

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a
AVISTA UTILITIES,

Respondent.

DOCKET UE-150204 and UG-150205
(*Consolidated*)

ORDER 07

PREHEARING CONFERENCE
ORDER; NOTICE OF HEARING
(**Evidentiary Hearing set for October
30, 2019, at 9:30 a.m.**)

- 1 **PROCEEDING.** The Washington Utilities and Transportation Commission (Commission) entered Order 05, the final order in this proceeding, on January 6, 2016. In Order 05, the Commission accepted a multiparty partial settlement and ruled on the contested issues in the case. One of the contested issues was whether to allow for attrition adjustments to Avista’s electric and natural gas rates; in Order 05, the Commission allowed for both.
- 2 Public Counsel filed a petition for judicial review in the Superior Court for Thurston County on March 18, 2016. On April 29, 2016, the Thurston County Superior Court certified the case for direct review by the Court of Appeals of Washington, Division Two. On August 7, 2018, the Court of Appeals reversed in part the Commission’s Order 05. The court remanded the proceeding to the Commission to “recalculate Avista’s rates without relying on rate base that is not used and useful,” that is, removing the attrition adjustment applied to property that was not used and useful as of the date that the Commission entered Order 05.¹ On April 16, 2019, the Thurston County Superior Court remanded the matter to the Commission to effectuate the decision of the Court of Appeals.

¹ *Pub. Counsel v. Wash. Utils. & Transp. Comm’n*, 4 Wn. App. 2d 657, 688-89 (2018).

3 **PREHEARING CONFERENCE.** The Commission convened a prehearing conference
at Olympia, Washington on May 24, 2019, before Administrative Law Judges Rayne
Pearson and Nelli Doroshkin.

4 **APPEARANCES.** David Meyer, VP and Chief Counsel for Regulatory and
Governmental Affairs, represents Avista. Jennifer Cameron-Rulkowski, Assistant
Attorney General, Olympia, Washington, represents Commission staff (Staff).² Lisa W.
Gafken and Nina Suetake, Assistant Attorneys General, Seattle, Washington, represent
the Public Counsel Unit of the Attorney General's Office (Public Counsel). Tyler Pepple,
of Davison Van Cleve PC, Portland, Oregon, represent the Alliance of Western Energy
Consumers (AWEC). Contact information for the representatives of these parties is
attached as Appendix A to this Order.

5 **DISCOVERY.** Discovery will continue pursuant to the Commission's discovery rules,
WAC 480-07-400 – 425. The Commission urges the parties to work cooperatively
together to avoid having to bring discovery matters forward for formal resolution.
Response times to data requests will be adjusted as set forth in Appendix B.

6 **PROCEDURAL SCHEDULE.** The parties presented an agreed procedural schedule at
the prehearing conference. The Commission adopts the parties' proposed procedural
schedule, which is attached to this Order as Appendix B.

7 **DOCUMENT FILING AND SERVICE REQUIREMENTS.** Parties must file and
serve all pleadings, motions, briefs, and other pre-filed materials in compliance with all
of the following requirements:

- (a) Parties must submit electronic copies of all documents by 5 p.m. on the filing
deadline established in the procedural schedule (or other deadline as
applicable) unless the Commission orders otherwise. Parties must comply

² In formal proceedings such as this, the Commission's regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners' policy and accounting advisors do not discuss the merits of this proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455. All parties stated at the prehearing conference that they had no objection to the participation in this portion of the proceeding of a Commission policy advisor, Melissa Cheesman, who previously had a limited role in this proceeding as regulatory staff.

with WAC 480-07-140(6) in formatting, organizing, and identifying electronic files.

- (b) The Commission accepts only electronic versions of documents for formal filing. Parties must submit documents electronically through the Commission's web portal (www.utc.wa.gov/e-filing). If a party is unable to use the web portal to submit documents for filing, the Commission will accept a submission via email to records@utc.wa.gov, provided that the email: (1) explains the reason the documents are not being submitted via the web portal, and (2) complies with the requirements in WAC 480-07-140(5)(b).
- (c) Parties must also file **an original and five (5)** paper copies (with original signatures, if applicable) of the documents with the Commission by 5 p.m. on the next business day following the filing deadline established in the procedural schedule (or other deadline as applicable), unless the Commission orders otherwise. If any of the exhibits contain information designated as confidential, parties must file an electronic copy of the redacted version in searchable PDF (Adobe Acrobat or comparable software) of each such exhibit. All hard copy filings must be mailed or otherwise delivered to the Executive Director and Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250 Olympia, Washington 98504-7250.
- (d) Documents filed with the Commission must conform to the formatting and other requirements in WAC 480-07-395 and WAC 480-07-460, and must comply with the requirements in WAC 480-07-160 and the Protective Order in this docket for documents that include information designated as confidential.
- (e) Parties must electronically serve the other parties and provide courtesy electronic copies of filings to the presiding administrative law judges (rayne.pearson@utc.wa.gov and nelli.doroshkin@utc.wa.gov) by 5 p.m. on the filing deadline unless the Commission orders otherwise. If parties are unable to email copies, they may furnish electronic copies by delivering them on a flash drive only.

8 **EXHIBITS FOR CROSS-EXAMINATION.** Parties are required to file with the Commission and serve all proposed cross-examination exhibits by **5 p.m. on October 25, 2019**. The Commission requires electronic copies in searchable PDF (Adobe Acrobat or comparable software), the original paper copy, and five (5) paper copies of the exhibits. If any of the exhibits contain information designated as confidential, parties must file an

electronic copy, the original, and five paper copies of the redacted version in searchable PDF (Adobe Acrobat or comparable software) of each such exhibit. The exhibits must be grouped according to the witness the party intends to cross examine with the exhibits. The paper copies of the exhibits also must be organized into sets that are tabbed and labeled.

- 9 **EXHIBIT LISTS.** With each submission of pre-filed testimony and exhibits, the party making the submission must include a preliminary exhibit list that identifies each submitted exhibit in the format the Commission uses for exhibit lists it prepares for evidentiary hearings. The Company will prepare and file its preliminary exhibit list for its initial filing in this docket. Each party must file and serve a final list of all exhibits the party intends to introduce into the evidentiary record, including all pre-filed testimony and exhibits, as well as cross-examination exhibits by **5 p.m., October 25, 2019.**
- 10 **CROSS-EXAMINATION TIME ESTIMATES.** Each party must provide a list of witnesses the party intends to cross-examine at the evidentiary hearing and an estimate of the time that party anticipates the cross-examination of that witness will take. Parties should not file witness lists or cross-examination time estimates but must provide them to the administrative law judges (rayne.pearson@utc.wa.gov and nelly.doroshkin@utc.wa.gov) and the other parties by **5 p.m., October 25, 2019.**
- 11 **TESTIMONY.** Testimony filed in this proceeding must address the portions of rates that incorporate or rely on rate base, rather than, for example, operations and maintenance expenses. Portions of rates that incorporate rate base may or may not include, for example, components of power costs.
- 12 **NOTICE OF EVIDENTIARY HEARING.** The Commission will hold an evidentiary hearing in this docket on **October 30, 2019, at 9:30 a.m.**, in the Commission's Hearing Room at 621 Woodland Park Loop SE, Lacey, Washington.
- 13 **ALTERNATIVE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission has limited ability to provide dispute resolution services. If you wish to explore those services, please contact Rayne Pearson, Director, Administrative Law Division (360-664-1136).
- 14 **NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on**

the first page of this Order, in the upper right-hand corner. Absent such objection, this Order will control further proceedings in this docket, subject to Commission review.

Dated at Olympia, Washington, and effective May 29, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

NELLI DOROSHKIN
Administrative Law Judge

**APPENDIX A
PARTIES' REPRESENTATIVES
DOCKETS UE-150204 and UG-150205**

| PARTY | REPRESENTATIVE | PHONE | E-MAIL |
|--------------------------------------|---|----------------|--|
| Avista Corporation | David Meyer VP and Chief Counsel Avista Corporation dba Avista Utilities P.O. Box 3727 Spokane, WA 99220-3727 | (509) 495-4316 | david.meyer@avistacorp.com |
| | Patrick Ehrbar | | pat.ehrbar@avistacorp.com |
| | Avista dockets | | avistadockets@avistacorp.com |
| Commission Staff | Jennifer Cameron-Rulkowski Assistant Attorney General Office of the Attorney General Utilities and Transportation Division 1400 S. Evergreen Park Drive S.W. P.O. Box 40128 Olympia, WA 98504 | (360) 664-1186 | jennifer.cameron-rulkowski@utc.wa.gov |
| | Chris McGuire | | chris.mcguire@utc.wa.gov |
| | Krista Gross | | kgross@utc.wa.gov |
| | Betsy DeMarco | | bdemarco@utc.wa.gov |
| Public Counsel | Nina Suetake Assistant Attorney General Washington Attorney General's Office Public Counsel Unit 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188 | (206) 389-2055 | nina.suetake@atg.wa.gov |
| | Corey Dahl | | corey.dahl@atg.wa.gov |
| | Chanda Mak | | chanda.mak@atg.wa.gov |
| | Public Counsel Filing | | pccseaef@atg.wa.gov |
| Alliance of Western Energy Consumers | Tyler C. Pepple Davison Van Cleve PC 1750 SW Harbor Way, Ste. 450 Portland, OR 97201 | (503) 241-7242 | tcp@dvclaw.com |
| | Riley G. Peck | | rgp@dvclaw.com |
| | Jesse O. Gorsuch | | jog@dvclaw.com |
| | Bradley G. Mullins | | brmullins@mwanalytics.com |

**APPENDIX B
PROCEDURAL SCHEDULE
DOCKETS UE-150204 and UG-150205**

| EVENT | DATE |
|---|------------------------------------|
| Prehearing Conference | Friday, May 24, 2019 |
| Prehearing Conference Order | Wednesday, May 29, 2019 |
| Company files Initial Testimony and Exhibits | Friday, June 21, 2019 |
| First Settlement Conference | Tuesday, August 6, 2019 |
| Staff, Public Counsel and Intervenor Response Testimony and Exhibits ³ | Tuesday, August 20, 2019 |
| Second Settlement Conference (telephonic) | Tuesday, September 10, 2019 |
| Company Rebuttal Testimony and Exhibits; Staff, Public Counsel and Intervenor Cross-Answering Testimony and Exhibits ⁴ | Friday, October 4, 2019 |
| Discovery Deadline – Last Day to Issue Data Requests ⁵ | Wednesday, October 9, 2019 |
| Exhibit List, Cross-Examination Exhibits, Witness Lists, Time Estimates, and Exhibit Errata | Friday, October 25, 2019 |
| Evidentiary Hearing ⁶ | Wednesday, October 30, 2019 |

³ Response time to data requests relating to this testimony will be 7 business days.

⁴ Response time to data requests relating to this testimony will be 5 business days.

⁵ Response time to data requests will be 5 business days.

⁶ Any need for post-hearing briefing will be discussed at the evidentiary hearing.