

Docket No. UG-210755 - Vol. II

WUTC v. Cascade Natural Gas Corporation

March 10, 2022



206.287.9066 | 800.846.6989

1325 Fourth Avenue, Suite 1840, Seattle, Washington 98101

www.buellrealtime.com

email: info@buellrealtime.com



BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND) DOCKET No. UG-210755
TRANSPORTATION COMMISSION,)
)
Complainant,)
)
vs.)
)
CASCADE NATURAL GAS)
CORPORATION,)
)
Respondent.

VIRTUAL STATUS CONFERENCE
VOLUME II
Pages 25-43

ADMINISTRATIVE LAW JUDGES RAYNE PEARSON AND
SAMANTHA DOYLE

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

(All participants appeared via videoconference.)

DATE TAKEN: MARCH 10, 2022

REPORTED BY: ROSE DETLOFF, RPR, CCR #21036100

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGES:

RAYNE PEARSON
SAMANTHA DOYLE

FOR COMMISSION STAFF:

NASH CALLAGHAN
Assistant Attorneys General
Office of the Attorney General
P.O. Box 40128
Olympia, Washington 98504
360-664-1186
nash.callaghan@utc.wa.gov

FOR CASCADE NATURAL GAS CORPORATION:

DONNA BARNETT
MEGAN LIN
Perkin Coie LLP
10885 Northeast Fourth Street
Suite 700
Bellevue, Washington 98004
425-635-1419
dbarnett@perkinscoie.com
mlin@perkinscoie.com

FOR PUBLIC COUNSEL:

ANN PAISNER
Washington Attorney General's Office
Public Counsel Unit
800 Fifth Avenue
Suite 2000
Seattle, Washington 98104
206-521-3211
ann.paisner@atg.wa.gov

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A P P E A R A N C E S (Cont.)

FOR ALLIANCE OF WESTERN ENERGY CONSUMERS:

CHAD STOKES
Cable Huston
1455 Southwest Broadway
Suite 1500
Portland, Oregon 97201
503-224-3092
cstokes@cablehuston.com

FOR THE ENERGY PROJECT:

YOCHI ZAKAI
Shute Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, California 94102
415-552-7272
yzakai@smwlaw.com

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1 LACEY, WASHINGTON; MARCH 10, 2022

2 9:01 a.m.

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

5

6 JUDGE PEARSON: We'll be on the record.

7 Good morning. We're here today for a status
8 conference in Docket UG-210755, which is captioned
9 Washington Utilities and Transportation Commission v.
10 Cascade Natural Gas Corporation. Today is Thursday,
11 March 10th, 2022, and the time is approximately
12 9:00 a.m.

13 My name is Rayne Pearson. I use she/her
14 pronouns. And with me is Samantha Doyle, who uses
15 she/her or they/them pronouns. We are administrative
16 law judges in the Washington Utilities and
17 Transportation Commission, and we are co-presiding in
18 this matter along with the Commissioners.

19 So let's start by taking appearances, and then
20 we'll address the status of the settlement in principal.

21 Let's begin with Cascade. Please state your
22 name and feel free to provide your pronouns as well.

23 MS. BARNETT: This is -- sorry, you said
24 starting with the Company, correct?

25 JUDGE PEARSON: Correct.

1 MS. BARNETT: Okay. I'm trying to work on
2 my video here, sorry.

3 Donna Barnett for Cascade. I'm with Perkins
4 Coie. And with me is Megan Lin. And I use she/her
5 pronouns.

6 MS. LIN: As do I.

7 JUDGE PEARSON: Thank you so much.

8 And for Staff?

9 MR. CALLAGHAN: Good morning, Your Honor.
10 This is Nash Callaghan, Assistant Attorney General on
11 behalf of Commission Staff. My pronouns are he/him.
12 Thank you.

13 JUDGE PEARSON: Thank you.

14 And for Public Counsel?

15 MS. PAISNER: Good morning, Judge Pearson.
16 This is Ann Paisner, Assistant Attorney General with the
17 Public Counsel Unit of the Washington State Attorney
18 General's Office, and I use she/her pronouns.

19 JUDGE PEARSON: Thank you. Good morning.

20 And for AWEC?

21 MR. STOKES: Good morning. Chad Stokes for
22 the Alliance of Western Energy Consumers with Cable
23 Huston Law Firm. I use he/him as well. Thank you.

24 JUDGE PEARSON: Thank you.

25 And for The Energy Project?

1 MR. ZAKAI: Good morning. Yochi Zakai with
2 Shute Mihaly & Weinberger for The Energy Product, and I
3 use he/him pronouns.

4 JUDGE PEARSON: Thank you. Okay.

5 So we received Staff's motion to suspend the
6 procedural schedule and a request for this status
7 conference. And before we discuss modifications to the
8 procedural schedule, I understand that the parties have
9 not been able to come to an agreement; is that correct?

10 MS. BARNETT: That's correct, yeah. This is
11 Donna Barnett.

12 And we haven't done -- just coming up with
13 something. So I think that we're open to hearing
14 proposals, but we didn't decide on anything.

15 JUDGE PEARSON: Okay. Were there points of
16 contention between the parties?

17 MS. BARNETT: No, we just didn't -- haven't
18 nailed down any dates other than -- I'm sorry, go ahead
19 Nash -- or Chad.

20 MR. STOKES: This is Chad Stokes.

21 So we haven't been provided a schedule. So
22 there's no -- no draft schedule is presented to the
23 non-settling parties at this point.

24 JUDGE PEARSON: Okay. Oh, there are
25 non-settling parties? Okay.

1 MR. STOKES: There are.

2 JUDGE PEARSON: I thought that this was an
3 all-party proposal.

4 MS. BARNETT: No.

5 JUDGE PEARSON: Okay. So then with that in
6 mind, the parties will definitely not be asking to
7 change the hearing date, correct?

8 MR. CALLAGHAN: I --

9 MS. BARNETT: Yeah.

10 MR. CALLAGHAN: Sorry, go ahead, Donna.

11 MS. BARNETT: Yeah, I think we have -- we
12 haven't filed -- obviously we haven't filed the
13 stipulation and the supporting testimony yet, but we
14 don't anticipate needing to wait until the original
15 hearing date for a settlement hearing.

16 So, yeah, we will likely propose a June 1st
17 effective date pursuant with the rules and wanting 60
18 days from the day of filing for the Commission to review
19 that. So that would still allow time, I think, for a
20 settlement hearing before that.

21 But there's -- I don't think -- any reason to
22 wait until June for a settlement hearing in this.

23 JUDGE PEARSON: Okay. I wanted to clarify
24 that because we are actually not going to be able to
25 move the hearing date due to Commissioner's schedules

1 and our other competing priorities. So please keep that
2 in mind when we break for you all to discuss
3 modifications to the procedural schedule.

4 So at this point, then, should we take a break
5 so the parties can discuss? Keeping in mind that we
6 will be keeping the hearing date.

7 MR. STOKES: Sounds good.

8 JUDGE PEARSON: All right.

9 So I am going to -- we can go ahead and be in
10 recess.

11 (A recess was taken from 9:06 a.m. to
12 9:57 a.m.)

13 JUDGE PEARSON: We will be back on the
14 record following a brief recess.

15 And who would like to speak first?

16 MR. CALLAGHAN: Go ahead, Donna.

17 MS. BARNETT: No, that's not me.

18 MS. PAISNER: That was me.

19 MS. BARNETT: Go ahead.

20 JUDGE PEARSON: Go ahead, Nash.

21 MR. CALLAGHAN: Oh, sorry. Sorry, I'm
22 getting some lag.

23 So, Your Honor, we've come up with some
24 competing proposals. They are actually not that
25 different, but we've got a tight schedule and everyone

1 is crunched for time, so every little bit counts. And
2 we couldn't agree exactly on the dates.

3 But the settling parties are asking for filing
4 the settlement and supporting testimony March 24th,
5 response testimony April 22nd, and rebuttal and
6 cross-answering May 2nd. I let everyone know that the
7 deadline from policy's perspective was May 1, but that's
8 a Sunday, so we changed it to May 2nd.

9 JUDGE PEARSON: Okay. Oh, sorry, go ahead.

10 MR. CALLAGHAN: And then the settling
11 parties would also prefer to leave the briefings, if we
12 need any, after the hearing to just be set at the
13 evidentiary hearing.

14 JUDGE PEARSON: Okay. Thank you.

15 MR. CALLAGHAN: Thank you.

16 JUDGE PEARSON: And then would one of the
17 other parties like to present the alternative?

18 MS. PAISNER: Yes, your Honor. This is Ann
19 Paisner with Public Counsel.

20 So the non-settling parties have been waiting
21 to see the terms sheet for about five weeks now. It's
22 been described as fairly simple. While we've been
23 discussing what it might be, we have not had a chance to
24 see it.

25 So we're looking at the schedule, and really

1 one area where it seems like there is some wiggle room
2 is where to file -- which date to file the testimony,
3 the joint testimony, by the settling parties. So we are
4 proposing a March 17th settlement filing -- settlement
5 stipulation filing along with the joint testimony.

6 And for the opposition or response testimony,
7 we would propose April 25th. For rebuttal, May 2nd.
8 And following that date, we've been -- we've looked to
9 the old schedule that was suspended on February 24th,
10 which has a discovery deadline of May 11th, cross
11 exhibits witness list, cross-exam estimates on May 25th.

12 We also have the Public Comment Hearing that's
13 been scheduled for May 25th, I think at 6:00 p.m. And
14 then the same June 1st through 2nd hearing dates, a
15 posthearing brief of June 21st, and a reply briefing
16 date of July 5th. And I sent these dates to all the
17 parties and to you just a minute ago.

18 JUDGE PEARSON: I appreciate that. Thank
19 you.

20 MS. PAISNER: You're welcome.

21 JUDGE PEARSON: Okay. So I guess I would
22 just like to hear from the settling parties about the
23 settlement filing date and whether March 17th or
24 anything prior to March 24th is workable, and if not,
25 why not.

1 MR. CALLAGHAN: Thank you, Your Honor.

2 So Staff has just received Cascade's copy. We
3 need time to review it and edit it, which, you know, I
4 mean, obviously any deadline that the Commission sets
5 for us, we will make.

6 But I just don't feel comfortable -- given the
7 amount of review and back and forth that we may need to
8 do, I don't feel comfortable agreeing to anything that
9 is shorter than two weeks.

10 MS. BARNETT: And Cascade -- I don't think
11 we have anything to add to that. We'll work as quickly
12 as possible. But, yeah, I think Nash said it well.

13 JUDGE PEARSON: Okay. Thank you. All
14 right.

15 Well, I appreciate both of the parties'
16 proposals. I will take it under advisement and issue an
17 order before the end of the week with the revised
18 procedural schedule.

19 Is there anything else that we need to address
20 today while we're here?

21 MR. STOKES: Your Honor, there's actually
22 one more thing.

23 So on the schedule, we'd like to propose a date
24 to file a notice of intent for intervenor funding in
25 case certification on March 18th.

1 JUDGE PEARSON: Okay. Thank you.

2 MR. ZAKAI: One more thing, Your Honor.

3 JUDGE PEARSON: Sure.

4 MR. ZAKAI: This is Yochi Zakai for TEP.

5 I just want the record to reflect that TEP,
6 AWEC, and Public Counsel are the non-settling parties.
7 Thank you.

8 JUDGE PEARSON: Thank you for clarifying
9 that. Okay.

10 Anything else?

11 MS. PAISNER: If I may -- this is Ann for
12 Public Counsel.

13 I'm looking at the WAC 480-07-740 and the first
14 subsection. All of these -- you know, to be able to --
15 the Commission should be able to consider evidence and
16 have there be a developed record in this case.

17 And we would just ask -- you know, it sounds
18 like the Staff is, you know, just now in receipt of
19 something they've been working on for five weeks. So I
20 would just -- I'd just like to request that we have
21 sufficient time to be able to put together our
22 opposition testimony after the date that we are able to
23 see it for the first time.

24 We still have not seen the terms sheet at this
25 point. And it's really important for us to be able to

1 do discovery and put together our opposition testimony
2 and also be able to do the briefing afterwards as well.
3 So thank you.

4 JUDGE PEARSON: Okay. Thank you. All
5 right.

6 MS. BARNETT: I think it's important to
7 correct that it hasn't been five weeks. We settled on
8 this on February 18th -- or 17th and notified the
9 Commission on February 18th. So it hasn't been five
10 weeks.

11 MR. STOKES: It will be five weeks based on
12 your filing date, and that's based on the --

13 MS. BARNETT: Got that. But we haven't been
14 sitting on it for five weeks.

15 JUDGE PEARSON: Okay. So point of
16 clarification, then. It sounds like this is just a
17 settlement between Staff and Cascade, correct?

18 MS. BARNETT: Correct.

19 JUDGE PEARSON: Okay. And the parties --
20 the other parties, Public Counsel, AWEC, The Energy
21 Project, are you -- you're contesting every piece of the
22 settlement? Or you don't know what's been said yet?

23 MR. ZAKAI: I have not seen the settlement,
24 so I can't say what I support and what I oppose.

25 JUDGE PEARSON: Is there any way that Staff

1 and Cascade could at least provide a list of issues to
2 the parties? I think in the interest of due process,
3 the sooner that you do that the better, even if the
4 settlement is not ready to be filed yet.

5 MR. CALLAGHAN: Your Honor, we can do that.
6 But I would say through the course of settlement
7 conferences, that the other parties -- they don't know
8 the exact details, but they're well aware of what the
9 issues were in this case.

10 And so if you would like us to do that, we can.
11 But there aren't going to be any surprises in this
12 stipulation and supporting testimony.

13 MR. STOKES: I don't think that's fair
14 because just yesterday, we learned about an early
15 implementation date. So that's something we didn't
16 know, and that was a surprise.

17 MS. BARNETT: I forwarded you that. Chad, I
18 forwarded you that in writing before yesterday, so --

19 MR. STOKES: The early date?

20 MS. BARNETT: Yeah, so --

21 MR. STOKES: Okay.

22 MS. BARNETT: But I will say --

23 MR. STOKES: I don't recall seeing that.

24 MS. BARNETT: This was a limited issue
25 filing in the first place, so there are really only

1 three issues we're talking about. And the opposing
2 parties are aware of the revenue requirement requested
3 as well.

4 So I agree with Staff that this should be a
5 very simple settlement to review.

6 MR. STOKES: But you can't have it both
7 ways. If this is so simple and you need all this time
8 to prepare, but the filing -- it's been three weeks.
9 You need two more. But then we're not -- we need time
10 to review it and file a response.

11 MR. ZAKAI: I would also like to note that
12 under the Commission's rules based on the magnitude of
13 the rate changed, this is classified as a general rate
14 case.

15 JUDGE PEARSON: It is.

16 MS. BARNETT: Correct. That's why we asked
17 for 60 days from the effective date for the date of
18 filing.

19 MS. PAISNER: If I may, Judge Pearson, the
20 information we have is very minimal and it hasn't been
21 confirmed. We have not seen a terms sheet. So we're
22 left to make assumptions and are told that, you know, we
23 know what's going on.

24 We were also told that a proposed schedule was
25 in the works, otherwise we would have taken steps to do

1 it ourselves if we knew that we were going to be in this
2 position. So it's a little hard to be told to just
3 trust, you know, what was exchanged in a verbal
4 conversation where there's no record.

5 So we still do not have -- I mean, what counsel
6 for Cascade has said, the June 1st date, we heard they
7 were going to propose that. But that's all we have in
8 an e-mail. But we also have an e-mail saying they were
9 going to request the suspension of the schedule.

10 So I would just like to ask that the Commission
11 consider, you know, the rules, the WAC 480-07-740
12 Subsection 1, so that we can consider developing a full
13 record in this case. Thank you.

14 JUDGE PEARSON: Okay. Thank you.

15 I do just want to note for the record that the
16 60-day review period would not have been logistically
17 possible in this situation because the settlement was
18 contested, and there would have to be time to file
19 response, rebuttal, and cross-answer, and have a hearing
20 and do briefing, and that's impossible in 60 days.

21 So just for the parties to keep in mind for the
22 future. But I do appreciate the additional information.
23 It's been very helpful. It helps me understand where
24 the parties are and what their needs are. So I will
25 take that all into consideration.

1 And if there's nothing else -- just one last
2 chance, anyone has one last thing?

3 MR. ZAKAI: Your Honor, one thing I don't
4 think we discussed -- does there need to be a discovery
5 timeline in the revised procedural schedule?

6 JUDGE PEARSON: Let's see.

7 Was that in yours, Public Counsel? Let me see.

8 MS. PAISNER: I did not forward that.

9 We would request a five-day turnaround, which I
10 believe is what we were -- what the original suspended
11 schedule had.

12 JUDGE PEARSON: Okay. So you would maintain
13 the same?

14 MS. PAISNER: The five-day business day
15 turnaround.

16 JUDGE PEARSON: Okay. Do other parties have
17 different positions on that? Or is everyone comfortable
18 with the five-day turnaround?

19 MS. BARNETT: Cascade has no problem with
20 that.

21 MR. CALLAGHAN: Neither does Staff, Your
22 Honor.

23 JUDGE PEARSON: Okay, great. Thank you.
24 All right.

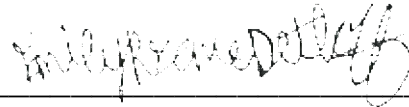
25 Last, last call. Okay.

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF KING

I, Rose Detloff, a Certified Court 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.



ROSE DETLOFF, RPR, CCR #21036100

My commission expires:
DECEMBER 6, 2022