

**Docket Nos. UE-220066, UG-22067 and UG-210918
(Consolidated) - Vol. II**

**WUTC v. Puget Sound Energy / In the Matter of the
Petition of Puget Sound Energy**

August 18, 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)	DOCKETS UE-220066,
TRANSPORTATION COMMISSION,)	UG-220067, and
)	UG-210918
Complainant,)	(Consolidated)
)	
vs.)	
)	
PUGET SOUND ENERGY,)	
)	
Respondent.)	

VIRTUAL STATUS CONFERENCE
VOLUME II

Pages 102-138

ADMINISTRATIVE LAW JUDGE MICHAEL HOWARD

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

(All participants appeared via videoconference.)

DATE TAKEN: AUGUST 18, 2022

REPORTED BY: ROSE DETLOFF, RMR, CRR, CCR #21036100

1 A P P E A R A N C E S

2 ADMINISTRATIVE LAW JUDGE:

3 MICHAEL HOWARD

4

5 FOR COMMISSION STAFF:

6 JEFF ROBERSON
Assistant Attorney General
7 Office of the Attorney General
P.O. Box 40128
8 Olympia, Washington 98504
360-664-1186
9 jeff.roberson@utc.wa.gov

10

FOR PUGET SOUND ENERGY:

11

SHEREE STROM CARSON
12 Perkins Coie
10885 Northeast Fourth Street
13 Suite 700
Bellevue, Washington 98004
14 425-635-1400
scarson@perkinscoie.com

15

16 FOR PUBLIC COUNSEL:

17 LISA W. GAFKEN
Assistant Attorney General
18 Washington Attorney General's Office
Public Counsel Unit
19 800 Fifth Avenue
Suite 2000
20 Seattle, Washington 98104
206-464-6595
21 lisa.gafken@atg.wa.gov

22

23

24

25

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

2 FOR ALLIANCE OF WESTERN ENERGY CONSUMERS:

3 SOMMER MOSER
4 Davison Van Cleve
5 1750 Southwest Harbor Way
6 Suite 450
7 Portland, Oregon 97201
8 971-710-1154
9 sjm@dvclaw.com

10 FOR THE ENERGY PROJECT:

11 YOCHI ZAKAI
12 Shute Mihaly & Weinberger
13 396 Hayes Street
14 San Francisco, California 94102
15 415-552-7272
16 yzakai@smwlaw.com

17 FOR FEDERAL EXECUTIVE AGENCIES:

18 RITA LIOTTA
19 Attorney at Law
20 1 Avenue of the Palms
21 Suite 161, Room 8F
22 San Francisco, California 94130
23 415-743-4718
24 rita.m.liotta.civ@us.navy.mil

25 FOR NUCOR STEEL:

LAURA BAKER
DAMON XENOPOULOS
Stone Mattheis Xenopoulos & Brew
1025 Thomas Jefferson Street Northwest
8th Floor, West Tower
Washington, DC 20007
202-342-0800
law@smxblaw.com
dex@smxblaw.com

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

2
3 FOR WALMART:

4 VICKI BALDWIN
5 Parsons Behle & Latimer
6 201 South Main Street
7 Suite 1800
8 Salt Lake City, Utah 84111
9 801-536-6918
10 vbaldwin@parsonsbehle.com

11 FOR THE JOINT ENVIRONMENTAL ADVOCATES:

12 JAIMINI PAREKH
13 Earthjustice
14 810 Third Avenue
15 Suite 610
16 Seattle, Washington 98104
17 206-343-7340
18 jparekh@earthjustice.org

19 FOR KING COUNTY:

20 RAUL MARTINEZ
21 King County Prosecutor's Office
22 1191 Second Avenue
23 Suite 1700
24 Seattle, Washington 98101
25 206-909-8728
raul.martinez@kingcounty.gov

FOR COALITION OF EASTSIDE NEIGHBORHOODS FOR SENSIBLE ENERGY:

NORMAN HANSEN
Bridle Trails Community Club
6619 132nd Avenue
Suite 133
Kirkland, Washington 98033
hansennp@aol.com

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

2
3 FOR PUYALLUP TRIBE:

4 NICHOLAS THOMAS
5 Ogden Murphy Wallace
6 901 Fifth Avenue
7 Suite 3500
8 Seattle, Washington 98164
9 206-447-7000
10 nthomas@omwlaw.com

11 FOR MICROSOFT:

12 TYLER PEPPLE
13 Davison Van Cleve
14 1750 Southwest Harbor Way
15 Suite 450
16 Portland, Oregon 97201
17 971-710-1150
18 tcp@dvclaw.com

19 * * * * *

1 LACEY, WASHINGTON; AUGUST 18, 2022

2 1:00 p.m.

3 -o0o-

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

5

6 JUDGE HOWARD: Good afternoon, everyone.

7 We're here today for a status conference in Dockets
8 UE-220066 and UG-220067. It's consolidated dockets.

9 This case is captioned Washington Utilities and
10 Transportation Commission v. Puget Sound Energy. This
11 is a general rate case filed by PSE. And we are here
12 today for a status conference following the filed
13 settlement and two other settlements in principle
14 indicated by the parties.

15 My name is Michael Howard. I'm an
16 Administrative Law Judge with the Commission.

17 Let's start our status conference today by
18 taking appearances, beginning with PSE.

19 MS. CARSON: Good afternoon, Your Honor.
20 This is Sheree Strom Carson with Perkins Coie
21 representing PSE.

22 JUDGE HOWARD: Thank you.

23 Could we have an appearance for Staff.

24 MR. ROBERSON: Good afternoon, Judge Howard.
25 This is Jeff Roberson. I'm an Assistant Attorney

1 General representing Staff.

2 JUDGE HOWARD: Thank you.

3 And could we hear from Public Counsel.

4 MS. GAFKEN: Good afternoon, Judge Howard.

5 This is Lisa Gafken, Assistant Attorney General,

6 appearing on behalf of Public Counsel.

7 JUDGE HOWARD: Thank you.

8 Do we have AWEC?

9 MS. MOSER: Good afternoon, Your Honor.

10 Sommer Moser on behalf of AWEC.

11 JUDGE HOWARD: Thank you.

12 Do we have The Energy Project?

13 MR. ZAKAI: Good afternoon, Your Honor.

14 Yochi Zakai, Shute Mihaly & Weinberger, on behalf of The

15 Energy Project today.

16 JUDGE HOWARD: Thank you.

17 Could we have an appearance for the Federal

18 Executive Agencies.

19 MS. LIOTTA: Good afternoon, Your Honor.

20 This is Rita Liotta with FEA.

21 JUDGE HOWARD: Thank you.

22 Could we have an appearance for Nucor Steel.

23 MS. BAKER: This is Laura Baker with the

24 firm Stone Mattheis Xenopoulos & Brew on behalf of Nucor

25 Steel.

1 JUDGE HOWARD: Thank you.

2 And could we hear from counsel for Walmart.

3 MS. BALDWIN: Good afternoon. This is Vicki
4 Baldwin with the firm Parsons Behle & Latimer on behalf
5 of Walmart.

6 JUDGE HOWARD: Thank you.

7 Could we have an appearance from the joint
8 environmental advocates, Sierra Club, NVEC, and Front
9 and Centered.

10 MS. PAREKH: Good afternoon, Your Honor.
11 Jaimini Parekh with the joint environmental advocates.

12 JUDGE HOWARD: Thank you.

13 Do we have counsel for King County?

14 MR. MARTINEZ: Good afternoon, Your Honor.
15 Raul Martinez with King County Prosecutor's Office on
16 behalf of King County.

17 JUDGE HOWARD: All right. Thank you.

18 And do we have the representative for CENSE,
19 Coalition of Eastside Neighborhoods for Sensible Energy?

20 Mr. Hansen, it looks like you are on the call.
21 You may need to unmute yourself.

22 MR. HANSEN: Yes. This is Norman Hansen on
23 behalf of CENSE. We're on the call.

24 JUDGE HOWARD: All right. Thank you.

25 MR. HANSEN: Thank you.

1 JUDGE HOWARD: And could we hear from
2 counsel for the Puyallup Tribe.

3 MR. THOMAS: Yes. Good afternoon, Your
4 Honor. Nicholas Thomas here on behalf of the Puyallup
5 Tribe of Indians.

6 I apologize. I'm having some issues with my
7 laptop camera, but I'm attending telephonically. And
8 that 917 number you see on the call is me.

9 JUDGE HOWARD: Thank you. And that is
10 perfectly fine. It is just a status conference. Thank
11 you.

12 So as the parties may be aware, I called this
13 status conference today primarily to discuss the
14 modifications to the procedural schedule in this case
15 going forward.

16 On August 5th -- I believe it was -- we had the
17 Green Direct settlement, a partial settlement, filed in
18 these consolidated dockets. And on August 12th, PSE
19 notified the Commission that it reached a settlement in
20 principle with other parties of the case.

21 Specifically, there is a full multiparty
22 settlement in principle. That includes Staff and three
23 intervenors. There's also a partial multiparty
24 settlement in principle between the Company, Federal
25 Executive Agencies, and Microsoft.

1 PSE proposed a modified schedule, which
2 maintained the evidentiary hearing date of October 3rd
3 and October 4th, 2022, as I recall. And it indicated
4 that no party opposed this proposed schedule. Following
5 this e-mail from the parties, I suspended the procedural
6 schedule with the exception of the hearing date and
7 called this status conference to discuss the new
8 modified schedule for the case going forward.

9 By e-mail to the parties, I indicated some
10 concerns that the proposed schedule from the parties did
11 not allow sufficient time for the Commission to prepare
12 for the October hearing following the receipt of any
13 opposition testimony to the settlement. PSE proposed
14 that response testimony in opposition to the settlement
15 would be due September 16th.

16 Along the lines of my earlier e-mail to the
17 parties, it would be very helpful to the Commission if
18 this date could be moved earlier, perhaps to September
19 7th or September 9th, and possibly we could move the
20 preceding dates leading up to that -- so just a
21 submission of the settlement and joint testimony
22 itself -- up a couple days, perhaps to August 24th.

23 And I recognize that these are very limited
24 timeframes we're talking about. This may be difficult
25 for the parties to limit the time further from what has

1 been proposed. But I do ask that the parties recognize
2 the realities of the Commission evaluating and reviewing
3 a very complex matter in such a narrow time window
4 before the hearing with the benefit of all of the
5 prefiled testimony.

6 So with that explanation, Ms. Carson, have the
7 parties been able to confer any further about the
8 schedule given some of the concerns that I've expressed?

9 MS. CARSON: The parties have not conferred
10 more about the schedule. We do have some developments.
11 We have some additional settling parties.

12 At least one -- Nucor Steel -- is now a party
13 to the full multiparty settlement, as I understand it.
14 And they can address that as well. And I believe we
15 have The Energy Project and the joint environmental
16 advocates on board to the partial settlement, although
17 I'll let them address that. I don't want to overstep.

18 So although we haven't spoken, I have a few
19 thoughts. I think it will be very difficult to get the
20 settlement agreement and the supporting testimony done
21 before a week from Friday. And part of the reason is
22 there has been a lot of time spent trying to bring these
23 additional parties on board. A lot of back-and-forth.

24 And, of course, as you say, it's a wide-ranging
25 settlement covering -- with several parties covering all

1 issues. So I think it will be difficult to file the
2 settlement agreement and supporting testimony before
3 August 26th.

4 I would say, though, that it's really narrowed
5 in terms of what's being opposed. And what is being
6 opposed, as I understand it, is the LNG facility by two
7 parties who have already filed testimony opposing it.
8 Energize Eastside by CENSE, who has already filed
9 testimony opposing it, and Public Counsel may have one
10 or two other areas, again, which they have filed
11 testimony about.

12 So I do think the time for opposition to the
13 settlement could probably be narrowed from the 21 days
14 given that it seems like it will be somewhat repetitive
15 of what's already been filed in the case.

16 And then I guess my last thought is I don't
17 know if it's possible to slightly move the hearing dates
18 if more time is needed, perhaps a week out. What is
19 very important to PSE and was part of the agreement is
20 that the statutory suspension date would not be waived
21 or moved. And so that's of critical importance for PSE.
22 PSE is willing to do -- you know, to work with all the
23 parties, but that's one thing that is very important to
24 PSE.

25 JUDGE HOWARD: I can understand that latter

1 point, and that's within the Company's discretion on
2 that issue.

3 I did consider attempting to move the hearing
4 date perhaps a week or two later. Even if it were
5 possible, that could be difficult given just the number
6 of issues and the Commission's review of the case and
7 preparing a suitable final order.

8 And in this particular instance, the
9 Commissioners are -- I believe they are traveling the
10 following week, and they have a number of commitments
11 already in their schedule that would seem to make it
12 frankly impossible to set aside enough time to have a
13 hearing in this case where I would be comfortable that
14 we would not be quickly running out of time.

15 As far as preparing the settlement, I mean, I
16 do recognize that it cannot simply be filed by -- in a
17 few days -- in a matter of a few days. It does take
18 effort and time. I would ask the parties to consider
19 whether that date could be moved up perhaps a couple of
20 days, perhaps to August 24th. But that's a point we can
21 return to.

22 And, Ms. Carson, I agree with your
23 observations. Of course, I'm not the Commissioner. I'm
24 not the final decision-maker in this case. But it does
25 seem that hopefully the scope of the opposition to the

1 settlement would be relatively narrow and the parties
2 would be referring in large part to earlier filed
3 responsive testimony.

4 Mr. Roberson, what is Staff's position on that?

5 MR. ROBERSON: Thank you, Judge Howard. I
6 guess I would make three points.

7 One, the settlement agreement contains a term
8 that obligates Staff to support the schedule that we've
9 presented to the Commission. So I have to advocate for
10 it.

11 Second, this is probably the most challenging
12 rate case I've ever worked on. The parties have worked
13 incredibly diligently. I mean, settlement negotiations
14 have gone on for days. They are still ongoing as of,
15 like, 40 minutes ago or something like that. The
16 parties aren't dragging their feet. They're moving as
17 fast as they can.

18 And the third point I would make is I feel like
19 there is no way Staff can have testimony ready before
20 the date, which is, I believe, next Friday. It just
21 can't be done.

22 But it puts the Commission in a hard place.
23 You obviously have the discretion to reject the
24 settlement scheduled that's been proposed. But I feel
25 like it's the only workable schedule. And, yeah, that's

1 all I have to say.

2 JUDGE HOWARD: Okay. Well, I think that
3 this does put us in a bit of a difficult situation if
4 the parties are bound to support the proposed schedule.
5 I'm not certain how much -- how much it would be helpful
6 to break and go off the record for the parties to
7 discuss this issue.

8 Would any of the other parties like to raise a
9 concern or proposal or something along those lines?

10 MS. GAFKEN: I came off of camera, Judge --
11 or I'm sorry. Tyler Pepple raised his hand. So I will
12 let him go first and I will go second.

13 JUDGE HOWARD: Oh, thank you. I did not see
14 that.

15 Mr. Pepple, why don't you proceed, and then
16 we'll hear from Ms. Gafken.

17 MR. PEPPLER: This is actually just -- sorry
18 to derail. I just wanted to enter my appearance for the
19 record on behalf of Microsoft. I think I just got
20 overlooked there. So that was all.

21 JUDGE HOWARD: I apologize. I apologize. I
22 did not have Microsoft on my list.

23 MR. PEPPLER: That's okay.

24 JUDGE HOWARD: Thank you, Mr. Pepple.

25 Ms. Gafken, what were you going to raise?

1 MS. GAFKEN: Yeah. I just wanted to
2 reiterate the point that was -- well, reiterate and then
3 expand on the point that was raised earlier about this
4 being a very complicated case.

5 At some point during this case -- I don't
6 remember who, but somebody represented that this was the
7 most complicated PSE case or the most substantial PSE
8 case in a decade, and I can say that that is absolutely
9 a fair representation.

10 I think a comparable case might have been one
11 Puget case that had -- I don't know -- seven different
12 settlements. This case is of a similar stature, which,
13 I think, gives some credence to the Commission's
14 concerns about being able to process it in the time that
15 we have.

16 Having said that, the parties have really been
17 diligent in working through the issues and have worked
18 very well together to come to some resolution.

19 You know, from Public Counsel's perspective,
20 shortening the time really would be difficult. The
21 parties are all pretty familiar, and I think the
22 Commission is fairly familiar with our internal process
23 of obtaining the appropriate authorizations.

24 And so I would defer a bit to the other
25 settling parties since we're not a settling party at

1 this point. But I certainly would not be able to get
2 authority by the 24th. It's going to be hard to do that
3 by the 26th, as it is.

4 And then in terms of -- there are pieces of the
5 settlement that Public Counsel will be opposing, and we
6 have filed our primary cases. But we don't know what
7 supporting evidence the settling parties will be
8 presenting. And so that's the one area that I think --
9 it's a bit of an unknown.

10 And I'm sorry. I was told that I was breaking
11 up. Am I coming through okay?

12 JUDGE HOWARD: Much better now. Thank you.

13 MS. GAFKEN: Okay. My apologies. The
14 Internet has been not my friend today. All day.

15 So I was just saying that it's a little bit of
16 an unknown exactly what the settling parties will file
17 in support of the settlements. And so I'm a little bit
18 hesitant to say with any absolutism that we could
19 shorten the time significantly. You know, there is 21
20 days built into it. We probably could shave a few days
21 off of it. But I'm a bit hesitant to strongly advocate
22 for that.

23 And as has been noted, the proposed schedule
24 was something that the parties did consider. We did
25 consider the timeline, the Commission's needs, the

1 parties' needs. And so we tried to balance that the
2 best that we could. Thank you.

3 JUDGE HOWARD: Thank you, Ms. Gafken.

4 I see Mr. Thomas has his hand raised.

5 MR. THOMAS: Yes. Thank you, Your Honor.

6 I just wanted to let you know that the Tribe is
7 similarly situated to Public Counsel in that we will
8 likely be one of the parties submitting the testimony in
9 response to the settlement agreement and the testimony
10 that will be filed sometime next week. And so we wanted
11 for you to hear our perspective very briefly. I think
12 Public Counsel summed it up fairly well.

13 We are similarly concerned just that we do not
14 know what is going to be filed in support of the
15 settlement and are a little bit worried that 21 days to
16 go through everything, work with witnesses in the event
17 that we are going to be submitting additional testimony
18 in response, and pulling that all together -- 21 days is
19 itself going to be pretty tight.

20 And so I just wanted to make sure I made a
21 record on the fact that we are concerned about the
22 runway getting any shorter in terms of response
23 testimony being prepared and filed.

24 So frankly, we'd like more time than September
25 16th, but September 16th does represent a compromise.

1 And we are concerned about having less time than what
2 the parties agreed to.

3 JUDGE HOWARD: Thank you, Mr. Thomas. I can
4 appreciate that this is not -- this is not an easy
5 situation. It's a very complicated case. And now,
6 we're dealing with a fairly defined short timeframe to
7 fit all of these steps in.

8 Since I am speaking to you, I was curious, has
9 Puyallup Tribe joined the partial multiparty settlement?

10 MR. THOMAS: This is still a point of
11 internal discussion, Your Honor. As you may recall from
12 order number three, once upon a time, our participation
13 in this matter is fairly limited. So our involvement
14 may well be outside the terms of that particular
15 agreement. Our involvement was limited to Tacoma LNG.

16 But it does raise a good point. Whether or not
17 we're a party to that settlement, it's likely that one
18 or two of the settlements is going to resolve a lot of
19 this case, and the contested issues moving forward will
20 be limited.

21 So maybe that will help the Commission in terms
22 of the amount of time that it needs to review the
23 response testimony filed in this matter. Basically, it
24 won't have as much to review and consider between the
25 16th and October 3rd.

1 JUDGE HOWARD: I imagine. And in terms of
2 the Puyallup Tribe itself -- and I'm not trying to
3 debate you on this point necessarily -- but we do
4 already have the Tribe's prefiled response testimony
5 from -- I believe it was Dr. Sahu.

6 And so if the Tribe is continuing to oppose the
7 settlement on the LNG issue, it does seem to me that a
8 lot of that work has already been done with the prefiled
9 response testimony. And we also have the opportunity
10 for cross at the settlement hearing on October 3rd and
11 4th.

12 So I do hope that -- I do hope that those
13 considerations sort of mollify the concerns somewhat
14 around having a short turnaround for response testimony.

15 Would any other party -- oh, Mr. Thomas, would
16 you like to respond?

17 MR. THOMAS: Well, I wasn't sure if you were
18 inviting me to.

19 But, no, I appreciate that point. I understand
20 where Your Honor is coming from on that. The concern
21 remains. We don't know what will be filed on August
22 26th and whether or not there's going to be more
23 response testimony that we feel we need to provide,
24 which we have a right to do.

25 So that would be all I'd say. Thank you.

1 JUDGE HOWARD: Ms. Carson, you have your
2 hand raised.

3 MS. CARSON: Yes. I just wanted to add one
4 point that may be obvious, but I don't know if it is or
5 not.

6 All the parties, including the parties who have
7 opposed this settlement or are currently opposing this
8 settlement, have been involved in the back-and-forth,
9 the settlement negotiations. And so in terms of what is
10 in the settlement agreement, it should not be a surprise
11 at all to parties who oppose the settlement. They are
12 being included and involved up to this point in time.

13 JUDGE HOWARD: Well, I can tell you all that
14 my normal step here would be to ask the parties to
15 confer off the record and cajole and hope that we get
16 some new agreements, but I'm not sure that that's going
17 to happen at this point.

18 Would any of the other parties like to respond
19 on the issue of the schedule? And then I would like to
20 ask some specific questions about where some of the
21 intervenors are on joining settlements.

22 But were there any -- Mr. Thomas, you still
23 have your hand raised.

24 MR. THOMAS: I'm sorry, Your Honor. Between
25 the phone and the Zoom call, I failed to take it down.

1 I'll do that now.

2 JUDGE HOWARD: Okay. No problem.

3 Would any of the other parties like to raise
4 any concerns at this point given some of the comments by
5 the parties at our status conference today?

6 I am thinking it may not be helpful to go off
7 the record and attempt to have further discussion among
8 the parties. I believe that I may simply have to enter
9 an order setting forth the modified schedule.

10 Ms. Gafken, you have your hand raised.

11 MS. GAFKEN: Yeah. Thank you.

12 I guess I would make a suggestion that we do
13 take just a very brief time to consult with the parties.
14 I understand it's kind of a futile feeling that that
15 might have, but I do have a suggestion that I'd like to
16 run by the parties, and I haven't had a chance to do
17 that. And I don't necessarily want to do that here on
18 the record before talking with the parties unless I have
19 to.

20 So I would like a few minutes, once we get
21 through with this part of the status conference, to have
22 a brief conversation with folks to see if maybe we can
23 come up with something that might be a little more --
24 well, workable is relative, I guess.

25 JUDGE HOWARD: All right. Thank you.

1 I think, in light of that request, I would plan
2 to take a brief -- we could have a brief discussion off
3 the record, hopefully just a relatively brief period of
4 time. I'm going to leave that to either Public Counsel
5 or Staff's counsel to send me a message to let me know
6 when I should rejoin the Zoom call.

7 Before we do that, would any other party like
8 to raise any concerns before we go off the record?

9 All right. I'm not hearing any. We'll go off
10 the record. I would anticipate a relatively short
11 ten-to-15-minute discussion. If the parties are having
12 a worthwhile discussion that takes a little bit longer
13 than that, that's perfectly fine. Just let me know when
14 to rejoin the Zoom call.

15 And when we come back onto the record, we'll
16 discuss a couple of other issues about where intervenors
17 are at in terms of joining settlements, and I also
18 wanted to touch on CENSE's participation in the case.

19 All right. So we are off the record.

20 (Discussion off the record.)

21 JUDGE HOWARD: Let's be on the record.

22 Ms. Gafken, I am informed that the parties do
23 have a proposal to present. So would you mind relaying
24 that.

25 MS. GAFKEN: Yes. Thank you.

1 The parties do have a proposal to share. We
2 certainly hear the Commission's concerns about the
3 schedule. Total settlements have the right to present
4 their case under WAC 480.07.740, Subsection C.

5 The proposal that the parties initially came up
6 with had the opposition filings on Friday, September
7 16th. We are proposing that we move that date to
8 Monday, September 12th.

9 And while there are still some concerns about
10 the timing of that and having enough time to make the
11 presentations that we want to and need to, the September
12 12th would provide more time for the Commission while
13 still providing some time. I hesitate to say adequate
14 time, but it would give the parties time to make their
15 presentations as well.

16 JUDGE HOWARD: All right. Thank you,
17 Ms. Gafken.

18 Would any of the other --

19 MS. GAFKEN: I guess --

20 JUDGE HOWARD: Oh, sorry. Go ahead.

21 MS. GAFKEN: I'm sorry. Just one more
22 point.

23 You had mentioned either September 7th or
24 September 9th earlier in the status conference, and
25 there was quite a bit of concern about that, even from

1 Public Counsel's standpoint. It's very difficult to
2 pull together a presentation by the 7th or the 9th, but
3 I think we could by the 12th.

4 JUDGE HOWARD: All right. Thank you.

5 MS. GAFKEN: Thank you.

6 JUDGE HOWARD: Would any of the other
7 parties like to add anything to that?

8 MR. THOMAS: Judge Howard, Nick Thomas for
9 the Tribe. If I may, very briefly.

10 JUDGE HOWARD: Yes.

11 MR. THOMAS: Thank you. I just want to make
12 sure I'm making a record on this.

13 We would prefer the 16th. This new deadline
14 does exacerbate the concerns that I articulated earlier
15 in today's conference. But if the response testimony
16 deadline is going to be moved up, we would prefer
17 September 12th to an earlier deadline.

18 And that's all I have to say.

19 JUDGE HOWARD: All right. Thank you,
20 Mr. Thomas. And I will -- from my memory, the Tribe's
21 participation in this case is limited in focus to the
22 Tacoma LNG issue and some low-income customer issues; is
23 that right?

24 MR. THOMAS: Correct, Your Honor.

25 JUDGE HOWARD: All right. I think I stated

1 my observations earlier that it does seem that whatever
2 response testimony would be filed in opposition to the
3 settlement would -- that much of the work has already
4 been done given the fact that we have response testimony
5 filed in this case. I believe it was in July. And
6 that's still in the record.

7 And especially on the issue of LNG, while that
8 is a complex issue, the Tribe has offered extensive
9 testimony about it. So I just want to note the
10 observation.

11 And with regards to the parties' proposal for
12 September 12th, I do appreciate the movement on this. I
13 recognize that any movement earlier is difficult. It is
14 difficult for experts and regulatory analysts to make
15 this work.

16 But also, I would like the parties to bear in
17 mind that the Commission is -- the Commissioners do need
18 to be properly advised and informed walking into the
19 settlement hearing, and it is going to be a heroic
20 effort at this point for our policy team to pull that
21 off in time for the hearing.

22 So I'm going to take this all under
23 consideration and think about it very carefully. I'm
24 not going to give a verbal ruling today on the schedule.

25 So the next main issue I want to discuss today,

1 and we've already touched on this some, would be
2 clarifying some of the parties' positions and where
3 they're at right now with respect to some of the
4 settlements.

5 Ms. Gafken, do I remember right that Public
6 Counsel is still considering whether to join the partial
7 multiparty settlement?

8 MS. GAFKEN: That is correct. I actually
9 don't have authority to say one way or another on any of
10 the pieces, but I do anticipate that we will be opposing
11 the LNG settlement. And then we are considering joining
12 the multiparty settlement. There is one component of
13 the multiparty settlement that I also believe we will be
14 opposing. So there's one other issue contained within
15 that settlement.

16 But I do think that -- I mean, there are many
17 terms that we view as favorable as well. So I think we
18 will be in something of a supporting stance with that
19 settlement.

20 JUDGE HOWARD: And, again, I recognize that
21 it's difficult to predict exactly how this all may play
22 out.

23 But if Public Counsel ends up taking this
24 generally supportive position of the settlement or
25 generally neutral position on many aspects of the

1 settlement, would Public Counsel still be referring the
2 Commission to its testimony filed earlier on issues like
3 cost of capital and depreciation and other issues?

4 MS. GAFKEN: So on the issues that we are
5 opposing, I think there's kind of two parts. And just
6 talking generally, right -- so as you noted, we have
7 filed our responsive testimony addressing all of the
8 issues that we're addressing in the case.

9 I think the pieces that remain contested would
10 be pulled forward, and there may be additional
11 discussion and testimony provided as well in response to
12 the settlement in particular because the settlement is
13 going to be a different position than the initial
14 filing. It will be a different position than the
15 parties filed because of the compromise, right? It's a
16 different thing.

17 As Ms. Carson noted, we do know what the terms
18 are. We don't know what the supporting evidence is
19 going to be. So that's the piece that I don't want to
20 pretend like I know. But I do know what the terms are,
21 and I do know where the sticking points are. So we're
22 not sitting on our laurels waiting for the deadline to
23 be set. We know that we need to start working now.

24 In terms of the pieces that I anticipate
25 supporting or the pieces that I think are favorable and

1 in the public interest, I would want to point those
2 things out, too. So that would be new testimony. That
3 would be new testimony that likely points back to the
4 testimony that we have already filed.

5 So it's pretty similar, I think, to what we
6 filed in the Avista case where we supported some pieces
7 of that settlement and opposed other pieces. So it's
8 not going to be exactly -- it won't be exactly the same,
9 but the framework will be similar.

10 JUDGE HOWARD: All right. Thank you.

11 And I wanted to check in with The Energy
12 Project. We heard earlier from PSE's counsel, but PSE
13 did not necessarily want to speak for The Energy
14 Project.

15 Mr. Zakai, would you mind updating us?

16 MR. ZAKAI: Yes, Judge Howard. Thank you
17 very much.

18 The Energy Project is generally supportive of
19 the term sheet that has been circulated. I, of course,
20 would like to reserve my right to look at that final
21 settlement document, which has not yet been drafted,
22 before obligating my client to a certain position.

23 But the term sheet that has been drafted has
24 incorporated our input, and we are hopeful that we will
25 be able to sign on to the final settlement agreement.

1 JUDGE HOWARD: All right. Thank you.

2 Could I hear from the joint environmental
3 advocates and where these organizations are at with
4 respect to the settlement.

5 MS. PAREKH: Yes. Thank you, Judge Howard.

6 Our position is essentially the same as The
7 Energy Project. There's still some pieces that need to
8 be put together. So we haven't seen a final complete
9 version of the term sheet, but we anticipate joining the
10 partial agreement. We will not be joining the LNG --
11 I'm sorry. We will not be joining the full agreement.

12 JUDGE HOWARD: Yes. And in this particular
13 instance, the full agreement also contains the terms
14 about the Tacoma LNG.

15 Mr. Zakai, you have your hand raised.

16 MR. ZAKAI: Yeah. Thank you, Your Honor.

17 I wanted to make a clarification that that is
18 also The Energy Project's position. We would not be
19 joining the LNG settlement, but we would be signing on
20 to the other terms.

21 JUDGE HOWARD: Thank you.

22 And we did hear from the Puyallup Tribe. Would
23 any of the other parties like to give the Commission any
24 updates on where they're at with respect to the
25 settlement that I perhaps overlooked?

1 MS. LIOTTA: Your Honor, this is Rita --

2 MR. XENOPOULOS: Your Honor --

3 MS. LIOTTA: Oh, I'm sorry.

4 MR. XENOPOULOS: No problem.

5 JUDGE HOWARD: Let's hear from Ms. Liotta
6 first, and then we'll turn to the second.

7 MS. LIOTTA: Your Honor, Rita Liotta with
8 FEA, and we anticipate joining the partial multiparty
9 settlement as well.

10 JUDGE HOWARD: Thank you. Ms. Liotta, you
11 cut out a little bit towards the end. But am I correct
12 in hearing that FEA anticipates joining the partial
13 multiparty settlements?

14 MS. LIOTTA: Yes, Your Honor. That's
15 correct.

16 JUDGE HOWARD: Thank you.

17 Was there another representative who was about
18 to speak there?

19 MR. XENOPOULOS: Yes, Your Honor. Thank
20 you. This is Damon Xenopoulos from Nucor Steel Seattle,
21 and we anticipate joining the full settlement.

22 JUDGE HOWARD: Thank you.

23 MR. XENOPOULOS: Thank you.

24 MR. HANSEN: This is Norm Hansen for CENSE.
25 Can you hear me?

1 JUDGE HOWARD: Yes.

2 MR. HANSEN: Yes. Of course, our issue is
3 limited in scope, as you know, to the Energize Eastside,
4 which is a \$300 million project. So, of course, we
5 would be objecting to the prudence of Energize Eastside,
6 which is included at the current time in the current
7 proposal for settlement.

8 And it's interesting to me that this Energize
9 Eastside is \$300 million, and I noted that they were
10 talking about electric rates of 223 million. So it's
11 just a point of information.

12 JUDGE HOWARD: All right. Thank you for the
13 update, Mr. Hansen.

14 MR. HANSEN: You're welcome.

15 JUDGE HOWARD: And the last issue I wanted
16 to just briefly touch on at our status conference today
17 is CENSE's response testimony filed by Mr. Lockhart.

18 And as the parties are aware, I e-mailed the
19 parties to simply raise some concern to ensure that
20 Mr. Lockhart's testimony was in fact filed on behalf of
21 CENSE.

22 And I will turn to Mr. Hansen as the
23 representative of record for that organization to
24 address that point. Mr. Hansen, would you mind
25 addressing that.

1 MR. HANSEN: Yes. I can confirm that it was
2 filed on behalf of CENSE.

3 We had an unusual situation here because we
4 have limited funds. As you know, we requested a grant
5 of \$80,000, and we received 50-. And within the last
6 few months, we ran out of funds, so therefore we lost
7 our legal representation.

8 So this was a little bit of a different
9 process, as you are aware, of filing it. That may have
10 caused some confusion. But I think we're working to do
11 the best we can.

12 JUDGE HOWARD: Thank you, Mr. Hansen. I
13 just want to reiterate that I wasn't intending to
14 express any criticism about necessarily how it was
15 filed. I was simply trying to confirm that the
16 testimony was on behalf of your organization, and I felt
17 it was better to clarify this at this juncture rather
18 than closer to the hearing.

19 MR. HANSEN: Yes. I can confirm that.

20 JUDGE HOWARD: All right. Thank you.

21 Is there anything else that we should address
22 today before we adjourn this status conference?

23 MS. CARSON: Actually, I do have one issue,
24 Your Honor.

25 I wanted to clarify -- and you can address this

1 when you revise the schedule. But I wanted to
2 understand if a joint issues matrix will be needed and
3 for you to include that one way or the other in the
4 order. Obviously, we've circulated one. But it's very
5 different now with the settlement, and it's not clear if
6 it's still needed. So I guess that's one question I
7 would have.

8 And one other issue is, I think there still
9 needs to be a public comment hearing scheduled. Has
10 that been scheduled?

11 JUDGE HOWARD: I'm not aware of it being
12 scheduled.

13 Ms. Gafken, would Public Counsel speak to that?

14 MS. GAFKEN: Yes. So it has been scheduled.
15 If you bear with me just a second, I'll pull up my
16 calendar and find the date. It's in September.

17 Oh, it's currently scheduled for September 28th
18 in the evening. 6:00 or 6:30. I can't remember what
19 time the start time is, but it's that evening time that
20 we usually see. But September 28th is when it's
21 scheduled for.

22 MS. CARSON: Thank you.

23 JUDGE HOWARD: Great.

24 MS. GAFKEN: And, of course, we would want
25 to keep that on the procedural schedule and not have

1 that suspended.

2 JUDGE HOWARD: I'm going to make a note
3 here.

4 So I think that there are -- Ms. Carson, as you
5 know, there's at least one or two deadlines that we may
6 need to include in the schedule going forward for the
7 case that we haven't yet talked about yet or the parties
8 haven't included yet in their proposal from their
9 e-mail. One of those would be the joint issues matrix.

10 If I recall right, there was one filed already,
11 and I think we just referred to that. I anticipate,
12 regardless of where I fall on the deadline for response
13 testimony in the settlement, that I will carry over the
14 deadlines that we had in the prehearing conference order
15 for the joint issues matrix.

16 So we have the joint issues matrix due
17 September 26th. If that's already been filed, then it's
18 already been filed. It may need to be updated in light
19 of a new settlement.

20 And I believe there was an updated joint issues
21 matrix deadline in connection with the posthearing
22 briefing on October 31st. And I would anticipate
23 carrying over the deadline for the posthearing briefing,
24 expecting the parties may want that opportunity.

25 Are there any objections or concerns to my

1 carrying over those two points from the prehearing
2 conference order?

3 MS. CARSON: I have no objections or
4 concerns about that. I do think it would be good to
5 preserve the briefing dates.

6 And just one point of clarification. We have
7 not filed. We were required to circulate the joint
8 issues matrix. I don't think the filing date was until
9 September 26th. So it has not yet been filed, and it
10 would probably look a little different now that there's
11 a settlement.

12 JUDGE HOWARD: All right. That certainly
13 makes sense.

14 Any other statements or concerns from any of
15 the parties?

16 All right. Hearing none, is there anything
17 else we should address today before we adjourn?

18 All right. I will plan on issuing either a
19 notice or an order soon setting forth the modified
20 schedule for this case going forward.

21 We are adjourned. Thank you.

22 (Proceedings adjourned at 1:53 p.m.)

23

24

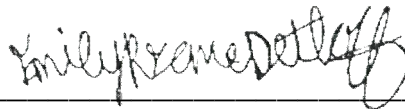
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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, RMR, CRR, CCR #21036100

My commission expires:
DECEMBER 6, 2022