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

2 JUDGE MOSS: Good afternoon, everyone. My
3 name is Dennis Moss. I'm an administrative law judge
4 at the Washington Utilities and Transportation
5 Commission. I'm the presiding officer in this
6 proceeding styled WUTC against PacifiCorp, Docket
7 UE-061546. We are convened today for a prehearing
8 conference, and we will begin by taking appearances.
9 I'll start with the Company.

10 MR. VAN NOSTRAND: On behalf of PacifiCorp,
11 James M. Van Nostrand.

12 JUDGE MOSS: Ms. Davison?

13 MS. DAVISON: Good afternoon, Your Honor.
14 Melinda Davison on behalf of the Industrial Customers
15 of Northwest Utilities.

16 JUDGE MOSS: Mr. ffitch?

17 MR. FFITCH: Simon ffitch for the public
18 counsel section of the attorney general.

19 MR. TROTTER: Donald T. Trotter, assistant
20 attorney general for Commission staff.

21 JUDGE MOSS: Mr. Purdy, are you on the phone?

22 MR. PURDY: I am, Your Honor. Brad Purdy on
23 behalf of The Energy Project.

24 JUDGE MOSS: Thank you. We really have two
25 procedural questions before us today. One concerns the

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1 request by the Company and Staff in connection with
2 their settlement agreement that was filed on the 17th
3 of this month to bifurcate the proceeding and establish
4 a procedural schedule that would permit the Commission
5 to consider and resolve whether it would accept the
6 multiparty partial stipulation so that rates could
7 become effective by April 1, which would require
8 modifications to the procedural schedule.

9 The other question concerns Public Counsel's
10 request that we set a date and so forth for a public
11 comment hearing, and we can take up such other business
12 that comes before us.

13 In terms of the request related to
14 bifurcation and the adjustments to the procedural
15 schedule, I would like to say that the Commission
16 appreciates that both sides to this did file some paper
17 on this issue putting forth their arguments; at least
18 to such an extent that I think we have a full
19 appreciation of them. I did have an opportunity in the
20 intervening time to meet with the commissioners on this
21 subject, and I am today essentially here on this
22 purpose to announce to you their decision, so I do not
23 need to hear argument on this.

24 The commissioners' decision on this is that
25 they will not bifurcate the proceeding and they do not

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1 wish to adjust the procedural schedule, so we will
2 continue along the path we started here some time ago,
3 some months ago. This, of course, will give certainly
4 the two settling parties pause and perhaps some need to
5 consider what their options are and what they will do
6 on a going-forward basis. The options that are
7 apparent to me are that the parties could fall back to
8 their litigation decisions and file the subsequent
9 rounds of testimony and so forth. The Commission could
10 ultimately decide the issues.

11 The parties continue to have the opportunity
12 to discuss among themselves a means to perhaps a full
13 resolution or proposal for the Commission, or a third
14 option, and there may be others, but a third option
15 that's obvious to me is that Staff and the Company
16 could decide to proceed on a stipulated basis, and we
17 would hear evidence in support of that and presumably,
18 cross-examination and perhaps evidence in opposition of
19 that.

20 I don't know if you have had any prior
21 discussions about this or wish to discuss it with me or
22 ask me questions about the options. I am available for
23 that purpose, if you wish, or we can simply move on to
24 the next point.

25 MR. TROTTER: Just one question. Do I take

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1 it from your ruling that the existing procedural
2 schedule will remain intact?

3 JUDGE MOSS: Yes.

4 MR. TROTTER: So if the Staff and Company
5 wish to pursue their settlement proposal testimony on
6 that, that would take place in the evidentiary hearings
7 currently scheduled for March 27 through 30?

8 JUDGE MOSS: Yes. That is the schedule I
9 have here. March 27 through 30 is what I have.

10 MR. TROTTER: Thank you for that
11 clarification.

12 JUDGE MOSS: Any other questions or comments?
13 Okay.

14 The second point then is the question of the
15 public comment hearing. I also took this subject up
16 with the commissioners to learn their preferences, and
17 they have decided that they would like to conduct the
18 hearing in Walla Walla as requested during the week of
19 March 26, specifically on March 2nd, at four p.m.,
20 location, to be determined. Sometimes it takes us
21 awhile to find a facility, so we will get word out as
22 soon as we know.

23 I have one other question for you all, and
24 that is we early on in the proceeding, we discussed the
25 question of one round of briefing or two, and at that

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1 time, the Company was willing to go with one round of
2 briefing; although it had earlier had a preference for
3 two rounds. So I wanted to raise that issue again
4 today so if the parties feel that there is a need or
5 definite desire to have the second round of briefs, we
6 could go ahead and set a date for that so that we can
7 plan more definitively as our schedules are becoming
8 tighter this spring. So if you all want to take a few
9 minutes to consider that question or even if you want
10 to discuss it among yourselves, you can let me know and
11 I'll be happy to leave the room, or we can discuss it
12 here off the record, whatever you want to do.

13 MS. DAVISON: Your Honor, our position
14 remains the same, which is we support one round of
15 briefing.

16 MR. FFITCH: We are comfortable with the
17 current arrangement. We also don't object to two
18 rounds. That's got its advantages, but we are not
19 advocating a change.

20 MR. TROTTER: Staff is satisfied with one,
21 Your Honor.

22 MR. PURDY: As is The Energy Project.

23 MR. VAN NOSTRAND: We are okay with one.

24 JUDGE MOSS: We will stay with one, and then
25 we will have to begin planning for internal conferences

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1 and decision items as things have to be on our schedule
2 so we don't get problems with other matters.

3 MR. TROTTER: Could I raise a point, Your
4 Honor?

5 JUDGE MOSS: Yes, sir.

6 MR. TROTTER: Looking back at the schedule, I
7 didn't see any provision in Order No. 3, which I think
8 is the most current one --

9 JUDGE MOSS: Yes.

10 MR. TROTTER: -- I noticed no provision for
11 cross-answering testimony, so I'm proposing it. My
12 recollection is we often do that at the same time as
13 rebuttal.

14 JUDGE MOSS: That makes a lot of sense. We
15 will just add that, and that will be on March 5th.

16 MR. TROTTER: Thank you.

17 JUDGE MOSS: Anything else? Any other
18 business we need to conduct today?

19 MR. FFITCH: Your Honor, maybe I'm a little
20 slow in reacting to that proposal and sort of just
21 trying to think it through. Ordinarily, it makes sense
22 in a case where you have responsive parties who are
23 adverse to the Company, at this stage of the case
24 really what we have is two sides, and we have already
25 got 45-plus additional pages of testimony from the

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1 settling parties that just came in last Friday, and I'm
2 just trying to envision, are we setting up an
3 additional bite at the apple?

4 JUDGE MOSS: It depends on what the Staff and
5 the Company decide to do. If they decide to go forward
6 with the stipulation, then presumably, they would be
7 filing rebuttal to any opposition you would raise
8 during response.

9 If, on the other hand, they decide to go back
10 to their original positions, then there will be three
11 of you presumably opposing the Company and perhaps in
12 various ways, and that may call for cross-answering.
13 For example, I can envision a situation whereby Staff
14 may decide to oppose the Company on revenue requirement
15 issues but may decide to go forward with the stipulated
16 result on the interjurisdictional cost allocation
17 methodology, in which case you might raise some issues
18 on revenue requirement, which Staff has a dispute, or
19 even the two of you may have a dispute on something,
20 and that would be an appropriate opportunity to have
21 cross-answering.

22 I think as you know from long experience,
23 Mr. ffitich, if there is a need for some subsequent word
24 on the subject, we tend to allow that in one fashion or
25 another, so I wouldn't be worried about your rights

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1 being compromised.

2 MR. FFITCH: Thank you, Your Honor.

3 JUDGE MOSS: Anything else? I thank you all

4 for being here today. It was a brief session, but I

5 know you needed answers to these questions, and now you

6 have them.

7 (Prehearing concluded at 1:11 p.m.)

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