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     BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
                         COMMISSION
 3 In the Matter of the Petition
   of the Burlington Northern
 4 Santa Fe Railway (BNSF) to
                                   )
   Increase Passenger and Freight ) Docket No. TR-990656
5 Train Speeds to BNSF's Railroad ) Volume 1
   Between the Southern Most ) Pages 1 - 23
6 Boundary of Seattle's City
   Limits to the Northern Most
 7 Boundary of the City of Tacoma )
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             A prehearing conference in the above matter
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   was held on October 19, 2000, at 9:43 a.m., at 1300
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   South Evergreen Park Drive Southwest, Olympia,
12
   Washington, before Administrative Law Judge DENNIS J.
13
   MOSS.
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             The parties were present as follows:
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             CITY OF PUYALLUP, by W. SCOTT SNYDER,
   Attorney at Law, Ogden Murphy Wallace, 1601 Fifth
   Avenue, Suite 2100, Seattle, Washington 98101.
18
             SOUND TRANSIT, by JOHN L. GROH, Legal
19 Counsel, 401 South Jackson Street, Seattle, Washington
   98104-2826.
20
             WASHINGTON STATE DEPARTMENT OF
21 TRANSPORTATION, by JEFFREY D. STIER, Assistant Attorney
   General, 905 Plum Street, Building 3, Post Office Box
22 40113, Olympia, Washington 98504-0113.
             BURLINGTON NORTHERN SANTA FE RAILWAY, by
23
   ROBERT E. WALKLEY, Attorney at Law, 20349 Northeast
24 34th Court, Sammamish, Washington 98074-4319.
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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, by JONATHAN THOMPSON, Assistant Attorney 2 General, 1400 South Evergreen Park Drive Southwest, Post Office Box 40128, Olympia, Washington 98504. 24 Kathryn T. Wilson, CCR 25 Court Reporter

PROCEEDINGS

JUDGE MOSS: Good morning, everyone. I'm

Dennis Moss. I'm an administrative law judge for the

Washington Utilities and Transportation Commission. We

are convened this morning In the Matter of the Petition

of the Burlington Northern Santa Fe Railroad to

Increase Passenger and Freight Train Speeds to

Burlington Northern Santa Fe's Railroad Between the

Southern Most Boundary of Seattle's City Limits to the

Northern Most Boundary of the City of Tacoma, in Docket

No. TR-990656.

Our basic agenda today will be to first take

Our basic agenda today will be to first take
appearances. We'll take up the pending petitions to
intervene, and I have several of those. We'll consider
if there are any preliminary matters or motions. I
want to have some discussion of the issues. We'll talk
about process, procedural schedule, including the
subject of discovery that's been raised, and any other
business the parties may think is appropriate to bring
before the Commission today. So let's begin with the
appearances, and since this proceeding is the
Railroad's proceeding in terms of their application,
I'll take that appearance first.

MR. WALKLEY: My name is Robert E. Walkley. 25 I represent the Burlington Northern and Santa Fe

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1 Railway Company, the petitioner in this proceeding.
             JUDGE MOSS: I'll need to have your address,
   your telephone, your fax, and your e-mail, if you use
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             MR. WALKLEY: My address is Robert E.
6 Walkley, attorney at law, 20349 Northeast 34th Court,
7 Sammamish, Washington, 98074-4319. Telephone and fax
8 number are (425) 868-4846. E-mail address is
9 rewalkley@msn.com.
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             JUDGE MOSS: Thank you. Let's turn to the
11 City of Puyallup.
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             MR. SNYDER: Good morning. My name is
13 W. Scott Snyder. I'm with Ogden Murphy Wallace. Leila
14 Mills, the city's attorney is present with me as well.
   Ogden Murphy Wallace, 1601 Fifth Avenue, Seattle,
   Washington, Suite 2100, 98101; telephone number, (206)
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   447-7000; fax number, (206) 447-0215; e-mail,
18 ssnyder@omwlaw.com.
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             JUDGE MOSS: You are the primary counsel for
20 purposes of this proceeding?
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             MR. SNYDER: Yes, sir.
             JUDGE MOSS: I have Mr. Lel (phonetic) on the
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23 pleadings?
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             MR. SNYDER: He's an associate of mine.
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JUDGE MOSS: And we have Leila Mills, city

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1 attorney, City Hall, 218 West Pioneer, Puyallup. I want to make sure we have that correct. Is there 3 anyone present for the City of Auburn? MR. THOMPSON: Your Honor, I think the 5 request for adjudication was only with respect to the 6 City of Puyallup, if I'm not mistaken. JUDGE MOSS: That's true, but the City of 8 Auburn had previously participated in some fashion or 9 another in this proceeding, so that's why I inquired as 10 to whether or not they would have someone present 11 today. 12 MR. WALKLEY: Your Honor, I believe the City 13 of Auburn petitioned to intervene in this some time 14 ago, but I believe their case was split off into another docket number. 15 16 JUDGE MOSS: I actually don't have a petition 17 to intervene from the City of Auburn. I'm just trying 18 to cover the bases, because as I review my file, I find 19 that in connection with the matter that's before us, 20 which is the docket that I have indicated, Auburn 21 participated in some fashion or another at some point in time. How about Sound Transit? 23 MR. GROH: I'm John L. Groh, in-house legal 24 counsel for Sound Transit. The address is 401 South

25 Jackson Street, Seattle, Washington, 98104-2826. My

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1 telephone number is (206) 689-3371. Fax number is
   (206) 398-5222. My e-mail is grohj@soundtransit.org.
             JUDGE MOSS: I have a petition to intervene
4 from the Washington State Department of Transportation.
5 Is someone present for that entity?
             MR. STIER: Yes, I am. My name is Jeff
7 Stier.
           I'm an assistant attorney general representing
8 the Department of Transportation, transportation and
   rail division. My address is P.O. Box 40113, Olympia,
10 Washington, 98504-0113, and that's the Transportation
11 and Public Construction Division, and by the way, my
12 last name is S-t-i-e-r. My telephone number is (360)
   753-1623. My fax number is (360) 586-6847, and my
14 e-mail address is jeffreys@atg.wa.gov.
             JUDGE MOSS: For the record, your street
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16 address is 905 Plum Street, Building 3?
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             MR. STIER: Correct.
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             JUDGE MOSS: For Staff?
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             MR. THOMPSON: I'm Jonathan Thompson, also an
20 assistant attorney general, representing the Commission
21 staff. My address is 1400 South Evergreen Park Drive
22 Southwest, P.O. Box 40128, and it's Olympia, 98504. My
23 phone number is (360) 664-1225. E-mail is
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24 jthompso@wutc.wa.gov. Fax number is also (360)

25 586-5522.

JUDGE MOSS: I do have petitions to intervene by the City of Puyallup, Sound Transit, and the Washington State Department of Transportation, and if 4 there are no objections, we can dispense with those 5 fairly quickly, so I'll ask the applicant if there are 6 any. 7 MR. WALKLEY: There are no objections, Your 8 Honor. 9 JUDGE MOSS: Then those petitions to 10 intervene, they do appear to me to be in good order and 11 to state an interest in the proceeding, and 12 accordingly, they will be granted. Before we get to the discussion of the 14 issues, are there any preliminary matters that the parties wish to bring forward, any motions or other 15 matters? All right, then let's talk a little bit about 17 the issues in the case, and I will start this 18 discussion off by saying this proceeding, I think, is 19 in somewhat of an unusual posture in that we have an 20 application by the Railroad to increase the train 21 speeds, and then within the context of that, we have a 22 request for an adjudication. I've been reviewing the 23 rules on that because it's a novel circumstance, and 24 typically, a proceeding does not come to me unless it

25 is, in fact, a determination by the Commission that

1 there should be a hearing. So that's my starting
2 point.

The Railroad has raised the argument that the decision to hold this prehearing conference was premature in that they had not had an opportunity to respond prior to the application for an adjudicative proceeding prior to the setting of that prehearing conference in which we are presently convened. I don't know if anyone is going to want to argue that point this morning because it strikes me as I considered the matter that the practical result will be the same. No matter how we handle the matter procedurally, the Railroad has asserted that there is a federal preemption involved here, and that is a matter we are going to need to take up and discuss. They have asked that the proceeding be dismissed.

That in turn leaves me a little puzzled, and we will need to talk about that because this is, after all, the Railroad's application, and the question that pops into my mind as someone who has not done 400 railroad cases -- indeed, this is the very first one I have ever done. I have read the statutes. I have familiarized myself with the rules. I even printed off the various authorities cited. Although, I have to confess I did not have time to read the U.S. Supreme

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1 Court's opinion this morning before coming in here and the CSX Transportation versus Easterwood case. I do 3 have questions about it.

So that's basically where we stand from where 5 I sit. We've got a proceeding under way. We are here. 6 Let's talk about where we go from here, and we have the 7 City's application for adjudication, but here we are. 8 So I don't know that we need to go there. Does anybody 9 think we need to back up a step and argue that point? 10 I think we are properly here.

MR. WALKLEY: Your Honor, in thinking about 12 this situation, I think it certainly would be 13 acceptable to the Railroad if we proceed at today's 14 prehearing conference to talk about the issues to formulate plans for discovery, to possibly set a date 16 for a hearing provided that somewhere in that schedule, 17 the Railroad be given an opportunity at some point to 18 file or to argue what amounts to a summary judgment 19 motion on the question of whether or not the Commission 20 wishes to exercise or attempt to exercise jurisdiction 21 over the train speed issue.

It seems to me it may become clearer once we 23 go through a little bit of discovery and a little more 24 discussion with the City, which is ongoing, and then we 25 will be in a position either to request the Commission

1 to hear the matter as a preliminary or summary judgment thing prior to actually holding a formal hearing. JUDGE MOSS: Mr. Walkley, I appreciate your 4 comments, which your thinking is entirely consistent 5 with my own, which is an unusual thing between counsel 6 and the Bench at the first prehearing conference. Let 7 me ask if anybody else wants to be heard on this point 8 at this time. I think that Mr. Walkley is suggesting we should go forward with setting some schedules, and 10 it also occurred to me that probably the best way to 11 proceed would be by motion for summary determination if 12 the preemption issue is going to be brought forward 13 that way, and then everyone will have an opportunity to 14 argue that point fully, and we'll see if there is anything left after affidavits and usual accompaniments 16 to a motion for summary determination. 17 MR. SNYDER: Your Honor, if I might, this is 18 one of those chicken and egg questions that you alluded 19 to earlier. There is certainly a preemption doctrine 20 that although the CSX case is a torte case, we do have 21 some direction from the Court. It's clear that it's a 22 preemption doctrine with an expectation. And to a 23 certain extent, the case that the City would present, 24 and it's going to be its obligation in that proceeding, 25 is to establish a unique, unusual, special local

1 circumstance as a safety hazard. We think we have the testimony for that. The 3 Railroad has consistently raised the preemption 4 doctrine in a number of other matters. Sooner or later 5 that's going to work its way through the court system. 6 I'm not sure summary judgment will do justice to it for 7 several reasons. To do what the City needs to do to 8 convince you and potentially an appellate court, we are 9 going to need to present extensive testimony, and not 10 just citizens who don't want the train in their 11 backyard or who don't like the whistles the law 12 requires, but to establish a true local safety hazard. 13 So we have engaged traffic experts, done soils 14 analysis, acoustical information. I assume that the 15 Railroad has done much the same. 16 Going through a two-step process, while an 17 affidavit certainly lays the issue out, to a certain 18 extent, the preemption doctrine is going to require for 19 full analysis of the record to do justice to it, and 20 it's the ongoing discussions that Mr. Walkley alluded 21 to, I think it's best that we understand each other's positions. Many of my client's concerns may be able to 23 be satisfied during a discovery process by truly 24 understanding the nature of the Railroad's case. 25 I guess what I'm saying is summary judgment,

1 while it will address the base legal issue, doesn't necessarily create the record that the Commission is going to need, you are going to need for your decision, 4 nor would we want on appeal. JUDGE MOSS: I appreciate your comments. 6 That is essentially the argument against summary 7 determination, and we'll have an opportunity for that. 8 Of course, if the Railroad wanted to file a motion for 9 summary determination, me setting a date for that or 10 not would be beside the point. They have a right to do 11 that, and I think what Mr. Walkley was suggesting, and 12 I think it is a good idea, we will set a date for that 13 and try to keep the proceeding moving along, and we'll 14 talk about schedule in a few minutes, something that will work for everyone, and it may very well be that the Railroad will choose to file such a motion and 17 support it by affidavits, and then you'll have an 18 opportunity to present your cross affidavits and 19 response and then decide whether it is susceptible to a 20 summary determination because of the determination 21 there is no particular fact at issue. 22 If not, as you will certainly argue, then 23 we'll go forward from there. So that's the typical 24 course of events that I think that's what we will try 25 to provide for, and I don't mean to cut other counsel

1 off. I don't expect anybody to be shy about jumping in and telling me they have something to say on the subject as well. MR. STIER: I have something to say as well. 5 I guess I understand the position that you just stated, 6 and I just want to register my concern with what I 7 heard Mr. Snyder arguing in that he wants to go to 8 full-blown discovery before the adjudication of the 9 preemption issue is involved, and I don't believe 10 that's required at all. 11 My understanding of summary judgment law is 12 basically, the assumptions are that he's going to come 13 in and assume the facts in his favor and then decide 14 that this is the right body to be hearing this. You don't need discovery to do that, and my position is that if this is an issue that's going to be argued that 17 before we all go into this thing and spend a lot of 18 money on discovery that we dispose of the issue.

19 JUDGE MOSS: I appreciate your comments, and 20 a motion for summary determination can be filed at any 21 time unless we set a date for it. I think we will set a date for it, however, and I'm relying on 23 Mr. Walkley's comments that he feels that's an 24 appropriate way to proceed. I also think it's an

25 appropriate way to proceed in a hearing process to move

1 it along quickly. We need to get things started. So
2 we'll open the discovery process as has been requested
3 by written pleading, so I don't think we need to ask
4 here. We'll go ahead and get that started. I sense
5 that there is an interest in having whatever matters
6 are appropriate to be considered brought forth for the
7 Commission for me in the first instance to consider, so
8 I appreciate that.

I'm also thinking of Mr. Snyder's suggestion
that perhaps through the efforts of the parties,
through the informal and formal process of discovery,
that there may be some possibility for at least
narrowing the issues and even eliminating them, which
is something that the Commission encourages parties to
try to do, either through the stipulation of facts that
can then form the basis of the record upon which
determination will be made, or even a settlement
agreement which the Commission can then consider as an
appropriate resolution or not of whatever issues are in
the proceeding. I think that's a good way to proceed,
and I think that's what I want to do, so I appreciate
the comments.

23 I'm not sure that we need to have a great 24 deal more of the issues. The pleadings are quite well 25 done and articulate, so I think I understand the

1 essential factual issue here, and that is what we will move forward to develop. I notice that I have 3 neglected to bring my calendar here, so I'm going to 4 take a brief recess and go fetch my calendar. While I 5 do that, I'm going to ask that the parties get together 6 and see if they can set out some dates and suggestions 7 and maybe even arrive at an agreed schedule to go 8 forward, and then when I get back on the Bench, we'll 9 talk about that off the record briefly and then go on 10 the record and set such process and procedural dates as 11 are appropriate to the circumstances. 12 (Recess.) 13 (Discussion off the record.) 14 JUDGE MOSS: We're back on the record, and 15 we've had some discussion off the record concerning our 16 process and the procedural schedule, and I'm going to 17 memorialize that for the record now and count on 18 parties to jump in and tell me anything I leave out or 19 suggest anything we need to add. 20 We've discussed the discovery process and 21 determined that the most appropriate way to proceed is 22 to go ahead and invoke WAC 480-09-480, the discovery

23 rule, now. Parties can begin preparing and exchanging 24 their data requests, and that process opens up the 25 possibility of depositions of identified witnesses, and

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1 with that in mind, we've discussed and determined that the best date for the exchange of witness lists will be December the 15th of 2000. There is some thought that 4 there may be motions for summary determination, and we 5 have set a date for the filing of such motions, January 6 the 16th. Responses to any such motions will be due on 7 January the 26th, and the Commission will endeavor to 8 decide any such motions by February the 9th.

9 We'll set February 26th as the date for our 10 final prehearing conference, which will be used to 11 exchange exhibit lists and exhibits that are 12 anticipated to be used during the hearing. The hearing 13 itself will commence on February the 28th at 9:30 in 14 the morning in Puyallup in a location to be determined. That will be announced by written order or subsequent 16 notice. We will continue our hearing on March 1st, and 17 on that day as well provide one or more opportunities 18 for public witnesses to come forward and be heard on 19 the record, and then we will reserve March 2nd as a 20 date that may be required if we have some additional 21 material to get through.

In the interim during this procedural 23 schedule, we may set additional dates for a discovery 24 conference or another prehearing conference or whatever 25 is required under the circumstances. I've told the

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1 parties, and the parties, I will say, I compliment them on exhibiting a high interest in and degree of cooperation and cooperative spirit, and I'm glad to see 4 that. To the extent that that should break down at 5 some point and there needs to be a discovery dispute or 6 other dispute resolved, you all contact me and we will 7 set up a mechanism to do that, and I encourage you if 8 there is a need for a change in the procedural schedule 9 to contact all counsel involved in the proceeding and 10 try to work that out among yourselves and present that 11 as an agreed matter, which certainly makes it easier 12 for all concerned. I think I've put all the dates on the record. 14 Did I miss anything? I will, of course, enter a prehearing conference order that will memorialize all of this and various other points, including the 17 Commission's rules on settlement and alternative 18 dispute resolution and various other matters, sort of I 19 think of as the standard prehearing conference order. 20 I should ask as a matter of course whether any party 21 anticipates the need for a protective order in this 22 proceeding. Is it likely that there will be any 23 confidential data sought that someone would wish to 24 seek protection?

MR. WALKLEY: Your Honor, it's possible that

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1 if there is such an eventuality, it's most likely to be the Railroad's request. In the event that happens, I would anticipate working with Mr. Snyder and getting an 4 agreement on that, and if more than an agreement is 5 necessary, then I would anticipate coming to Your Honor 6 and asking for an order.

JUDGE MOSS: I think that works well. We'll 8 do that then. If you need a protective order, you ask 9 for it, and that can be handled very quickly.

MR. STIER: My file is incomplete, and I 11 notice since there is a focus on the two parties, I 12 would just like to make sure that discovery requests and pretty much all formal correspondence and so forth 14 be distributed to all counsel.

15 JUDGE MOSS: Service is not required on 16 discovery requests, but I think it probably helps if 17 counsel will serve each with that so everybody knows 18 what's going on, and of course as to any filed 19 document, all parties must be served under that rule, 20 so you should get that. If there is something missing 21 from your file now, if you stop by our records center 22 downstairs, they can provide you anything that's in the 23 official file at this time.

2.4 MR. SNYDER: Mr. Stier points an interesting 25 one. What is the status currently of the other cities

1 who were originally parties? Obviously, all counsel present would be more than happy to serve. JUDGE MOSS: Let's clear that up because I'm 4 a little uncertain on that as well. The proceeding we 5 have before us is docket TR-990656. If there have been 6 some earlier interventions, I need to know that. 7 MR. WALKLEY: Your Honor, the first thing I 8 tried to do in this proceeding is appear, and I wrote 9 an apparent notice of association, actually, with 10 another firm, and in my file, I did notice that there 11 was something filed by Mr. Reynolds upon behalf of the 12 city of Auburn, and I'm trying to find that right now. 13 So I redid my notice of association and included 14 Mr. Reynolds. I don't seem to have that. I do believe, however, and Mr. Rowswell is sitting right here -- I was not involved in the other proceedings, 17 but I do believe that the Auburn speed proceeding was 18 disposed of and has had a final order, I believe. 19 MR. THOMPSON: Yes. 20 MR. WALKLEY: So it's not surprising to me 21 that Mr. Reynolds is not here. 22 MR. THOMPSON: Actually, at the Commission's 23 open public meetings, orders were entered as to Kent, 24 Sumner, and Auburn granting speed increases subject to

25 conditions, so they were separate dockets for each of

00020 1 the cities. JUDGE MOSS: So they aren't formally in this proceeding, and apparently, their interests have been 4 addressed in other proceedings, so they are not a 5 party. I haven't granted a motion for them to 6 intervene. I want to make sure they haven't slipped in 7 through some other mechanism, and we don't want to cut 8 them off of this proceeding if they want to 9 participate. It doesn't appear they do. 10 I think that covers it then. I think we've 11 got the parties assembled here who are going to 12 participate in this proceeding, and that will be the 13 service list. There is always the possibility of a 14 late-filed petition to intervene, but I know 15 Mr. Rowswell is fairly frequently in contact with all 16 sorts of folks who are interested in this kind of 17 thing, and they will no doubt bring it to his attention 18 if there is a problem. 19 So Mr. Stier, to answer the question 20 directly, this is the group of parties you need to be 21 concerned about, and I have indicated that discovery, 22 although it is not filed with the Commission, and

therefore, no service is required, will be distributed among counsel present so that you will be able to keep

25 abreast of everything that's going on.

1 MR. WALKLEY: Your Honor, I just found this 2 in my file finally. There was a notice of appearance filed by Mr. Reynolds on September 22, 1999, in this 4 matter, and that's the reason that he was copied on our 5 pleadings, at least, but it is a notice of appearance. 6 I do not find any petition to intervene. JUDGE MOSS: That's consistent with what I 8 have in my file, and that's why I was a little 9 confused. This will be part of the prehearing order, 10 but I'll just remind the parties now that on filings 11 that you do make with the Commission, we need the 12 original plus 14 for internal distribution. Filings 13 need to be made through the Commission secretary 14 either by mail to the secretary at the Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 South Evergreen Park Drive Southwest, 17 Olympia, Washington, 98504-7520, or by other means of 18 delivery to the Commission's offices at our street 19 address. We ask whenever possible that filings of 20 substance -- and we are not going to have prefiled 21 testimony in this case, but we will probably very well 22 have briefs -- motions, answers, what have you, we ask 23 that those filings of substance be provided not only in 24 paper copy but also an electronic version, either on a 25 three-and-a-half-inch diskette, or you can e-mail it as

an attachment. I suppose the preferred format today -we are in a transition between Word Perfect and Word.
If you can furnish it in MS Word, I suppose that's the
way to go. I think we can still handle it if it's in
Word Perfect 5 or later, or if you are more
sophisticated than I, you can file it in ASCII format
or PDF format, and we recently had a letter from a
private citizen expressing consternation over all of
these computer filing requirements, but I think
everybody here is probably familiar with these
conventions.

Service on all parties must be simultaneous with filing. Ordinarily, the Commission does not accept filings by fax. Don't rely on that as a form of filing without prior permission from me, and it may be granted if the circumstances warrant. Usually that's when there is a shortage of time. I will enter a prehearing conference order, and that will include all the requirements we've discussed in terms of witness list, exhibit list, and so forth. The order will remind parties that the Commission encourages stipulations, either as to fact or in the form of a settlement, of issues or all the issues. Commission also encourages alternative dispute resolution and is available to assist you in setting that up if you wish.

00023 1 We do have people who are qualified to assist as mediators, facilitators, or what have you, and we can certainly aid you in that process, or we could even 4 suggest a private mediation, if that's your preference. 5 Commission should be advised of any progress you make 6 in terms of stipulation, settlement, and what have you. 7 Are there any questions or any further business that we 8 need to conduct today? 9 MR. WALKLEY: Just one question, Your Honor. 10 You said an original and 14. The rules say 19. So you 11 need less for this one? 12 JUDGE MOSS: I've cut that back in light of 13 the internal service list, and it may change as we go 14 along. Anything else? With that then, I thank you all very much for being here today and look forward to working with you as we make our way through this 17 proceeding. 18 19 (Prehearing conference concluded at 11:00 a.m.) 20

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