

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

COST MANAGEMENT SERVICES,
INC.,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

Docket No. UG-061256

RESPONDENT'S RESPONSE TO MOTION
TO CONSOLIDATE OF COST
MANAGEMENT SERVICES, INC.

1. Respondent Cascade Natural Gas Corporation ("Cascade") respectfully submits this response to the Motion to Consolidate this docket with Docket No. UG-070332 (the "Tariff docket"), filed by Cost Management Services, Inc. ("CMS") on March 12, 2007 (the "Motion").¹ The Commission should deny CMS's Motion for several reasons.²

¹ CMS raised several other issues in the Motion, to which Cascade will respond in different documents, as indicated in the letter Cascade's counsel filed with the Commission on March 14, 2007.

² Cascade is filing a similar response to the Motion in the Tariff docket.

1 2. First, the Commission has already decided all of the issues that CMS has raised and
2 may raise in this docket, Docket No. UG-061256 (the "Complaint docket"). Cascade thinks
3 that the Commission should, therefore, close this docket. See Motion for Clarification in
4 Docket No. UG-061256, filed on this date. If the Commission agrees with Cascade and
5 closes this docket, then there would not be two dockets to consolidate and the Motion to
6 Consolidate should be denied. For this reason, Cascade suggests that the Commission
7 decide CMS's Motion to Consolidate after it has decided the issues raised in Cascade's
8 Motion for Clarification in this docket.
9

10
11
12
13
14
15
16
17 3. Second; Cascade has opposed CMS's Petition to Intervene in the Tariff docket. If the
18 Commission denies CMS intervention in the Tariff docket, then it would be inappropriate to
19 consolidate the two dockets because the Commission will have determined that CMS has no
20 substantial interest in Cascade's tariff filing or that the Commission does not have
21 jurisdiction to consider the impact of the proposed tariffs on CMS. For this reason, Cascade
22 suggests that the Commission decide CMS's Motion to Consolidate after it has also decided
23 CMS's Petition to Intervene in the Tariff docket.
24

25
26
27
28
29
30
31 4. Third, even if the Commission does not close the Complaint docket and grants
32 CMS's Petition to Intervene in the Tariff docket, the Commission should still deny the
33 Motion to Consolidate because the facts or principles of law in these two proceedings are
34 not related. WAC 480-07-320. As discussed in more detail in Cascade's Motion for
35 Clarification in this docket, the only issue CMS raised in this docket is whether Cascade's
36 sales of unbundled gas supply are covered by Cascade's FERC blanket marketing certificate
37 or whether Cascade must make those sales pursuant to tariffs and contracts filed with the
38 Commission. CMS did not ask the Commission to decide the further question: if Cascade is
39 required to make these sales pursuant to tariffs, what should the terms of those tariffs be?
40
41
42
43
44
45
46
47

1 5. The only issue that Order 03 in this docket left open for hearing is whether Cascade's
2
3 *existing* contracts for gas supply unduly discriminate among its gas supply customers. As
4
5 discussed in Cascade's Motion for Clarification in this docket, Cascade thinks that this issue
6
7 is not properly before the Commission. Even that issue, however, is retrospective, and
8
9 focuses on existing contracts. It is not prospective, whereas an examination of Cascade's
10
11 proposed tariffs is purely prospective. Order 03 shows that the Commission has recognized
12
13 that CMS's Complaint presents no issues regarding the rates and terms under which Cascade
14
15 may make future sales of gas supply.

16
17 6. Not only did CMS not raise any issues in this docket regarding the rates and terms
18
19 under which Cascade may sell gas supply in the future, CMS has no standing to raise such
20
21 issues in this docket. As discussed in Cascade's response to CMS's Petition to Intervene in
22
23 the Tariff docket, as an unregulated competitor of Cascade who is not a customer, CMS does
24
25 not have a substantial interest in any issue regarding the rates and terms under which
26
27 Cascade may sell gas supply. For this same reason, CMS may not raise issues regarding the
28
29 appropriateness of Cascade's proposed tariffs in this docket. On the other hand, the only
30
31 issues presented in the Tariff docket are the appropriateness of Cascade's proposed tariffs.
32
33 Thus, neither the facts nor the principles of law in these two dockets are related.

34
35 7. As directed by the Commission in Order 03 in this docket, Commission Staff will
36
37 investigate Cascade's proposed tariffs to ensure that the rates and terms under which
38
39 Cascade may sell gas supply are appropriate for Cascade's customers. CMS's participation
40
41 in this investigation will not be helpful to the Commission in resolving this issue.
42
43
44
45
46
47

1 8. For the foregoing reasons, Cascade requests that the Commission deny the Motion to
2
3 Consolidate of Cost Management Services, Inc.
4

5 DATED: March 22, 2007
6

Respectfully submitted,
7

PERKINS COIE LLP
8

9
10 By: 
11

12 Lawrence H. Reichman, OSB No. 86083
13 James Van Nostrand, WSBA No. 79428
14 1120 N.W. Couch Street, Tenth Floor
15 Portland, OR 97209-4128
16 Telephone: 503.727.2000
17 Facsimile: 503.727.2222

18 Attorneys for Respondent
19 Cascade Natural Gas Corporation
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this **RESPONDENT'S RESPONSE TO MOTION TO CONSOLIDATE OF COST MANAGEMENT SERVICES, INC.** upon all parties of record in this proceeding by causing a copy to be sent by electronic mail and U.S. mail to:

John Cameron
Ryan Flynn
Davis Wright Tremaine LLP
Suite 2300
1300 SW Fifth Avenue
Portland, OR 97201

Doug Betzold
Cost Management Services, Inc.
2737 - 78th Avenue SE, Suite 101
Mercer Island, WA 98040

Edward A. Finklea
Chad M. Stokes
Cable Huston Benedict
Haagensen & Lloyd LLP
Suite 2000
1001 SW Fifth Avenue
Portland, OR 97204

Judy Krebs
Public Counsel Section
Office of Attorney General
Suite 2000
800 Fifth Avenue
Seattle, WA 98104

Greg Trautman
Assistant Attorney General
1400 S. Evergreen Park Dr. SW
P.O. Box 40128
Olympia, WA 98504

Ann Rendahl
Kippi Walker
Washington Utilities and
Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Dated this 22nd day of March, 2007.

PERKINS COIE LLP

By 

James M. Van Nostrand, WSBA #15897
Lawrence H. Reichman, OSB #86083
Attorneys for Cascade Natural Gas Corporation