

**Docket Nos. UE-180167 and UG-180168 (Consolidated) -  
Vol. II**

**In the Matter of: Avista Corporation d/b/a Avista  
Utilities**

**February 13, 2019**



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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition )Docket Nos. UE-180167 and of )UG-180168 (Consolidated)

AVISTA CORPORATION d/b/a ) AVISTA UTILITIES )

For an Order Authorizing the ) Company to Revise its Electric ) Book Depreciation Rates and ) Authorizing Deferred Accounting ) Treatment for the Difference ) in Depreciation Expense )

TELEPHONIC PREHEARING CONFERENCE, VOLUME II

Pages 14-21

ADMINISTRATIVE LAW JUDGE ANDREW O'CONNELL

February 13, 2019

11:00 A.M.

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive Southwest Olympia, Washington 98504

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(Via bridge)

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13 \*\*\*\*\* 14 15

1 APPEARANCES

2 ADMINISTRATIVE LAW JUDGE:

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1 OLYMPIA, WASHINGTON; FEBRUARY 13, 2019

2 11:00 A.M.

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

5 JUDGE O'CONNELL: Let's be on the record. 6 Good morning. We're here today for a telephonic 7 prehearing conference regarding consolidated Dockets 8 UE-180167 and UG-180168. The time is 11:00 a.m. on 9 February 3rd, 2019. Sorry, February 13th, 2019.

10 My name is Andrew O'Connell. I'm an 11 administrative law judge with the Washington Utilities 12 and Transportation Commission. I am joined in the 13 Commission's hearing room today by a court reporter and 14 by representatives for Staff. All other parties are 15 appearing telephonically. 16

17 We are here today to discuss what process is 18 necessary for consideration of the settlement agreement 19 filed by all parties on February 12th, 2019.

20 Let's take appearances beginning with 21 Avista.

22 MR. MEYER: Thank you, Your Honor, and thank 23 you as well for scheduling this telephonic prehearing. 24 David Meyer for Avista.

25 JUDGE O'CONNELL: And let's start with the

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1 telephone, Public Counsel?  
 2 MS. SUETAKE: This is Nina Suetake for  
 3 Public Counsel.  
 4 JUDGE O'CONNELL: And the Alliance of  
 5 Western Energy Consumers?  
 6 MR. PEPPLER: Good morning. Tyler Pepple for  
 7 the Alliance of Western Energy Consumers.  
 8 JUDGE O'CONNELL: And Sierra Club?  
 9 MR. GERHART: Good morning. This is Matt  
 10 Gerhart for Sierra Club.  
 11 MS. DARBY: And this is Marta Darby for  
 12 Sierra Club.  
 13 JUDGE O'CONNELL: And Staff?  
 14 MR. CALLAGHAN: Yes, and Nash Callaghan  
 15 representing Commission Staff in this matter.  
 16 JUDGE O'CONNELL: So I set this prehearing  
 17 conference when it was unclear whether all parties were  
 18 included in the settlement. I see, however, from the  
 19 filing of the settlement agreement that all parties are  
 20 included and it is a full settlement proposing to  
 21 resolve all issues in dispute.  
 22 I have also reviewed the joint motion by the  
 23 parties, which requests several procedural actions with  
 24 the Commission. First, parties ask to file testimony in  
 25 support of the settlement on or before

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1 February 15, 2019; second, the parties ask that the  
 2 testimony they file be received into evidence to form  
 3 the basis for the Commission's decision; third, the  
 4 parties ask that the consideration of the proposed  
 5 settlement be made on a paper record without a hearing  
 6 on the settlement; last, the parties ask for expedited  
 7 consideration to allow for a proposed effective date of  
 8 April 1st, 2019.  
 9 I am inclined to grant the parties' joint  
 10 motion. There is a recent hearing or proceeding that  
 11 I'm aware of where a full settlement has been addressed  
 12 on the paper record without a settlement hearing. But  
 13 before I make a ruling on that request, I am going to  
 14 confer with the Commissioners who have been out of the  
 15 office and in a conference for this week. So I will  
 16 confer with them and issue a decision shortly by either  
 17 tomorrow or Friday at the latest; however, the parties  
 18 should file their testimony supporting the settlement by  
 19 February 15, 2019, as proposed in the joint motion.  
 20 So I believe this prehearing conference was  
 21 made much simpler because the settlement does propose as  
 22 an all-party settlement that resolves all of the issues  
 23 in dispute. So with that, I'd like to ask the parties  
 24 if there's something else that we should address at this  
 25 telephonic conference.

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1 MR. CALLAGHAN: I don't believe so, Your  
 2 Honor.  
 3 JUDGE O'CONNELL: And --  
 4 MR. MEYER: Nothing from Avista's  
 5 standpoint.  
 6 MS. SUETAKE: Nothing from Public Counsel.  
 7 MR. PEPPLER: Nothing from AWEC either.  
 8 JUDGE O'CONNELL: Okay.  
 9 MR. GERHART: Same for Sierra Club, there's  
 10 nothing else we wanted to address.  
 11 JUDGE O'CONNELL: Thank you all very much.  
 12 I will issue a short order within the coming days. And  
 13 with that, we will be adjourned. Thank you.  
 14 (Adjourned at 11:04 a.m.)  
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1 CERTIFICATE  
 2  
 3 STATE OF WASHINGTON  
 4 COUNTY OF THURSTON  
 5  
 6 I, Tayler Garlinghouse, a Certified Shorthand  
 7 Reporter in and for the State of Washington, do hereby  
 8 certify that the foregoing transcript is true and  
 9 accurate to the best of my knowledge, skill and ability.  
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 13 Tayler Garlinghouse, CCR 3358  
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<p style="text-align: center;"><b>A</b></p> <p><b>a.m</b> 14:16 17:2,9 20:14 <b>ability</b> 21:9 <b>Accounting</b> 14:8 <b>accurate</b> 21:9 <b>actions</b> 18:23 <b>address</b> 19:24 20:10 <b>addressed</b> 19:11 <b>adjourned</b> 20:13 20:14 <b>administrative</b> 14:13 15:2 17:12 <b>agreement</b> 17:18 18:19 <b>all-party</b> 19:22 <b>Alliance</b> 18:4,7 <b>allow</b> 19:7 <b>Andrew</b> 14:13 15:3 17:11 <b>andrew.j.oconnel...</b> 15:6 <b>appearances</b> 17:20 <b>appearing</b> 17:16 <b>April</b> 19:8 <b>Assistant</b> 15:9 <b>Associate</b> 16:8 <b>Attorney</b> 15:9,13 16:3,8 <b>Authorizing</b> 14:7,8 <b>Avenue</b> 14:21 15:14 <b>Avista</b> 14:5,6 15:16 15:18 17:21,24 <b>Avista's</b> 20:4 <b>aware</b> 19:11 <b>AWEC</b> 15:21 20:7</p> <hr/> <p style="text-align: center;"><b>B</b></p> <p><b>basis</b> 19:3 <b>beginning</b> 17:20 <b>believe</b> 19:20 20:1 <b>best</b> 21:9 <b>Book</b> 14:8</p>	<p><b>Box</b> 15:9,18 <b>bridge</b> 15:12,17,21 16:2,7 <b>Buell</b> 14:21</p> <hr/> <p style="text-align: center;"><b>C</b></p> <p><b>C</b> 15:1 16:1 17:4 21:1,1 <b>California</b> 16:10 <b>Callaghan</b> 15:8 18:14,14 20:1 <b>CCR</b> 14:20 21:13 <b>Certified</b> 21:6 <b>certify</b> 21:8 <b>Cleve</b> 15:22 <b>Club</b> 16:2,4,9 18:8 18:10,12 20:9 <b>Colorado</b> 16:5 <b>coming</b> 20:12 <b>Commission</b> 14:2 14:17 15:4,7 17:13 18:15,24 <b>Commission's</b> 17:14 19:3 <b>Commissioners</b> 19:14 <b>Company</b> 14:7 <b>confer</b> 19:14,16 <b>conference</b> 14:11 17:8 18:17 19:15 19:20,25 <b>consideration</b> 17:18 19:4,7 <b>consolidated</b> 14:4 17:8 <b>Consumers</b> 18:5,7 <b>Cont</b> 16:1 <b>Corporation</b> 14:5 15:18 <b>Counsel</b> 15:12 18:1 18:3 20:6 <b>COUNTY</b> 21:4 <b>court</b> 17:14</p> <hr/> <p style="text-align: center;"><b>D</b></p> <p><b>D</b> 17:4</p>	<p><b>d/b/a</b> 14:5 <b>Darby</b> 16:8 18:11 18:11 <b>date</b> 19:7 <b>David</b> 15:17 17:24 <b>Davison</b> 15:22 <b>days</b> 20:12 <b>decision</b> 19:3,16 <b>Deferred</b> 14:8 <b>Denver</b> 16:5 <b>Depreciation</b> 14:8 14:9 <b>Difference</b> 14:9 <b>discuss</b> 17:17 <b>dispute</b> 18:21 19:23 <b>Docket</b> 14:4 <b>Dockets</b> 17:8 <b>Drive</b> 14:18 15:5</p> <hr/> <p style="text-align: center;"><b>E</b></p> <p><b>E</b> 15:1,1 16:1,1 17:4,4 21:1,1 <b>effective</b> 19:7 <b>either</b> 19:16 20:7 <b>Electric</b> 14:7 <b>Energy</b> 18:5,7 <b>Environmental</b> 16:4,9 <b>Evergreen</b> 14:18 15:5 <b>evidence</b> 19:2 <b>expedited</b> 19:6 <b>Expense</b> 14:9</p> <hr/> <p style="text-align: center;"><b>F</b></p> <p><b>F</b> 21:1 <b>February</b> 14:15 17:1,10,10,19 19:1,19 <b>file</b> 18:24 19:2,18 <b>filed</b> 17:19 <b>filing</b> 18:19 <b>First</b> 18:24 <b>foregoing</b> 21:8 <b>form</b> 19:2 <b>Fourth</b> 14:21</p>	<p><b>Friday</b> 19:17 <b>full</b> 18:20 19:11</p> <hr/> <p style="text-align: center;"><b>G</b></p> <p><b>G</b> 17:4 <b>Garlinghouse</b> 14:20 21:6,13 <b>General</b> 15:9 <b>General's</b> 15:13 <b>Gerhart</b> 16:3 18:9 18:10 20:9 <b>going</b> 19:13 <b>Good</b> 17:7 18:6,9 <b>grant</b> 19:9</p> <hr/> <p style="text-align: center;"><b>H</b></p> <p><b>Harbor</b> 15:23 <b>hearing</b> 17:14 19:5 19:10,12 <b>Honor</b> 17:22 20:2</p> <hr/> <p style="text-align: center;"><b>I</b></p> <p><b>II</b> 14:11 <b>inclined</b> 19:9 <b>included</b> 18:18,20 <b>issue</b> 19:16 20:12 <b>issues</b> 18:21 19:22</p> <hr/> <p style="text-align: center;"><b>J</b></p> <p><b>joined</b> 17:13 <b>joint</b> 18:22 19:9,19 <b>judge</b> 14:13 15:2 17:6,12,25 18:4,8 18:13,16 20:3,8 20:11</p> <hr/> <p style="text-align: center;"><b>K</b></p> <p><b>knowledge</b> 21:9</p> <hr/> <p style="text-align: center;"><b>L</b></p> <p><b>latest</b> 19:17 <b>law</b> 14:13 15:2 16:4 16:9 17:12 <b>let's</b> 17:6,20,25 <b>LLC</b> 14:21</p> <hr/> <p style="text-align: center;"><b>M</b></p>	<p><b>Marta</b> 16:8 18:11 <b>marta.darby@si...</b> 16:11 <b>Matt</b> 18:9 <b>matt.gerhart@si...</b> 16:6 <b>matter</b> 14:4 18:15 <b>MATTHEW</b> 16:3 <b>Meyer</b> 15:17 17:22 17:24 20:4 <b>morning</b> 17:7 18:6 18:9 <b>motion</b> 18:22 19:10 19:19</p> <hr/> <p style="text-align: center;"><b>N</b></p> <p><b>N</b> 15:1 16:1 17:4 <b>name</b> 17:11 <b>Nash</b> 15:8 18:14 <b>nash.callaghan@...</b> 15:11 <b>National</b> 14:24 <b>necessary</b> 17:18 <b>Nina</b> 15:13 18:2 <b>ninas@atg.wa.gov</b> 15:15 <b>Nos</b> 14:4</p> <hr/> <p style="text-align: center;"><b>O</b></p> <p><b>O</b> 17:4 <b>O'Connell</b> 14:13 15:3 17:6,11,25 18:4,8,13,16 20:3 20:8,11 <b>o0o--</b> 17:3 <b>Oakland</b> 16:10 <b>office</b> 15:13 19:15 <b>Okay</b> 20:8 <b>Olympia</b> 14:18,23 15:5,10 17:1 <b>order</b> 14:7 20:12 <b>Oregon</b> 15:23</p> <hr/> <p style="text-align: center;"><b>P</b></p> <p><b>P</b> 15:1,1 16:1,1 17:4</p>
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