

Docket Nos. UE-190529 and UG-190530
(Consolidated) - Vol. I

WUTC v. Puget Sound Energy

July 18, 2019



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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND) DOCKETS UE-190529 and
TRANSPORTATION COMMISSION,) UG-190530 (Consolidated)

)
Complainant,)

)
vs.)

)
PUGET SOUND ENERGY,)

)
Respondent.)

PREHEARING CONFERENCE, VOLUME I

Pages 1-19

ADMINISTRATIVE LAW JUDGES RAYNE PEARSON AND NELLI
DOROSHKIN

July 18, 2019

1:00 p.m.

Washington Utilities and Transportation Commission
621 Woodland Square Loop Southeast
Lacey, Washington 98503

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

Buell Realtime Reporting, LLC
1325 Fourth Avenue, Suite 1840
Seattle, Washington 98101
(206) 287-9066 | Seattle
(360) 534-9066 | Olympia
(800) 846-6989 | National

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGES:

RAYNE PEARSON
NELLI DOROSHKIN
Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503
(360) 664-1160
rayne.pearson@utc.wa.gov
nelli.doroshkin@utc.wa.gov

FOR COMMISSION STAFF:

JENNIFER CAMERON-RULKOWSKI
Office of the Attorney General
PO Box 40128
Olympia, Washington 98504
(360) 664-1186
jennifer.cameron-rulkowski@utc.wa.gov

FOR PUBLIC COUNSEL:
(Via phone)

LISA GAFKEN
Office of the Attorney General
Public Counsel Unit
800 - 5th Avenue, Suite 2000
Seattle, Washington 98104
(206) 464-6596
lisaw4@atg.wa.gov

FOR PUGET SOUND ENERGY:

SHERI STROM CARSON
Perkins Coie
10885 NE Fourth Street, Suite 700
Bellevue, Washington 98004
(425) 635-2400
scarson@perkinscoie.com

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A P P E A R A N C E S (Cont.)

FOR THE ENERGY PROJECT:

SIMON FFITCH
Attorney at Law
321 High School Road NE
Ste-D3, Box 383
Bainbridge Island, Washington 98110
(206) 669-8197
simon@ffitchlaw.com

FOR AWEC:

BRENT COLEMAN
TYLER PEPPLER (via phone)
Davison Van Cleve
1750 SW Harbor Way, Suite 450
Portland, Oregon 97201
(503) 241-7242
blc@dvclaw.com
tcp@dvclaw.com

FOR NUCOR STEEL:
(Via phone)

DAMON XENOPOULOS
SHAUN MOHLER
Stone Mattheis Xenopoulos & Brew, P.C.
1025 Thomas Jefferson Street NW
8th Floor, West Tower
Washington, D.C. 20007
(202) 342-0800
dex@smxblaw.com
smohler@smxblaw.com

FOR KROGER:
(Via phone)

KURT BOEHM
JODY KYLER COHN
Boehm, Kurtz & Lowry
36 E. Seventh Street, Suite 1510
Cincinnati, Ohio 45202
(513) 421-2255
kboehm@bkllawfirm.com
jkylercohn@bkllawfirm.com

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A P P E A R A N C E S (Cont.)

FOR THE FEA:
(Via phone)

RITA LIOTTA
Department of the Navy
One Avenue of the Palms, Suite 161
San Francisco, California 94130
(415) 743-4718
rita.liotta@navy.mil

FOR NWECC:

JONI BOSH
Northwest Energy Coalition
Senior Policy Associate
(206) 735-2720
joni@nwenergy.org

* * * * *

1 LACEY, WASHINGTON; JULY 18, 2019

2 1:00 P.M.

3 --o0o--

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

5
6 JUDGE DOROSHKIN: Let's be on the record.

7 Good afternoon, everyone. This is a prehearing
8 conference in Dockets UE-150 -- or 190529 and UG-190530
9 regarding a general rate case filed by Puget Sound
10 Energy or PSE.

11 My name is Nelli Doroshkin and this is Rayne
12 Pearson. We're administrative law judges with the
13 Commission, and we'll be co-presiding in this matter
14 along with the Commissioners.

15 In this prehearing conference, we will
16 address petitions to intervene, discovery, the service
17 list, filing and service requirements, and the
18 procedural schedule in this case. After this hearing,
19 Judge Pearson and I will issue an order on those topics.

20 So to begin, we'll take appearances and then
21 address petitions for intervention. We'll begin with
22 PSE.

23 MS. CARSON: Thank you. Good afternoon,
24 Your Honors. My name is Sheri Strom Carson with Perkins
25 Coie. I represent Puget Sound Energy, and also

1 representing PSE are Jason Kuzma, Donna Barnett, and
2 David Steel, all of whom are listed on the cover letter
3 in the initial filing.

4 JUDGE DOROSHKIN: Staff?

5 MS. CAMERON-RULKOWSKI: For Commission
6 Staff, Jennifer Cameron-Rulkowski, Assistant Attorney
7 General. And with me in this case are Sally Brown,
8 Senior Assistant Attorney General, and Assistant
9 Attorneys General Jeff Roberson, Harry Fukano, Joe
10 Dallas, and Dan Teimouri, all of whom have filed notices
11 of appearance.

12 JUDGE DOROSHKIN: Public Counsel?

13 MS. GAFKEN: Good afternoon. This is Lisa
14 Gafken, Assistant Attorney General, appearing on behalf
15 of Public Counsel.

16 JUDGE DOROSHKIN: Ms. Gafken, you're
17 breaking up. Can you repeat that?

18 MS. GAFKEN: Yes, I'm sorry. Is this
19 better?

20 JUDGE DOROSHKIN: Yes, this is much better.

21 MS. GAFKEN: Okay. I'll just use the
22 handset. I was using the speaker earlier.

23 This is Lisa Gafken, Assistant Attorney
24 General, appearing on behalf of Public Counsel.

25 JUDGE DOROSHKIN: And The Energy Project?

1 MR. FFITCH: Good afternoon, Your Honors.

2 This is Simon ffitch, Attorney at Law, appearing on
3 behalf of The Energy Project.

4 JUDGE DOROSHKIN: And the Alliance of
5 Western Energy Consumers?

6 MR. COLEMAN: Good afternoon, Your Honor.
7 Brent Coleman of the law firm Davison Van Cleve,
8 appearing on behalf of AWEC, and on the telephone is
9 also Mr. Tyler Pepple.

10 JUDGE DOROSHKIN: Nucor Steel?

11 MR. XENOPOULOS: Good afternoon, Your Honor.
12 This is Damon Xenopoulos for Nucor Steel. Also entering
13 the appearance of my colleague, Shaun Mohler. Thank
14 you, Your Honor.

15 JUDGE DOROSHKIN: Okay. And then the Kroger
16 Company?

17 MR. BOEHM: Good afternoon, Your Honor.
18 This is Kurt Boehm, appearing on behalf of the Kroger
19 Company. I'd also like to enter the appearance of Jody
20 Kyler Cohn.

21 JUDGE DOROSHKIN: The Federal Executive
22 Agency?

23 MS. LIOTTA: Yes, good afternoon, Your
24 Honors. This is Rita Liotta, Navy counsel representing
25 the Federal Executive Agency.

1 JUDGE DOROSHKIN: And the Northwest Energy
2 Coalition, are you represented by counsel here today?

3 MS. BOSH: Not by counsel. I'm Joni Bosh
4 with the Northwest Energy Coalition. Wendy Gerlitz
5 could not make it today.

6 JUDGE DOROSHKIN: Does anyone else wish to
7 enter an appearance?

8 Hearing nothing, that brings us to petitions
9 for intervention. Are there any petitions for
10 intervention other than the ones that have been filed in
11 writing? Hearing none, we'll proceed.

12 So we have reviewed the timely filed
13 petitions to intervene of The Energy Project, the
14 Alliance of Western Energy Consumers, or AWEC, Nucor
15 Steel Seattle Inc., Kroger Company, and the Northwest
16 Energy Coalition, or NWEK. We have also reviewed the
17 petitions to intervene of the Federal Executive Agency,
18 which was filed yesterday. There were no written
19 objections filed to any of these petitions.

20 Would anyone like to make any objections
21 now? Hearing none, these petitions to intervene are
22 granted.

23 Regarding discovery, please note that a
24 protective order with provisions regarding highly
25 confidential information has been entered in this

1 docket, and as noted in Order 01 in this -- in these
2 dockets, discovery will be conducted pursuant to the
3 Commission's discovery rules and WAC 480-07-400 through
4 425.

5 WAC 480-07-405, Subsection 2, requires
6 parties to serve all data requests upon all parties in
7 the case. Does any party object to the Commission
8 making the exchange of data request responses a
9 requirement for parties in discovery in this case?
10 Hearing none, we will incorporate that requirement into
11 the prehearing conference order.

12 And if a party has not yet designated a lead
13 representative for service, please do so via email to
14 Judge Pearson and me as soon as possible, preferably by
15 the end of the day today. Judge Pearson's email address
16 is rayne.pearson@utc.wa.gov and my email address is
17 nelli.doroshkin@utc.wa.gov.

18 Also, if you would like to have any other
19 representatives or support staff receive electronic
20 courtesy copies of all the documents filed in this
21 proceeding, please email us their names and email
22 addresses as well.

23 MR. COLEMAN: I'm sorry, Your Honor. Can
24 you repeat your email address as I'm the new guy?

25 JUDGE DOROSHKIN: Certainly. It's

1 nelli.doroshkin@utc.wa.gov, and it's also available on
2 the Commission's website under staff contacts.

3 MR. COLEMAN: Thank you.

4 JUDGE DOROSHKIN: Now, regarding electronic
5 filing and electronic service, the Commission requires
6 all electronic filing of documents for formal filings.
7 In this proceeding, the Commission will also require the
8 filing of an original and five paper copies for internal
9 distribution.

10 Now, filings include information designated
11 as confidential or highly confidential. Please file the
12 original and five copies of the fully re- -- unredacted
13 versions. No paper copy is necessary for any partly or
14 fully redacted version. Please file those versions only
15 in electronic format, that is, the redacted versions.

16 Know also that the Commission's rules
17 provide for electronic service of documents as well. So
18 the Commission will serve the parties electronically and
19 the parties will serve each other electronically. When
20 serving filings upon parties, please also send courtesy
21 copies of the filings to Judge Pearson and I.

22 Now on to the procedural schedule.
23 Understanding there is no procedural -- agreed upon
24 procedural schedule yet based on discussion prior to
25 going on the record, I'll allow Staff to speak as to

1 what items or dates are at issue currently.

2 MS. CAMERON-RULKOWSKI: I think what might
3 be most helpful is for me to tell you the hearing date
4 that I believe we have all agreed to and then to go
5 ahead and continue it -- to go off the record and
6 continue to work on the other dates. The hearing dates
7 that we would propose are February 6th and 7th, 2020.

8 JUDGE DOROSHKIN: Okay. And --

9 JUDGE PEARSON: Ms. Cameron-Rulkowski, have
10 you verified that the Commissioners are available on
11 those days?

12 MS. CAMERON-RULKOWSKI: Yes, Your Honor. As
13 of the day I inquired, they were available.

14 JUDGE PEARSON: Okay. Thank you.

15 JUDGE DOROSHKIN: Is there consensus on any
16 other date or deadline?

17 MS. CAMERON-RULKOWSKI: I believe there are,
18 Your Honor, but I think it would be most helpful if we
19 could work through these other dates because they --
20 they might -- if we need to move one of the other dates,
21 it might then impact one of the others.

22 JUDGE DOROSHKIN: Okay. So is there any
23 guidance or any questions that the parties have prior to
24 taking a recess?

25 MS. CAMERON-RULKOWSKI: Not from Staff, Your

1 Honor.

2 MS. CARSON: Not at this point in time, no.

3 JUDGE DOROSHKIN: And how much time
4 approximately will you need do you think?

5 MS. CARSON: Maybe 15 minutes.

6 JUDGE PEARSON: Okay.

7 Ms. Cameron-Rulkowski, if you want to give me a call in
8 my office when you're done, there's a phone in the back
9 of the room that you can use or have Mr. Smith call me.
10 Then we'll come back down at that point.

11 MS. CAMERON-RULKOWSKI: Will do that. Thank
12 you, Your Honor.

13 JUDGE DOROSHKIN: We are in recess.

14 (Recess taken from 1:11 p.m.

15 until 3:01 p.m.)

16 JUDGE DOROSHKIN: All right. We'll be on
17 the record. Before we get to the procedural schedule, I
18 have a question for NWEAC. Do you anticipate filing a
19 notice of appearance for counsel today?

20 MS. BOSH: I'm sorry, I can't hear you.

21 JUDGE DOROSHKIN: Do you anticipate filing a
22 notice of appearance for counsel today or soon?

23 MS. BOSH: Without it, I'll just -- I'm -- I
24 will need to check with Wendy, but we're still working
25 on that. So I will let you know as soon as we can. We

1 also have a witness we're working with.

2 JUDGE DOROSHKIN: Okay. So until that time,
3 then, you'll be listed as the representative --

4 MS. BOSH: That's fine.

5 JUDGE DOROSHKIN: -- in the prehearing
6 conference order unless we see otherwise.

7 Before we went on the record, Staff
8 mentioned that there is an agreed upon procedural
9 schedule with some language that needs to be -- still to
10 be determined. Can you please -- oh, do you have it
11 written down?

12 MS. CAMERON-RULKOWSKI: Your Honor, may I
13 pass up the proposed procedural schedule, and then I'll
14 make a couple comments on it?

15 JUDGE PEARSON: Thank you.

16 MS. CAMERON-RULKOWSKI: And I think just
17 provisionally, I would ask for confirmation that the
18 hearing dates that the parties proposed work for the
19 Commissioners.

20 JUDGE PEARSON: It looks like there are
21 presently holds on their calendars so -- and there's
22 nothing else on their calendars at this time. So yes,
23 and it works for us as well.

24 MS. CAMERON-RULKOWSKI: Excellent. Thank
25 you. And so what you see there, the -- there are two

1 asterisks there and those indicate places where we need
2 to add some -- some additional language. And -- and
3 then at the settlement conference No. 1 line, we were
4 considering two dates, and we have now picked the date
5 that is circled, which is October 14th.

6 JUDGE DOROSHKIN: Okay.

7 JUDGE PEARSON: We don't see any date for a
8 public comment hearing or hearings or it's not even on
9 this list.

10 MS. CAMERON-RULKOWSKI: Very true. That was
11 not because we meant to leave it off.

12 MS. GAFKEN: This is Lisa Gafken. I would
13 recommend that there be public comment hearings, and I'm
14 going to recommend two public comment hearings, one
15 located in Bellevue and the other one in Olympia. And
16 with the Olympia hearing, public comment hearing, I
17 would recommend there be remote access possible.

18 JUDGE DOROSHKIN: Is there any opposition to
19 that suggestion?

20 And can you please address the language that
21 is still to be determined in the procedural schedule?

22 MS. CAMERON-RULKOWSKI: Certainly. For the
23 supplemental testimony, we have another item to add
24 there that would be included in the supplemental
25 testimony, and it has to do with a sale of property

1 that -- and the Company has filed an application
2 concerning the sale of that property with the
3 Commission.

4 And the power cost update, we will include
5 specifics of what will be contained in that update.

6 JUDGE DOROSHKIN: So is the lang- -- is
7 there disagreement currently on the language or it just
8 has not yet been submitted by the Company?

9 MS. CAMERON-RULKOWSKI: We've spent the
10 last, wow, hour and 45 minutes, and we've invested in
11 that time to agree on the language, and we now have to
12 write up and make sure we've got it right.

13 JUDGE PEARSON: Are you talking about
14 language as far as like managing expectations, does it
15 matter for our purposes of writing the prehearing
16 conference order if we just use what's here, or are you
17 saying that you want to craft that language of what goes
18 into the prehearing conference order?

19 MS. CAMERON-RULKOWSKI: It matters greatly
20 to the parties. We had disputes about what a power cost
21 update should consist of, and so the parties have agreed
22 as to what would constitute a power cost update.

23 JUDGE DOROSHKIN: And when would you
24 anticipate filing that language or submitting that
25 language?

1 MS. CAMERON-RULKOWSKI: Probably tomorrow.

2 JUDGE PEARSON: So you'll just provide it to
3 us and then we can put it in the --

4 MS. CAMERON-RULKOWSKI: That's exactly
5 right, and of course it's up to you to decide whether
6 the language we've provided is acceptable.

7 JUDGE DOROSHKIN: Okay. So we will review
8 the language that's provided to us in an email, please.

9 MS. CAMERON-RULKOWSKI: And that's in
10 lieu -- fortunately, we were able to agree, otherwise we
11 would have had to spend more time this afternoon
12 presenting argument on it.

13 JUDGE DOROSHKIN: Okay. Are there any other
14 comments that anyone would like to make on the proposed
15 procedural schedule?

16 Okay. So given that note, we have a written
17 copy of the proposed schedule. We will incorporate that
18 into the prehearing conference order with the couple of
19 additions, one being on the public comment hearings and
20 one on an errata sheet filing deadline.

21 So under WAC 480-07-460, the deadline for
22 filing errata sheets to exhibits may be established in
23 the prehearing conference order. So unless there are
24 objections to setting the deadline a week prior to the
25 evidentiary hearing, we will add that to the procedural

1 schedule.

2 Are there any objections? Hearing none, we
3 will incorporate that into the prehearing conference
4 order.

5 And then also on the public comment
6 hearings, so there will be two public comment hearings,
7 one held in Bellevue and one in Olympia. And the
8 Commission's rules require that the prehearing
9 conference order address the timing, location, and
10 proper notice to the public or customers of the public
11 comment hearing. If the date and address of the public
12 comment hearing is not yet determined, and the precise
13 address and dates are not, the parties will need to
14 submit notice to the Commission of the date, time, and
15 address of the public comment hearing when it is
16 determined.

17 So we will note in the prehearing conference
18 order, unless the parties have any objections, the
19 following: That there will be two public comment
20 hearings held before any hearing on the final
21 disposition of the case; that they will be held in
22 Bellevue and Olympia; and that the customers will
23 receive at least 30 days' notice of the public comment
24 hearing, which will contain information required under
25 the Commission's rules. Are there any objections to

1 that?

2 MS. CARSON: No objection.

3 JUDGE DOROSHKIN: Okay. Then we will
4 incorporate that into the prehearing conference order.

5 Is there anything else that we need to
6 address today?

7 MS. CAMERON-RULKOWSKI: Not from Staff, Your
8 Honor.

9 MS. CARSON: No, Your Honor.

10 JUDGE DOROSHKIN: All right. Then hearing
11 nothing, we will issue an order shortly on the
12 procedural schedule pending review of the language that
13 is emailed to us tomorrow, and we are adjourned.

14 (Adjourned at 3:09 p.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand
Reporter in and for the State of Washington, do hereby
certify that the foregoing transcript is true and
accurate to the best of my knowledge, skill and ability.

Tayler Garlinghouse, CCR 3358