

1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3 In the Matter of the Petition)
of GTE NORTHWEST INCORPORATED) HEARING NO. UT-931591
4 for Review of its Authorized) VOLUME 1
Rate of Return.) PAGES 1 - 10
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6 A hearing in the above matter was held on
7 April 27, 1994, at 1:30 p.m. at 1300 South Evergreen
8 Park Drive Southwest, Olympia, Washington, before
9 Administrative Law Judge Alice Haenle.

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11 The parties were present as follows:

12 GTE NORTHWEST, INC., by RICHARD E. POTTER,
Attorney at Law, 1800 - 41st St. (5LE), Everett,
13 Washington 98201 and THOMAS R. PARKER, Attorney at
Law, GTE Tel. Ops., 600 Hidden Ridge, (HGE 0353),
14 Irving, Texas 75038.

15 PUBLIC, by DONALD T. TROTTER, Attorney at
Law, 900 Fourth Avenue, Suite 2000, Seattle,
16 Washington 98164.

17 WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION STAFF, by STEVEN W. SMITH and GREGORY
18 TRAUTMAN, Assistant Attorneys General, 1400 South
Evergreen Park Drive Southwest, Olympia, Washington
19 98504.

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24 Cheryl Macdonald, CSR, RPR

25 Court Reporter

I N D E X

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EXHIBITS	MARKED	ADMITTED
T-1	3	
T-2	3	
T-3	3	

1 (Marked Exhibits T-1, T-2 and T-3.)

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

3 JUDGE HAENLE: The hearing will come to
4 order. This is a pre-hearing conference in Docket No.
5 UT-931591, which is the petition of GTE Northwest,
6 Incorporated for review of its authorized rate of
7 return. This pre-hearing conference is taking place
8 in Olympia, Washington on April 27, 1994 before
9 Administrative Law Judge Alice L. Haenle of the Office
10 of Administrative Hearings. The judge assigned to
11 this case is actually Heather Ballash. I am filling
12 in because she was scheduled out of the office today,
13 so any of your correspondance which you would send a
14 copy to the Administrative Law Judge, please make it
15 to Heather Ballash and not me.

16 Like to take appearances, please, beginning
17 with the representative for the company.

18 MR. POTTER: Richard Potter and Thomas
19 Parker, attorneys for GTE Northwest Company.

20 JUDGE HAENLE: Address?

21 MR. POTTER: My address is 1800 - 41st
22 Street, Everett, Washington and Mr. Parker, who will
23 actually be handling the hearings for us, is from
24 Irving, Texas office, 600 Hidden Ridge, Irving, Texas,
25 75038.

1 MR. TROTTER: Your Honor, just for the
2 record, I think it's usually customary for each party
3 to designate one individual just so that the paper flow
4 goes one way.

5 JUDGE HAENLE: That's right. Let's do that
6 after we take appearances. I will ask you to -- let's
7 give the full address and then I will ask you to
8 specify one person from your organization to act as the
9 contact person. Service upon that single person will
10 constitute service upon the company so that we're not
11 chasing papers all around. Mr. Smith.

12 MR. SMITH: Steven W. Smith, assistant
13 attorney general, South 1400 Evergreen Park Drive
14 Southwest, Olympia, Washington 98504, appearing for the
15 Commission staff. Also appearing is Gregory Trautman,
16 T R A U T M A N, assistant attorney general.

17 JUDGE HAENLE: Thank you. Mr. Trotter.

18 MR. TROTTER: For office of public counsel,
19 I'm Donald T. Trotter, assistant attorney general.
20 Address is Suite 2000, 900 Fourth Avenue, Seattle,
21 Washington, 98164-1012.

22 JUDGE HAENLE: Thank you. As Mr. Trotter
23 says, I would like you to specify a single person from
24 your organization.

25 MR. POTTER: That could be me, Richard

1 Potter.

2 JUDGE HAENLE: Mr. Potter, for the company.
3 Mr. Smith.

4 MR. SMITH: Myself, Steven Smith, for the
5 staff.

6 JUDGE HAENLE: And Mr. Trotter, since you're
7 here by yourself, I assume it's you.

8 MR. TROTTER: Yes.

9 JUDGE HAENLE: Is there anyone present in
10 the hearing room who intends to intervene in this
11 matter?

12 I hear no response. Did anyone receive a
13 written petition to intervene that I haven't seen?

14 MR. POTTER: No.

15 JUDGE HAENLE: I will check again to see if
16 there's anybody that shows up then. There are a number
17 of procedural-type things that we normally do at a
18 pre-hearing conference. One of those is to ask whether
19 anyone wants the rule on discovery to be invoked in
20 this matter.

21 MR. SMITH: Your Honor, we would request
22 the discovery rule be invoked and we're not requesting
23 any specific discovery schedule other than the 10-day
24 response time provided by the discovery rule itself.

25 JUDGE HAENLE: I think this is an

1 appropriate case for the discovery rule. Is that all
2 right with you, Mr. Potter?

3 MR. POTTER: Yes.

4 JUDGE HAENLE: And you, Mr. Trotter?

5 MR. TROTTER: Yes.

6 JUDGE HAENLE: Anyone going to be requesting
7 a protective order?

8 MR. POTTER: I don't believe so, at this
9 time.

10 JUDGE HAENLE: Anyone? Okay, remember
11 if you haven't requested a protective order, if
12 anything is requested that you consider confidential,
13 you will need to request a protective order from the
14 Commission.

15 MR. POTTER: Understand.

16 JUDGE HAENLE: Before we went on the record,
17 I read you the schedule that I was just given at
18 lunchtime today. I've asked that you double-check
19 your schedules and if you find that there is a
20 conflict, you would need to let the Commission know
21 immediately and provide alternate dates to the
22 Commission. Pre-hearing conference, of course, is
23 scheduled for today. Cross of the company testimony,
24 June 20 and 21. Prefiling of staff, intervenor and
25 public counsel testimony, July 20. Cross of staff,

1 intervenor and public counsel testimony, August 15 and
2 16. Prefiling of company rebuttal, September 6. Cross
3 of company rebuttal October 3 and 4, anticipating
4 briefs due on October 31. We've got some prefiled
5 material that was distributed some time ago back in
6 December, and you have brought with you revisions to
7 that. Do you want to explain that, please, Mr. Potter?

8 MR. POTTER: The case concerns rate of
9 return and the recommendations are based on various
10 financial information and in the several months since
11 the application was filed the financial information on
12 which our witness, Mr. Hanley, would base his
13 recommendation has changed significantly enough that
14 Mr. Hanley and the company felt it was appropriate to
15 update that information and update his recommendation
16 accordingly.

17 JUDGE HAENLE: The materials that you've
18 brought with you are entitled Revised Exhibit whatever
19 and in answer to question from one of counsel present
20 you indicated that you did not comply with the rule
21 which requires that you underline and specify if there
22 are portions of testimony that are revised; is that
23 right?

24 MR. POTTER: Yes. We discussed that off the
25 record.

1 JUDGE HAENLE: And I indicated off the
2 record that you need to provide to counsel indications
3 which of the portions of the testimony specifically
4 have been revised so they don't have to hunt through
5 and compare, and next time, if you bring any revisions
6 you're going to be sure to comply with the rule which
7 specifies that you have to show on the revised
8 materials which portions have been revised.

9 MR. TROTTER: Is there a due date on that
10 response?

11 JUDGE HAENLE: How long will it take you
12 to do that? I assume not more than a couple of days.
13 Mr. Potter, can you have that in by Friday?

14 MR. POTTER: Middle of next week? Friday
15 would be tough.

16 MR. TROTTER: If they can fax it by a week
17 from today, that would be acceptable to us.

18 JUDGE HAENLE: I don't have my calendar
19 here. That would be next Wednesday then.

20 MR. POTTER: The methods and models and so
21 on that the witness used have not changed, but the
22 numbers that were input have changed.

23 JUDGE HAENLE: So those would be due next
24 Wednesday, and if you do any of these again, remember
25 that all of your copies need to be marked in that same

1 manner.

2 While we were off the record then I marked
3 for identification the three documents as follows: T-1
4 is SPS, revised testimony; T-2 is FJH, revised
5 testimony; and 3 is FJH-1 which is a group of exhibits,
6 a number of schedules included in that exhibit.

7 Will the provision of those interlineations
8 take care of your concerns about the revisions,
9 Mr. Trotter?

10 MR. TROTTER: Hopefully. I anticipate it
11 will.

12 JUDGE HAENLE: For you, Mr. Smith?

13 MR. SMITH: That should be fine, yes.

14 JUDGE HAENLE: I will remind you that
15 responses to staff data requests need to be sent
16 directly to Mr. Smith. Don't funnel those through the
17 secretary's office because those are not necessarily
18 made part of the record. Be sure they go directly to
19 Mr. Smith.

20 Are there any other matters that we need to
21 discuss in perms of the pre-hearing conference? I
22 asked if there were any issues that you wanted to work
23 on delineating since the notice of hearing says that
24 we'll delineate issues. Anyone have any ideas? Okay.
25 Hearing nothing, then, let me check again and see if

1 there is anyone else present in the hearing room that
2 would want to move to intervene in this matter. Anyone
3 we've missed?

4 Hearing no response, then, the pre-hearing
5 conference will be in recess and the next time we'll
6 meet will apparently be June 20 and 21 unless you're
7 advised differently. Okay.

8 (Hearing adjourned at 1:40 p.m.)

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