

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

WUTC v. Puget Sound Energy

July 18, 2019



1325 Fourth Avenue • Suite 1840 • Seattle, Washington 98101

**206.287.9066**

[www.buellrealtime.com](http://www.buellrealtime.com)

Olympia | **360.534.9066** Spokane | **509.624.3261** National | **800.846.6989**

email: [info@buellrealtime.com](mailto:info@buellrealtime.com)



Page 1

1 BEFORE THE WASHINGTON  
 2 UTILITIES AND TRANSPORTATION COMMISSION  
 3 \_\_\_\_\_  
 4 WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, UG-190529 and  
 5 TRANSPORTATION COMMISSION, UG-190530 (Consolidated)  
 6 Complainant, )  
 7 vs. )  
 8 PUGET SOUND ENERGY, )  
 9 Respondent. )  
 10 \_\_\_\_\_  
 11 PREHEARING CONFERENCE, VOLUME I  
 12 Pages 1-19  
 13 ADMINISTRATIVE LAW JUDGES RAYNE PEARSON AND NELLI  
 14 DOROSHKIN  
 15 \_\_\_\_\_  
 16 July 18, 2019  
 17 1:00 p.m.  
 18 Washington Utilities and Transportation Commission  
 19 621 Woodland Square Loop Southeast  
 Lacey, Washington 98503  
 20 REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358  
 21 Buell Realtime Reporting, LLC  
 22 1325 Fourth Avenue, Suite 1840  
 23 Seattle, Washington 98101  
 24 (206) 287-9066 | Seattle  
 (360) 534-9066 | Olympia  
 (800) 846-6989 | National  
 25 www.buellrealtime.com

Page 2

1 APPEARANCES  
 2 ADMINISTRATIVE LAW JUDGES:  
 3 RAYNE PEARSON  
 4 NELLI DOROSHKIN  
 5 Utilities and Transportation Commission  
 621 Woodland Square Loop SE  
 7 Lacey, Washington 98503  
 (360) 664-1160  
 rayne.pearson@utc.wa.gov  
 nelli.doroshkin@utc.wa.gov  
 8 FOR COMMISSION STAFF:  
 9 JENNIFER CAMERON-RULKOWSKI  
 10 Office of the Attorney General  
 PO Box 40128  
 11 Olympia, Washington 98504  
 (360) 664-1186  
 jennifer.cameron-rulkowski@utc.wa.gov  
 12 FOR PUBLIC COUNSEL:  
 13 (Via phone)  
 14 LISA GAFKEN  
 15 Office of the Attorney General  
 Public Counsel Unit  
 16 800 - 5th Avenue, Suite 2000  
 Seattle, Washington 98104  
 (206) 464-6596  
 lisaw4@atg.wa.gov  
 17 FOR PUGET SOUND ENERGY:  
 18 SHERI STROM CARSON  
 19 Perkins Coie  
 20 10885 NE Fourth Street, Suite 700  
 21 Bellevue, Washington 98004  
 (425) 635-2400  
 22 scarson@perkinscoie.com  
 23  
 24  
 25

Page 3

1 APPEARANCES (Cont.)  
 2 FOR THE ENERGY PROJECT:  
 3 SIMON FFITCH  
 4 Attorney at Law  
 321 High School Road NE  
 5 Ste-D3, Box 383  
 Bainbridge Island, Washington 98110  
 (206) 669-8197  
 simon@ffitchlaw.com  
 6 FOR AWEC:  
 7 BRENT COLEMAN  
 8 TYLER PEPPLE (via phone)  
 Davison Van Cleave  
 1750 SW Harbor Way, Suite 450  
 9 Portland, Oregon 97201  
 (503) 241-7242  
 blc@dvclaw.com  
 tcp@dvclaw.com  
 10 FOR NUCOR STEEL:  
 11 (Via phone)  
 12 DAMON XENOPOULOS  
 13 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  
 14 FOR KROGER:  
 15 (Via phone)  
 16 KURT BOEHM  
 17 JODY KYLER COHN  
 Boehm, Kurtz & Lowry  
 36 E. Seventh Street, Suite 1510  
 Cincinnati, Ohio 45202  
 (513) 421-2255  
 kboehm@bkllawfirm.com  
 jkylercohn@bkllawfirm.com  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

Page 4

1 APPEARANCES (Cont.)  
 2 FOR THE FE:  
 3 (Via phone)  
 4 RITA LIOTTA  
 Department of the Navy  
 One Avenue of the Palms, Suite 161  
 5 San Francisco, California 94130  
 (415) 743-4718  
 rita.liotta@navy.mil  
 6 FOR NVEC:  
 7 JONI BOSH  
 8 Northwest Energy Coalition  
 Senior Policy Associate  
 (206) 735-2720  
 joni@nwenergy.org  
 9 \*\*\*\*\*  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

Page 5	Page 7
<p>1 LACEY, WASHINGTON; JULY 18, 2019</p> <p>2 1:00 P.M.</p> <p>3 --o0o--</p> <p>4 P R O C E E D I N G S</p> <p>5</p> <p>6 JUDGE DOROSHKIN: Let's be on the record.</p> <p>7 Good afternoon, everyone. This is a prehearing</p> <p>8 conference in Dockets UE-150 -- or 190529 and UG-190530</p> <p>9 regarding a general rate case filed by Puget Sound</p> <p>10 Energy or PSE.</p> <p>11 My name is Nelli Doroshkin and this is Rayne</p> <p>12 Pearson. We're administrative law judges with the</p> <p>13 Commission, and we'll be co-presiding in this matter</p> <p>14 along with the Commissioners.</p> <p>15 In this prehearing conference, we will</p> <p>16 address petitions to intervene, discovery, the service</p> <p>17 list, filing and service requirements, and the</p> <p>18 procedural schedule in this case. After this hearing,</p> <p>19 Judge Pearson and I will issue an order on those topics.</p> <p>20 So to begin, we'll take appearances and then</p> <p>21 address petitions for intervention. We'll begin with</p> <p>22 PSE.</p> <p>23 MS. CARSON: Thank you. Good afternoon,</p> <p>24 Your Honors. My name is Sheri Strom Carson with Perkins</p> <p>25 Coie. I represent Puget Sound Energy, and also</p>	<p>1 MR. FFITCH: Good afternoon, Your Honors.</p> <p>2 This is Simon ffitch, Attorney at Law, appearing on</p> <p>3 behalf of The Energy Project.</p> <p>4 JUDGE DOROSHKIN: And the Alliance of</p> <p>5 Western Energy Consumers?</p> <p>6 MR. COLEMAN: Good afternoon, Your Honor.</p> <p>7 Brent Coleman of the law firm Davison Van Cleve,</p> <p>8 appearing on behalf of AWEC, and on the telephone is</p> <p>9 also Mr. Tyler Pepple.</p> <p>10 JUDGE DOROSHKIN: Nucor Steel?</p> <p>11 MR. XENOPOULOS: Good afternoon, Your Honor.</p> <p>12 This is Damon Xenopoulos for Nucor Steel. Also entering</p> <p>13 the appearance of my colleague, Shaun Mohler. Thank</p> <p>14 you, Your Honor.</p> <p>15 JUDGE DOROSHKIN: Okay. And then the Kroger</p> <p>16 Company?</p> <p>17 MR. BOEHM: Good afternoon, Your Honor.</p> <p>18 This is Kurt Boehm, appearing on behalf of the Kroger</p> <p>19 Company. I'd also like to enter the appearance of Jody</p> <p>20 Kyler Cohn.</p> <p>21 JUDGE DOROSHKIN: The Federal Executive</p> <p>22 Agency?</p> <p>23 MS. LIOTTA: Yes, good afternoon, Your</p> <p>24 Honors. This is Rita Liotta, Navy counsel representing</p> <p>25 the Federal Executive Agency.</p>
Page 6	Page 8
<p>1 representing PSE are Jason Kuzma, Donna Barnett, and</p> <p>2 David Steel, all of whom are listed on the cover letter</p> <p>3 in the initial filing.</p> <p>4 JUDGE DOROSHKIN: Staff?</p> <p>5 MS. CAMERON-RULKOWSKI: For Commission</p> <p>6 Staff, Jennifer Cameron-Rulkowski, Assistant Attorney</p> <p>7 General. And with me in this case are Sally Brown,</p> <p>8 Senior Assistant Attorney General, and Assistant</p> <p>9 Attorneys General Jeff Roberson, Harry Fukano, Joe</p> <p>10 Dallas, and Dan Teimouri, all of whom have filed notices</p> <p>11 of appearance.</p> <p>12 JUDGE DOROSHKIN: Public Counsel?</p> <p>13 MS. GAFKEN: Good afternoon. This is Lisa</p> <p>14 Gafken, Assistant Attorney General, appearing on behalf</p> <p>15 of Public Counsel.</p> <p>16 JUDGE DOROSHKIN: Ms. Gafken, you're</p> <p>17 breaking up. Can you repeat that?</p> <p>18 MS. GAFKEN: Yes, I'm sorry. Is this</p> <p>19 better?</p> <p>20 JUDGE DOROSHKIN: Yes, this is much better.</p> <p>21 MS. GAFKEN: Okay. I'll just use the</p> <p>22 handset. I was using the speaker earlier.</p> <p>23 This is Lisa Gafken, Assistant Attorney</p> <p>24 General, appearing on behalf of Public Counsel.</p> <p>25 JUDGE DOROSHKIN: And The Energy Project?</p>	<p>1 JUDGE DOROSHKIN: And the Northwest Energy</p> <p>2 Coalition, are you represented by counsel here today?</p> <p>3 MS. BOSH: Not by counsel. I'm Joni Bosh</p> <p>4 with the Northwest Energy Coalition. Wendy Gerlitz</p> <p>5 could not make it today.</p> <p>6 JUDGE DOROSHKIN: Does anyone else wish to</p> <p>7 enter an appearance?</p> <p>8 Hearing nothing, that brings us to petitions</p> <p>9 for intervention. Are there any petitions for</p> <p>10 intervention other than the ones that have been filed in</p> <p>11 writing? Hearing none, we'll proceed.</p> <p>12 So we have reviewed the timely filed</p> <p>13 petitions to intervene of The Energy Project, the</p> <p>14 Alliance of Western Energy Consumers, or AWEC, Nucor</p> <p>15 Steel Seattle Inc., Kroger Company, and the Northwest</p> <p>16 Energy Coalition, or NWEAC. We have also reviewed the</p> <p>17 petitions to intervene of the Federal Executive Agency,</p> <p>18 which was filed yesterday. There were no written</p> <p>19 objections filed to any of these petitions.</p> <p>20 Would anyone like to make any objections</p> <p>21 now? Hearing none, these petitions to intervene are</p> <p>22 granted.</p> <p>23 Regarding discovery, please note that a</p> <p>24 protective order with provisions regarding highly</p> <p>25 confidential information has been entered in this</p>

Page 9	Page 11
<p>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</p>	<p>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</p>
Page 10	Page 12
<p>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</p>	<p>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 NVEC. 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</p>

Page 13	Page 15
<p>1 also have a witness we're working with.</p> <p>2 JUDGE DOROSHKIN: Okay. So until that time,</p> <p>3 then, you'll be listed as the representative --</p> <p>4 MS. BOSH: That's fine.</p> <p>5 JUDGE DOROSHKIN: -- in the prehearing</p> <p>6 conference order unless we see otherwise.</p> <p>7 Before we went on the record, Staff</p> <p>8 mentioned that there is an agreed upon procedural</p> <p>9 schedule with some language that needs to be -- still to</p> <p>10 be determined. Can you please -- oh, do you have it</p> <p>11 written down?</p> <p>12 MS. CAMERON-RULKOWSKI: Your Honor, may I</p> <p>13 pass up the proposed procedural schedule, and then I'll</p> <p>14 make a couple comments on it?</p> <p>15 JUDGE PEARSON: Thank you.</p> <p>16 MS. CAMERON-RULKOWSKI: And I think just</p> <p>17 provisionally, I would ask for confirmation that the</p> <p>18 hearing dates that the parties proposed work for the</p> <p>19 Commissioners.</p> <p>20 JUDGE PEARSON: It looks like there are</p> <p>21 presently holds on their calendars so -- and there's</p> <p>22 nothing else on their calendars at this time. So yes,</p> <p>23 and it works for us as well.</p> <p>24 MS. CAMERON-RULKOWSKI: Excellent. Thank</p> <p>25 you. And so what you see there, the -- there are two</p>	<p>1 that -- and the Company has filed an application</p> <p>2 concerning the sale of that property with the</p> <p>3 Commission.</p> <p>4 And the power cost update, we will include</p> <p>5 specifics of what will be contained in that update.</p> <p>6 JUDGE DOROSHKIN: So is the lang- -- is</p> <p>7 there disagreement currently on the language or it just</p> <p>8 has not yet been submitted by the Company?</p> <p>9 MS. CAMERON-RULKOWSKI: We've spent the</p> <p>10 last, wow, hour and 45 minutes, and we've invested in</p> <p>11 that time to agree on the language, and we now have to</p> <p>12 write up and make sure we've got it right.</p> <p>13 JUDGE PEARSON: Are you talking about</p> <p>14 language as far as like managing expectations, does it</p> <p>15 matter for our purposes of writing the prehearing</p> <p>16 conference order if we just use what's here, or are you</p> <p>17 saying that you want to craft that language of what goes</p> <p>18 into the prehearing conference order?</p> <p>19 MS. CAMERON-RULKOWSKI: It matters greatly</p> <p>20 to the parties. We had disputes about what a power cost</p> <p>21 update should consist of, and so the parties have agreed</p> <p>22 as to what would constitute a power cost update.</p> <p>23 JUDGE DOROSHKIN: And when would you</p> <p>24 anticipate filing that language or submitting that</p> <p>25 language?</p>
Page 14	Page 16
<p>1 asterisks there and those indicate places where we need</p> <p>2 to add some -- some additional language. And -- and</p> <p>3 then at the settlement conference No. 1 line, we were</p> <p>4 considering two dates, and we have now picked the date</p> <p>5 that is circled, which is October 14th.</p> <p>6 JUDGE DOROSHKIN: Okay.</p> <p>7 JUDGE PEARSON: We don't see any date for a</p> <p>8 public comment hearing or hearings or it's not even on</p> <p>9 this list.</p> <p>10 MS. CAMERON-RULKOWSKI: Very true. That was</p> <p>11 not because we meant to leave it off.</p> <p>12 MS. GAFKEN: This is Lisa Gafken. I would</p> <p>13 recommend that there be public comment hearings, and I'm</p> <p>14 going to recommend two public comment hearings, one</p> <p>15 located in Bellevue and the other one in Olympia. And</p> <p>16 with the Olympia hearing, public comment hearing, I</p> <p>17 would recommend there be remote access possible.</p> <p>18 JUDGE DOROSHKIN: Is there any opposition to</p> <p>19 that suggestion?</p> <p>20 And can you please address the language that</p> <p>21 is still to be determined in the procedural schedule?</p> <p>22 MS. CAMERON-RULKOWSKI: Certainly. For the</p> <p>23 supplemental testimony, we have another item to add</p> <p>24 there that would be included in the supplemental</p> <p>25 testimony, and it has to do with a sale of property</p>	<p>1 MS. CAMERON-RULKOWSKI: Probably tomorrow.</p> <p>2 JUDGE PEARSON: So you'll just provide it to</p> <p>3 us and then we can put it in the --</p> <p>4 MS. CAMERON-RULKOWSKI: That's exactly</p> <p>5 right, and of course it's up to you to decide whether</p> <p>6 the language we've provided is acceptable.</p> <p>7 JUDGE DOROSHKIN: Okay. So we will review</p> <p>8 the language that's provided to us in an email, please.</p> <p>9 MS. CAMERON-RULKOWSKI: And that's in</p> <p>10 lieu -- fortunately, we were able to agree, otherwise we</p> <p>11 would have had to spend more time this afternoon</p> <p>12 presenting argument on it.</p> <p>13 JUDGE DOROSHKIN: Okay. Are there any other</p> <p>14 comments that anyone would like to make on the proposed</p> <p>15 procedural schedule?</p> <p>16 Okay. So given that note, we have a written</p> <p>17 copy of the proposed schedule. We will incorporate that</p> <p>18 into the prehearing conference order with the couple of</p> <p>19 additions, one being on the public comment hearings and</p> <p>20 one on an errata sheet filing deadline.</p> <p>21 So under WAC 480-07-460, the deadline for</p> <p>22 filing errata sheets to exhibits may be established in</p> <p>23 the prehearing conference order. So unless there are</p> <p>24 objections to setting the deadline a week prior to the</p> <p>25 evidentiary hearing, we will add that to the procedural</p>

Page 17	Page 19
<p>1 schedule.</p> <p>2 Are there any objections? Hearing none, we</p> <p>3 will incorporate that into the prehearing conference</p> <p>4 order.</p> <p>5 And then also on the public comment</p> <p>6 hearings, so there will be two public comment hearings,</p> <p>7 one held in Bellevue and one in Olympia. And the</p> <p>8 Commission's rules require that the prehearing</p> <p>9 conference order address the timing, location, and</p> <p>10 proper notice to the public or customers of the public</p> <p>11 comment hearing. If the date and address of the public</p> <p>12 comment hearing is not yet determined, and the precise</p> <p>13 address and dates are not, the parties will need to</p> <p>14 submit notice to the Commission of the date, time, and</p> <p>15 address of the public comment hearing when it is</p> <p>16 determined.</p> <p>17 So we will note in the prehearing conference</p> <p>18 order, unless the parties have any objections, the</p> <p>19 following: That there will be two public comment</p> <p>20 hearings held before any hearing on the final</p> <p>21 disposition of the case; that they will be held in</p> <p>22 Bellevue and Olympia; and that the customers will</p> <p>23 receive at least 30 days' notice of the public comment</p> <p>24 hearing, which will contain information required under</p> <p>25 the Commission's rules. Are there any objections to</p>	<p>1 CERTIFICATE</p> <p>2</p> <p>3 STATE OF WASHINGTON</p> <p>4 COUNTY OF THURSTON</p> <p>5</p> <p>6 I, Tayler Garlinghouse, a Certified Shorthand</p> <p>7 Reporter in and for the State of Washington, do hereby</p> <p>8 certify that the foregoing transcript is true and</p> <p>9 accurate to the best of my knowledge, skill and ability.</p> <p>10</p> <p>11</p> <p>12 _____</p> <p>13 Tayler Garlinghouse, CCR 3358</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
Page 18	
<p>1 that?</p> <p>2 MS. CARSON: No objection.</p> <p>3 JUDGE DOROSHKIN: Okay. Then we will</p> <p>4 incorporate that into the prehearing conference order.</p> <p>5 Is there anything else that we need to</p> <p>6 address today?</p> <p>7 MS. CAMERON-RULKOWSKI: Not from Staff, Your</p> <p>8 Honor.</p> <p>9 MS. CARSON: No, Your Honor.</p> <p>10 JUDGE DOROSHKIN: All right. Then hearing</p> <p>11 nothing, we will issue an order shortly on the</p> <p>12 procedural schedule pending review of the language that</p> <p>13 is emailed to us tomorrow, and we are adjourned.</p> <p>14 (Adjourned at 3:09 p.m.)</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	