

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKETS UE-121697
TRANSPORTATION COMMISSION,	)	and UG-121705 ( <i>consolidated</i> )
	)	
Complainant,	)	
	)	ORDER 02
v.	)	
	)	
PUGET SOUND ENERGY, INC.,	)	CONSOLIDATION ORDER;
	)	PREHEARING CONFERENCE
Respondent.	)	ORDER; NOTICE OF HEARING
	)	<b>(Set for May 16, 2013)</b>
.....	)	

1 **NATURE OF PROCEEDINGS:** PSE and the NW Energy Coalition (NVEC), collectively referred to as the “Joint Parties,” filed a petition on October 25, 2012, seeking approval of an electric and a natural gas decoupling mechanism and authority to record accounting entries associated with the mechanisms. After the petition and supporting testimony were filed, the Washington Utilities and Transportation Commission (Commission) held two technical conferences to allow interested stakeholders to further discuss the proposed decoupling mechanisms and to propose variations to the proposed mechanisms. PSE agreed to cooperate with interested stakeholders by responding to their inquiries seeking additional information about the decoupling proposal. PSE and NVEC, taking this process into account, reached agreement on certain modifications to the decoupling mechanisms and filed on March 1, 2013, an amended petition and testimony in support of these modifications to the original decoupling proposal. The Commission’s regulatory staff (Commission Staff or Staff)<sup>1</sup> filed testimony in support of the revised proposal on March 4, 2013.

2 The Commission placed these dockets on the agenda for its regular open meeting on March 14, 2013. The Commission set these dockets for hearing, designated the

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<sup>1</sup> In formal proceedings, such as this, the Commission’s regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners’ policy and accounting advisors do not discuss the merits of this proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455.

undersigned administrative law judge (ALJ) as a presiding officer to assist the Commission in bringing these dockets to a conclusion, and directed the ALJ to set an expedited schedule for additional process and an early hearing date.

3 **CONFERENCE/PRESIDING OFFICER.** The Commission convened a prehearing conference in this proceeding at Olympia, Washington on March 22, 2013, before Administrative Law Judge Dennis J. Moss, whom the Commission appoints as presiding officer in this proceeding. This was a joint prehearing conference with Dockets UE-131307 and UG-131308, and Docket UE-121373.

4 **PARTY REPRESENTATIVES:** Sheree Strom Carson, Perkins Coie, Bellevue, Washington, represents PSE. Danielle Dixon, Northwest Energy Coalition (NVEC) represents her organization. Simon ffitich, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of Attorney General (Public Counsel). Sally Brown and Gregory J. Trautman, Senior Assistant Attorneys General Olympia, Washington, represent the Commission's regulatory staff (Commission Staff or Staff).

5 Melinda Davison and Joshua Weber, Davison Van Cleve, Portland, Oregon, represent the Industrial Customers of Northwest Utilities (ICNU). Chad M. Stokes and Tommy Brooks, Cable Huston Benedict Haagensen & Lloyd LLP, Portland, Oregon, represent Northwest Industrial Gas Users (NWIGU). Michael L. Kurtz and Kurt J. Boehm, Boehm, Kurtz & Lowry, Cincinnati, Ohio, represent the Kroger Co., on behalf of its Fred Meyer Stores and Quality Food Centers divisions (Kroger). Norman Furuta, Associate Counsel, Department of the Navy, San Francisco, California, represents the Federal Executive Agencies (FEA). Ronald L. Roseman, Attorney, Seattle, Washington, represents the Energy Project.

6 **CONSOLIDATION.** The Commission, on its own motion, consolidates Dockets UE-121697 and UG-121705.

7 **PETITIONS FOR INTERVENTION.** The following businesses and organizations filed petitions to intervene or petitioned orally:

ICNU  
NWIGU  
Kroger

The Energy Project  
FEA

8 There was no objection to the petitions to intervene. The Commission finds that the petitioners each demonstrated their substantial interest in this proceeding and that their participation will be in the public interest. The petitions to intervene are granted.

9 **PROTECTIVE ORDER.** The Commission will enter its standard form of protective order under RCW 34.05.446, RCW 80.04.095, WAC 480-07-420 and WAC 480-07-423, to facilitate discovery.

10 **DISCOVERY.** Discovery will continue pursuant to the Commission's discovery rules, WAC 480-07-400 – 425. The response time for data requests is five business days. In addition, to expedite the exchange of potentially relevant information, parties are required to provide all work papers, including model runs and source documents, at the time they prefile testimony and exhibits. The Commission urges the parties to work cooperatively together to avoid having to bring discovery matters forward for formal resolution.

11 **PROCEDURAL SCHEDULE.** The Commission establishes the procedural schedule set forth in Appendix B to this Order. The schedule strikes a balance between PSE's proposal to conclude these proceedings by the end of April and Public Counsel's proposal that would extend the schedule into September. The schedule also responds to the Commissioners' direction to the presiding administrative law judge to conclude these dockets expeditiously.

12 While this schedule is workable and does not cause prejudice to any party, all parties will be required to exhibit cooperation and diligent effort to ensure that a full and adequate record is developed. The Commission will provide notice of any change in this schedule, in the event this is necessary to protect due process concerns or for other reasons.

13 **NOTICE OF HEARING.** The Commission will hold evidentiary hearings in this matter beginning **May 16, 2013, at 9:00 a.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. Hearings will continue from day to day until completed. The Commission may alter this schedule by subsequent notice.

14 **NOTICE OF PUBLIC COMMENT HEARING.** The Commission will hold a hearing to take public comments in this matter beginning **May 16, 2013, at 6:00 p.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The public comment

hearing will continue until all members of the public who sign in to make comments are heard, or until 8:00 p.m., whichever occurs first.

- 15 **DOCUMENT PREPARATION AND FILING REQUIREMENTS.** Parties must file the original plus **16** copies of the unredacted versions of all pleadings, motions, briefs, and other prefiled materials. Parties must also file the original and one copy of any redacted version(s). These materials must conform to the format and publication guidelines in WAC 480-07-395 and WAC 480-07-460. The Commission prefers that materials be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.
- 16 All filings must be mailed or delivered to the Executive Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive, S.W. Olympia, Washington 98504-7250. Both the post office box and street address are required to expedite deliveries by the U.S. Postal Service.
- 17 An electronic copy of all filings must be provided through the Commission's Web Portal ([www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing)) or by e-mail delivery to ([records@utc.wa.gov](mailto:records@utc.wa.gov)). Alternatively, parties may furnish an electronic copy by delivering with each filing a 3.5-inch IBM-formatted high-density diskette, CD or USB flash drive including the filed document(s). Parties *must furnish* electronic copies in MS Word 6.0 (or later) supplemented by a separate file in .pdf (Adobe Acrobat) format. Parties must follow WAC 480-07-140(5) in organizing and identifying electronic files.
- 18 **ELECTRONIC SUBMISSION OF DOCUMENTS.** The Commission grants a one-day extension of the paper-filing requirement under WAC 480-07-145(6), allowing electronic submission of documents with the Commission on the deadlines established by the procedural schedule. Parties must submit documents through the Commission's Web Portal ([www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing)) or by e-mail to ([records@utc.wa.gov](mailto:records@utc.wa.gov)), and file an original, plus **16** paper copies, of the documents with the Commission by the following business day. Parties must provide courtesy copies of their electronic submissions to the presiding administrative law judge and the parties to the proceeding.
- 19 The Commission requires parties to submit documents in adjudicative proceedings no later than 2:00 p.m. on the deadline date to give Records Center personnel adequate time to post and distribute them.

- 20 **ALTERNATE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission has asked Greg Kopta, Director and Administrative Law Judge, Administrative Law Division, to serve in the capacity of a third party neutral and provide dispute resolution services to the parties. Mr. Kopta will contact the parties to discuss alternative dispute resolution process and establish a schedule.
- 21 **NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.**

Dated at Olympia, Washington, and effective March 22, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS  
Administrative Law Judge

APPENDIX A

PARTIES' REPRESENTATIVES  
DOCKETS UE-121697/UG-121705 (Decoupling)

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
<b>Puget Sound Energy</b>	Sheree Strom Carson Perkins Coie LLP 10885 NE Fourth Street Suite 700 Bellevue, WA 98004-5579	425-635-1400	425-635-2400	<a href="mailto:scarson@perkinscoie.com">scarson@perkinscoie.com</a>
	Ken Johnson Director, Federal and State Regulatory Affairs Puget Sound Energy, Inc. P.O. Box 97034 Bellevue, WA 98009-9734	425-462-3495		<a href="mailto:Ken.Johnson@pse.com">Ken.Johnson@pse.com</a>
<b>Commission Staff</b>	Sally Brown Senior Assistant Attorney General Greg T. Trautman Assistant Attorney General 1400 S. Evergreen Park Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	360-664-1189	360-586-5522	<a href="mailto:sbrown@utc.wa.gov">sbrown@utc.wa.gov</a>  <a href="mailto:gtrautma@utc.wa.gov">gtrautma@utc.wa.gov</a>
	Simon J. ffitich Senior Assistant Attorney General Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-389-2055	206-389-2544	<a href="mailto:simonf@atg.wa.gov">simonf@atg.wa.gov</a>
<b>Public Counsel</b>	Simon J. ffitich Senior Assistant Attorney General Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-389-2055	206-389-2544	<a href="mailto:simonf@atg.wa.gov">simonf@atg.wa.gov</a>
	Simon J. ffitich Senior Assistant Attorney General Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-389-2055	206-389-2544	<a href="mailto:simonf@atg.wa.gov">simonf@atg.wa.gov</a>
<b>ICNU</b>	Melinda Davison Joshua D. Weber Davison Van Cleve, P.C. 333 S.W. Taylor, Suite 400 Portland, OR 97204	503-241-7242	503-241-8160	<a href="mailto:Mjd@dvclaw.com">Mjd@dvclaw.com</a> <a href="mailto:jdw@dvclaw.com">jdw@dvclaw.com</a>
	Industrial Customers of Northwest Utilities 818 SW 3 <sup>rd</sup> Avenue, #266 Portland, OR 97204			

<b>PARTY</b>	<b>REPRESENTATIVE</b>	<b>PHONE</b>	<b>FACSIMILE</b>	<b>E-MAIL</b>
<b>Kroger</b>	Kurt J. Boehm Jody Kyler Cohn Boehm, Kurtz & Lowry 36 East Seventh St. Suite 1510 Cincinnati, OH 45202	513-421-2255	513-421-2764	<a href="mailto:kboehm@BKLawfirm.com">kboehm@BKLawfirm.com</a> <a href="mailto:jkyler@BKLawfirm.com">jkyler@BKLawfirm.com</a>
<b>NWIGU</b>	Chad M. Stokes Tommy Brooks Cable Huston 1001 SW Fifth Avenue Suite 2000 Portland, OR 97204-1136	503-224-3092	503-224-3176	<a href="mailto:cstokes@cablehuston.com">cstokes@cablehuston.com</a> <a href="mailto:tbrooks@cablehuston.com">tbrooks@cablehuston.com</a>
	Ed Finklea Executive Director Northwest Industrial Gas Users 326 Fifth Street Lake Oswego, OR 97034	503-303-4061	503-303-4941	<a href="mailto:efinklea@nwigu.org">efinklea@nwigu.org</a>
<b>The Energy Project</b>	Ronald L. Roseman Attorney At Law 2011 14th Avenue East Seattle, Washington 98112	206-324-8792	206-568-0138	<a href="mailto:ronaldroseman@comcast.net">ronaldroseman@comcast.net</a>
<b>FEA</b>	Norman Furuta Associate Counsel Department of the Navy 1455 Market Street, Suite 1744 San Francisco, CA 94103-1399	415-503-6994	415-503-6688	<a href="mailto:norman.furuta@navy.mil">norman.furuta@navy.mil</a>

**APPENDIX B**  
**PROCEDURAL SCHEDULE**  
**DOCKETS UE-121697 and UG-121705**

<u>EVENT</u>	<u>DATE</u>
Company Direct Testimony and Exhibits (Revised Petition)	March 4, 2013
Staff Testimony	March 4, 2013
Prehearing Conference	March 22, 2013
Issues/Technical Conference ( <i>parties only</i> )	April 4, 2013
Discovery Cut-Off Date <sup>2</sup>	April 10, 2013
Public Counsel and Intervenor Response Testimony and Exhibits	April 26, 2013
Rebuttal and Cross-Answering Testimony	May 7, 2013
Cross Examination Exhibits	May 14, 2013
Hearing	May 16, 2013
Post-Hearing Briefs	May 30, 2013

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<sup>2</sup> Responses to all data requests are due five business days following receipt.