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BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION, COMMISSION,)	Docket UT-132153
)	
Complainant,)	
)	
v.)	Pages 1-10
)	
GRASSHOPPER GROUP, LLC,)	
)	
Respondent.)	

PREHEARING CONFERENCE, VOLUME I

Pages 1-10

ADMINISTRATIVE LAW JUDGE ADAM E. TOREM

1:02 P.M.

MAY 8, 2014

Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive Southwest
Olympia, Washington 98504-7250

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGE:

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* * * * *

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OLYMPIA, WASHINGTON, MAY 8, 2014

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1:02 P.M.

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P R O C E E D I N G S

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JUDGE TOREM: It's a little after one o'clock on

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Thursday, May the 8th, 2014. This is Administrative Law Judge

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Adam Torem of the Washington Utilities and Transportation

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Commission. This is Docket UT-132153. It's a complaint filed

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by the Commission against Grasshopper Group, LLC, as the

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Respondent.

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The complaint was entered on April the 16th of this

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year, and it alleges an inaccurate annual report was filed for

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the 2012 annual report filed on April 30, 2013. There was a

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revised corrected annual report filed on August 9, 2013,

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approximately 101 days after the May 1st filing deadline, again

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filed on August 9th. That corrected the intrastate operating

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revenues for the Company, and the Commission has decided to

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pursue a complaint and seek penalties under Revised Code of

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Washington 80.04.080 and Washington Administrative Code, or WAC,

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480-120-382.

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My understanding from reading the materials on file

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is that the Commission seeks a penalty of up to 30,300 or

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\$30,100, but over \$30,000.

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An answer was filed by the Company earlier this week

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1 on May the 5th, and also a motion to dismiss the complaint was
2 filed alongside that.

3 What we are going to do today is set up the
4 procedural schedule for this case for not only handling the
5 motion to dismiss, but also an evidentiary hearing, as needed,
6 and talk about intervention, the need for invoking our discovery
7 rules, and any other procedural matters that we need to take up.

8 I'm going to take appearances first from the
9 Commission, and then I'll ask the Company to state its
10 appearance and its counsel as well.

11 Mr. Shearer?

12 MR. SHEARER: Brett Shearer, Assistant Attorney
13 General, representing Commission Staff.

14 JUDGE TOREM: All right. And you've already provided
15 all of your contact information to the Grasshopper Group's
16 counsel?

17 MR. SHEARER: Yes.

18 JUDGE TOREM: All right. For the Grasshopper Group?

19 MR. SCHIAVONE: Dominic Schiavone, chief operating
20 officer, for Grasshopper Group, LLC.

21 JUDGE TOREM: And, Counsel?

22 MR. DONAHUE: Michael Donahue and Ronald Quirk with
23 Marashlian & Donahue, counsel for Grasshopper Group.

24 JUDGE TOREM: All right. Thank you, gentlemen.

25 Was there anything in the procedural history that I

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1 quickly recited for the record that you wanted to add to from
2 the Grasshopper Group's perspective?

3 MR. DONAHUE: No, I don't think so.

4 JUDGE TOREM: All right. Typically, under our WACs,
5 we would have ten days to respond to a dispositive motion. I
6 got an e-mail yesterday that I think, Counsel, you were copied
7 on from Mr. Shearer, asking for an extension of that time period
8 and maybe an agreed date.

9 Mr. Shearer, can you address that for the record?

10 MR. SHEARER: Yes. I had contacted counsel and you,
11 Your Honor, to extend the response time until May 23, 2014, to
12 respond to the -- to Grasshopper Group's motion to dismiss.

13 JUDGE TOREM: So it's essentially a one-week
14 extension?

15 MR. SHEARER: Yes.

16 JUDGE TOREM: And, Mr. Donahue, Mr. Quirk, is that
17 acceptable to you?

18 MR. DONAHUE: Yes, it is, and we previously
19 communicated with Mr. Shearer that it was acceptable.

20 JUDGE TOREM: All right. We'll just get it on the
21 record here, and we'll add that to our schedule. I imagine the
22 next thing that will happen is the Commission's response coming
23 in, and then I'll have an opportunity to rule on the motion in
24 writing.

25 Mr. Shearer, you indicated before we got started you

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1 had an opportunity to talk to counsel about a procedural
2 schedule. We'll get to that in a moment. I don't see anyone
3 other than Commission Staff in the room here to intervene.

4 Is there anyone on the bridge line that wanted to
5 intervene in this case?

6 Okay. Hearing none, we'll make a note of that in the
7 prehearing conference order.

8 Mr. Shearer, any need for discovery?

9 MR. SHEARER: We don't anticipate any need.

10 JUDGE TOREM: And counsel for the Grasshopper Group,
11 if you're familiar with our administrative procedural rules,
12 there in WAC 480-07, Rule 400 sets out the types of cases where
13 discovery might be appropriate.

14 Were you thinking you needed to do anything beyond
15 informal discovery with the Commission?

16 MR. DONAHUE: No. We don't expect anything beyond
17 that.

18 JUDGE TOREM: All right. If you think that it
19 becomes necessary, WAC 480-07-400 is the place to look and file
20 a motion in accordance with that administrative code provision.

21 MR. DONAHUE: Okay. Thank you.

22 JUDGE TOREM: Mr. Shearer, anything else detail-wise
23 before talking about a procedural schedule?

24 MR. SHEARER: No, Your Honor.

25 JUDGE TOREM: Okay. Let me hear what your proposed

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1 schedule is beyond the response to the motion on May 23rd, which
2 I'll, of course, approve in agreement between counsel. We'll
3 just make that the first date.

4 MR. SHEARER: The parties have discussed a potential
5 hearing date of June 18th.

6 JUDGE TOREM: Okay. It's on a Wednesday, June the
7 18th?

8 MR. SHEARER: Mm-hm.

9 JUDGE TOREM: And how will testimony or exhibits,
10 witnesses lists be handled?

11 MR. SHEARER: We hadn't discussed that in detail, but
12 we would -- probably the Friday before would be sufficient to
13 turn in lists, at least for our purposes. We don't anticipate
14 having extensive exhibits or anything like that anyway.

15 JUDGE TOREM: Okay. How many witnesses would the
16 Commission be calling on that day?

17 MR. SHEARER: One.

18 JUDGE TOREM: And, Mr. Donahue, does that particular
19 date work for you to be out in Washington assuming...

20 MR. DONAHUE: Yes.

21 JUDGE TOREM: Assuming that the motion is not granted
22 and the case dismissed, then June the 18th, you would be able to
23 be here?

24 MR. DONAHUE: Yes.

25 JUDGE TOREM: All right. It looks like we have a

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1 room free from the latest calendar that I've got from the
2 Administrative Law Division. I would have to check that and be
3 sure, and I think that I should be able to be available that day
4 for a one-day hearing.

5 How many witnesses would the Grasshopper Group be
6 putting on?

7 MR. DONAHUE: I don't expect we'd have more than one,
8 and, again, I don't think we would have extensive exhibits
9 either.

10 JUDGE TOREM: Okay. So if we have a June 18th
11 deadline, if the exhibits are filed on Friday, June the 13th,
12 that would work for both sides?

13 MR. SHEARER: It does for us; yes, Your Honor.

14 MR. DONAHUE: Yes.

15 JUDGE TOREM: Okay. Then I'm not sure that we have a
16 whole lot else to set up. I'm just looking at how much time it
17 gives me to turn out a response to the motion. I would imagine
18 if it's dismissed, I could take as long as I want up till the
19 hearing date, but I don't want travel plans and the rest to be
20 there, so I'm going to have to look at the first week of June as
21 the target date to have it done by the week of June 2nd through
22 6th and do my best to get that back to you that week.

23 Anything else question-wise from the Commission
24 Staff's perspective?

25 MR. SHEARER: No, Your Honor.

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1 JUDGE TOREM: And for Grasshopper Group?

2 MR. DONAHUE: We don't have anything, Your Honor.

3 JUDGE TOREM: All right. Then I'll put out a
4 prehearing conference order, probably tomorrow, memorializing
5 the dates.

6 I checked the filing schedule and it looks like we
7 could have an original plus six additional copies due for all
8 paper copies that are filed. I'm trying to see if I can cut
9 that down, so look in the prehearing conference order and see if
10 I can get it down to the original plus, perhaps, just two to
11 three copies. I've got to see if I can talk some people into
12 getting it all electronically, and we'll go forward from there.

13 All right. Thank you, Mr. Shearer.

14 Thank you, Mr. Donahue, Mr. Quirk, and Mr. Schiavone.

15 If there's nothing further from the Commission?

16 MR. SHEARER: No, there is not.

17 JUDGE TOREM: Nothing further from the Company?

18 MR. DONAHUE: No; no, Your Honor.

19 JUDGE TOREM: All right. Then we're adjourned and
20 off the record.

21 (Proceeding concluded at 1:10 p.m.)

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C E R T I F I C A T E

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3 STATE OF WASHINGTON)

) ss

4 COUNTY OF KING)

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6 I, SHELBY KAY K. FUKUSHIMA, a Certified Shorthand Reporter
7 and Notary Public in and for the State of Washington, do hereby
8 certify that the foregoing transcript is true and accurate to
9 the best of my knowledge, skill and ability.

10 IN WITNESS WHEREOF, I have hereunto set my hand and seal
11 this 19th day of May, 2014.

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SHELBY KAY K. FUKUSHIMA, CCR

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16 My commission expires:

June 29, 2017

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