13 MR. MEYERS: Not from Avista.

14 MR. CROMWELL: Not from Public Counsel.

15 MR. THOMPSON: Not from Staff either.

16 JUDGE MOSS: So we'll just launch right in  
17 and get our panel sworn. In terms of witnesses, we  
18 have Mr. Norwood, Mr. Eliassen for the Company. Did I  
19 remember correctly you sent me an e-mail, Mr. Cromwell,  
20 that Ms. Kimball was going to be your witness?

21 MR. CROMWELL: Correct.

22 JUDGE MOSS: ICNU's witness?

23 MR. VAN CLEVE: Yes, Your Honor,  
24 Mr. Schoenbeck.

25 JUDGE MOSS: And for Staff, we will have

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1 whom?

2 MR. THOMPSON: For Staff, Mr. Ken Elgin, and  
3 also Alan Buckley and Tom Schooley will be available,  
4 but the primary witness would be Ken Elgin.

5 MR. MEYERS: Your Honor, in terms of the  
6 order of presentation, and this takes us into your set  
7 of Bench requests, before you arrived, there was a  
8 colloquy among the parties that ascribed the effort to  
9 coordinate a response to the various items, and the  
10 Company and Staff visited about that and have divided  
11 them up just to make sure they are covered. By no  
12 means do we mean to foreclose other comments by other  
13 parties, but having said that, it was our plan, as well  
14 as the Company and I believe Staff as well, that we  
15 would provide a brief opening statement by the  
16 witnesses consistent with the prepared statement that  
17 is marked as an exhibit, and then each witness would  
18 proceed to answer a set or subset of Bench requests.

19 For example, Kelly after his remarks then  
20 would directly address the various items under the  
21 energy recovery mechanism rather than wait until some  
22 later point, and then I believe Staff, after what  
23 prepared remarks they would have, would then respond to  
24 the remaining items on the Bench request. So all of  
25 that is by way of suggesting that perhaps if the

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1 Company went first, Staff went second, we would make  
2 sure that at least at the outset, we've covered all  
3 items.

4 JUDGE MOSS: I certainly have no difficulty  
5 with you all having arranged among yourselves a  
6 division of labor in terms of response. I want to  
7 reserve on the exact procedure that we will follow.  
8 Since we will have the Commissioners on the Bench, I  
9 certainly want to give them the opportunity to have  
10 some say as to how the material is presented so that it  
11 would be most useful to them, but we can certainly have  
12 opening statements by the witnesses as we did in the  
13 interim phase, and then in terms of the responses to  
14 the specific Bench questions, we may proceed in the  
15 fashion you suggest, or if the Commissioners have some  
16 strong preference for another process, we can adopt  
17 that. I think we will have plenty of time to work out  
18 those details.

19 MR. MEYERS: All right.

20 JUDGE MOSS: I believe that's all the  
21 business I have for you all today. Do the parties have  
22 anything further for me?

23 MR. CROMWELL: 9:30 tomorrow morning?

24 JUDGE MOSS: Yes. 9:30 is the appointed  
25 hour, or was it nine o'clock? Mr. Elgin is correcting

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1 is. I think it's nine o'clock. Yes, nine o'clock.  
2 Let's start at nine, and that will give us a little  
3 extra time before the noon hour.

4 MR. MEYERS: Thank you all.

5 JUDGE MOSS: Thank you very much. We will be  
6 off the record.

7 (Prehearing concluded at 1:58 p.m.)

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