

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET UE-100749
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	ORDER 04
v.)	
)	
PACIFICORP D/B/A PACIFIC)	PREHEARING CONFERENCE
POWER & LIGHT COMPANY,)	ORDER
)	(Evidentiary Hearing set for
Respondent.)	December 8, 9, and 10, 2010)
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- 1 **NATURE OF PROCEEDING:** On May 4, 2010, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-74. The stated effective date of the tariff revisions is June 3, 2010. The proposed revisions would implement a general rate increase of \$56.7 million, or 20.88 percent.
- 2 On May 12, 2010, the Commission entered Order 01 in this matter suspending the filing for 10 months concluding on April 3, 2011, and set the docket for hearing. On May 13, 2010, the Commission entered a Notice of Prehearing Conference and appointed Administrative Law Judge Patricia Clark as presiding officer in this proceeding.
- 3 **CONFERENCE.** The Commission convened a prehearing conference in this proceeding, as scheduled, at Olympia, Washington, on June 2, 2010, before Judge Clark.
- 4 **PARTY REPRESENTATIVES:** Katherine A. McDowell, McDowell, Rackner, & Gibson, PC, Portland, Oregon, and Michelle Mishoe, Legal Counsel, PacifiCorp, represent PacifiCorp. Simon J. ffitch, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of Attorney General (Public Counsel). Donald T. Trotter, Assistant Attorney General,

Olympia, Washington, represents the Commission's regulatory staff (Commission Staff or Staff).¹ Irion Sanger and Melinda Davison, Davison Van Cleve, P.C., Portland, Oregon, represent the Industrial Customers of Northwest Utilities (ICNU). Brad Purdy, Boise, Idaho, represents The Energy Project. Judith Kim, Legal Counsel, Wal-Mart, Inc., Bentonville, Arkansas, and Art Butler, Seattle, Washington, represent Wal-Mart Stores Inc., and Sam's West, Inc. (Wal-Mart). A complete list of party representatives and their contact information is attached to this Order as Appendix A. A complete list of interested persons is attached to this Order as Appendix B.

5 **PETITIONS FOR INTERVENTION.** On May 20, 2010, ICNU filed a petition to intervene. Wal-Mart and The Energy Project filed petitions to intervene on May 27, 2010, and on May 28, 2010, respectively. The petitions were not opposed. Moreover, each petitioner demonstrated a substantial interest in this proceeding and that its participation will be in the public interest. *WAC 480-07-355*. The petitions to intervene by ICNU, Wal-Mart, and The Energy Project are granted.

6 **PROCEDURAL SCHEDULE.** During the prehearing conference, the parties presented an agreed-upon procedural schedule. The Commission determines that the parties' proposed procedural schedule does not afford the Commission sufficient time to undertake the decision-making process and prepare a final order in advance of the statutory suspension deadline. Accordingly, the Commission adopts the procedural schedule set forth in Appendix C to this Order.²

7 *Supplemental Filing.* In general rate case proceedings, the Commission ordinarily issues two bench requests shortly after the first prehearing conference regarding the Company's revenue requirement filings. In an effort to expedite the distribution of this information, the Commission requested the supplemental information during the course of the prehearing conference. Specifically, the Commission requested that PacifiCorp provide the direct testimony exhibit of R. Bryce Dalley, RBD-3 in a

¹ In formal proceedings, such as this, the Commission's regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners' policy and accounting advisors do not discuss the merits of the proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See RCW 34.05.455*.

²The alternate schedule in Appendix C was circulated to all parties via e-mail and no party objected to the alternate schedule.

separate electronic spreadsheet file. The file(s) must be in Excel format. The filing must include all linked files with all formulas and formatting in every spreadsheet intact (formulas not converted to values or otherwise modified from original). This information should be provided on a CD. In addition, the Commission requested that the Company provide electronic spreadsheet files for any other exhibits that flow into the results of operations including all adjustments furnished by other witnesses. The files(s) must be in Excel format and include all linked files with all formulas and formatting in every spreadsheet intact (formulas not converted to values or otherwise modified from original). This information should also be provided on a CD. During the course of the prehearing conference, the Commission established a deadline of **June 28, 2010**, for submitting the supplemental information.

- 8 *Prefiled Testimony and Exhibits.* The Commission's rule, WAC 480-07-510(1), governs the content of Company submissions for requests for general rate relief. That rule requires the Company to submit an exhibit with results of operations statement that demonstrates test year actual results together with restating and *pro forma* adjustments supporting the requested rate increase.
- 9 To ensure consistency in the comparison of the Company's filing with the filings of other parties, the Commission requires intervenors, Public Counsel, and Staff to prepare their testimony and exhibits starting with the results of operations that show test year actual results (or "per books.") The party should state whether the Company's restating and *pro forma* adjustments are contested or uncontested. If contested, the party must state the basis for the disagreement and how that adjustment should be modified. This ruling is not intended to restrict parties to an analysis of the issues raised by the Company. The other parties to this proceeding may propose any new adjustments or raise any issues that they deem fit for the Commission's consideration.
- 10 The parties should follow the foregoing format when presenting cross-answering testimony and rebuttal testimony. That is, each party should state whether other parties' adjustments are contested or uncontested, the basis for the disagreement, and how other parties' proposed adjustments should be modified.

- 11 During the prehearing conference, the Commission further determined, for the purpose of consistent comparison, that each party's proposed rate of return should be rounded to two decimal points and that the conversion factor should constitute six digits.
- 12 *Public Notice.* Public Counsel is required to submit, by **July 2, 2010**, a status report concerning its efforts to reach consensus with Staff and PacifiCorp on the content and format of any public notice PacifiCorp is required to issue in connection with these proceedings.
- 13 *Cross-Examination Exhibits.* According to WAC 480-07-460(1), the Commission may require the parties to predistribute their cross-examination exhibits. It has been the Commission's practice to require the predistribution of cross-examination exhibits and to establish a deadline for that predistribution. In recent cases, the predistribution of cross-examination exhibits after the deadline established by the Commission has presented problems for both the Commission and other parties to the proceeding. To ensure that the parties and the Commission have adequate time to prepare for hearing and review proposed cross-examination exhibits, the Commission will enforce WAC 480-07-460(1)(c) and may exclude cross-examination exhibits distributed after the deadline absent a showing of good cause for the delay in timely predistributing such proposed exhibits. The deadline for filing cross-examination exhibits is **November 29, 2010**.
- 14 *Public Comment Hearing.* The Commission will conduct a public comment hearing to afford members of the public an opportunity to present oral comments on the issues in this case. A separate notice of public comment hearing will be issued setting forth the date, time, and location of the public comment hearing.
- 15 **NOTICE OF HEARING.** The Commission will hold evidentiary hearings in this matter beginning **December 8, 2010**, at 9:30 a.m., and continuing thereafter, as necessary, on **December 9 and 10, 2010**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.

- 16 **NOTICE OF PREHEARING CONFERENCE.** The Commission will convene a prehearing conference in this matter on **December 1, 2010, at 1:30 p.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington, to mark exhibits, including exhibits on cross examination, if any, and to address any procedural matters that the parties may present. If no matters warrant attention, the conference will be cancelled.
- 17 **DOCUMENT PREPARATION AND FILING REQUIREMENTS.** Parties must file the original plus **17 copies** of the unredacted versions of all pleadings, motions, briefs, and other prefiled materials. Parties must also file the original and 1 copy of any redacted version(s). These materials must conform to the format and publication guidelines in WAC 480-07-395 and WAC 480-07-460. The Commission prefers that materials be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.
- 18 All filings must be mailed or delivered to the Executive Director and Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive, S.W., Olympia, Washington 98504-7250. Both the post office box and street address are required to expedite deliveries by the U.S. Postal Service.
- 19 **ELECTRONIC SUBMISSION OF DOCUMENTS.** Electronic versions of all documents must be filed in accordance with WAC 480-07-140(6). Specifically, all documents must be filed in .pdf (Adobe Acrobat) format, supplemented by a separate file in .doc (MS Word), .wpd (WordPerfect), .xls (Excel), or .ppt (Power Point) format.
- 20 A copy of all filings must be provided through the Commission's Web Portal (www.utc.wa.gov/e-filing) or by e-mail delivery to records@utc.wa.gov. Alternatively, parties may furnish an electronic copy by delivering with each filing a 3.5-inch IBM-formatted high-density diskette or CD including the filed document(s). Parties must furnish electronic copies in MS Word 6.0 (or later) supplemented by a separate file in .pdf (Adobe Acrobat) format. Parties must follow WAC 480-07-140(5) in organizing and identifying electronic files.

- 21 According to WAC 480-07-145(6), the parties may electronically submit documents to the Commission provided the electronic submission is received by 3:00 p.m. on the filing deadline and the Commission receives the original and required number of copies by 12:00 p.m. on the following business day. Parties must submit documents through the Commission's Web Portal (www.utc.wa.gov/e-filing) or by e-mail to records@utc.wa.gov, and file an original, plus 17 paper copies, of the documents with the Commission by the following business day. Parties must provide courtesy copies of their electronic submissions to the presiding administrative law judge at pclark@utc.wa.gov and to the parties to the proceeding.
- 22 **ALTERNATE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission does have limited ability to provide dispute resolution services; if you wish to explore those services, please call the Director, Administrative Law Division, at 360-664-1144.
- 23 **NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.**

Dated at Olympia, Washington, and effective June 17, 2010.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

PATRICIA CLARK
Administrative Law Judge

APPENDIX A				
PARTIES' REPRESENTATIVES				
DOCKET UE-100749				
PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
PacifiCorp	Katherine A. McDowell McDowell Rackner & Gibson 520 SW 6 th Avenue, Suite 830 Portland, OR 97204	503-595-3924	503-595-3928	katherine@mcd-law.com
	Michelle Mishoe Legal Counsel PacifiCorp d/b/a Pacific Power & Light Company 825 NE Multnomah, Suite 1800 Portland, OR 97232	503-813-6840	503-813-7252	michelle.mishoe@pacificorp.com
Commission Staff	Donald T. Trotter Assistant Attorney General 1400 S. Evergreen Park Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	360-664-1189	360-586-5522	dtrotter@utc.wa.gov
Public Counsel	Simon J. ffitich Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-389-2055	206-464-6451	simonf@atg.wa.gov
Industrial Customers of Northwest Utilities (ICNU)	Irion Sanger and Melinda Davison Davison Van Cleve, P.C. 333 S.W. Taylor, Suite 400 Portland, OR 97204	503-241-7242	503-241-8160	ias@dvclaw.com mjd@dvclaw.com
The Energy Project	Brad Purdy Attorney At Law 2019 N. 17 th Street Boise, ID 83702	208-384-1299	208-384-8511	bmpurdy@hotmail.com
Wal-Mart and Sam's West	Arthur A. Butler Ater Wynne LLP 601 Union Street, Suite 1501 Seattle, WA 98101-3981	206-623-4711	206-623-8406	aab@aterwynne.com
	Judith Kim 2001 S.E. 10 th Street Wal-Mart U.S. Legal Department #8989 Bentonville, AR 72716-0550	479-204-2527	479-277-5991	judith.kim@walmartlegal.com

APPENDIX B

**INTERESTED PERSONS
DOCKET UE-100749**

IP	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
PacifiCorp	Andrea Kelly Vice President, Regulation PacifiCorp 825 NE Multnomah Suite 2000 Portland, OR 97232	503-813-6043	503-813-6060	andrea.kelly@pacificorp.com
PacifiCorp	Cathie Allen Manager, Regulation PacifiCorp 825 NE Multnomah Suite 2000 Portland, OR 97232	503-813-5934	503-813-6060	cathie.allen@pacificorp.com
PacifiCorp	R. Bryce Dalley Manager, Regulatory PacifiCorp 825 NE Multnomah Suite 2000 Portland, OR 97232	503-813-6389	503-813-6060	bryce.dalley@pacificorp.com
Public Counsel	Lea Daeschel Public Counsel 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-464-6380	206-464-6451	lead@atg.wa.gov
Public Counsel	Mary Harper Public Counsel 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-389-2766	206-464-6451	maryh2@atg.wa.gov
Public Counsel	Carol Williams Public Counsel 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-464-6215	206-464-6451	carolw@atg.wa.gov

INTERESTED PERSONS (Continued)

IP	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
ICNU	Michael Early Executive Director ICNU 333 SW Taylor St., Suite 400 Portland, OR 97204	503-239-9169	503-241-8160	mearly@icnu.org
ICNU	Donald W. Schoenbeck RCS, Inc. 900 Washington St., Suite 780 Vancouver, WA 98660	503-232-6155	360-737-7628	dws@r-c-s-inc.com
ICNU	Mike Gorman Brubaker & Associates, Inc. 16690 Swingley Ridge Rd., Suite 140 Chesterfield, MO 63017	636-898-6725 Ext. 220	636-898-6726	mgorman@consultbai.com
ICNU	Randall J. Falkenberg RFI Consulting, Inc. PMB 362 8343 Roswell Road Sandy Springs, GA 30350	770-379-0505	770-671-1046	consultrfi@aol.com
ICNU	Greg Meyer Brubaker & Associates, Inc. 16690 Swingley Ridge Rd., Suite 140 Chesterfield, MO 63017	636-898-6725	636-898-6726	gmeyer@consultbai.com
ICNU	Davison Van Cleve, PC 333 SW Taylor St., Suite 400 Portland, OR 97204	503-241-7242	503-241-8160	mail@dvclaw.com
ICNU	Kelli R. Madden Davison Van Cleve, PC 333 SW Taylor St. Suite 400 Portland, OR 97204	503-241-7242	503-241-8160	krm@dvclaw.com
The Energy Project	Charles Eberdt	360-255-2169	360-671-2753	chuck_eberdt@oppco.org
Wal-Mart	Steve Chriss Manager-State Rate Proceedings 200 S.E. 10 th Street Energy Management Department #9638 Bentonville, AR 72716-0550	479-204-1594	479-273-6851	stephen.chriss@wal-mart.com

**APPENDIX C
PROCEDURAL SCHEDULE
DOCKET UE-100749**

<u>EVENT</u>	<u>DATE</u>
Company Direct Testimony and Exhibits	May 4, 2010
Supplemental Filing by PacifiCorp³	June 28, 2010
Public Notice Report	July 2, 2010
Issue Discussion/Settlement Conference (parties only)	September 13, 2010
Public Comment Hearing	Date and location to be determined by separate notice
Staff, Public Counsel and Intervenor Responsive Testimony and Exhibits	October 5, 2010 ⁴
Company Rebuttal Testimony and Exhibits Staff, Public Counsel and Intervenor Cross-Answering Testimony and Exhibits	November 5, 2010 ⁵
Discovery Deadline – Last day to issue Data Requests	November 19, 2010
Deadline for Cross-examination Exhibits	November 29, 2010

³See ¶ 7 of this Order.

⁴ After **October 5, 2010**, responses to data requests are due seven business days after the request.

⁵ After **November 5, 2010**, responses to data requests are due five business days after receipt.

PROCEDURAL SCHEDULE *(continued)*

<u>EVENT</u>	<u>DATE</u>
Prehearing Conference to Mark Exhibits (may be cancelled)	December 1, 2010
Evidentiary Hearing	December 8, 9, and 10, 2010
Initial Post-hearing Briefs⁶ Post-hearing Reply Brief	January 5, 2011 January 18, 2011
Suspension Date	April 3, 2011

⁶ During the prehearing conference, PacifiCorp reserved the right to file a reply brief. If PacifiCorp does not wish to exercise this right, the post-hearing briefs filed on January 5, 2011, will be simultaneous briefs.