## Docket Nos. UE-170002 and UG-170003 - Vol. I

## Public Hearing re Cost of Service Rulemaking re Dockets UE-170002 & UG-170003

April 16, 2020



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## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Public Hearing re Cost of Service Rulemaking re Dockets UE-170002 and UG-170003

TELEPHONIC ADOPTION HEARING, VOLUME I

Pages 1-47

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Washington Utilities and Transportation Commission 621 Woodland Square Loop Southeast Lacey, Washington 98503

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| 1  | APPEARANCES  |        |
| 2  | PARTICIPANTS PRESENT:  |        |
| 3  | DAVE DANNER, Chair<br>ANN RENDAHL, Commissioner  |        |
| 4  | JAY BALASBAS, Commissioner  JASON BALL, Regulatory Services  |        |
| 5  | ELAINE JORDAN, Regulatory Services ELIZABETH O'CONNELL, Commission Staff                                 |        |
| 6  | JON PILIARIS, Puget Sound Energy CHAD STOKES, Alliance of Western Energy Consumers                       |        |
| 7  | BRADLEY MULLINS, Alliance of Western Energy Consumers TYLER PEPPLE, Alliance of Western Energy Consumers |        |
| 8  | LISA GAFKEN, Public Counsel MIKE PARVINEN, Cascade Natural Gas   |        |
| 9  | RONALD AMEN, Cascade Natural Gas ROB WYMAN, Northwest Natural  |        |
| 10 | ROBERT MEREDITH, PacifiCorp  JONI BOSH, Northwest Energy Coalition                                       |        |
| 11 | JONI BOSH, NOTCHWEST EHEIGY COATICION  |        |
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Page 3 1 LACEY, WASHINGTON; APRIL 16, 2020 2 1:30 P.M. --000--3 4 PROCEEDINGS 5 6 CHAIR DANNER: Let's go forward. Today is 7 Thursday, April 16th, 2020, and we are here for an 8 adoption hearing in Dockets UE-170002 and UG-170003. That is the cost of service rulemaking. 9 I am Dave Danner. I'm Chair of the 10 Commission. I'm joined, as you heard, by my colleagues, 11 12 Ann Rendahl and Commissioner Jay Balasbas. I want to thank everybody. I see there's 51 13 participants on the call. I appreciate everybody's 14 involvement not only today, but in all of our 15 16 proceedings since this started in 2017. 17 This is a complex issue, and there's been a lot of good work as we've been going through it. 18 we started this, the Commission actually said that while 19 we believe it's possible to create a consistent 20 21 framework, we expect this to be a challenging 22 undertaking given -- given the numerous issues that a cost of service study must address. 23 24 I think we've made a lot of progress. 25 very interested to hear from stakeholders today, but

- 1 first I'd like to turn it over to Jason Ball, who will
- 2 make a presentation of the rules of the issues that are
- 3 before us today.
- 4 So, Jason, go ahead.
- 5 MR. BALL: Thank you, Commissioner -- or
- 6 Chairman, thank you, Commissioners. My name is Jason
- 7 Ball. I'm with regulatory services. Before I get
- 8 started, I would like to just say that if we do
- 9 experience a connection issue because we are using Skype
- 10 and this is 100 percent virtual, if we do experience a
- 11 connection issue and the call gets dropped, we will
- 12 reconvene on the half hour as a means of maintaining
- 13 some level of organization. And I will also be prepared
- 14 to send out emails alerting parties too if the phone
- 15 call has been dropped.
- 16 It has been quite a road getting here. This
- 17 rulemaking started as a generic proceeding in 2017 as an
- 18 effort to address the high degree of variability amongst
- 19 cost of service presentations that the Commission sees.
- 20 But it was actually based on the idea that goes all the
- 21 way back in the 1960s when the Commission first started
- 22 using generic investigations into cost of service and
- 23 did so about once every 20 years.
- I don't think, though, that any of them have
- 25 ever resulted in something as groundbreaking as

- 1 permanent rules that codify the specific methods we use
- 2 for cost of service. That -- that -- that
- 3 accomplishment would not have been possible in -- in the
- 4 presentation that we have today if the process had been
- 5 contentious, and it really never felt that way over the
- 6 last three years. The stakeholders have provided their
- 7 time, their cooperation, and their assistance in every
- 8 area of this rule.
- 9 Over the last three years, we had multiple
- 10 day-long technical and regular workshops, we had
- 11 conference calls, we had lots of informal conversations
- 12 and countless emails, and I want to thank each and every
- one of the stakeholders for engaging in those efforts
- 14 and for helping to build this together.
- 15 I would also like to thank the dedicated
- 16 Staff members that worked very diligently on these
- 17 rules. It absolutely takes a team to pull all this off,
- 18 and they are the reason we are having a hearing today.
- 19 These people are Elaine Jordan, Andrew O'Connell,
- 20 Elizabeth O'Connell, Steve Johnson, Nash Callaghan,
- 21 Melissa Cheesman, and Kate Griffith.
- 22 And that being said, I'm now going to turn
- 23 it over to Elaine Jordan to go over the Staff
- 24 presentation.
- MS. JORDAN: Thank you, Jason.

- 1 Good afternoon, Chair and Commissioners.
- 2 This is Elaine Jordan with regulatory services. As
- 3 Jason said, this has been a process to get here, and I
- 4 know I can speak on behalf of the team that we are very
- 5 happy to be at the adoption hearing today.
- 6 Staff recommends the Commission adopt the
- 7 changes to WAC 480-07-510, Subsection 6, and adopt new
- 8 Chapter 480-85 WAC in its entirety, inclusive of the six
- 9 minor edits that I will discuss in a moment.
- 10 On February 11th, 2020, the Commission filed
- 11 the CR-102 with the code revisor. The Commission
- 12 received comments from nine stakeholders. Those
- 13 stakeholders include Avista Corp., Cascade Natural Gas,
- 14 Northwest Natural Gas, PacifiCorp, Puget Sound Energy,
- 15 Public Counsel, The Alliance of Western Energy
- 16 Consumers, one set of comments for electric and one set
- of comments for natural gas, and The Northwest Energy
- 18 Coalition.
- 19 Based on those comments, Staff recommends
- 20 the following five changes. These changes were included
- 21 to the memo posted to the dockets on April 14th.
- The first change is in WAC 480-85-040,
- 23 Minimum Filing Requirements. Staff recommends in
- 24 Subsection 2 to strike the word "simultaneously" at the
- 25 end of the first sentence so it reads, "Companies that

- 1 provide electric and natural gas service must file a
- 2 cost of service study for their electric and natural gas
- 3 operations."
- 4 The second change is in WAC 480-85-060, Cost
- of Service Methodology, in Table 2, Electric Cost of
- 6 Service Approved Classification and Allocation
- 7 Methodologies. On the service line row, Staff
- 8 recommends inserting the word "total" before "installed
- 9 cost so it reads, "Average installed cost reviewed
- 10 service line multiplied by customer count relative to
- 11 the total installed cost."
- 12 The third change is in Table 4, Natural Gas
- 13 Cost of Service Approved Classification and Allocation
- 14 Methodology. In the distribution mains row, in the
- 15 Classification column, Staff recommends replacing
- 16 "system load factor" with "demand." In the distribution
- 17 assets row, in the Classification column, Staff
- 18 recommends replacing "demand" with "follows distribution
- 19 main."
- 20 And the final -- the fifth edit to the rules
- 21 Staff recommends is in the storage row in the Allocator
- 22 column, Staff recommends adding the words "to sales
- 23 customers" to the allocation methodology so that it
- 24 reads, "All remaining costs are allocated to sales
- 25 customers with a ratio based on average winter sales

- 1 that exceed summer sales."
- 2 In addition, after internal discussions that
- 3 happened after the adoption hearing materials were
- 4 posted to the record, Staff felt that one more
- 5 clarifying edit was necessary. This edit was emailed to
- 6 stakeholders yesterday evening on April 15th. In
- 7 section -- in WAC 480-85-050, the Cost of Service
- 8 Methodology Inputs, Staff recommends adding a new -- new
- 9 Subsection 2 that states, "Rate schedule usage data for
- 10 any cost of service study must not be older than five
- 11 years."
- 12 Staff also recommends striking the last
- 13 sentence in the load study definition found in Section
- 14 030, striking the sentence that reads, "Cost of service
- 15 studies should not rely upon load studies conducted more
- 16 than five years prior."
- 17 The -- this edit is one edit. It is meant
- 18 to clarify how old the data used -- sorry, excuse me.
- 19 These -- this edit is one edit and is meant to clarify
- 20 how old the data used in a load study and how old the
- 21 data from any kind of advanced metering should be no
- 22 older than five years, whereas the rules address this
- 23 earlier by stating a load study cannot be older than
- 24 five years and that the data must be the best available.
- 25 This language change makes this intent clearer. This is

- 1 a minor housekeeping edit.
- 2 In proposed WAC 480-85-05 -- 040, Subsection
- 3 1, parties must rely on templates provided by the
- 4 Commission. Staff received comments on the templates
- 5 from stakeholders in December 2019 and incorporated
- 6 those edits into the template.
- 7 I will now turn over the conversation to
- 8 Elizabeth O'Connell to discuss the templates.
- 9 MS. O'CONNELL: Thank you, Elaine.
- 10 This is Elizabeth O'Connell with Commission
- 11 Staff. We filed a final version to the dockets on April
- 12 14th of final versions of the templates. Staff
- incorporated the edits and suggestions that were made in
- 14 the comments from stakeholders.
- Just as a quick reminder, even though the
- 16 current models are functional and they're ready to go
- online, the templates will be always a work in progress,
- 18 and as we get used to the new normal, we will make
- 19 changes when applicable and needed.
- 20 This has been a collective effort between
- 21 Staff policy and all stakeholders, and we really
- 22 appreciate everyone's cooperation and input, and we will
- 23 continue to work with template users to make this
- 24 transition as easy as possible.
- 25 And with that, we would like to thank the

- 1 Chair and the Commissioners. The team is available for
- 2 questions.
- 3 CHAIR DANNER: All right. Thank you very
- 4 much.
- 5 Are there any questions for Mr. Ball,
- 6 Ms. Jordan, or Ms. O'Connell?
- 7 COMMISSIONER RENDAHL: This is Commissioner
- 8 Rendahl. No. I had a very productive briefing,
- 9 understand all the changes that are proposed, and
- 10 appreciate the effort to clarify the age of the data
- 11 issue, which you've explained, Elaine. So thank you. I
- 12 have no questions.
- 13 CHAIR DANNER: All right. So if there are
- 14 no further questions of Staff, I would like to at this
- 15 point, let's hear from various stakeholders. Let's
- 16 start with Puget Sound Energy.
- 17 Mr. Piliaris, are you on the line?
- 18 MR. PILIARIS: I am. Question is, can you
- 19 hear me very well?
- 20 CHAIR DANNER: I can hear you very well.
- 21 MR. PILIARIS: It's sort of hit or miss at
- 22 my house right now with the coverage, so glad you can
- 23 hear me.
- 24 CHAIR DANNER: Okay. Go ahead.
- 25 MR. PILIARIS: All right. I will keep my --

- 1 I'll keep my comments brief. Clearly there is plenty of
- 2 written comment submitted into this docket. We -- we
- 3 certainly necessarily appreciate Staff's work. This has
- 4 been a multiyear effort obviously. Clearly, there's
- 5 going to be a lot of differences of opinion of --
- 6 certainly with this issue as to what the appropriate
- 7 methodologies should be, assumptions, whatnot, and the
- 8 Company is no different in that regard.
- 9 But that being said, we do recognize the
- 10 value in having some conformity in the rules and the
- 11 approach. That being said, I would say that the one --
- 12 one area where the Company would appreciate the
- 13 Commission's indulgence is in application of this rule,
- 14 particularly in the first one or so rate case filing.
- 15 It seems clear to me that there still is a fair amount
- 16 of area for interpretation, and it does concern me a
- 17 little bit that that -- that disagreement in that
- 18 interpretation could lead to some concerns about whether
- 19 or not the filing has met the requirements of the rules
- 20 and is therefore a compliant filing. We just ask the
- 21 Commission's patience and indulgence, at least in the
- 22 first go-round, until we can iron out some of these
- 23 details so that we're all truly on the same page.
- So with that, that's -- that's really all I
- 25 had. Again, I appreciate everybody's hard work on this,

- 1 and I'm looking forward to a conclusion to this docket.
- CHAIR DANNER: All right. Thank you very
- 3 much, Mr. Piliaris.
- 4 Are there any questions for -- for Jon or
- 5 the Company?
- 6 COMMISSIONER BALASBAS: Chairman Danner,
- 7 this is Commissioner Balasbas. I do have a question.
- 8 CHAIR DANNER: Go ahead.
- 9 COMMISSIONER BALASBAS: All right. Thank
- 10 you.
- 11 So, Mr. Piliaris, can you just talk a little
- 12 bit more about your last statement about wanting some,
- 13 you know, "indulgence" as you stated from the
- 14 Commission, you know, for -- but I would assume you're
- 15 talking about for your -- your first rate case filing
- 16 after these rules take effect. Can you talk a little
- 17 bit more about from the Company's perspective what --
- 18 what -- what do you see as, you know, Commission
- 19 flexibility or indulgence in this?
- 20 MR. PILIARIS: And -- and as the Commission
- 21 is painfully aware, the devil is always in the details
- 22 in these types of analyses, and we have -- PSE has --
- 23 has experienced in the past in some cases when we make a
- 24 filing in good faith, based on our interpretation of WAC
- 25 rules, sometimes they don't always align with Staff's.

- 1 And -- and that has led to some concerns around having
- 2 to do a lot of redo or having to pull -- actually
- 3 formally withdraw a filing, which we've had to do in the
- 4 past because of such disagreements.
- 5 So, you know, once -- once we get into the
- 6 details of the filing, I think a lot of those issues
- 7 will work themselves out as the Commission, to the
- 8 extent there are any disagreements on the specific
- 9 applications, for example, for the classification and
- 10 allocation of generation costs. It's somewhat not --
- 11 it's -- it's loosely defined within the rules, but
- 12 there's some degree of interpretation that could be had
- 13 within that.
- So I guess what I'm really asking is making
- 15 sure that the Commission will allow -- you know,
- 16 assuming that the Commission -- the Company has made a
- 17 good faith effort in putting forward of a study that
- 18 they believe is compliant with the rules, that the
- 19 Commission allows the Staff filing to be set into
- 20 motion, allow it to be vetted within the docket. And to
- 21 the extent that the Commission finds that perhaps the
- 22 Commission had a difference of opinion with the Company
- 23 as to how those -- those rules should have been applied,
- 24 having that direction in the final order rather than at
- 25 the front end before there's any, I guess, more

- 1 considered debate around the various issues I think
- 2 would be appreciated.
- 3 COMMISSIONER BALASBAS: All right. Thank
- 4 you very much.
- 5 CHAIR DANNER: All right. Commissioner
- 6 Rendahl, any questions for PSE?
- 7 COMMISSIONER RENDAHL: No, but I appreciate
- 8 the comments, and thank you for being involved in this
- 9 process and sticking to it to this point.
- 10 CHAIR DANNER: All right. Thank you, and
- 11 I -- I -- I echo those.
- 12 And thank you -- thank you for the question,
- 13 Commissioner Balasbas.
- So -- sorry, I have my list here. So let's
- 15 hear, then, from AWEC, Chad Stokes, regarding natural
- 16 gas.
- 17 MR. STOKES: Good afternoon, Chairman and
- 18 Commissioners. This is Chad Stokes with the Alliance of
- 19 Western Energy Consumers. Can you hear me okay?
- 20 CHAIR DANNER: Yes, we can hear you fine.
- 21 Thank you.
- MR. STOKES: Okay, great. I first want to
- 23 thank Staff and the stakeholders for their efforts and
- 24 participation in this docket. I have three areas for
- 25 comment on the gas cost of service rules, and I'll try

- 1 to be brief.
- 2 First, what should be apparent to everyone
- 3 at this point is there is no perfect cost of service
- 4 methodology, and each type of study has its own pros and
- 5 cons. Turning to WAC 480-85-060, Cost of Service
- 6 Methodology and Table 4, for the allocation of mains
- 7 after three years of process, it appears we ended up in
- 8 the same place we started using the peak and average
- 9 methodology, a study that AWEC has significant concerns
- 10 with.
- 11 In Table 4 of the draft rules for the
- 12 allocation of mains, which are the first three rows, we
- 13 are asking for the rules to allow a range of results
- 14 using peak and average -- average and excess and the
- 15 design-based methodologies instead of just using peak
- 16 and average.
- 17 AWEC understands from the utility
- 18 stakeholders that the parent three cost -- cost of
- 19 service studies would not be a burden for the utilities
- 20 because the input for the models would not change, and
- 21 it would simply be a matter of running the same numbers
- 22 through different models. It would also not be a burden
- 23 for stakeholders to review and respond to the different
- 24 class cost of service studies in a rate proceeding.
- 25 This is very similar to the approach used for return

- 1 equities, where several models were prepared to provide
- 2 a range of results from which the Commission makes their
- 3 final ruling informed by all factors in a rate case.
- 4 Having more information is in the public interest and
- 5 will better inform the process in establishing fair,
- 6 just, and reasonable rates.
- 7 The second area that I'd like to address
- 8 actually comes from Puget's comments dated March 27th.
- 9 This -- this refers to the same section in WAC
- 10 480-85-060, Cost of Service Methodology. In Table 4 for
- 11 mains, Puget was asking to clarify if the rule would
- 12 allow for the allocation of cost to some classes of
- 13 customers and not others based on the size of the pipe.
- 14 Staff responded that the rules were clear and such
- 15 allocation was not allowed.
- 16 This is contrary to AWEC's understanding of
- 17 the rules and the stakeholder positions in the process.
- 18 AWEC urges the Commission to make clear that the size of
- 19 the pipe can be used to allocate the cost to certain
- 20 customers. For example, pipes four inches and smaller
- 21 are used for the residential class, they are not used to
- 22 serve large loads, and should be allocated accordingly.
- 23 If either is serving a large customer, it should not be
- 24 allocated to the residential class. This is fundamental
- 25 to the principle of cost causation.

- 1 The final comment that I have, turning to
- 2 WAC 480-85-070, AWEC agrees with Public Counsel that the
- 3 rules for offering an alternative cost of service study
- 4 are too restrictive. Parties should be allowed to offer
- 5 an alternative cost of service study in a rate case
- 6 without jumping through a bunch of hoops before filing
- 7 testimony. Parties should be allowed to present a cost
- 8 of service study and testimony without filing a petition
- 9 for exemption.
- Those are my comments, and I'm happy to
- 11 answer any questions.
- 12 CHAIR DANNER: All right. Thank you very
- 13 much.
- 14 Are there any questions for Mr. Stokes?
- Okay. Apparently not. Thank you very much,
- 16 Mr. Stokes.
- 17 Then let's turn to -- turn to AWEC's
- 18 electric side. Mr. Mullins or Mr. Pepple, are you
- 19 there?
- 20 MR. MULLINS: Hi, Chairman Danner. Can you
- 21 hear me?
- 22 CHAIR DANNER: Yes, I can. Thank you.
- MR. MULLINS: Okay. I'll keep my comments
- 24 relatively brief. On electric side, the only remaining
- 25 issue that we had was on the classification of

- 1 generation costs in that same Table 2, and specifically
- 2 we were concerned with how the net power costs are being
- 3 specifically assigned the -- in the context of the
- 4 renewable future peak credit method. And I think our
- issue with it kind of gets back to what Mr. Piliaris
- 6 was -- was speaking of was that the renewable future
- 7 peak credit method is not necessarily sort of standard
- 8 or well-defined method. I think there will be some -- I
- 9 think that we will have to wrinkle out with it. And so
- 10 we were hoping to not specifically specify, you know,
- 11 how net -- net power costs were handled in that
- 12 framework.
- And Staff responds to our comments and said
- 14 that net power costs or the -- the renewable resources
- 15 don't contribute to net power costs, but I think that's
- 16 not true, because the renewable resources provide energy
- 17 at zero cost and reduce power costs a lot, and they also
- 18 provide PTCs. And so there's these issues with sort of
- 19 directly assigning some cost to energy and then using
- 20 only the -- the renewable peak credit method just for
- 21 fixed costs will then just sort of over-allocate the
- 22 cost to cost energy.
- 23 And so that was our concern, and we were
- 24 hoping to be a little bit -- get a little bit more
- 25 flexibility so we can iron that issue out in a rate

- 1 case. And that I think is our only comment unless
- 2 Mr. Pepple, also here for AWEC, has anything else to
- 3 say.
- 4 CHAIR DANNER: Mr. Pepple, anything from
- 5 you?
- 6 MR. PEPPLE: Thank you. Yeah, just very
- 7 quickly I just wanted to, you know, echo Mr. Stokes'
- 8 point that I -- you know, we really appreciate the
- 9 amount of work that Staff and all the stakeholders have
- 10 put in.
- 11 And just to emphasize one thing that
- 12 Mr. Mullins said, you know, to change the rules to
- 13 remove the specification that net power costs are
- 14 allocated in energy. And it doesn't preclude net power
- 15 costs from being allocated on energy, it simply allows
- 16 the parties the flexibility to make their points in the
- 17 rate case. And that's kind of what we would like to
- 18 see. So thank you very much.
- 19 CHAIR DANNER: All right. Thank you.
- 20 Commissioners, are there any questions for
- 21 Mr. Mullins or Mr. Pepple?
- 22 Okay. Apparently not. All right. So we
- 23 will take those under advisement.
- 24 Public Counsel, Lisa Gafken, are you there?
- 25 MS. GAFKEN: I am here, Commission -- Chair

- 1 Danner. Can you hear me?
- 2 CHAIR DANNER: I can hear you just fine.
- 3 Thank you very much.
- 4 MS. GAFKEN: Fabulous. I wasn't sure if I
- 5 had to press the star 6 or not, so I'm glad that I'm
- 6 coming through.
- 7 Good afternoon, Chair Danner, Commissioner
- 8 Rendahl, and Commissioner Balasbas. I am Lisa Gafken,
- 9 Assistant Attorney General, appearing today on behalf of
- 10 Public Counsel. I am joined on the line by AAG Nina
- 11 Suetake, regulatory analyst Corey Dahl, and our expert
- 12 witness, Glenn Watkins. Thank you for the opportunity
- 13 to present comments at today's hearing.
- I want to start my comments by highlighting
- 15 the cooperation and professionalism demonstrated by the
- 16 stakeholders throughout the proceeding. Parties engaged
- 17 in productive conversations that were direct,
- 18 respectful, and informed by decades of experience. We
- 19 had national and local cost of service study experts at
- 20 every workshop offering their knowledge and debating the
- 21 issues. In doing so, every party acknowledged the true
- 22 philosophical differences they carry, and at various
- 23 points throughout the discussion, every party
- 24 acknowledged the validity of concept contrary to their
- 25 particular interest.

- I highlight all of this because I want to
- 2 acknowledge the remarkable professionalism among the
- 3 cost of service experts, and it was truly a privilege to
- 4 work through these dockets -- or work through the issues
- 5 in these dockets with them.
- In a litigated setting, while I may not
- 7 agree with the positions taken by other parties, the
- 8 Commission is fortunate to have the input of the experts
- 9 who skillfully and sincerely present the parties'
- 10 divergent points of view.
- 11 Throughout this proceeding, Public Counsel
- 12 filed extensive comments and analysis. I will not cover
- 13 all of our points here, but I refer the Commission to
- 14 our filed comments.
- I do, however, want to discuss one issue.
- 16 That issue is the exemption rule found in WAC
- 17 480-85-070. We continue to object to the rule and
- 18 recommend that the entire provision be removed. From a
- 19 practical standpoint, the rule is too rigid. The rule
- 20 requires parties who wish to present an alternative cost
- 21 of service study to file a petition for exemption. That
- 22 requirement is unnecessary, serves to discourage parties
- 23 from offering evidence, and increases parties' costs to
- 24 evaluate utility rate filing. The exemption requirement
- 25 is unnecessary because parties will already present the

- 1 peak credit analysis under WAC 480-85-060, the cost of
- 2 service methodology rule. Regardless of what
- 3 methodology a party prefers, it must comply with WAC
- 4 480-85-060.
- 5 It is reasonable for the Commission to
- 6 establish a preference, and it is reasonable for the
- 7 Commission to require parties to present -- to present
- 8 cases that reflect that preference. What is
- 9 unreasonable and unnecessary is to then limit
- 10 presentations to only one methodology. So long as the
- 11 parties comply with the rules, they should then be able
- 12 to present their alternative for the Commission's
- 13 consideration.
- 14 Requiring parties to file a petition for
- 15 exemption before presenting their alternative serves to
- 16 limit the evidence presented to the Commission. Parties
- 17 are discouraged from presenting additional evidence
- 18 because their cost increase under the rule. Experts
- 19 will be required to conduct parallel analysis in any
- 20 event, but will also be required to support the petition
- 21 for exemption in order to present their analysis.
- 22 This process necessarily must happen after
- 23 discovery and analysis occurs in a rate case, and if the
- 24 Commission denies the motion, the party would have
- 25 expanded significant resources that will never be

- 1 utilized. This risk of rejection discourages parties
- 2 from presenting additional evidence.
- The alternative would be to allow parties to
- 4 present their best cases while also complying with the
- 5 requirement to present a peak credit analysis. The
- 6 Commission would then give the evidence the appropriate
- 7 weight and consideration in its decision-making process.
- 8 Even if the Commission declined the party's invitation
- 9 to rule in its favor, that party's efforts are not
- 10 wasted. They use an analogy they would have had their
- 11 day in court.
- 12 Public Counsel is keenly concerned with the
- 13 underlying basis for the exemption rule. The exemption
- 14 rule arose from the desire to stop having multiple cost
- 15 of service study presentations in a rate case. This
- 16 desire to limit parties' participation is bad public
- 17 policy and affects not only Public Counsel, but all
- 18 stakeholders who appear before the Commission. It also
- 19 potentiality limits the Commission's ability to make
- 20 decisions with the best available information. My
- 21 concern in offering these comments is to preserve the
- 22 integrity of our regulatory process, a process that I
- 23 highly value in my role representing residential and
- 24 small business customers.
- 25 The Commission has noted and Public Counsel

- 1 agrees that a test to streamline rate case analysis is a
- 2 laudable goal; however, the exemption provision is a
- 3 step too far. At the last workshop in these dockets,
- 4 Mr. Ronald Amen stated it well that the Commission would
- 5 benefit from more information rather than less
- 6 information, especially with the changing environments
- 7 in the energy industry.
- 8 We see the issues around cost of service
- 9 studies becoming more complicated, not less, as we
- 10 debate how the peak credit methodology is applied as
- 11 generation resources change and evolved away from fossil
- 12 fuel resources to renewable resources. And as
- 13 Mr. Watkins noted at the same workshop, the
- 14 Commissioners must use their wisdom in evaluating cost
- 15 of service studies.
- 16 I want to conclude by expressing my deep
- 17 appreciation for the work done in these dockets over the
- 18 last three-plus years. From Public Counsel's
- 19 perspective, we actively engaged throughout the process
- 20 and witnessed all of the stakeholders doing the same.
- 21 Overall, we feel that the outcome is positive. It is
- 22 the result of a diversity of viewpoints that came
- 23 together to work through the issues.
- To be clear, Public Counsel does not oppose
- 25 the peak credit methodology. We also agree that

- 1 standardizing reporting requirements is a good thing.
- 2 We think it is useful to have guidance and agreement
- 3 regarding how to allocate overhead and rate-based items;
- 4 however, Public Counsel remains concerned that the
- 5 significant procedural hoops established in WAC
- 6 480-85-070 make the rules too rigid by limiting parties
- 7 to only one methodology and by limiting the evidence the
- 8 Commission will see in a rate case. Those procedural
- 9 hoops unnecessarily increase cost and discourage parties
- 10 from presenting alternative evidence.
- 11 Therefore, we recommend that the Commission
- 12 remove the exemption rule found in WAC 480-85-070 in its
- 13 entirety. Thank you again for the opportunity to
- 14 present comments today. I'm available for questions, as
- 15 is Mr. Watkins, who is on the line.
- 16 CHAIR DANNER: Thank you very much,
- 17 Ms. Gafken.
- 18 Are there any questions for Ms. Gafken?
- 19 All right. So I just wanted to get your
- 20 sense. I mean, one of the reasons we have been dealing
- 21 with this issue for the last two-plus years is because
- 22 we saw such variation in cost of service studies. If we
- 23 basically get rid of -070, is it going to be the new
- 24 normal, then, that we would receive two cost of service
- 25 studies in every rate case, and so we would still see

- 1 that kind of variation? And would that undermine our
- 2 desire to standardize, which really was one of the
- 3 motivating factors in this proceeding?
- 4 MS. GAFKEN: Well, without being able to
- 5 predict the future, with that caveat, I don't
- 6 necessarily think that you would see two cost of service
- 7 studies presented by every party. You know, I could see
- 8 a situation where parties, including Public Counsel, may
- 9 want to show an alternative, whether that alternative be
- 10 presented to reinforce the peak credit methodology or
- 11 maybe we found a better mousetrap so to speak.
- 12 I don't see it undermining the idea of
- 13 consistency across presentations because parties would
- 14 have to still present the peak credit methodology, and
- 15 so you would still have a commonality across all of the
- 16 parties. But I do strongly feel that limiting a party's
- 17 ability -- and in -- in this regard, I'm -- I'm actually
- 18 speaking for more than just Public Counsel. But to
- 19 limit a party's ability to show the Commission what it
- 20 thinks that the best evidence to consider, I think
- 21 really unnecessarily constricts parties' participation
- 22 in proceedings before you.
- 23 And at the end of the day, the three
- 24 Commissioners decide the case and you give the evidence
- 25 the weight that you see appropriate. That is not to

- 1 suggest that I -- that I think you're just simply
- 2 disregarding the second cost of service studies that
- 3 might be presented is an appropriate thing to do, but,
- 4 you know, at the end of the day, if -- if you don't find
- 5 that second cost of service study to be credible or
- 6 useful, it is certainly within your purview to rely on
- 7 the peak credit cost of service study that the parties
- 8 presented.
- 9 So I don't see it as -- as being
- 10 inconsistent with the goal to standardize, but I -- I do
- 11 see it as unnecessarily tying the Commission's hands
- 12 even in what they get to see.
- 13 CHAIR DANNER: All right. Thank you very
- 14 much.
- Mr. Stokes, I'm going to go back to you and
- 16 if you want to weigh in on this. I know that -- that
- 17 you also commented about this.
- 18 MR. STOKES: I agree with Public Counsel,
- 19 Commissioner. I -- I think that that provision
- 20 restricts parties, and parties should be allowed to
- 21 present alternative -- alternative theories in rate
- 22 cases. I'm concerned about the timing of when -- when
- 23 you have to seek a petition for exemption and what that
- 24 would look like, and you have to have the petition for
- 25 exemption, the cost of service study filed with the

- 1 petition. So I think that's burdensome on parties in
- 2 a -- in a already pretty quick process.
- 3 CHAIR DANNER: So you've already -- you've
- 4 expressed your disagreements with Staff's approach or
- 5 the approach that would be the preferred in the rule, so
- 6 we -- we would expect, then, without the requirement for
- 7 exemption that -- that you would file two cost of
- 8 service study methodologies in every case; is that
- 9 right?
- 10 MR. STOKES: No, that -- that -- that's
- 11 not -- I'm not saying that's what would happen. We
- 12 would like the opportunity to consider doing that.
- 13 If -- it may be appropriate in some cases and not in
- 14 others. So if the design-based methodology was our
- 15 preferred methodology and we proposed a middle ground,
- 16 the average nexus methodology -- and I'm speaking only
- 17 on -- on the gas side here. So the average nexus
- 18 methodology was the compromised position, so it may be
- 19 appropriate in some cases and -- and not.
- 20 But I do think having a range of results for
- 21 the Commission to consider is appropriate, and more
- 22 information -- I think Ron Amen was the one who said at
- 23 one of the conferences that more information is better
- 24 in this context. There is no finance here, it's an art
- 25 form and it's -- it's people's personal preferences on

- 1 how you allocate cost. So there's a lot of different
- 2 theories on this stuff, and I don't know why we have to
- 3 stick to one particular methodology.
- 4 CHAIR DANNER: All right. Thank you.
- 5 Let me ask my colleagues if they have any
- 6 questions for Ms. Gafken or Mr. Stokes as well.
- Okay. Hearing nothing, thank you very much
- 8 for your comments, Ms. Gafken.
- 9 And I think next up, Mr. Parvinen, are you
- 10 there?
- MR. PARVINEN: Yes, I'm here. Thank you,
- 12 Commissioners, for the opportunity to speak today. I'm
- 13 Mike Parvinen with Cascade Natural Gas. I believe also
- 14 on the line if we have clarifying questions is
- 15 Mr. Ron Amen who represented Cascade through this --
- 16 through this process, and we appreciate the work he's
- 17 put into it.
- 18 I do want to thank all Staff and all the
- 19 participants that participated in this. It's been a
- 20 long -- long time to get to the end, so -- and -- and
- 21 some pretty good results. I really only have one topic
- 22 that I wanted to comment on, and quite frankly, it's
- 23 been -- it keeps coming up, it keeps coming up, so I
- 24 just wanted to bring it up another time, and that's in
- 25 regards to the requirement for a load study and the

- 1 definition of what a load study is and its impact on
- 2 these cost of services. I think it was different when
- 3 this process started, but when you get down to the end
- 4 result on how the cost study is done using a peak and
- 5 average, that the load study has very little, if any,
- 6 impact whatsoever on -- on -- on the peak.
- 7 But as designed by Staff requiring daily
- 8 data, it requires companies that don't have AMR
- 9 technology and a fixed network to go with that to incur
- 10 substantial costs to go out and put logger or mechanical
- 11 devices on random customers to collect data. And that
- 12 data, over a 12-month period, is generally pretty
- 13 useless with the exception of if you happen to have a
- 14 peak event during that -- that day, during that 12-month
- 15 period to determine what your peak loads are during a
- 16 peak event because what you're trying to build your
- 17 design day or peak on. The rest of the data, it's
- 18 pretty useless. It has really no bearing whatsoever on
- 19 designing that peak day.
- 20 And a lot of this rule is written around the
- 21 load studies and the definition of -- and the definition
- 22 of that. I mean, I can see the benefit on the electric
- 23 side where you're looking at 12-day coincident peaks and
- 24 12-day noncoincident peaks and -- or you have things
- 25 like how to use pricing, but none of that exists on the

- 1 gas side. So it seems extensive, it adds a lot of cost
- 2 without a -- without a benefit.
- And so that's one area that just Cas- --
- 4 that is kind of bothering Cascade. I think all the
- 5 utilities, maybe one on the gas side have -- I think
- 6 only one maybe have the ability to collect currently
- 7 daily data to meet this requirement. And like I said,
- 8 without the -- without the benefit of being able to do
- 9 that, it adds a substantial amount of cost and has no
- 10 bearing on the outcome of the cost of service study.
- 11 With that, I think that's the last area that
- 12 I have comment on.
- 13 CHAIR DANNER: And, Mr. Amen, do you have
- 14 anything that you want to add?
- MR. AMEN: Thank you, Chairman, and -- and
- 16 thank you to the Commissioners for this opportunity to
- 17 contribute to the conversation. And in -- in echoing
- 18 the comments of Mike Parvinen, I would just say that one
- 19 thing that's been troubling about this focus on a load
- 20 study is that it doesn't actually deal with the cost of
- 21 service methodology; that is, it doesn't deal with how
- 22 you functionalize, classify, or even allocate cost. It
- 23 has to do with the input data.
- 24 And it suggests, I think, based on this
- 25 daily sampling of information for gas utilities, a false

- 1 sense of precision, because whether it's sampled data
- 2 from various customer classes, which then has to be
- 3 extrapolated to the total class and from there to a
- 4 design-day level of peak consumption, it is still an
- 5 estimate. And if the -- the method that has been
- 6 employed by Cascade in its integrated resource plans
- 7 uses data, daily data, by Citygate, that then uses
- 8 class-level billing data to extrapolate to a design
- 9 weather condition by class.
- 10 And so whether it be daily sampling or the
- 11 use of daily geographic information from Citygate's and
- 12 customer billing data, you can establish some very
- 13 strong statistical analysis that lends validity to the
- 14 results and has been used and vetted through the IRP
- 15 process for Cascade for many years.
- So I think to be too restrictive on the
- 17 methodology employed for load studies, again, just tends
- 18 to suggest the false sense of precision that has not
- 19 really been demonstrated throughout this two and a
- 20 half-year period by any analysis or empirical data.
- 21 Secondly, I would just like to support
- 22 Public Counsel and AWEC on the -- on the criticism they
- 23 had of the final section of the proposed rule. In that,
- 24 with today's modelling technology that we have for cost
- of service studies, a showing of a range of results

- 1 under an alternative method is about as simple as
- 2 throwing a switch in that going from one, say,
- 3 design-day method to a peak and average or an average
- 4 and excess method is not a time-intensive or
- 5 data-intensive operation. All the data is really still
- 6 there. And it provides the Commission with the range of
- 7 results that then can be used in their decision-making
- 8 process in terms of the appropriate recovery cost by
- 9 class.
- 10 Therefore, I think limiting the methodology
- in the way that -- that the 480-85-070 does is too
- 12 restrictive, and I thank you for the opportunity again
- 13 to offer these comments.
- 14 CHAIR DANNER: Thank you, and thank you
- 15 again for your participation in this process.
- 16 Are there any questions for Mr. Parvinen or
- 17 for Mr. Amen?
- 18 Okay. Hearing none, thank you very much
- 19 both of you.
- 20 Rob Wyman from Northwest Natural, are you on
- 21 the line?
- 22 MR. WYMAN: Hi, yes, I am. This is Rob --
- 23 CHAIR DANNER: Great, so we can hear you
- 24 just fine.
- MR. WYMAN: Great. This is Rob Wyman with

- 1 Northwest Natural Gas. I too would like to thank Staff
- 2 and stakeholders for all their work on this docket.
- 3 I've been involved for just about a year now of this
- 4 three-year process, and I can tell that people put a lot
- 5 of work and thought into this. So I'd just like to
- 6 reiterate my thanks on all of that.
- I do have one comment, and it's going to
- 8 mirror what we've just heard from Cascade and from PSE.
- 9 And my comment is just kind of on -- on the load study.
- 10 Northwest Natural Gas right now we don't
- 11 believe has the ability to -- to -- to fully comply with
- 12 the -- the input data requirements given that we don't
- 13 have enough daily meter reading ability to get an
- 14 accurate sample size of our customers in Washington.
- This spring, I was going to begin to work
- 16 with our field technicians on building out a plan to --
- 17 to be compliant on that piece. Now with the Covid-19
- 18 impacts, our field crews are only working on emergency
- 19 projects right now. And so that kind of pushed back my
- 20 ability to look at adding the right kind of meters to be
- 21 able to comply with that piece of the rule.
- So, again, just mirroring kind of what we've
- 23 heard, I just wanted to see what the -- reiterate the
- 24 concerns about, you know, looking at the first couple
- 25 filings the companies are going to put out on cost of

- 1 service and whether, you know, the Commissioners will be
- 2 a little more lenient in -- in how we interpret it, what
- 3 kind of data input we use, and just that the knowledge
- 4 that the companies are working, you know, incrementally
- 5 to -- to be -- be compliant eventually with all of
- 6 the -- all of the new rules.
- 7 And I -- I think that's all I had. Again,
- 8 thanks, everyone, for your work on this and -- I
- 9 appreciate it. And thanks, Commissioners, for asking --
- 10 getting our -- our opinions on -- on these rules.
- 11 CHAIR DANNER: All right. Thank you very
- 12 much.
- 13 Let me ask my colleagues, are there any
- 14 questions for Mr. Wyman?
- Okay. Hearing none, so thank you very much
- 16 for your comments.
- 17 Now let me turn to Mr. Meredith from
- 18 PacifiCorp.
- 19 MR. MEREDITH: Good afternoon, Chair Danner,
- 20 Commissioner Rendahl, Commissioner Balasbas. Can you
- 21 hear me okay?
- 22 CHAIR DANNER: Good afternoon.
- MR. MEREDITH: Good. So my name is Robert
- 24 Meredith. I'm the director of pricing and cost of
- 25 service for Pacific Power. First off, I just want to

- 1 appreciate everybody's hard work and the collaboration
- 2 that went into this whole rulemaking process. It's
- 3 been, as everybody stated, a pretty monumental effort,
- 4 and it took a lot to get all of this together and really
- 5 appreciate just the whole process and how it wasn't
- 6 adversarial in -- in this sense and it was very
- 7 collaborative. And I thought that everything went
- 8 really well and there was a lot of good dialogue along
- 9 the way.
- I would like to echo some of Puget's
- 11 concerns about just asking that the Commission would
- 12 have some patience, particularly the first time that
- 13 this gets filed. I think that Mr. Piliaris (electronic
- 14 interference) is an interpretation or there may be some
- 15 hiccups as -- as the utilities look to implement this
- 16 for the first time. It's a pretty comprehensive set of
- 17 rules and there may be areas where, you know, there may
- 18 have been something that could have been missed the
- 19 first time. And so I think just having some -- some
- 20 patience with that and with the utilities the first time
- 21 that they look to implement the rules I think -- I think
- 22 would be good.
- 23 I also want to state that Pacific Power
- 24 fully supports the rules and believes that they'll bring
- 25 clarity and efficiency to cost of service. I also think

- 1 considering the different methodologies that are -- are
- 2 put forward in the rules that different parties may not
- 3 like certain aspects of it, but I believe that in total,
- 4 the whole package is reasonable and balances many of the
- 5 diverse interests that are out there.
- 6 I'll just give a real quick example.
- 7 Thinking about the way that generation and transmission
- 8 costs are -- are allocated and classified, the example
- 9 was -- was put forward of -- of net power cost, which
- 10 the -- the rules clarify would be allocated -- or sorry,
- 11 classified a hundred percent to energy. You know, that
- 12 may be an aspect that higher load factor customers may
- 13 not consider as reasonable or a methodology that they
- 14 can agree with.
- The flip side of that is that transmission
- 16 costs are a hundred percent classified to demand, and
- 17 that's probably an aspect that higher load factor
- 18 customers would -- would agree with hardily. And so I
- 19 think that there's some give and take in these -- in
- 20 these rules and I think on the whole creates a very good
- 21 outcome.
- 22 I also believe that over time, these rules
- 23 will do a good job of reflecting (electronic
- 24 interference) falls. Speaking personally for Pacific
- 25 Power, we filed a rate case not very long ago back in

- 1 December, and we attempted to implement the rules, at
- 2 least a draft of the rules, that were in place for this
- 3 rulemaking. And it was a fairly smooth process for us.
- 4 It did require some more work, but it -- it was not
- 5 overly challenging for us to -- to implement those.
- 6 And with all that said, I -- I recommend
- 7 that the Commission approve the rules, and I'm available
- 8 for any questions that you may have.
- 9 CHAIR DANNER: All right. Thank you very
- 10 much, Mr. Meredith.
- 11 Are there any questions for PacifiCorp?
- 12 Okay. I'm hearing none.
- 13 Thank you again for your comments.
- 14 Let me turn now to Joni Bosh from Northwest
- 15 Energy Coalition, are you there?
- 16 MS. BOSH: Am I -- can you hear me now?
- 17 CHAIR DANNER: Yes, we can.
- 18 MS. BOSH: Okay. Thank you. I was having
- 19 trouble getting off mute.
- 20 I would -- just wanted to thank you,
- 21 Mr. Chairman and Commissioners, for giving us the chance
- 22 to revisit some of the comments we've submitted through
- 23 this process. It has been indeed a very long process.
- 24 We acknowledge everyone's involvement in work and want
- 25 to thank everyone for patience in this process because

- 1 at the start, we were very committed to finding and
- 2 believing in the value and standardization as well.
- 3 Over this process with the comments and
- 4 edits we've submitted, we have come to a different
- 5 conclusion than most of the other participants on the
- 6 call today. We made comments in two major areas; one
- 7 was on customer-related costs and the other one was on
- 8 the methodology embedded in the rules a little bit, but
- 9 definitely the Table 2. And --
- 10 CHAIR DANNER: Could you --
- MS. BOSH: -- don't see --
- 12 CHAIR DANNER: You're kind of fading in and
- 13 out.
- MS. BOSH: Hello? Okay. Sorry.
- 15 CHAIR DANNER: Go on.
- MS. BOSH: The world's worst connection here
- 17 on the island. I was going to say we submitted edits
- 18 and comments --
- 19 CHAIR DANNER: Joni, we're losing you.
- 20 MS. BOSH: Let me stand by the window. Let
- 21 me try that. Is that better?
- 22 CHAIR DANNER: That is, and you're going to
- 23 have to go back a few sentences because we really didn't
- 24 get the gist of anything you said.
- 25 MS. BOSH: Sure. Okay. Let me just start

- 1 over. I just was thanking you and the Commissioners for
- 2 having -- giving us this chance to speak today and that
- 3 I wanted to acknowledge everyone's involvement and work
- 4 over the last three or so years that we've been
- 5 involved. We also started out in this process committed
- 6 to getting some sort of standardization to make this
- 7 process simpler.
- 8 We've come to a different conclusion,
- 9 though, than Staff, I think, and so I'll be the contrary
- 10 opinion today. We -- and I can summarize it with --
- 11 with some of the explanation of the comments and edits
- 12 we've submitted. We made comments in two general areas;
- one was on reaffirming customer-related costs and the
- 14 other was in the allocation methodology itself. And I
- 15 should say I'm speaking here strictly to the electric
- 16 side. We didn't have the bandwidth to dig into the gas
- 17 side much, so I'm speaking to 170002.
- 18 First of all, we are very concerned that the
- 19 customer-related costs as the Commission has long
- 20 required starting I think in 1992 and reaffirming as
- 21 recently as 2017 basically amounts to service line
- 22 drops, meters for the parts of meters that are
- 23 customer-related, meter reading, and billing cost.
- So with that in mind, we had edited in that
- 25 Account 904, which is the uncollectible, be removed from

- 1 the customer cost table that the -- because of that
- 2 (electronic interference) bill to reduce energy usage
- 3 components of the bill and not the cost of billing and
- 4 collection. We ask that Account 908 expenses be removed
- 5 from customer-related costs as those are energy
- 6 conservation-related and that's, again, usage-related.
- We also ask that the specific cost
- 8 categories of 909 and 910, which are major informational
- 9 and educational expenses, not be included in the
- 10 customer costs. And that as we move to AMI meters, that
- 11 there should be a very careful thinking through and
- 12 guidance given because the costs are not all related to
- 13 the customer anymore. These costs enable demand
- 14 response, they demand -- they demand response, voltage
- 15 relations, transformer right sizing, phase balancing, a
- 16 lot of measures that are energy-related that are not
- 17 customer-related.
- 18 So we have submitted specific suggestions on
- 19 all those, and unfortunately, none of them were
- 20 incorporated as far as we can tell. But the bigger
- 21 question I think where we had comments was the
- 22 allocation methodology itself. It seems to be moving
- 23 backwards in time a bit. It's based on the energy
- 24 demands, customer framework, and most modern allocation
- 25 methodologies are moving towards off-peak, on-peak,

- 1 credible-peak (electronic interference) differentiated
- 2 periods. The most recent (electronic interference) --
- THE COURT REPORTER: This is the court
- 4 reporter. I can't hear what she's saying at all.
- 5 CHAIR DANNER: Neither can I.
- 6 We just lost you again.
- 7 MS. BOSH: How is that?
- 8 CHAIR DANNER: So far so good.
- 9 MS. BOSH: Okay. If it drops again, let me
- 10 know.
- We don't see in this proposal any of the
- 12 information or methodology and history I think that is
- 13 embedded in the electric cost allocation for a newer era
- 14 manual in this approach. So bottom line (electronic
- 15 interference) --
- 16 CHAIR DANNER: We're losing you again now.
- 17 MS. BOSH: Okay. So bottom line, we would
- 18 urge you not to adopt today but to continue the process
- 19 and at least go back through and look at a
- 20 time-differentiated approach to cost allocations.
- 21 That's the way the grid is going. It allows the use of
- the much more granular data we're going to be getting
- 23 from AMI. The load studies will eventually be replaced
- 24 by actual data, so we should be -- we should be creating
- 25 a cost of study approach that's going to the future and

- 1 not looking backwards.
- 2 CHAIR DANNER: All right. Anything else?
- 3 Okay. Thank you very much --
- 4 MS. BOSH: I'm sorry, is someone saying
- 5 something?
- 6 CHAIR DANNER: Well, I was just -- I wasn't
- 7 sure if you were done or if we had lost you again.
- 8 MS. BOSH: I think you said am I done and
- 9 I'm saying yes, thank you.
- 10 CHAIR DANNER: Okay. Thank you very much.
- 11 Let me turn to my colleagues, do you have
- 12 any questions for Ms. Bosh?
- Okay. I'm hearing nothing. Thank you very
- 14 much for your comments.
- I think that brings us to the end of those
- 16 who have signed in. Let me turn to those -- there are
- 17 some who are attending who did not wish to speak. Let
- 18 me confirm that.
- 19 Mr. ffitch, anything that you want to add?
- Okay. Mr. Lazar?
- MR. LAZAR: No, Your Honor. Thank you.
- 22 CHAIR DANNER: Okay. Thank you.
- 23 UNIDENTIFIED SPEAKER: (Inaudible)
- 24 participation of the Commission. If you want to hear
- 25 from me, you have to ask.

- 1 CHAIR DANNER: Okay. I have no questions
- 2 for you at this time, so thank you very much.
- And then finally, Mr. Miller or Tarra Knox
- 4 from Avista?
- 5 MR. MILLER: Nothing more on behalf of
- 6 Avista. We'd just like to reiterate our thanks to the
- 7 parties for all the good work in the dockets.
- 8 CHAIR DANNER: All right. Thank you very
- 9 much.
- 10 Is -- is there anyone else on the line who
- 11 has not had a chance to talk to us who wishes to do so
- 12 today?
- Okay. Hearing none, that takes us to the
- 14 end of the comment section. Let me now turn to my
- 15 colleagues.
- Would you like Staff to address any of the
- 17 comments we've heard today?
- 18 COMMISSIONER RENDAHL: This is Commissioner
- 19 Rendahl. No, I -- I think there has been a full amount
- 20 of discussion on all of these topics, both in the
- 21 workshops and the comments, and I think it is now time
- 22 for us to take this under advisement.
- 23 CHAIR DANNER: All right. Thank you very
- 24 much.
- 25 Commissioner Balasbas, anything in addition?

- 1 COMMISSIONER BALASBAS: At this point, no,
- 2 nothing more. I would agree with my colleague,
- 3 Commissioner Rendahl, and yes, I believe we will take
- 4 all of this -- we will take all of this under
- 5 advisement.
- 6 CHAIR DANNER: Yes, we will.
- 7 All right. Thank you very much. So I
- 8 appreciate everybody's participation over the last
- 9 two-plus years, I appreciate everybody's participation
- 10 today. This is a complex undertaking. I think it's --
- 11 the message I've gotten today is that everybody has
- 12 worked very well together, very collaboratively and --
- 13 and not in an adversarial manner, even though obviously
- 14 some disagreements remain.
- 15 We are going to take this under advisement.
- 16 We will issue an order in due course and bring this
- 17 matter to its proper conclusion at some point in the
- 18 near future.
- 19 So I think unless there's anything else to
- 20 come before the Commission this afternoon, I am prepared
- 21 to adjourn. So this is a last call for Mr. Ball or my
- 22 colleagues, is there anything else we need to do this
- 23 afternoon?
- MR. BALL: This is Jason. No. Thank you,
- 25 Chairman, and thank you, Commissioners, for a wonderful

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 1
     hearing.
 2
                  CHAIR DANNER: All right. Thank you.
 3
                  In that case, we are adjourned. Thank you,
 4
     everybody, for your participation today.
 5
                  (Adjourned at 2:36 p.m.)
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Page 47 CERTIFICATE STATE OF WASHINGTON COUNTY OF THURSTON I, Tayler Garlinghouse, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability. Taylor Garlinghouse Tayler Garlinghouse, CCR 3358