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1 BEFORE THE WASHINGTON UTILITIES AND
2 TRANSPORTATION COMMISSION

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4	WASHINGTON UTILITIES AND)	Docket No. UE-001140
	TRANSPORTATION COMMISSION,)	Volume I
5	Complainant,)	Pages 1-14
)	
6	v.)	
)	
7	PUGET SOUND ENERGY, INC.,)	
	Respondent.)	
8	_____)	

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12 A hearing in the above matter was
13 held on September 18, 2000, at 1:30 p.m., at 1300
14 Evergreen Park Drive Southwest, Olympia, Washington,
15 before Administrative Law Judge DENNIS MOSS.

16 The parties were present as
17 follows:

18 PUGET SOUND ENERGY, by James M.
19 Van Nostrand, Attorney at Law, 600 University Street,
Suite 3600, Seattle, Washington 98101.

20 PUBLIC COUNSEL, by Robert
21 Cromwell, Jr., Assistant Attorney General, 900 Fourth
Avenue, Suite 2000, Seattle, Washington 98164.

22 BOEING REALTY, KAYARES
23 INTERNATIONAL, and ICNU, by Melinda Davison, Attorney
at Law, 1300 S.W. Fifth Avenue, Suite 2915, Portland,
Oregon 97201 (Appearing via teleconference bridge.)

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1 THE COMMISSION, by Robert
2 Cedarbaum, Assistant Attorney General, 1400 South
3 Evergreen Park Drive, S.W., P.O. Box 40128, Olympia,
4 Washington 98504-0128.

5 INFOAGE SERVICES GROUP, by J.H.
6 Garthwaite, Managing Director, 8619 N.E. 21st Place,
7 Bellevue, Washington 98004.

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Barbara L. Nelson, CCR
Court Reporter

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1 JUDGE MOSS: Good morning, everyone. This
2 is Dennis Moss speaking. I am an Administrative Law
3 Judge with the Washington Utilities and
4 Transportation Commission. We're convened in our
5 first prehearing conference in the matter styled WUTC
6 v. Puget Sound Energy, Docket Number UE-001140.

7 I'm speaking a little quickly this morning
8 and I'm going to ask that we do try to proceed with
9 dispatch, since we have the conference bridge line
10 available only for about 20 minutes, and we'll have
11 to make special arrangements if we extend beyond
12 that.

13 I think all the counsel -- all the parties
14 I'm familiar with are represented by counsel and all
15 these counsel are familiar to me and well acquainted
16 with the Commission's procedure, so let's launch
17 directly into the appearances. And I'll ask for
18 Puget Sound Energy first.

19 MR. VAN NOSTRAND: Thank you, Your Honor.
20 Entering an appearance today on behalf of Puget Sound
21 Energy, James M. Van Nostrand, with the law firm of
22 Stoel Rives, LLP, in Seattle, at 600 University
23 Street, Suite 3600. Telephone number, 206-386-7665;
24 facsimile, 206-386-7500; and e-mail address of
25 jmvannostrand@stoel.com.

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1 JUDGE MOSS: And I did receive your notice
2 of substitution of counsel in this proceeding, so we
3 won't be hearing from the Perkins Coie folks any
4 further; is that right?

5 MR. VAN NOSTRAND: That's correct, Your
6 Honor.

7 JUDGE MOSS: Okay. Thanks very much.
8 Let's go ahead and hear from those in the room here,
9 and we'll just go around the room. Mr. Cromwell.

10 MR. CROMWELL: Thank you, Your Honor.
11 Robert W. Cromwell, Jr., Assistant Attorney General
12 on behalf of Public Counsel, 900 Fourth Avenue, Suite
13 2000, state mail stop TB-14, Seattle, Washington,
14 98164-1012. My direct line is area code
15 206-464-6595; my facsimile number is 206-389-2058; my
16 e-mail address is robertc1@atg.wa.gov.

17 JUDGE MOSS: Thank you. And Mr. Garthwaite
18 handed me his card. He's indicated that he's
19 represented by counsel, and Ms. Davison will be
20 representing your clients; is that correct?

21 MR. GARTHWAITE: Actually, Judge, I'm
22 representing myself, but in addition, I have a client
23 that I believe is represented by Melissa (sic).

24 JUDGE MOSS: Is it your intention to
25 petition to intervene in the proceeding as a party,

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1 then?

2 MR. GARTHWAITE: It is.

3 JUDGE MOSS: All right. Then go ahead and
4 enter your information.

5 MR. GARTHWAITE: My name is J.H.

6 Garthwaite, G-a-r-t-h-w-a-i-t-e, principal of a
7 Washington proprietorship, Infoage, that's one word,
8 Services Group. Our business address is 8619 N.E.
9 21st Place in Bellevue, zip 98004. Main telephone
10 number is 425-44 -- correction, 425-454-3233;
11 facsimile, 425-688-1701; e-mail address is
12 jay.garthwaite@infoageservices.com.

13 JUDGE MOSS: Okay. We'll take up the
14 petition or request for intervention shortly. Mr.
15 Cedarbaum.

16 MR. CEDARBAUM: Thank you, Your Honor. My
17 name is Robert Cedarbaum. I'm an Assistant Attorney
18 General representing Commission Staff. My business
19 address is the Heritage Plaza Building, 1400 South
20 Evergreen Park Drive, S.W., Olympia, Washington,
21 98504. My telephone number is area code
22 360-664-1188; fax number is area code 360-586-5522;
23 and my e-mail is bcedarba@wutc.wa.gov.

24 JUDGE MOSS: Thank you. Ms. Davison.

25 MS. DAVISON: Thank you, Your Honor. This

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1 is Melinda Davison. I am representing Boeing --
2 Boeing Realty, and also Kayares International, which
3 is K-a-y-a-r-e-s. I'm with the law firm of Davison
4 VanCleve, 1300 S.W. Fifth Avenue, Portland, Oregon,
5 97201, Suite 2915. My phone number is area code
6 503-241-7242; my fax number is 503-241-8110; and my
7 e-mail address is mail@dvclaw.com. Thank you.

8 JUDGE MOSS: Okay. Now, Ms. Davison, I had
9 you down from the preliminary papers as filing a
10 petition to intervene, or your firm, at least, for
11 the Industrial Customers of Northwest Utilities. Are
12 they withdrawing that request?

13 MS. DAVISON: Thank you for reminding me of
14 that, Your Honor. No, ICNU also wishes to remain in
15 this proceeding.

16 JUDGE MOSS: Okay. And is it your
17 intention, then, that Boeing Realty would be a
18 separate party from the Industrial Customers of
19 Northwest Utilities?

20 MS. DAVISON: Yes, they would, Your Honor.

21 JUDGE MOSS: Same with Kayares
22 International?

23 MS. DAVISON: Yes, Your Honor.

24 JUDGE MOSS: Okay. Now, I also have Mr.
25 Conk on the phone, and I believe he said his company

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1 was Project Dimensions, but I thought he indicated
2 that you you were representing his group, as well.
3 Is that -- do I have that wrong, Mr. Conk?

4 MR. CONK: No, we are Boeing Realty
5 Corporation Project Managers, and she's representing
6 Boeing Realty Corporation.

7 JUDGE MOSS: All right, fine. Do we have
8 any other counsel on the line who wish to enter an
9 appearance in this proceeding? All right. Then let
10 me just see if we can quickly get through the
11 question of intervention. Let me just go through
12 them and ask if there's any objection. Industrial
13 Customers of Northwest Utilities.

14 MR. VAN NOSTRAND: No objection.

15 JUDGE MOSS: No objection. Boeing Realty
16 Corporation.

17 MR. VAN NOSTRAND: No objection.

18 JUDGE MOSS: Kayares International.

19 MR. VAN NOSTRAND: I guess I'd want to know
20 what the role of that particular party is and their
21 interest in this.

22 JUDGE MOSS: Can you hear Mr. Van Nostrand
23 all right, Ms. Davison?

24 MS. DAVISON: Yes, I can, Your Honor. Mr.
25 Van Nostrand, Kayares International is a (inaudible).

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1 JUDGE MOSS: Ms. Davison, I'm going to have
2 to stop you for a second. Try to speak a little more
3 loudly, and I'm going to turn the volume up at the
4 same time, and maybe that will help us out.

5 MS. DAVISON: Okay. Yes, in response to
6 your question, Mr. Van Nostrand, Kayares
7 International, I think, has very similar interests as
8 Boeing Realty. They are a potential customer under
9 Schedule 300.

10 MR. VAN NOSTRAND: Okay.

11 JUDGE MOSS: No objection. Then we have
12 Infoage Services Group. Any objection from the
13 company?

14 MR. VAN NOSTRAND: No.

15 JUDGE MOSS: All right. Those being the
16 only parties who have sought intervention and there
17 being no objections to those from those assembled,
18 the petitions will be granted.

19 Now, this brings us immediately, then, to
20 the request that I received this morning from Puget
21 Sound Energy, through counsel, requesting for leave
22 to withdraw Schedule 300. I understand, Mr. Van
23 Nostrand, that there's probably going to be a
24 subsequent filing, and I gather it will be
25 sufficiently different from what's currently on file,

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1 that it would be perhaps a more prudent course of
2 action to go ahead and grant leave to withdraw this
3 one and have it refiled?

4 MR. VAN NOSTRAND: Yes, Your Honor. I
5 believe the company is looking at the comments and
6 the guidance provided by the Commissioners at the
7 hearing in August and is continuing to work with the
8 customers. I think the feeling is they can come up
9 with a proposal which addresses the concerns and
10 meets the needs and do not feel that the filing they
11 have is one that they would think is worth going
12 through the hearing process and the parties spending
13 an amount of time scrutinizing and commenting on that
14 particular filing. We're betting off going with
15 something that the company thinks, taking into the
16 account the input it's received as a proposal to
17 better addresses their needs and the needs of these
18 potential new customers.

19 JUDGE MOSS: All right. Do Public Counsel
20 or Staff have any comment on this request for leave
21 to withdraw? I'd like to ask that first.

22 MR. CEDARBAUM: Staff doesn't object to
23 what I take to be a motion for the Commission to lift
24 the suspension order and allow the company to
25 withdraw the filing. I would just note for the

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1 record, in reading the letter that Mr. Van Nostrand
2 filed on behalf of the company that I think was filed
3 today, September 18th, there's reference in that
4 letter to Schedule 300 having been proposed to apply
5 to a new type of energy customer. I don't know if
6 there was any implication in that that absent
7 Schedule 300, there would have been no tariff of the
8 company that would apply for service to these
9 customers, and that issue did come up before the
10 Commission at the Wednesday meeting in August when
11 the tariff was suspended.

12 Also, at that time the Commission, I think,
13 indicated fairly clearly that there are existing
14 tariffs of the company that would apply in absence of
15 Schedule 300. That is also Staff's position. So to
16 the extent that, in this interim period, customers
17 request service and there are issues that come up as
18 to whether or not they will receive service under
19 existing tariffs, we would assume those questions
20 would come to the Commission through the complaint
21 process. We don't have to deal with that now, but we
22 at least wanted to state that issue.

23 It came to mind for the prehearing
24 conference today, given some of the language in the
25 letter, which, again, I was drawing some maybe hidden

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1 meaning from, but perhaps the company didn't mean
2 anything by that.

3 JUDGE MOSS: Okay. Any shock, surprise, or
4 hidden meaning you want to share with us, Mr. Van
5 Nostrand?

6 MR. VAN NOSTRAND: No.

7 JUDGE MOSS: All right. Mr. Cromwell, did
8 you have anything you wanted to comment?

9 MR. CROMWELL: No, I think Mr. Cedarbaum
10 expressed the concerns we might have about the
11 potential customers receiving service in the interim
12 while the company tries to develop its new proposal,
13 and certainly have the hope that there be some degree
14 of consultation prior to that filing so that concerns
15 could be addressed before it's put before the
16 Commission, and maybe we could avoid the hearing
17 process entirely if that happened.

18 JUDGE MOSS: Sure, all right. Any of the
19 intervenors want to have a comment about the request
20 for leave to withdraw? I'll start with Mr.
21 Garthwaite, since he's here in the room and has
22 intervened separately from the group.

23 MR. GARTHWAITE: I think just to, again,
24 reflect concerns that, especially based on some
25 conversations I've had with PSE staff as recently as

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1 Friday, that there be a mechanism by which service
2 can be obtained prior to a replacement for 300 being
3 adjudicated. Because what we've been told, what I've
4 been told as recently as Friday is that, effectively,
5 all requests for service that meet the criteria for
6 which this was filed would be, quote, on hold, close
7 quote, until something new was developed.

8 And I have a number of interests where that
9 is -- I mean, we need to know whether or not we're
10 going to be able to obtain service, and if it's going
11 to be under one -- if it's under 48 or 49 initially
12 and 300 or some successor later, that's one thing,
13 but to have an indefinite period without, apparently,
14 from PSE's perspective, an operative tariff is a
15 problem for me.

16 JUDGE MOSS: All right. Anything from your
17 group, Ms. Davison?

18 MS. DAVISON: Yes, thank you, Your Honor.
19 We do not oppose the request from PSE to withdraw
20 Schedule 300, and I do understand that there will be
21 a meeting scheduled this week to work on a successor
22 tariff. And we do appreciate the efforts of PSE to
23 receive customer inputs.

24 JUDGE MOSS: All right. Thank you for that
25 remark. I'll take these remarks to the

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1 Commissioners. The Commissioners are designated to
2 sit in this proceeding, so I'm not going to act on
3 the request sitting here this morning, but there is
4 no opposition to it and it sounds as though PSE is
5 carrying forward with an effort to involve the
6 interest of stakeholders and working things out in a
7 fashion that will perhaps result in an ultimately
8 superior result.

9 And so, with that said, I think I have
10 everything I need to have the Commissioners reach an
11 expeditious determination on the request. And with
12 that, I don't think it would be efficient to go
13 forward with our prehearing at this time to establish
14 a schedule and go through all that. We'll save that
15 for another day, if necessary, or perhaps it will be
16 another docket as things unfold.

17 Does anyone else have any other business
18 they wish to bring to our attention this morning?
19 Hearing nothing, then I appreciate you all
20 participating with us this morning, and I will see to
21 it that an order is entered in due course.

22 MR. VAN NOSTRAND: I would like to say,
23 Your Honor, I do apologize for the late filing this
24 morning. I would have liked to have gotten something
25 done sooner and not require all this to happen. We

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1 have had sort of a last minute shuffling of counsel
2 and we were unable to get this filed soon enough, but
3 I appreciate the parties being here and being on the
4 phone. I wish we could have gotten it addressed
5 sooner.

6 JUDGE MOSS: We appreciate your remarks.
7 Thank you very much. All right. We're off the
8 record.

9 (Proceedings adjourned at 1:45 p.m.)

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