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1 BEFORE THE WASHINGTON UTILITIES AND
2 TRANSPORTATION COMMISSION
3 Petition of PacifiCorp d/b/a)
4 Pacific Power & Light Company) Docket No. UE-020417
5 for an Accounting Order)
6 Authorizing Deferral of) Volume II
7 Excess Net Power Costs,) Pages 72 to 108
8 _____)

9 A hearing in the above matter was held on
10 March 17, 2003, from 1:30 p.m. to 2:00 p.m., at 1300
11 South Evergreen Park Drive Southwest, Room 206, Olympia,
12 Washington, before Administrative Law Judge DENNIS MOSS.

13 The parties were present as follows:
14 THE WASHINGTON UTILITIES AND TRANSPORTATION
15 COMMISSION, by ROBERT CEDARBAUM, Assistant Attorney
16 General, 1400 South Evergreen Park Drive Southwest, Post
17 Office Box 40128, Olympia, Washington, 98504, Telephone
18 (360) 664-1188, Fax (360) 586-5522, E-Mail
19 bcedarba@wutc.wa.gov.

20 THE PUBLIC, via bridge line, by ROBERT W.
21 CROMWELL, JR., Assistant Attorney General, 900 Fourth
22 Avenue, Suite 2000, Seattle, Washington, 98164-1012,
23 Telephone (206) 464-6595, Fax (206) 389-2058, E-Mail
24 robertcl@atg.wa.gov.

25 INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES,
26 by MELINDA DAVISON, Attorney at Law, Davison Van Cleve,
27 1000 Southwest Broadway, Suite 2460, Portland, Oregon,
28 97205, Telephone (503) 241-7242, Fax (503) 241-8160,
29 E-Mail mail@dvclaw.com.

30 PACIFICORP, by JAMES M. VAN NOSTRAND and
31 KENDALL J. FISHER, Attorneys at Law, Stoel Rives, LLP,
32 600 University Street, Suite 3600, Seattle, Washington,
33 98101-3197, Telephone (206) 386-7665, Fax (206)
34 386-7500, E-Mail jmvannostrand@stoel.com.

35 Joan E. Kinn, CCR, RPR
36 Court Reporter

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

2 JUDGE MOSS: Good afternoon, everyone. This
3 is Dennis Moss speaking. We'll take appearances here in
4 a moment. We are convened this afternoon in the matter
5 styled Petition of PacifiCorp doing business as Pacific
6 Power and Light Company for an Accounting Order
7 Authorizing Deferral of Excess Net Power Costs, Docket
8 Number UE-020417. Our purpose in getting together this
9 afternoon is to finalize arrangements for our
10 evidentiary proceedings which are scheduled to commence
11 this Thursday, is that right, this Thursday?

12 MR. VAN NOSTRAND: Yes.

13 JUDGE MOSS: And so we will do that, but let
14 us begin by taking appearances, and we will start with
15 the company.

16 MR. VAN NOSTRAND: Thank you, Your Honor. On
17 behalf of the company, James M. Van Nostrand and Kendall
18 J. Fisher, F-I-S-H-E-R, Stoel Rives, Seattle.

19 JUDGE MOSS: Thank you very much.

20 MS. DAVISON: Melinda Davison on behalf of
21 the Industrial Customers of Northwest Utilities.

22 JUDGE MOSS: And Mr. Cedarbaum.

23 MR. CEDARBAUM: Robert Cedarbaum, Assistant
24 Attorney General for Commission Staff.

25 JUDGE MOSS: And Mr. Cromwell.

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1 MR. CROMWELL: Bob Cromwell on behalf of
2 Public Counsel.

3 JUDGE MOSS: And the addresses and so forth
4 for those parties who didn't state them have previously
5 been made of record, so we won't need to go through that
6 today.

7 As I mentioned, our primary purpose in
8 getting together today is to finalize preparations for a
9 hearing, and we will get to the exhibits momentarily,
10 but let me first ask if there are any preliminary
11 matters, motions, or requests that we need to take up
12 today in addition to the exhibits, anything from anyone?

13 Hearing nothing, we will proceed to the
14 business at hand, which is our cross-examination, well,
15 actually our direct and our cross-examination exhibits.
16 I had I believe previously distributed a preliminary
17 exhibit list via electronic mail, and the parties cuing
18 off of that and the process requirements that we have
19 developed over the years sent back to me today a list
20 including the various direct and cross-examination
21 exhibits. I have listed those on a comprehensive
22 preliminary exhibit list which I distributed before we
23 began today, and I don't know if you all had an
24 opportunity to look through those or not, but barring
25 the exigencies of electronic copy and paste failures,

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1 these should be complete as you submitted them to me,
2 because that's all I did was cut them and paste them.

3 So what I want to do then is I'm going to go
4 off the record here momentarily, because I didn't have
5 time to do counts so I'm not sure what the numbering
6 will be, so I'm going to need a few minutes to work on
7 that. And what I propose to do is simply assign some
8 blocks of numbers to these exhibits. We'll go back on
9 the record, and I will indicate what those blocks are,
10 and we will then have our exhibit list that we will use
11 at hearing subject to someone giving me a correction or
12 a change hopefully prior to, do we start at 9:30 on
13 Thursday, prior to our start time on Thursday whatever
14 it may turn out to be. So unless somebody has a problem
15 with proceeding in that way, that's what I propose to
16 do.

17 All right, let's go off the record then, and
18 I'm going to take a few minutes to create some blocks of
19 numbers on my copy, and you all can take the opportunity
20 at that time to sort of quickly glance through and see
21 if anything is messed up.

22 Okay, we will be off the record.

23 Oh, let's be back on the record. It would
24 make sense from the perspective of our hearing generally
25 but also in terms of the task I'm about to perform to

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1 know the witness order, so let's establish that first
2 while we're still on the record.

3 And the company's witnesses typically would
4 go first, and would Mr. Larsen be your first witness?

5 MR. VAN NOSTRAND: Yes, Your Honor, followed
6 by Mr. McDougal and then Mr. Widmer and then
7 Mr. Griffith.

8 JUDGE MOSS: All right, and I will reorder
9 the witnesses according to the order of appearance in a
10 copy of this exhibit list that I will prepare later
11 today and send to all of you so you will have them.

12 Now let's see, would we then have the ICNU
13 witness, or would Staff prefer to go after the company?

14 MR. CEDARBAUM: Well, it's my understanding
15 from Ms. Davison that Mr. Falkenberg has a travel
16 conflict, so we may have to do that, put him before the
17 Staff case. But barring that, I think we prefer to have
18 the Staff follow the company's case and take
19 Mr. Falkenberg as necessary.

20 JUDGE MOSS: What is Mr. Falkenberg's travel
21 issue?

22 MS. DAVISON: He can be here all day Thursday
23 and all morning Friday, but he's not available Friday
24 afternoon.

25 MR. CEDARBAUM: I guess our proposal, just my

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1 understanding is the company wants to go first and
2 that's fine, and then we would follow with the Staff
3 case, but we would make sure Mr. Falkenberg is out of
4 here by noon Friday.

5 JUDGE MOSS: We'll schedule it as you
6 suggest, but then we may have to take Mr. Falkenberg out
7 of order; is that agreeable?

8 MS. DAVISON: That would be fine.

9 JUDGE MOSS: Okay, fine.

10 So in terms of your three witnesses,
11 Mr. Cedarbaum, would Mr. Buckley be first?

12 MR. CEDARBAUM: We would like to have
13 Mr. Elgin go first.

14 JUDGE MOSS: Elgin first.

15 MR. CEDARBAUM: Followed by Mr. Buckley
16 followed by Mr. Martin.

17 JUDGE MOSS: All right, then I will reorder
18 those as well.

19 All right, and then Mr. Falkenberg will be
20 our last witness if time works out that way.

21 Okay, well, with that then, we can be off the
22 record for a few minutes, and I will number these.

23 (Discussion off the record.)

24 JUDGE MOSS: I'm going to refer to page
25 numbers on the preliminary exhibit list that I handed

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1 out to you for ease of reference, and if you all catch
2 me in any errors, go ahead and tell me. And if you
3 catch any errors later, then let me know by E-mail or
4 what have you and we'll get this cleaned up.

5 What I show here in terms of numbering our
6 exhibits for identification, starting with Mr. Jeffrey
7 K. Larsen on page 1 of 7, his exhibits will begin with
8 Number 1, which corresponds to JKL-T, Mr. Larsen's
9 prefiled direct testimony. His direct exhibits then
10 will extend through Number 9, which corresponds to JKL-7
11 as prefiled. We will pick up the ICNU Cross-examination
12 of Mr. Larsen with Exhibit Number 10, and that carries
13 over to page 2 of 7 where the final ICNU
14 cross-examination exhibit is marked 27. We will then
15 pick up the Staff cross-examination exhibits for
16 Mr. Larsen with Number 28, and that will continue
17 through Exhibit Number 45 there toward the bottom of
18 page 2 of 7, which happens to be the PacifiCorp 10-K
19 report dated 3-30-02.

20

21 (The following exhibits were identified in
22 conjunction with the testimony of JEFFREY K. LARSEN.)

23 1C Jeffrey K. Larsen JKL-T: Prefiled Direct
24 Testimony

25 2 Jeffrey K. Larsen JKL-1: Stipulation in

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1			Docket No. UE-991832
2	3C	Jeffrey K. Larsen	JKL-2: Washington Summary
3			of Return on Equity
4	4C	Jeffrey K. Larsen	JKL-3: Results of
5			Operation (Normalized)
6			Pre-Tax Interest Coverage
7			(Standard & Poor's)
8	5C	Jeffrey K. Larsen	JKL-4: Cash Flows Summary
9			(Normalized)
10	6C	Jeffrey K. Larsen	JKL-5: External Financing
11			Plan Data
12	7	Jeffrey K. Larsen	JKL-6: Standard & Poor's
13			Bulletin: "PacifiCorp
14			Receives Support from
15			Western Regulators
16	8	Jeffrey K. Larsen	JKL-R: Prefiled Rebuttal
17			Testimony
18	9	Jeffrey K. Larsen	JKL-7: State Load Growth
19			Rates 1989 - 2001
20	10	ICNU Cross	Financial Times article:
21			"Scottish Power says UK
22			Prices to Remain Low"
23	11	ICNU Cross	PacifiCorp Response to
24			Bench Request No. 6,
25			UE-991832

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1	12	ICNU Cross	PacifiCorp Response to
2			Bench Request No. 7,
3			UE-991832
4	13	ICNU Cross	Business Journal article:
5			"PacifiCorp Takes Aim at
6			\$1 Billion Profit Target"
7	14	ICNU Cross	PacifiCorp Response to
8			WUTC Data Request. No. 52
9			(with attachment:
10			Scottish Power Interim
11			Report)
12	15	ICNU Cross	PacifiCorp Response to
13			WUTC Data Request No. 58
14	16	ICNU Cross	PacifiCorp Response to
15			WUTC Data Request No. 79
16	17	ICNU Cross	Order in Wyoming PSC
17			Docket No. 20000-ER-02-184
18			(March 6, 2003)
19	18	ICNU Cross	Initial Decision in FERC
20			Docket No. EL02-80-002
21	19	ICNU Cross	PacifiCorp Response to
22			Bench Request No. 10
23	20	ICNU Cross	OPUC Order No. 01-420,
24			Docket Nos. UM 995/UE
25			121/UC 578

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1	21	ICNU Cross	Moody's Credit Rating for
2			PacifiCorp
3	22	ICNU Cross	PacifiCorp Oregon Advice
4			Filing No. 01-009 and
5			supporting Direct
6			Testimony of Bruce H.
7			Hellebuyck (OPUC Docket
8			No. UE 122)
9	23	ICNU Cross	Hearing Transcript, Vol.
10			9, Docket No. UE-991832
11	24	ICNU Cross	Announcement from Boise
12			Cascade Corporation:
13			"Boise to Temporarily
14			Curtail Lumber and
15			Particleboard Production"
16	25	ICNU Cross	Article: "Boise Lowers
17			Expectations for 1Q03
18			Earnings"
19	26	ICNU Cross	PacifiCorp Industrial Rate
20			Comparison
21	27	ICNU Cross	Scottish Power Third
22			Quarter Results
23	28C	Staff Cross	Company Response to Staff
24			Data Request No. 55C
25	29	Staff Cross	Company Response to Staff

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1			Data Request No. 64
2	30	Staff Cross	Company Response to Staff
3			Data Request No. 56
4	31	Staff Cross	Company Response to Staff
5			Data Request No. 61
6	32	Staff Cross	Company Response to Staff
7			Data Request No. 73
8	33	Staff Cross	Company Response to Staff
9			Data Request No. 80
10	34	Staff Cross	Staff Response to Company
11			Data Request No. 1.7
12	35	Staff Cross	Staff Response to Company
13			Data Request No. 1.8
14	36	Staff Cross	Staff Response to Company
15			Data Request No. 1.12
16	37	Staff Cross	Staff Response to Company
17			Data Request No. 1.21
18	38	Staff Cross	Staff Response to Company
19			Data Request No. 1.25
20	39	Staff Cross	Staff Response to Company
21			Data Request No. 1.26
22	40	Staff Cross	Staff Response to Company
23			Data Request No. 1.27
24	41	Staff Cross	Staff Response to Company
25			Data Request No. 1.28

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1	42	Staff Cross	Staff Response to Company
2			Data Request No. 1.45
3	43	Staff Cross	Company Response to Bench
4			Request No. 7 in Docket
5			No. UE-991832
6	44	Staff Cross	Transcript of
7			Stipulation/Rate Plan
8			Presentation (7/17/00)
9	45	Staff Cross	PacifiCorp 10-K Report
10			(3/30/02)

11

12 JUDGE MOSS: All right, then if you will skip
13 over to page 4 of 7, you will find Mr. Steve, is it
14 Steven or Steve?

15 MR. VAN NOSTRAND: Steve I think.

16 JUDGE MOSS: It is Steven, isn't it, I
17 dropped the N. Well, we will call him whatever he
18 prefiled.

19 MR. VAN NOSTRAND: We call him Steve.

20 JUDGE MOSS: Well, we'll call him whatever he
21 prefiled. Steven R. McDougal will pick up with Exhibit
22 50C, which corresponds to SRM-T, his prefiled direct
23 testimony, and his direct exhibits carry through 56C,
24 which corresponds to SRM-6, an income statement
25 (normalized). I have no cross-examination exhibits

0090

1 proposed for Mr. McDougal at this juncture.

2

3 (The following exhibits were identified in
4 conjunction with the testimony of STEVEN R. MCDUGAL).

5 50C Steven R. McDougal SRM-T: Prefiled Direct
6 Testimony
7 51C Steven R. McDougal SRM-1: Results of
8 Operations Summary
9 52C Steven R. McDougal SRM-2: Results of
10 Operations Summary
11 (Adjusted)
12 53C Steven R. McDougal SRM-3: Normalization
13 Adjustments FY 03
14 54C Steven R. McDougal SRM-4: Results of
15 Operations Summary FY 03
16 by Month
17 55C Steven R. McDougal SRM-5: Capital Additions
18 - Cash Flow Basis
19 56C Steven R. McDougal SRM-6: Income Statement
20 (Normalized)

21

22 JUDGE MOSS: Then if you will turn back to
23 page 3 of 7, we will pick up with Mr. Mark T. Widmer,
24 his first direct exhibit being Number 57, which
25 corresponds to MTW-T, Mr. Widmer's prefiled direct

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1 testimony. His direct exhibits carry through Number 62,
2 which corresponds to Mr. Widmer's prefiled rebuttal
3 testimony, MTW-R. Then we pick up the ICNU
4 cross-examination exhibits at 63, and those carry
5 through number 72, and they are, of course, identified
6 in the right-hand column. We pick up with the Staff
7 cross-examination exhibits. I'm sorry, I made a mistake
8 there, it should be 63 through 73. And then we will
9 pick up the Staff cross at 74, and that carries through
10 over onto the next page, and the last Staff cross for
11 Mr. Widmer is Exhibit 85.

12

13 (The following exhibits were identified in
14 conjunction with the testimony of MARK T. WIDMER.)

15	57C	Mark T. Widmer	MTW-T: Prefiled Direct
16			Testimony
17	58	Mark T. Widmer	MTW-1: Merged System Semi
18			Annual Study Type 3,
19			Period Ended 12/31/96
20	59C	Mark T. Widmer	MTW-2: Net Power Cost
21			Analysis, Period Ending
22			May 2003
23	60	Mark T. Widmer	MTW-3: Excess NPC,
24			Washington, June 2002-May
25			2003, Budget Minus Filed

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1			NPC
2	61C	Mark T. Widmer	MTW-4: Net Power Cost
3			Analysis, Period Ending
4			March 2003
5	62	Mark T. Widmer	MTW-R: Prefiled Rebuttal
6			Testimony
7	63	ICNU Cross	PacifiCorp Response to
8			WIEC Data Request No. 24.2
9	64	ICNU Cross	PacifiCorp Response to
10			WIEC Data Request No. 19.7
11	65	ICNU Cross	PacifiCorp Response to
12			WIEC Data Request No. 19.8
13	66	ICNU Cross	PacifiCorp Response to
14			WIEC Data Request No.
15			19.10
16	67	ICNU Cross	PacifiCorp Response to
17			WIEC Data Request No.
18			19.13
19	68	ICNU Cross	PacifiCorp Response to
20			WIEC Data Request No.
21			19.17
22	69	ICNU Cross	PacifiCorp Response to
23			WIEC Data Request No.
24			19.18
25	70	ICNU Cross	PacifiCorp Response to

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1			WIEC Data Request No.
2			19.27
3	71	ICNU Cross	PacifiCorp Response to
4			WIEC Data Request No. 24.1
5	72	ICNU Cross	Notice and Interim Order,
6			Wyoming PSC Docket No.
7			20000-ER-00-160 (December
8			1, 2000)
9	73	ICNU Cross	Letter to Wyoming PSC re:
10			PacifiCorp Rate Filing
11			Plan
12	74	Staff Cross	Company Response to Staff
13			Data Request No. 8
14	75	Staff Cross	Company Response to Staff
15			Data Request No. 12
16	76	Staff Cross	Company Response to Staff
17			Data Request No. 15
18	77	Staff Cross	Company Response to Staff
19			Data Request No. 16
20	78	Staff Cross	Company Response to Staff
21			Data Request No. 17
22	79	Staff Cross	Company Response to Staff
23			Data Request No. 52
24	80C	Staff Cross	Company Response to Staff
25			Data Request No. 53C

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1	81	Staff Cross	Company Response to Staff
2			Data Request No. 86
3	82	Staff Cross	Company Response to Staff
4			Data Request No. 87
5	83	Staff Cross	Company Response to Staff
6			Data Request No. 88
7	84	Staff Cross	PacifiCorp Press Release
8			(3/7/02)
9	85	Staff Cross	West Valley Affiliated
10			Interest Filing in Docket
11			No. UE-020312
12			

13 JUDGE MOSS: And while we're on page 4 there,
14 we go down to Mr. Griffith toward the bottom third of
15 the page, and we will pick up his prefiled direct
16 testimony as Exhibit 90, and his direct exhibits carry
17 through 93. And we have one Staff cross-exhibit
18 proposed at this juncture, and that's Number 94.

19
20 (The following exhibits were identified in
21 conjunction with the testimony of WILLIAM R. GRIFFITH.)

22	90	William R. Griffith WRG-T:	Prefiled Direct
23			Testimony
24	91	William R. Griffith WRG-1:	Power Cost
25			Proposal, Estimated Effect

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1 of Proposed Prices on
2 Revenues from Electric
3 Sales to Ultimate
4 Consumers in Washington
5 92 William R. Griffith WRG-2: Standard & Poor's
6 Washington Utilities Study
7 93 William R. Griffith WRG-3: Tariff Schedules
8 94 Staff Cross Company Response to Staff
9 Data Request No. 47

10

11 JUDGE MOSS: Then if you will please skip
12 over to page 6 of 7, you will find there Mr. Kenneth L.
13 Elgin, and we will give him for his prefiled direct
14 testimony KLE-1T Exhibit Number 101, and he has one
15 other direct Exhibit 102. And then we will pick up
16 PacifiCorp cross-examination exhibits at 103, and those
17 carry through 110.

18

19 (The following exhibits were identified in
20 conjunction with the testimony of KENNETH L. ELGIN.)

21 101 Kenneth L. Elgin KLE-1T: Prefiled Direct
22 Testimony
23 102 Kenneth L. Elgin KLE-2: Witness
24 Qualifications Data
25 103 PacifiCorp Cross Staff Response to

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1			PacifiCorp Data Request
2			1.4
3	104	PacifiCorp Cross	Staff Response to
4			PacifiCorp Data Request
5			1.6
6	105	PacifiCorp Cross	Staff Response to
7			PacifiCorp Data Request
8			1.7
9	106	PacifiCorp Cross	Staff Supplemental
10			Response to PacifiCorp
11			Data Request to 1.8
12	107	PacifiCorp Cross	Staff Response PacifiCorp
13			Data Request to 1.9
14	108	PacifiCorp Cross	Staff Supplemental
15			Response to PacifiCorp
16			Data Request 1.21
17	109	PacifiCorp Cross	Motion to Dismiss of
18			Commission Staff (Docket
19			No. UE-001878)
20	110	PacifiCorp Cross	March 27, 2002 Staff
21			Memorandum to Commission
22			(Docket No. UE-020319)

23

24 JUDGE MOSS: On that same page at the top, we
25 have Mr. Alan P. Buckley, his Exhibit APB-1T, prefiled

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1 direct testimony will carry Number 115 for
2 identification. We will pick up the PacifiCorp proposed
3 cross-examination exhibits at 116, and those carry
4 through 122.

5

6 (The following exhibits were identified in
7 conjunction with the testimony of ALAN P. BUCKLEY.)

8	115	Alan P. Buckley	APB-1T: Prefiled Direct
9			Testimony
10	116	PacifiCorp Cross	Staff Response to
11			PacifiCorp Data Request
12			1.24
13	117	PacifiCorp Cross	Staff Supplemental
14			Response to PacifiCorp
15			Data Request 1.25
16	118	PacifiCorp Cross	Staff Response to
17			PacifiCorp Data Request
18			1.30
19	119	PacifiCorp Cross	Staff Response to
20			PacifiCorp Data Request
21			1.31
22	120	PacifiCorp Cross	Staff Response to
23			PacifiCorp Data Request
24			1.32
25	121	PacifiCorp Cross	Staff Response to

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1 PacifiCorp Data Request

2 1.38

3 122 PacifiCorp Cross Staff Response to

4 PacifiCorp Data Request

5 1.39

6

7 JUDGE MOSS: And then if you will flip to

8 page 7, we pick up there with Exhibit Number 125 as the

9 identification number for Mr. Martin's prefiled direct

10 testimony RCM-1T. His direct exhibits carry through

11 Number 127 for identification, and then we pick up the

12 PacifiCorp proposed cross-examination exhibits beginning

13 with 128 and carrying through 131.

14

15 (The following exhibits were identified in

16 conjunction with the testimony of ROLAND C. MARTIN.)

17 125 Roland C. Martin RCM-1T: Prefiled Direct

18 Testimony

19 126 Roland C. Martin RCM-2: PacifiCorp Firm

20 Retail MWh

21 127 Roland C. Martin RCM-3: PacifiCorp System

22 Energy Factors

23 128 PacifiCorp Cross Staff Response to

24 PacifiCorp Data Request

25 1.43

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1	129	PacifiCorp Cross	Staff Supplemental
2			Response to PacifiCorp
3			Data Request 1.45
4	130	PacifiCorp Cross	Staff Response to
5			PacifiCorp Data Request
6			1.46
7	131	PacifiCorp Cross	Staff Response to
8			PacifiCorp Data Request
9			1.47

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11 JUDGE MOSS: Finally, if you will flip to
12 page 5 of 7, you will find there Mr. Randall J.
13 Falkenberg. His prefiled direct testimony previously
14 identified as RJF-CT will be marked for identification
15 as Exhibit 140C. It does include some confidential
16 material. Mr. Falkenberg's direct exhibits carry
17 through number 145, which corresponds to RJF-4. For
18 clarity's sake, there apparently was an Exhibit RJF-3
19 and an RJF-3B. I elected to treat those as separate
20 exhibits. So RJF-3B is going to be Number 144, whereas
21 RJF-3 is Number 143. And then we pick up with the
22 PacifiCorp proposed cross-examination exhibits for
23 Mr. Falkenberg at Number 146, and those carry through
24 Number 154.

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1 (The following exhibits were identified in
2 conjunction with the testimony of RANDALL FALKENBERG.)
3 140C Randall Falkenberg RJF-CT: Prefiled Direct
4 Testimony
5 141 Randall Falkenberg RJF-1: Qualifications of
6 Randall J. Falkenberg
7 142 Randall Falkenberg RJF-2: PacifiCorp Net
8 Power Costs - Preceding 12
9 Months
10 143 Randall Falkenberg RJF-3: Actual and
11 Normalized Power Cost
12 Analysis, 12 Months Ended
13 October 2002
14 144 Randall Falkenberg RJF-3b: GRID Normalized
15 Power Costs Using UE-134
16 TY Adjusted to WA
17 UE-991832 Test Year Data
18 145 Randall Falkenberg RJF-4: Comparison of
19 PacifiCorp Washington NPC
20 Baseline to Other States -
21 \$M
22 146 PacifiCorp Cross ICNU Response to
23 PacifiCorp Data Request
24 1.3
25 147 PacifiCorp Cross ICNU Response to

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1			PacifiCorp Data Request
2			1.5
3	148	PacifiCorp Cross	ICNU Response to
4			PacifiCorp Data Request
5			1.6
6	149	PacifiCorp Cross	ICNU Response to
7			PacifiCorp Data Request
8			1.7
9	150	PacifiCorp Cross	ICNU Response to
10			PacifiCorp Data Request
11			1.11
12	151	PacifiCorp Cross	ICNU Response to
13			PacifiCorp Data Request
14			1.12
15	152	PacifiCorp Cross	ICNU Response to
16			PacifiCorp Data Request
17			1.19
18	153	PacifiCorp Cross	PacifiCorp Response to
19			Commission Bench Request 7
20			(Docket No. UE-991832)
21	154	PacifiCorp Cross	PacifiCorp Response to
22			Commission Bench Request
23			11 (Docket No. UE-991832)
24			
25		JUDGE MOSS:	Now with those number blocks

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1 assigned for identification, I will finalize the
2 preliminary exhibit list for purposes of our hearing on
3 Thursday and send that to you all by electronic means.
4 Again, if you have any corrections, please bring them to
5 my attention, and I will be able to make those prior to
6 the hearing.

7 And we will, of course, consider admitting
8 these exhibits at the time that they are offered, but
9 let me encourage the parties, I notice that there are
10 quite a few proposed cross-examination exhibits in
11 particular that are responses to data requests. These
12 are fairly routine, and often they are allowed into
13 evidence without even the necessity of a sponsoring
14 witness. So as to those and perhaps as to other
15 exhibits, they could be admitted by stipulation of the
16 parties, and we can save some time at the outset of our
17 hearing if that's a possibility. But, of course, none
18 of you need waive the opportunity for objection. If you
19 do have some objections, we will certainly entertain
20 those.

21 Are there any other items of business that we
22 need to attend to today?

23 MR. VAN NOSTRAND: One thing, Your Honor, we
24 can do this off the record if you prefer. We wanted to
25 straighten out the redaction of the company's direct

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1 testimony. It appears as though when we created the
2 pages with the confidential excerpts, that sort of
3 repaginated so you don't have a page 1 through page
4 blank. You have to kind of go back and forth. And we
5 created versions which correct that for ease of
6 everyone's following it, and I apologize for the
7 inconvenience.

8 JUDGE MOSS: And let's do talk about that for
9 just a minute. My understanding is that there aren't
10 any actual revisions other than pagination, and so it
11 had occurred to me, and I did ask the company in advance
12 to bring these revised copies today, but I really want
13 to hear what counsel have to say. My own practice is to
14 mark testimony in the margins, and so I had already done
15 that with the earlier set, and I used my little black
16 pen and took care of your pagination problem for myself.
17 But we can use either the revised set which will be
18 neatly paginated and line numbered for reference during
19 the hearing, or we can use the original set, and I
20 wanted to hear which would work better for you,
21 Mr. Cedarbaum, and you, Ms. Davison, and you,
22 Mr. Cromwell.

23 MR. CEDARBAUM: I did have -- personally I
24 had some difficulty when I first got the case collating
25 things together, so I got out my pen and I struck

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1 things, tried to line them up, and I succeeded in doing
2 that, so I maybe reluctantly don't want to give that up.
3 But I also did make margin notes and notes for
4 cross-examination, so I mean I guess I really have no --
5 I don't have a strong feeling about it. The problem
6 with not having a new document come in that becomes part
7 of the official record is that we may not all be on the
8 same page, and the transcript may not reflect that. So
9 I guess because of that, my preference would be, if I
10 had one, to have the company go ahead and do their
11 repagination, and I will just do what I can to adjust
12 that with my notes that I have made. Because otherwise
13 I think there is a potential that the official record
14 will be confused potentially.

15 JUDGE MOSS: Ms. Davison, do you have a
16 preference one way or the other?

17 MS. DAVISON: I'm neutral.

18 JUDGE MOSS: All right.

19 Mr. Cromwell, do you have a preference one
20 way or the other?

21 MR. CROMWELL: No, Your Honor.

22 JUDGE MOSS: I think that was a no.

23 MR. CROMWELL: No.

24 JUDGE MOSS: Okay, thank you.

25 All right, well, recognizing that we may have

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1 to have a little back and forth at hearing depending on
2 what the other members of the Bench have done, I will
3 deal with that problem if it arises, but we will go
4 ahead and take the revised version and make that for
5 purposes of the official record. Now the numbers will
6 correspond to those I have previously indicated on the
7 exhibit list, so that won't really change, and we'll
8 deal with any difficulties that might arise at hearing.
9 I will have both sets on the Bench, so I should be able
10 to orchestrate the resolution of any confusion that
11 arises.

12 Any other business?

13 I can take those off the record in a minute.

14 Any other business today?

15 MR. CEDARBAUM: There was --

16 JUDGE MOSS: Mr. Cedarbaum.

17 MR. CEDARBAUM: The usual practice has been
18 if you wanted to hear our cross-examination times we
19 could provide them, but --

20 JUDGE MOSS: Are they meaningful? Let's do
21 get some sense of that. Thank you for bringing that up.
22 What are you thinking, Mr. Cedarbaum?

23 MR. CEDARBAUM: We only have
24 cross-examination for three of the company witnesses,
25 although I -- we don't expect to cross-examine

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1 Mr. McDougal, although I wouldn't want to excuse him
2 completely now. But if it turns out the company -- if
3 we get to Wednesday or so and we still feel like we
4 don't have any cross for him, we could let the company
5 know that, and maybe he doesn't need to be here. But
6 for Mr. Larsen I would estimate in the range of an hour,
7 60 or 70 minutes.

8 JUDGE MOSS: Okay.

9 MR. CEDARBAUM: For Mr. Widmer probably in
10 the range of 40 to 50 minutes.

11 JUDGE MOSS: Okay.

12 MR. CEDARBAUM: And for Mr. Griffith about 5
13 minutes.

14 JUDGE MOSS: Okay.

15 And how about ICNU, Ms. Davison, have you
16 worked up any cross-examination estimates?

17 MS. DAVISON: I have, Your Honor. I have
18 around an hour for Mr. Larsen. I have 5 minutes for
19 Mr. McDougal, but I will also look at that to see if
20 that's absolutely necessary or not. And around an hour
21 for Mr. Widmer and 5 minutes for Mr. Griffith.

22 JUDGE MOSS: Mr. Cromwell, will you be
23 conducting cross?

24 MR. CROMWELL: I would estimate probably no
25 more than an hour total for the company's witnesses.

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1 And that's very conservative, I would imagine much less
2 than that.

3 JUDGE MOSS: Okay, well, it looks like we're
4 going to probably finish the company's witnesses in a
5 day. I typically allow for about six hours of effective
6 work in a hearing day, although we may be here longer,
7 although there have been those that have gone 12, but we
8 don't see that happening in this proceeding. I believe
9 it's realistic to believe we'll get the company's
10 witnesses off in a day.

11 Let's see what the company might have in the
12 way of estimates for the ICNU and Staff witnesses.

13 MR. VAN NOSTRAND: For Mr. Elgin, one hour.
14 For Mr. Buckley, one hour. Mr. Martin, a half hour.
15 And for the ICNU witness, Mr. Falkenberg, one hour.

16 JUDGE MOSS: Okay. So that's three and a
17 half hours. It looks like we might finish mid day
18 Friday. We'll have to keep our noses to the grindstone
19 to do that, but we'll see.

20 MS. DAVISON: And we're certainly -- I know
21 we're generally the furthest away, we are spending the
22 night on Thursday night, so we're happy to start early
23 on Friday.

24 JUDGE MOSS: That's often as much a problem
25 from the Bench's perspective as it is from counsel, but

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1 I appreciate you saying so.

2 Anything else?

3 Okay, well, thank you all very much for being
4 here. I think we're going to go into our hearing with a
5 good sense of organization, and we will be able to move
6 things along with dispatch.

7 (Hearing adjourned at 2:00 p.m.)

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