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1       BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION

2                               COMMISSION

3 THE WASHINGTON UTILITIES AND    )  
4 TRANSPORTATION COMMISSION,    )

5                               Complainant,    )

6                               vs.                    )

7 FRAGARIA LANDING WATER        )       DOCKET NO. UW-060662  
8 COMPANY,                         )       Volume No. I  
                                   )       Pages 1 - 7

9                               Respondent.        )

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10               A prehearing conference in the above matter  
11 was held on May 31, 2006, at 1:40 p.m., at 1300 South  
12 Evergreen Park Drive Southwest, Olympia, Washington,  
13 before Administrative Law Judge KAREN M. CAILLE.

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15               The parties were present as follows:

16               WASHINGTON UTILITIES AND TRANSPORTATION  
17 COMMISSION, by MICHAEL A. FASSIO, Assistant Attorney  
18 General, 1400 South Evergreen Park Drive Southwest,  
Post Office Box 40128, Olympia, Washington 98504;  
telephone, (360) 664-1192.

19               FRAGARIA LANDING WATER COMPANY, by RICHARD A.  
20 FINNIGAN, Attorney at Law, 2112 Black Lake Boulevard  
21 Southwest, Olympia, Washington 98512; telephone, (360)  
22 956-7001.

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24 Kathryn T. Wilson, CCR

25 Court Reporter

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

2 JUDGE CAILLE: Good afternoon. My name is  
3 Karen Caille, and we are here today for the first  
4 prehearing conference in the proceeding of Docket  
5 UW-060662, and this is a complaint initiated by the  
6 Commission against Fragaria Landing Water Company to  
7 determine whether Fragaria's rates and charges,  
8 including its measured service rates are fair, just  
9 reasonable, and sufficient.

10 Today is May 31st, 2006, and we are convened  
11 at the Commission's offices in Olympia, Washington. I  
12 would like to start this afternoon by asking you to  
13 enter your appearances. Please state your name,  
14 spelling your last name, your street address and  
15 mailing address, telephone number, facsimile number,  
16 and e-mail address. Let's begin with Commission staff.

17 MR. FASSIO: Michael Fassio representing  
18 Commission staff, assistant attorney general. My  
19 mailing address is 1400 South Evergreen Park Drive  
20 Southwest, PO Box 40128, Olympia, Washington,  
21 98504-0128. My phone number is (360) 664-1192. Fax is  
22 (360) 586-5522. E-mail address is mfassio@wutc.wa.gov.

23 JUDGE CAILLE: Mr. Finnigan.

24 MR. FINNIGAN: Richard Finnigan appearing on  
25 behalf of Respondent. The address is the 2112 Black

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1 Lake Boulevard Southwest, Olympia, Washington, 98512.  
2 Telephone number is (360) 956-7001. Fax is (360)  
3 753-6862. E-mail is rickfinn@localaccess.com.

4 JUDGE CAILLE: Thank you. Let the record  
5 reflect there are no other appearances, and it looks  
6 like there aren't any parties desiring to intervene, so  
7 let's move on to discovery. Do the parties feel that  
8 the discovery rule should be invoked?

9 MR. FASSIO: That would be Staff's request,  
10 yes.

11 JUDGE CAILLE: The discovery rule will be  
12 invoked, and I will indicate that in my prehearing  
13 conference order. We discussed off record that there  
14 was no need for a discovery cutoff since the filing  
15 dates for the testimony will pretty much regulate that.  
16 Is there a need for a protective order in this  
17 proceeding?

18 MR. FINNIGAN: The Company would request one.

19 JUDGE CAILLE: And I will have one prepared.  
20 I think this is one of those things that could be  
21 delegated. Just a standard protective order,  
22 Mr. Finnigan?

23 MR. FINNIGAN: Yes.

24 JUDGE CAILLE: Is there any need for a  
25 discussion of the issues at this point?

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1           MR. FASSIO: On behalf of Commission staff,  
2 there is just one little thing I would like to get into  
3 the record, and that is if the Commission determines  
4 that the rates are unjust and unreasonable and that  
5 rates are excessive that there should be a provision in  
6 the order of refunds.

7           JUDGE CAILLE: Anything from you,  
8 Mr. Finnigan?

9           MR. FINNIGAN: Then I think we should  
10 accelerate the schedule. Given the size of this  
11 company, I don't see the possibility of refunds as  
12 realistic, even if the Commission finds that the  
13 current rates are higher than they should be. Not on a  
14 schedule that goes out until January.

15          MR. FASSIO: Can I have a moment off the  
16 record?

17          JUDGE CAILLE: Yes.

18          (Discussion off the record.)

19          JUDGE CAILLE: We are going to go off the  
20 record so the parties can work out a more accelerated  
21 schedule in light of the fact that Staff would be  
22 asking for refunds if the Commission grants the  
23 Complaint.

24          (Discussion off the record.)

25          JUDGE CAILLE: We are back after an

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1 off-record discussion to establish an accelerated  
2 schedule in order to accommodate Mr. Finnigan's request  
3 since Staff has stated that it will request refunds if  
4 Staff prevails on the Complaint.

5           The schedule that the parties have come up  
6 with is as follows: The date reserved for the parties'  
7 settlement discussions will be June 30th. Staff will  
8 file its testimony on July 31st. The Company will file  
9 response testimony on August 18th. Staff's rebuttal  
10 will be due September 1st. We will hold a prehearing  
11 conference on September 11th. The evidentiary hearing  
12 will be September 14th, and the parties will present  
13 oral argument before me on the afternoon of September  
14 15th, and then my understanding is that Mr. Finnigan  
15 may ask his client if it will be willing to waive an  
16 initial order. Otherwise, the initial order will be as  
17 soon as possible.

18           Is there anything that I have eliminated or  
19 not included?

20           MR. FINNIGAN: No. We didn't talk about this  
21 and it's usually done, but I just want to put on the  
22 record that we request the courtesy electronic copies  
23 on the same day of filing.

24           JUDGE CAILLE: And I will make a note of  
25 that.

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1                   MR. FINNIGAN:  And of course we will provide  
2  those.

3                   JUDGE CAILLE:  I checked with the records  
4  center, and we will need an original plus ten copies  
5  for internal distribution, and just a reminder that all  
6  filings must be made through the Commission's  
7  secretary.  I will enter a prehearing conference order  
8  that will memorialize the schedule and give you the  
9  contact information and everything else that we have  
10 discussed today.  The Order will provide instructions  
11 about filing of documents.  Is there anything else?

12                   MR. FASSIO:  If I may add for the record  
13 based on discussions that Staff had with Mr. Finnigan  
14 off the record, the accelerated schedule that we've  
15 established is with the understanding that the Company  
16 will be complying with Staff's reasonable data requests  
17 in a timely and adequate manner to allow for the  
18 accelerated schedule to take place.

19                   JUDGE CAILLE:  Is that your understanding as  
20 well, Mr. Finnigan?

21                   MR. FINNIGAN:  That's my understanding, and  
22 any dispute will be brought back to you for resolution.

23                   JUDGE CAILLE:  Yes, it will, but I really  
24 hope that you folks will first try and resolve it  
25 yourself.  I have nothing further, and if you have

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1 nothing further, this hearing is adjourned.

2 (Prehearing conference adjourned at 2:38 p.m.)

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