

Docket No. UE-191024 - Vol. I

WUTC v. Pacific Power & Light Company

January 31, 2020



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1 BEFORE THE WASHINGTON  
 2 UTILITIES AND TRANSPORTATION COMMISSION  
 3 \_\_\_\_\_  
 4 WASHINGTON UTILITIES AND ) DOCKET UE-191024  
 5 TRANSPORTATION COMMISSION, )  
 6 Complainant, )  
 7 vs. )  
 8 PACIFIC POWER & LIGHT )  
 9 COMPANY, )  
 10 Respondent. )  
 11 \_\_\_\_\_  
 12 PREHEARING CONFERENCE, VOLUME I  
 13 Pages 1-18  
 14 ADMINISTRATIVE LAW JUDGE ANDREW J. O'CONNELL  
 15 \_\_\_\_\_  
 16 January 31, 2020  
 17 9:40 a.m.  
 18 Washington Utilities and Transportation Commission  
 19 621 Woodland Square Loop Southeast  
 Lacey, Washington 98503  
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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  
 5  
 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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<p>1 Staff?</p> <p>2 MS. CAMERON-RULKOWSKI: Jennifer</p> <p>3 Cameron-Rulkowski, Assistant Attorney General, appearing</p> <p>4 on behalf of Staff. And with me appearing in the case</p> <p>5 are also Jeff Roberson, Nash Callaghan, Joe Dallas, and</p> <p>6 Daniel Teimouri.</p> <p>7 JUDGE O'CONNELL: Okay. Thank you.</p> <p>8 MS. CAMERON-RULKOWSKI: Also assistant</p> <p>9 attorneys general.</p> <p>10 JUDGE O'CONNELL: Thank you.</p> <p>11 And for Public Counsel?</p> <p>12 MS. SUETAKE: Thank you, Your Honor. Nina</p> <p>13 Suetake on behalf of Public Counsel and...</p> <p>14 MS. PAISNER: This is Ann Paisner on behalf</p> <p>15 of Public Counsel.</p> <p>16 JUDGE O'CONNELL: Thank you.</p> <p>17 And for Packaging Corporation of America?</p> <p>18 MS. MILINOVICH: Corinne Milinovich on</p> <p>19 behalf of Packaging Corporation of America.</p> <p>20 JUDGE O'CONNELL: Okay. And for Walmart?</p> <p>21 MS. BALDWIN: This is Vicki Baldwin</p> <p>22 appearing on behalf of Walmart.</p> <p>23 JUDGE O'CONNELL: Thank you.</p> <p>24 And The Energy Project?</p> <p>25 MR. FFITCH: Simon ffitich representing The</p>	<p>1 consolidate.</p> <p>2 Ms. Cameron-Rulkowski?</p> <p>3 MS. CAMERON-RULKOWSKI: Thank you, Your</p> <p>4 Honor. Staff did file an unopposed motion to</p> <p>5 consolidate the accounting petition docket with the</p> <p>6 general rate case, and in addition, I would like to move</p> <p>7 to consolidate an additional docket with the general</p> <p>8 rate case and that is Pacific Power's depreciation</p> <p>9 docket, Docket UE-180778. That was filed on</p> <p>10 September 13, 2008. It was titled Petition for an Order</p> <p>11 Authorizing a Change in Depreciation Rates Applicable to</p> <p>12 Electric Property.</p> <p>13 In the petition, the Company proposed to</p> <p>14 implement new depreciation rates in a future rate case</p> <p>15 with electric rates effective January 1, 2021. That's</p> <p>16 the same date that the Company is requesting new dates</p> <p>17 for in -- in the instant general rate case. The</p> <p>18 Commission set a procedural schedule in the depreciation</p> <p>19 docket and scheduled a hearing for August 1st, 2019, but</p> <p>20 well before the hearing took place, the Company asked</p> <p>21 the Commission to suspend the proceeding due to the fact</p> <p>22 that the Company's 2019 integrated resource plan filing</p> <p>23 deadline had been extended. And the thought was that</p> <p>24 the IRP analysis could have an effect on parties'</p> <p>25 positions in the -- regarding the depreciation study.</p>
Page 6	Page 8
<p>1 Energy Project.</p> <p>2 JUDGE O'CONNELL: Okay. Is there anyone</p> <p>3 else in the room or on the bridge line who wants to make</p> <p>4 an appearance? Okay.</p> <p>5 MR. LEDFORD: Yes, good morning. This is</p> <p>6 Curt Ledford for Packaging Corporation of America with</p> <p>7 Corinne Milinovich.</p> <p>8 JUDGE O'CONNELL: Okay. Thank you,</p> <p>9 Mr. Ledford.</p> <p>10 Okay. Hearing no more, let's move on to</p> <p>11 petitions for intervention. We've received petition to</p> <p>12 intervene from Packing Corporation of America, Walmart,</p> <p>13 and The Energy Project. Are there any other petitions</p> <p>14 for intervention other than the ones that have been</p> <p>15 filed in the -- in writing?</p> <p>16 Okay. Hearing none, let's proceed. I'm</p> <p>17 unaware of any written objections to these petitions.</p> <p>18 Are there any objections?</p> <p>19 MR. KUMAR: Company has no objection, Your</p> <p>20 Honor.</p> <p>21 JUDGE O'CONNELL: Okay. Hearing no</p> <p>22 objections, the -- those petitions to intervene are</p> <p>23 granted.</p> <p>24 Now, received in the docket a motion from</p> <p>25 Staff to consolidate. Let's address Staff's motion to</p>	<p>1 The Commission granted the request and set a</p> <p>2 status conference for September 4th, 2019. The status</p> <p>3 conference was convened, and the Commission entered</p> <p>4 Order 4 on September 11, 2019, extending the suspension</p> <p>5 of the case to the date of the Company's next general</p> <p>6 rate case filing or December 31, 2019, whichever was</p> <p>7 earlier. And there was also a requirement for the</p> <p>8 Company to update its depreciation filing. There was an</p> <p>9 Order 5 that was subsequently entered to clarify Order 4</p> <p>10 with regard to that required filing.</p> <p>11 PacifiCorp did file updates to its</p> <p>12 depreciation filing including supporting testimony and</p> <p>13 exhibits on December 13, 2019, and that's the same day</p> <p>14 that the Company filed its general rate case.</p> <p>15 Staff now moves that the depreciation docket</p> <p>16 be consolidated with the general rate case filing under</p> <p>17 the -- under the rule for consolidation, WAC 480-07-320.</p> <p>18 The Commission in its discretion may consolidate two or</p> <p>19 more proceedings in which the facts or principles of law</p> <p>20 are related.</p> <p>21 In the rate case, PacifiCorp proposes to</p> <p>22 update its depreciation rates consistent with the</p> <p>23 depreciation filing in Docket UE-180778. And you can</p> <p>24 see the testimony of Shelly McCoy at Exhibit SEM-1T at</p> <p>25 page 6 regarding that -- regarding that proposal.</p>

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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

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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?

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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

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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.

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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?

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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

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.)

22  
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CERTIFICATE

1  
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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Tayler Garlinghouse, CCR 3358