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BEFORE THE WASHINGTON

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UTILITIES AND TRANSPORTATION COMMISSION

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4 WASHINGTON UTILITIES AND )DOCKET UE-191024

TRANSPORTATION COMMISSION, )

5 )

Complainant, )

6 )

vs. )

7 )

PACIFIC POWER & LIGHT )

8 COMPANY, )

)

9 )

Respondent. )

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PREHEARING CONFERENCE, VOLUME I

12

Pages 1-18

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ADMINISTRATIVE LAW JUDGE ANDREW J. O'CONNELL

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January 31, 2020

16

9:40 a.m.

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18 Washington Utilities and Transportation Commission

621 Woodland Square Loop Southeast

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Lacey, Washington 98503

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REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

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1 LACEY, WASHINGTON; JANUARY 31, 2020

2 9:40 A.M.

3 --o0o--

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

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6 JUDGE O'CONNELL: Let's be on the record.

7 Good morning. The time is approximately 9:40 a.m.,

8 January 31st, 2020.

9 My name is Andrew O'Connell. I'm an

10 administrative law judge with the Washington Utilities

11 and Transportation Commission, and I'll be presiding in

12 this matter along with the Commissioners.

13 We're here today for a prehearing conference

14 in Docket UE-191024, which is Pacific Power's 2019

15 general rate case filing.

16 Let's start with appearances. Short

17 appearances are acceptable. Let's begin with the

18 Company, Pacific Power.

19 MR. KUMAR: Thank you, Your Honor. On

20 behalf of PacifiCorp, Ajay Kumar. And also appearing in

21 the case but not here today are Matthew McVee and Carla

22 Scarsella.

23 MS. MCDOWELL: This is Katherine McDowell,

24 here on behalf of Pacific Power.

25 JUDGE O'CONNELL: Hang on.

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1 Staff?

2 MS. CAMERON-RULKOWSKI: Jennifer

3 Cameron-Rulkowski, Assistant Attorney General, appearing

4 on behalf of Staff. And with me appearing in the case

5 are also Jeff Roberson, Nash Callaghan, Joe Dallas, and

6 Daniel Teimouri.

7 JUDGE O'CONNELL: Okay. Thank you.

8 MS. CAMERON-RULKOWSKI: Also assistant

9 attorneys general.

10 JUDGE O'CONNELL: Thank you.

11 And for Public Counsel?

12 MS. SUETAKE: Thank you, Your Honor. Nina

13 Suetake on behalf of Public Counsel and...

14 MS. PAISNER: This is Ann Paisner on behalf

15 of Public Counsel.

16 JUDGE O'CONNELL: Thank you.

17 And for Packaging Corporation of America?

18 MS. MILINOVICH: Corinne Milinovich on

19 behalf of Packaging Corporation of America.

20 JUDGE O'CONNELL: Okay. And for Walmart?

21 MS. BALDWIN: This is Vicki Baldwin

22 appearing on behalf of Walmart.

23 JUDGE O'CONNELL: Thank you.

24 And The Energy Project?

25 MR. FFITCH: Simon ffitch representing The

0006

1 Energy Project.

2 JUDGE O'CONNELL: Okay. Is there anyone

3 else in the room or on the bridge line who wants to make

4 an appearance? Okay.

5 MR. LEDFORD: Yes, good morning. This is

6 Curt Ledford for Packaging Corporation of America with

7 Corinne Milinovich.

8 JUDGE O'CONNELL: Okay. Thank you,

9 Mr. Ledford.

10 Okay. Hearing no more, let's move on to

11 petitions for intervention. We've received petition to

12 intervene from Packing Corporation of America, Walmart,

13 and The Energy Project. Are there any other petitions

14 for intervention other than the ones that have been

15 filed in the -- in writing?

16 Okay. Hearing none, let's proceed. I'm

17 unaware of any written objections to these petitions.

18 Are there any objections?

19 MR. KUMAR: Company has no objection, Your

20 Honor.

21 JUDGE O'CONNELL: Okay. Hearing no

22 objections, the -- those petitions to intervene are

23 granted.

24 Now, received in the docket a motion from

25 Staff to consolidate. Let's address Staff's motion to

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1 consolidate.

2 Ms. Cameron-Rulkowski?

3 MS. CAMERON-RULKOWSKI: Thank you, Your

4 Honor. Staff did file an unopposed motion to

5 consolidate the accounting petition docket with the

6 general rate case, and in addition, I would like to move

7 to consolidate an additional docket with the general

8 rate case and that is Pacific Power's depreciation

9 docket, Docket UE-180778. That was filed on

10 September 13, 2008. It was titled Petition for an Order

11 Authorizing a Change in Depreciation Rates Applicable to

12 Electric Property.

13 In the petition, the Company proposed to

14 implement new depreciation rates in a future rate case

15 with electric rates effective January 1, 2021. That's

16 the same date that the Company is requesting new dates

17 for in -- in the instant general rate case. The

18 Commission set a procedural schedule in the depreciation

19 docket and scheduled a hearing for August 1st, 2019, but

20 well before the hearing took place, the Company asked

21 the Commission to suspend the proceeding due to the fact

22 that the Company's 2019 integrated resource plan filing

23 deadline had been extended. And the thought was that

24 the IRP analysis could have an effect on parties'

25 positions in the -- regarding the depreciation study.

0008

1 The Commission granted the request and set a

2 status conference for September 4th, 2019. The status

3 conference was convened, and the Commission entered

4 Order 4 on September 11, 2019, extending the suspension

5 of the case to the date of the Company's next general

6 rate case filing or December 31, 2019, whichever was

7 earlier. And there was also a requirement for the

8 Company to update its depreciation filing. There was an

9 Order 5 that was subsequently entered to clarify Order 4

10 with regard to that required filing.

11 PacifiCorp did file updates to its

12 depreciation filing including supporting testimony and

13 exhibits on December 13, 2019, and that's the same day

14 that the Company filed its general rate case.

15 Staff now moves that the depreciation docket

16 be consolidated with the general rate case filing under

17 the -- under the rule for consolidation, WAC 480-07-320.

18 The Commission in its discretion may consolidate two or

19 more proceedings in which the facts or principles of law

20 are related.

21 In the rate case, PacifiCorp proposes to

22 update its depreciation rates consistent with the

23 depreciation filing in Docket UE-180778. And you can

24 see the testimony of Shelly McCoy at Exhibit SEM-1T at

25 page 6 regarding that -- regarding that proposal.

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1 Because the Company is basing part of its

2 proposal in the general rate case on its filing in the

3 depreciation docket, the facts and law of both

4 proceedings are related and consolidation is

5 appropriate. No party in either the depreciation docket

6 or the GRC opposes consolidation, nor did any of the

7 entities seeking intervention in the -- in the GRC. And

8 it's my understanding that -- that all the parties to

9 the depreciation docket who are here today wish to end

10 the suspension of the depreciation docket and resolve

11 the Company's request for new depreciation rates.

12 We would ask that the Commission -- that the

13 Commission resolve all four of our consolidation

14 requests and include that decision in the prehearing

15 conference order in this case. Thank you, Your Honor.

16 JUDGE O'CONNELL: Thank you. Well, I notice

17 that the Sierra Club is the only party I recognize from

18 Docket 180778 that is not present in this room or on the

19 bridge line. Have you spoken with them about your

20 motion to consolidate?

21 MS. CAMERON-RULKOWSKI: Yes, Your Honor.

22 Thank you for asking. I have and Sierra Club does not

23 oppose consolidation. At the time I spoke with them,

24 they did not yet know if they were going to be active in

25 the general rate case, but I -- I had a couple of

0010

1 communications with them, and it was -- it was quite

2 clear that they did not oppose consolidation.

3 JUDGE O'CONNELL: Okay. Thank you.

4 Would anyone else in the room or on the

5 bridge line like to be heard on Staff's motions?

6 Hearing nothing, we think that the facts and

7 principles of law are related in these matters, and I

8 intend to grant the motions to consolidate including

9 with 180778. But with that, I'd like to discuss

10 intervention in all of the dockets. Do the parties who

11 have been granted intervention in the GRC, 191024, also

12 wish to be granted intervention as it pertains to the

13 other dockets? And I see Packaging Corporation of

14 America has submitted petitions in at least some of

15 those other dockets already.

16 So I'd like to start with you,

17 Ms. Milinovich. Does PCA want to intervene in all those

18 other dockets?

19 MS. MILINOVICH: Yes.

20 JUDGE O'CONNELL: Okay. And Public Counsel,

21 you're already a party of right, so I'm -- okay.

22 The Energy Project, Mr. ffitch?

23 MR. FFITCH: Yes, Your Honor. We would like

24 to be granted intervention in all the dockets.

25 JUDGE O'CONNELL: Ms. Baldwin?

0011

1 MS. BALDWIN: Yes, Your Honor, we would also

2 like to be granted intervention in all the dockets.

3 Thank you.

4 JUDGE O'CONNELL: Is there any objection to

5 these interventions in those other dockets?

6 MR. KUMAR: No, Your Honor.

7 JUDGE O'CONNELL: Okay. So those

8 interventions will be granted.

9 Now, Sierra Club is a party in Docket

10 180778, and they're not here to voice their desire to

11 intervene in any other docket, and this hearing was not

12 noticed in Docket 180778. So I'm going to extend the

13 date for filing petitions to intervene in this general

14 rate case and the other accounting dockets for a week

15 after the issuance of the prehearing conference order to

16 allow an opportunity for any additional petitions to

17 intervene.

18 Okay. This also brings me to the question

19 of the protective order in the cases. A protective

20 order has already been issued in this docket. Docket

21 UE-180778 has its own protective order already, but none

22 of the other dockets, 190750, 190929, or 190981 have a

23 request for a protective order. So at this time, I'm

24 going to keep the protective orders as they are.

25 Parties that want confidential information in Docket

0012

1 180778, they must sign that protective order, and if

2 parties want confidential information in Docket

3 UE-191024, they must sign that protective order. I

4 think it's cleaner just to keep it separate at this

5 time.

6 Electronic filing and service. All service

7 and filing at the Commission is done electronically.

8 This includes service to and among the parties for

9 filing purposes with the Commission. However, the

10 Commission's going to order in this case there be --

11 that the parties file an original and three copies of

12 any fully unredacted filing, and that's for purposes of

13 our interim distributions.

14 If filings include information designated as

15 confidential, please only file the original and three

16 copies of the unredacted version. No paper copy is

17 necessary for any redacted version. Those versions can

18 only -- or may only be filed electronically.

19 Okay. If there is any other representative

20 from the parties who needs to be included on email

21 distribution or service lists other than the ones that

22 have already been submitted to the Commission, please

23 send their email information to me so I can make sure

24 they are included on that list. My email is

25 andrew.j.oconnell, O-C-o-n-n-e-l-l, @utc.wa.gov.

0013

1 One last thing before we get to the

2 procedural schedule. I've been given an agreed

3 procedural schedule that I'll review in a moment, but I

4 want to talk about data requests really quick. So that

5 the parties don't have to issue the typical me too data

6 request at the very beginning of every case, I intend to

7 include in the prehearing conference order the

8 requirement that the parties share all data requests and

9 responses with every other party. Is there any

10 objection to including that in the prehearing

11 conference?

12 MS. CAMERON-RULKOWSKI: Staff supports that.

13 MR. KUMAR: No objection, Your Honor.

14 MR. FFITCH: No objection.

15 MS. SUETAKE: No objection.

16 MS. MILINOVICH: No objection.

17 JUDGE O'CONNELL: Thank you.

18 Then let's move on to the last piece of

19 business, the procedural schedule. So I've been

20 provided a proposed procedural schedule by

21 Ms. Cameron-Rulkowski, and it was indicated to me that

22 it was an agreed procedural schedule.

23 Ms. Cameron-Rulkowski, have the parties had

24 an opportunity to discuss and confer on this schedule

25 that you've given to me?

0014

1 MS. CAMERON-RULKOWSKI: Yes, we have, Your

2 Honor, and I would just ask, because we've had some

3 last-minute discussions, I would just ask any party

4 to -- to speak up if they had any question about the

5 schedule. I believe that we're -- we're all in

6 agreement.

7 MS. MILINOVICH: Actually, Your Honor, PCA

8 would like to request that PAC file the supplemental

9 testimony for Bridger on February 14th, 2020. We

10 believe this is appropriate because the Company will be

11 filing an update for Bridger in Oregon at a similar

12 time, and we feel that's a -- that's a reasonable

13 request.

14 JUDGE O'CONNELL: So is that something that

15 is not currently on the procedural schedule, it would be

16 being added to?

17 MS. MILINOVICH: Correct, that -- currently

18 it's under April 1st, 2020.

19 JUDGE O'CONNELL: Okay. I see. So you're

20 requesting that that date be moved to February?

21 MS. MILINOVICH: We are requesting that that

22 date is -- there's an additional date put in for the

23 Bridger supplemental direct testimony as

24 February 14th, 2020, and then the Colstrip is kept as

25 April 1st, 2020.

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1 MS. MCDOWELL: So, Your Honor, Katherine

2 McDowell here. Perhaps it would be useful at this point

3 to go off the record. We had had conversations and

4 thought we had agreement. This is news to us that we

5 don't. So rather than explore this on the record, it

6 might be more fruitful to take a moment, have us discuss

7 this, and determine whether we do have a disagreement

8 here to present to you or whether we can resolve it

9 offline.

10 JUDGE O'CONNELL: I think that's a good

11 idea. I don't see that anyone's opposed to taking a

12 brief break. Okay. So let's -- will ten minutes

13 suffice?

14 MS. MCDOWELL: I believe so. Thank you.

15 JUDGE O'CONNELL: Okay. We will be off the

16 record and will be -- I'll come back at ten after 10:00.

17 Thank you.

18 (Recess taken from 9:57 a.m.

19 until 10:11 a.m.)

20 JUDGE O'CONNELL: Let's be back on the

21 record. We left off I think with you, Ms. McDowell.

22 Would you like to go ahead?

23 MS. MCDOWELL: Yes, Your Honor. Thanks so

24 much, and we appreciate the opportunity to have the

25 chance to talk and clarify understandings about the

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1 schedule, and I think I can represent for the group that

2 we're all back on the same page with this schedule and

3 continue to have full agreement on the schedule as

4 presented.

5 JUDGE O'CONNELL: All right.

6 Ms. Milinovich, is that correct?

7 MS. MILINOVICH: Yes, that's correct.

8 JUDGE O'CONNELL: Okay. Briefly I've taken

9 a look at the dates proposed, and they appear to suit

10 the Commission's schedule. I am going to confirm that

11 the dates for the evidentiary hearing are available for

12 the Commissioners. I believe they are.

13 Ms. Cameron-Rulkowski, have you checked

14 these dates against the Commission's schedule?

15 MS. CAMERON-RULKOWSKI: Your Honor, I had

16 checked them. The -- I don't have the date in front of

17 me anymore when I last checked, but it was not this

18 week.

19 JUDGE O'CONNELL: Okay.

20 MS. CAMERON-RULKOWSKI: So it would

21 certainly bear confirming, but I had checked a couple of

22 times prior to today.

23 JUDGE O'CONNELL: Okay. I will confirm that

24 as well.

25 One thing I would like to bring up before we

0017

1 adjourn today, Staff filed a petition yesterday in this

2 docket, and I wanted to inform the parties that I'm

3 going to be issuing a notice of opportunity to respond

4 to that petition today. Responses will be due

5 February 20, 2020. And like I said, that will be

6 memorialized in the notice that I am sending out today.

7 That notice will also go to Avista and Puget Sound

8 Energy.

9 Okay. Is there anything else that we should

10 address today before we adjourn?

11 MS. CAMERON-RULKOWSKI: Nothing from Staff,

12 Your Honor.

13 MR. KUMAR: Nothing from the Company, Your

14 Honor.

15 MS. SUETAKE: Nothing from Public Counsel.

16 MS. MILINOVICH: Nothing from PCA.

17 JUDGE O'CONNELL: Okay. Hearing nothing, I

18 will issue an order shortly containing this procedural

19 schedule and other guidelines for the disposition of

20 this case. With that, we are adjourned. Thank you.

21 (Adjourned at 10:14 a.m.)

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1 C E R T I F I C A T E

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3 STATE OF WASHINGTON

4 COUNTY OF THURSTON

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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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