

0001

1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION

2 COMMISSION

3 WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)

4)

5 Complainant,)

6)

vs.) DOCKET NO. UW-090839

7)

8 CRISTALINA, LLC.,)

9)

10 Respondent.)

11 -----

12

13 A prehearing conference in the above matter
14 was held on July 29, 2009, at 1:39 p.m., at 1300 South
15 Evergreen Park Drive Southwest, Olympia, Washington,
16 before Administrative Law Judge MARGUERITE E.
17 FRIEDLANDER.

18

19 The parties were present as follows:

20 WASHINGTON UTILITIES AND TRANSPORTATION
21 COMMISSION, by JENNIFER CAMERON-RULKOWSKI, Assistant
22 Attorney General, 1400 South Evergreen Park Drive
23 Southwest, Post Office Box 40128, Olympia, Washington
24 98504; telephone, (360) 664-1186.

25 CRISTALINA, LLC, by MARIA LINDBERG (via
bridge line), President/Manager, 1200 Old Fairhaven
Parkway, Bellingham, Washington 98225; telephone,
(360) 296-7321.

26

27

28 Kathryn T. Wilson, CCR

29 Court Reporter

0002

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

2 JUDGE FRIEDLANDER: Let's go on the record.

3 Good afternoon, everyone. My name is Marguerite
4 Friedlander, and I'm the administrative law judge
5 presiding over this matter. We are here today,
6 Wednesday, July 29th, 2009, before the Washington
7 Utilities and Transportation Commission for a
8 prehearing conference regarding a complaint filed by
9 the Commission on its own motion against Cristalina,
10 LLC, a water company, alleging that Cristalina's rates
11 may be unjust and unreasonable.

12 The purpose of the prehearing conference
13 today is to take appearances of the parties, discuss a
14 possible procedural schedule for the Commission's
15 consideration of the Complaint, and address any other
16 procedural matters that the parties wish to raise.

17 Let's go ahead and get started with
18 appearances first. When you give your appearance,
19 please do so giving your full appearance; i.e., your
20 name, spelling of your last name, your address,
21 business address, telephone number, fax number, if you
22 have it, and an e-mail address, so let's go ahead and
23 start with Commission staff.

24 MS. CAMERON-RULKOWSKI: On behalf of
25 Commission staff, Jennifer Cameron-Rulkowski, assistant

0003

1 attorney general. My address is 1400 South Evergreen
2 Park Drive Southwest, PO Box 40128, Olympia,
3 Washington, 98504-0128. My telephone number is
4 (360) 664-1186. My fax number is (360) 586-5522, and
5 my e-mail address is jcameron@utc.wa.gov.

6 JUDGE FRIEDLANDER: Appearing on behalf of
7 Cristalina, LLC?

8 MS. LINDBERG: Maria Lindberg. My address is
9 1200 Old Fairhaven Parkway, Bellingham, Washington,
10 98225. My phone number is (360) 296-7321, and my
11 e-mail is mariarealtor@gmail.com.

12 JUDGE FRIEDLANDER: Did you have a fax number
13 that we could use?

14 MS. LINDBERG: I believe it's (360) 594 -- I
15 don't know what it is right now. I do have one.

16 JUDGE FRIEDLANDER: That's fine. We have
17 your e-mail address and your physical address so that's
18 fine. Does anybody else on the conference bridge wish
19 to put in an appearance? I would note there is no
20 response on the conference bridge and there is no one
21 besides our staff in appearance in the hearing room.

22 Let's go ahead and discuss whether the
23 parties wish to conduct discovery, and if so, whether
24 you would be invoking the Commission's discovery rules.

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

0004

1 Staff would like to have discovery.

2 JUDGE FRIEDLANDER: Thank you. Is there also
3 in that case a need for a protective order?

4 MS. LINDBERG: I don't think so, no. I'm not
5 even sure what that means.

6 JUDGE FRIEDLANDER: The Commission can issue
7 a protective order in case the parties intend to
8 exchange confidential information that may be of a
9 proprietary nature in case you have commercially
10 sensitive or proprietary information that would be
11 exchanged during discovery, and if that's not the case,
12 then the Commission doesn't need to issue a protective
13 order.

14 MS. LINDBERG: The only thing I can think of
15 is one of the things they ask for is these people that
16 owe money. Are they supposed to be protected, or are
17 their names just out there? That's the only thing I
18 don't know.

19 MS. CAMERON-RULKOWSKI: Your Honor, at this
20 point, I don't see an issue that would require a
21 protective order, and Staff would be happy to work with
22 Ms. Lindberg if in the future it looks like we might
23 need a protective order.

24 JUDGE FRIEDLANDER: I appreciate that. We
25 can always draft up a protective order at some time in

0005

1 the future if one is needed.

2 MS. LINDBERG: Okay. I don't know the law.
3 It just seems like letting publically know who owes how
4 much, I didn't know.

5 JUDGE FRIEDLANDER: Thank you. Have the
6 parties also had an opportunity to discuss a procedural
7 schedule in this matter?

8 MS. CAMERON-RULKOWSKI: Yes, Your Honor, we
9 have, and I have provided you with a copy of Staff's
10 proposed schedule, and I have e-mailed Ms. Lindberg a
11 copy. We are not in agreement with Item 2, and other
12 than that, it's my understanding that all of the other
13 dates work for both parties.

14 JUDGE FRIEDLANDER: Thank you. Ms. Lindberg,
15 I have as Item No. 2 the deadline to submit financial
16 information to Staff, so that would be something that
17 you would be providing to them only not to the
18 Commission, the potential date for that being August
19 12th. Did you have an alternative date or replacement
20 date?

21 MS. LINDBERG: Yes, at least a week later.
22 What they are asking for is a lot of work, and right
23 now, Cristalina has to get the papers. We are out of
24 water. I'm dealing with about four to five nasty
25 e-mails, not to mention several phone calls a day

0006

1 trying to follow people up, try to figure out what the
2 issues are. We have like four or five different
3 issues. I'm on my way right now to try to get another
4 comprehensive plan done dealing with the Department of
5 Health, Section 106, trying to get an emergency okay so
6 we can start construction to eliminate these problems.

7 What they are asking for, myself and my
8 bookkeeper are the only people that can get this
9 together, and right now, I'm just scrambling with this
10 other issue. I'm gone the week of the 12th, so I was
11 hoping to have the following week to hopefully get all
12 this together.

13 JUDGE FRIEDLANDER: Staff, did you have
14 anybody to comment on?

15 MS. CAMERON-RULKOWSKI: Yes, Your Honor. In
16 this particular matter, Staff has suggested that
17 Cristalina file a rate case and has been expecting,
18 based on Ms. Lindberg's representations, to actually
19 see a rate case come in the door, and already twice
20 now, nothing has come in, and so what Staff would
21 propose is to look at the list and to ask for
22 approximately half of the items on the list to be
23 received by Friday, August 7th, right before
24 Ms. Lindberg will be away, is my understanding, and
25 then for the rest of the items to be due on Friday,

0007

1 August 21st.

2 We do have some specific items in mind to
3 split up if this proposal is something that
4 Ms. Lindberg would want to consider. We could go off
5 the record for a few minutes and discuss splitting the
6 list.

7 JUDGE FRIEDLANDER: Sure.

8 MS. LINDBERG: Hold on a second. Someone is
9 beeping in on me.

10 JUDGE FRIEDLANDER: Why don't we go off the
11 record so we can discuss this in a little more detail.
12 We are off the record.

13 (Discussion off the record.)

14 JUDGE FRIEDLANDER: When we went off the
15 record, Ms. Lindberg from Cristalina, LLC, was on the
16 line as well as Staff, and we went off the record
17 briefly to have the parties discuss a procedural
18 schedule.

19 Unfortunately, Ms. Lindberg had car problems
20 and is not able to, as I understand it, communicate
21 with us over the conference bridge, but the parties
22 have on my understanding reached a procedural schedule,
23 so why don't we go ahead and have Staff walk us through
24 that.

25 MS. CAMERON-RULKOWSKI: Thank you, Your

0008

1 Honor. The first date that we have is the deadline to
2 submit financial information to Staff, and that date is
3 August 21st, 2009, and appended to the Order Staff
4 would request would be a list of this financial
5 information, and Staff has provided you, Your Honor,
6 and also provided Ms. Lindberg with a copy of this
7 list, and there are a couple of errors on the list that
8 would need to be fixed.

9 1(a) was supposed to have been removed. That
10 was from a prior draft, and there are a couple of
11 references to proposed revenues or rates in here which
12 are not appropriate for this matter because there has
13 been no proposed rates filed, and so that would be
14 Item 1(f) we would be deleting and "proposed revenues,"
15 and Item 1(g), that would be deleting also the word
16 "proposed," and I'm sorry, I misspoke, Your Honor.
17 Item 1(f), "revenue" stays in, I believe. No, one
18 needs to stay and the other one needs to be deleted. I
19 will be circulating a revised list to you and also to
20 Ms. Lindberg.

21 Then the next date we would like to have a
22 settlement conference, and the date for that is
23 September 25th, 2009. The next date is prefiled direct
24 testimony and exhibits of Commission staff. The date
25 for that is November 6th, 2009. The next item is

0009

1 prefiled responsive testimony and exhibits of
2 Cristalina, LLC. The date for that is December 4,
3 2009. The next item is prefiled rebuttal testimony and
4 exhibits of Commission staff. The date for that is
5 December 18th, 2009.

6 The next item has to do with preparing
7 exhibits for hearing, and Your Honor, please correct me
8 if I'm wrong, but I understand that you would be
9 distributing a proposed list of exhibits on January
10 4th, and then the parties would have until -- was that
11 January 6th or January 8th?

12 JUDGE FRIEDLANDER: January 6th.

13 MS. CAMERON-RULKOWSKI: -- until January 6th
14 to respond and finalize that list. That would be 2010.

15 Then the next item is a hearing. That would
16 be January 8th, 2010, and then the parties would submit
17 simultaneous post-hearing briefs by February 10th,
18 2010.

19 JUDGE FRIEDLANDER: Thank you. Having looked
20 over the procedural schedule, and I believe you had
21 indicated previously that Ms. Lindberg had given her
22 consent to this procedural schedule verbally to you?

23 MS. CAMERON-RULKOWSKI: Yes, Your Honor, she
24 did, and I specifically asked her if it was all right
25 for me to represent to you today that she agreed to the

0010

1 schedule, and she did say yes.

2 JUDGE FRIEDLANDER: Thank you so much, and I
3 will go ahead and propose that I issue an initial order
4 by April 1st of 2010. I think that will give me enough
5 time to draft something up following the posthearing
6 briefs.

7 It looks like we have taken care of the
8 procedural schedule. Were there any other procedural
9 issues that needed to be addressed?

10 MS. CAMERON-RULKOWSKI: Not from Staff, Your
11 Honor.

12 JUDGE FRIEDLANDER: I will note that in this
13 proceeding, the parties need to file an original and
14 seven copies of documents. If there is nothing else,
15 we will go ahead and adjourn. Thank you so much.

16 MS. CAMERON-RULKOWSKI: Thank you, Your
17 Honor.

18 (Prehearing adjourned at 2:40 p.m.)

19

20

21

22

23

24

25