

[Service Date March 8, 2004]

March 8, 2004

**NOTICE OF RULING ON OBJECTION
NOTICE OF CLARIFICATION REGARDING PROCEDURE
NOTICE OF CONFIRMATION OF PREHEARING CONFERENCE
(Set for March 25, 2004 at 3:00 p.m.)**

RE: Washington Utilities and Transportation Commission v. Cougar Ridge Water System, Docket No. UW-040367

TO ALL PARTIES OF RECORD:

On March 1, 2004, the Commission entered an order initiating a special proceeding in this case to determine whether or not Cougar Ridge Water System is subject to the Commission's jurisdiction. The Commission also initiated an investigation into the company's rates and charges. The Commission established March 25, 2004, as the date for a prehearing conference in this proceeding.

On March 3, 2004, Cougar Ridge Water System, by its attorney, filed a Motion to Establish Burden of Proof, objecting that the burden of proof in the proceeding is on the Washington Utilities and Transportation Commission. The company also filed an Objection to Order and Notice of Prehearing conference, objecting to the holding of a prehearing conference and requesting that the Commission establish a discovery conference instead.

On March 5, 2004, the Commission issued a notice giving the parties and opportunity to respond to the company's motion regarding the burden of proof and the company's objection to the prehearing conference. The notice indicated that a ruling on the motion and the objection would be made during the time scheduled for the prehearing conference on March 25, 2004.

This is to notify the parties that pursuant to WAC 480-07-430, the Company's Objection to Order and Notice of Prehearing is denied. The purpose of the prehearing conference is to begin the discussion of the topics listed in the rule and to establish a schedule for further proceedings, including the presentation of evidence, if that is appropriate. The schedule will allow all parties reasonable time to develop their cases. The Commission does not expect the parties to be fully prepared to present their cases at the time of the initial prehearing conference. Accordingly, there will be no evidentiary hearing during the prehearing conference. If the parties request it, the discovery rules, WAC 480-07-400, *et seq*, may be invoked during the prehearing conference, and the parties may begin the discovery process under the auspices of the rules. If appropriate, the parties may schedule a discovery conference under WAC 480-07-415 as part of the overall schedule of proceedings.

Among the matters to be addressed during the prehearing conference on March 25, 2004, will be the company's motion regarding the burden of proof.

This notice confirms that the Commission will convene a prehearing conference as originally noticed on March 25, 2004 at 3:00 p.m.

Sincerely,

THEODORA M. MACE
Administrative Law Judge