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BEFORE THE WASHINGTON STATE

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UTILITIES AND TRANSPORTATION COMMISSION

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WASHINGTON UTILITIES AND ) Docket UE-130617  
TRANSPORTATION COMMISSION, ) Pages 1-16

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)

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v. )

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Complainant, )

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PUGET SOUND ENERGY, INC., )

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Respondent. )

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PREHEARING CONFERENCE, VOLUME I

11

Pages 1-16

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ADMINISTRATIVE LAW JUDGE MARGUERITE E. FRIEDLANDER

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10:00 A.M.

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MAY 31, 2013

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Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive Southwest, Room 206  
Olympia, Washington 98504-7250

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REPORTED BY: SHELBY KAY K. FUKUSHIMA, CCR #2028

21

Buell Realtime Reporting, LLC

22

1411 Fourth Avenue

Suite 820

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGE:

MARGUERITE E. FRIEDLANDER  
Washington Utilities and  
Transportation Commission  
1300 South Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, Washington 98504  
360.664.1136

FOR PUGET SOUND ENERGY:

DONNA L. BARNETT  
Perkins Coie  
10885 Northeast Fourth Street  
Suite 700  
Bellevue, Washington 98004  
425.635.1400  
dbarnett@perkinscoie.com

FOR WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION:

DONALD T. TROTTER  
STEVEN W. SMITH  
Assistant Attorney General  
1400 South Evergreen Park Drive  
Southwest  
P.O. Box 40128  
Olympia, Washington 98504  
360.664.1189  
dtrotter@utc.wa.gov  
ssmith@utc.wa.gov

FOR PUBLIC COUNSEL:  
(Via telephone)

SIMON J. FFITCH  
Senior Assistant Attorney General  
Public Counsel Section  
Office of the Attorney General  
800 Fifth Avenue  
Suite 2000  
Seattle, Washington 98104  
206.389.2055  
simonf@atg.wa.gov

(Continued...)

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1 FOR INDUSTRIAL CUSTOMERS OF  
2 NORTHWEST UTILITIES:

3 IRION A. SANGER  
4 Davison Van Cleve  
5 333 Southwest Taylor Street  
6 Suite 400  
7 Portland, Oregon 97204  
8 503.241.7242  
9 ias@dvclaw.com

10 \* \* \* \* \*

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OLYMPIA, WASHINGTON, MAY 31, 2013

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10:00 A.M.

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P R O C E E D I N G S

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JUDGE FRIEDLANDER: Let's get started.

7

I am Marguerite Friedlander, the administrative law  
8 judge in this proceeding. We're here today for a prehearing  
9 conference in Docket UE-130617, which has been styled: The  
10 Washington Utilities and Transportation Commission v. Puget  
11 Sound Energy, Inc.

12

The first order of business is to take appearances.  
13 We'll do long form appearances today. However, if everyone is  
14 agreeable, I think we can get rid of the fax number information,  
15 and I won't even include it on the prehearing conference order.

16

So why don't we begin with the Company.

17

MS. BARNETT: Thank you, Your Honor. Donna Barnett,  
18 representing Puget Sound Energy. That's Donna, B-a-r-n-e-t-t,  
19 of Perkins Coie.

20

And my address is 10885 Northeast Fourth Street,  
21 Suite 700, in Bellevue, Washington 98004; phone number is  
22 425.635.1419; and e-mail is dbarnett@perkinscoie.com.

23

JUDGE FRIEDLANDER: Thank you. And we have a  
24 procedural rule, I guess, or a procedure that we have in place  
25 here that has become customary for our preconference orders

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1 where we have an Appendix A listing the different parties and  
2 their representatives. We typically have one attorney and one  
3 Company representative who are listed as receiving hard copy  
4 service. The rest can receive e-mail service. You know, you  
5 can have as many e-mail services as you'd like.

6 Is it going to be you or Ms. Carson who will be  
7 receiving the hard copy?

8 MS. BARNETT: Either one is fine.

9 Since Ms. Carson's not here, I'll recommend that hard  
10 copies go to her.

11 JUDGE FRIEDLANDER: That's fine. That's fine.

12 And so who would be the Company representative? Is  
13 that Mr. Johnson?

14 MS. BARNETT: Yes. Actually, Ken Johnson --

15 JUDGE FRIEDLANDER: Ken Johnson.

16 MS. BARNETT: -- who is on the petition, yes.

17 JUDGE FRIEDLANDER: Okay. Okay. And so if you want  
18 anyone else with the Company -- and this goes for everyone  
19 involved.

20 If you want anyone to be listed for e-mail service  
21 only as a courtesy, send me an e-mail with those names and  
22 e-mail addresses by the end of today, if you can.

23 MS. BARNETT: Actually, we've requested in the past,  
24 and would like to again, have e-mail service to  
25 psedrs@perkinscoie.com.

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1 JUDGE FRIEDLANDER: That's fine. Yeah. If you  
2 can -- I guess I'm a little confused.

3 Are you talking you want service of process, or do  
4 you want the courtesy e-mail to go to...

5 MS. BARNETT: Courtesy e-mail, yes.

6 JUDGE FRIEDLANDER: That's fine. Okay. Well, just  
7 include that in the e-mail that you send me by the end of today,  
8 the end of business today, and let me know that e-mail address.

9 MS. BARNETT: Very good.

10 JUDGE FRIEDLANDER: Okay. Great. Let's go to Staff.

11 MR. TROTTER: Thank you, Your Honor. My name is  
12 Donald T. Trotter, Assistant Attorney General. And I'm also  
13 entering an appearance for Steven W. Smith, Assistant Attorney  
14 General.

15 Our address is 1400 South Evergreen Park Drive  
16 Southwest, P.O. Box 40128, Olympia, Washington 98504-0128. My  
17 phone number is 360.664.1189; Mr. Smith is the same area code,  
18 664.1225. My e-mail is dtrotter@utc.wa.gov, and Mr. Smith is  
19 ssmith with the same extension.

20 JUDGE FRIEDLANDER: Okay. And which of the -- I'm  
21 assuming...

22 MR. TROTTER: I'll be the one to take the...

23 JUDGE FRIEDLANDER: The lead? The hard copy?

24 MR. TROTTER: Take the hard copy, yeah.

25 JUDGE FRIEDLANDER: Okay. Great. And then I guess

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1 you can get me the names of the people you want courtesy e-mails  
2 sent to?

3 MR. TROTTER: I will do that.

4 JUDGE FRIEDLANDER: Okay. Thank you.

5 And appearing today on behalf of Public Counsel?

6 MR. FFITCH: Good morning, Your Honor. For Public  
7 Counsel, Simon ffitch, Office of the Attorney General, Public  
8 Counsel Division. 800 Fifth Avenue, Suite 2000, Seattle,  
9 Washington 98104-3188.

10 And the phone number is 206.389.2055; e-mail is  
11 simonf@atg.wa.gov. And we also, I believe, Your Honor, filed a  
12 notice of appearance which included Assistant Attorney General  
13 Lisa Gafken. And her information -- I don't have her e-mail  
14 address in mind. I believe that's reflected on the notice of  
15 appearance.

16 I, however, would be the party -- or the attorney for  
17 hard copy service for Public Counsel, and we will submit today  
18 electronic courtesy service addresses also.

19 JUDGE FRIEDLANDER: Okay. Great. Thank you so much.

20 And we do have a petition to intervene from the  
21 Industrial Customers of Northwest Utilities.

22 Mr. Sanger, if you'd like to make an appearance?

23 MR. SANGER: Thank you, Your Honor. My name is Irion  
24 Sanger. That's I-r-i-o-n, S-a-n-g-e-r. I represent ICNU.

25 My address is the law firm of Davison Van Cleve, 333

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1 Southwest Taylor, Suite 400, Portland, Oregon 97204. Phone  
2 number: 503.241.7242; and e-mail address: ias@dvclaw.com.

3 JUDGE FRIEDLANDER: Okay. And I take it you, instead  
4 of Ms. Davison, will be the lead attorney on this?

5 MR. SANGER: Yes, Your Honor.

6 JUDGE FRIEDLANDER: Okay. And who from ICNU will be  
7 receiving hard copy service? Is it Mr. Deen or Mr. Schoenbeck?

8 MR. SANGER: You can send them to Mr. Deen.

9 JUDGE FRIEDLANDER: Okay.

10 MR. SANGER: And then we'll send e-mail addresses for  
11 courtesy e-mails today.

12 JUDGE FRIEDLANDER: Excellent. Excellent. Thank  
13 you.

14 Okay. So is there any objection to ICNU being  
15 included in the proceeding today?

16 MS. BARNETT: No, Your Honor.

17 JUDGE FRIEDLANDER: Okay. So that petition is  
18 granted, then. Thank you.

19 Is there anyone on the conference bridge who would  
20 like to voice an appearance today?

21 Okay. And in the hearing room itself, we have no  
22 other individuals from industries or stakeholders that would be  
23 making an appearance, so we'll move on to the...

24 Well, a protective order has already been entered in  
25 this case. I do have some issues regarding the level of

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1 confidentiality and the number of confidential papers that have  
2 been filed by the Company, but we'll deal with that in a minute.

3 I want to let the parties know that because this case  
4 involves the suspension of tariffs, featuring rates, that this  
5 matter does automatically make our discovery rules available to  
6 the parties, and I know that you will utilize those.

7 Let's talk procedural schedule at this point, and  
8 we'll get into the confidential information.

9 Before we went on the record, the parties and I had  
10 discussed potential dates for a hearing, and also whether or not  
11 the six-month time frame in which this case needs to be  
12 processed would be waived by the Company.

13 If the parties are amenable, I think we should  
14 probably go off the record at this point and continue discussion  
15 of a procedural schedule, okay?

16 Sounds good. We'll be off the record.

17 (Discussion off the record.)

18 JUDGE FRIEDLANDER: Why don't we go ahead and go back  
19 on the record.

20 And the parties have had a chance to confer and come  
21 up with a proposed schedule, procedural schedule, and why don't  
22 I have -- Mr. Trotter, if you would be so kind as to recite what  
23 the parties have arrived at.

24 MR. TROTTER: Yes, Your Honor. We were proposing the  
25 next events following today would be the Company filing

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1 supplemental data by Tuesday, July 2nd, and settlement  
2 conference, Tuesday, July 23rd. The Staff, Public Counsel, and  
3 Intervenor cases will be filed Wednesday, August 14th, with  
4 rebuttal Wednesday, August 28th.

5           There would be a discovery cutoff of September 18th,  
6 and after rebuttal, there would be a four-day turnaround for  
7 data request responses.

8           Hearings would be Wednesday and Thursday, September  
9 25th and 26th, with a public comment hearing the evening of the  
10 Wednesday hearing.

11           Simultaneous opening briefs would be the 10th; is  
12 that right, Mr. Sanger?

13           JUDGE FRIEDLANDER: I have down that it would be the  
14 14th of October; am I wrong?

15           MR. TROTTER: Well, I think because we shifted the  
16 dates...

17           MR. MICKELSON: But you were wanting six weeks.

18           JUDGE FRIEDLANDER: I see. I see.

19           So this is all based on the September 26th and 27th.

20           MR. TROTTER: Correct.

21           MS. BARNETT: Right.

22           JUDGE FRIEDLANDER: Gotcha. Okay.

23           MR. TROTTER: So that would be...

24           MR. SANGER: The 10th, yeah.

25           MR. MICKELSON: The 10th.

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1 MR. TROTTER: The 10th of October --

2 MS. BARNETT: Thursday. That would be the 10th.

3 MR. TROTTER: -- which is a Thursday.

4 JUDGE FRIEDLANDER: Gotcha.

5 MR. TROTTER: And then reply briefs with the  
6 seven-page limit would be the 17th of October. And the final  
7 order would be issued by Tuesday, November 19th --

8 JUDGE FRIEDLANDER: Okay.

9 MR. TROTTER: -- with the --

10 MR. MICKELSON: Company filing compliance...

11 MR. TROTTER: -- compliance filing and the new rates  
12 going into effect December 1.

13 JUDGE FRIEDLANDER: Okay. And we don't typically put  
14 when the compliance filing is going to come in in the prehearing  
15 conference order, so I assume that's pretty much just an  
16 agreement between the parties at this point. And I don't feel  
17 the need to put that in the prehearing conference, so...

18 MR. TROTTER: Right. And I think, you know, the  
19 Company's request is that these rates go into effect by December  
20 1st, so the quicker they can get their compliance filing in, you  
21 know, they can...

22 JUDGE FRIEDLANDER: It is to their benefit.

23 MR. TROTTER: It's in their interest, so --

24 JUDGE FRIEDLANDER: Exactly.

25 MR. TROTTER: -- we'll trust them to do the job or if

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1 they don't, the consequences will fall.

2 JUDGE FRIEDLANDER: Certainly. Certainly.

3 Okay. Well, as I stated previously, I will take this  
4 under advisement and talk with the Commissioners, as well as our  
5 Policy Staff just to make sure that these dates are amenable to  
6 everyone. So that deals with the procedural schedule.

7 We had talked a little bit about the confidential  
8 information that the Company has filed with their initial  
9 filing. I did mention that some of the information has been  
10 designated confidential and may need to be may be made public  
11 because of the great volume of the confidentiality that had been  
12 claimed.

13 And, Ms. Barnett, if you could reiterate what you had  
14 stated regarding refileing some of the confidential information  
15 and when -- maybe give us a potential date when that might come  
16 in.

17 MS. BARNETT: Yes. The vast majority of the  
18 confidential material was -- in the initial filing was due to a  
19 transaction that had not yet occurred. And it has now, in my  
20 understanding occurred, so we will be able to lift the majority  
21 of the confidential designation.

22 We planned on doing that even when -- in the initial  
23 filing. When we filed that, we planned on it. And we will be  
24 able to do that -- I don't have a date, but we expect to be able  
25 to do that sometime next week with regard to just the

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1 confidentiality, I think.

2 JUDGE FRIEDLANDER: Okay. Excellent. Thank you.

3 I would mention just as a note to the parties as  
4 well, when making filings, please include an original and eight  
5 copies.

6 Is there anything else that we need to discuss before  
7 we adjourn?

8 MR. TROTTER: Just one moment.

9 JUDGE FRIEDLANDER: Sure.

10 (Pause in the proceedings.)

11 MR. TROTTER: Your Honor, there is one item, and I  
12 forgot about it. I would have raised it earlier with counsel,  
13 but the Company is requesting certain accounting treatment for  
14 maintenance, major maintenance, and there are accounting  
15 petition -- there's one accounting petition pending in another  
16 docket where that is being requested as well.

17 And so I just raise the question whether those  
18 dockets ought to be consolidated, or if the Company had any  
19 thoughts on that subject.

20 And, again, I apologize. I should have mentioned it  
21 to counsel earlier.

22 JUDGE FRIEDLANDER: Right. And I guess my  
23 understanding from reading the initial filing was that the  
24 Company had made reference to needing an accounting treatment  
25 but said that at a different time they would make a filing. So

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1 I wasn't sure they were actually requesting the accounting  
2 treatment in this docket. I thought it was in the other filing.

3 MR. TROTTER: Okay.

4 JUDGE FRIEDLANDER: Now, the Company can correct me  
5 if I'm wrong on that.

6 MR. TROTTER: Yeah, clarification might be helpful.

7 JUDGE FRIEDLANDER: Yeah, I agree.

8 MR. MICKELSON: So you have one coming up end of  
9 June. And I can't remember which one that's for, but you  
10 also --

11 JUDGE FRIEDLANDER: How about we go off the record  
12 for just a minute and discuss this?

13 MR. MICKELSON: I'm sorry.

14 JUDGE FRIEDLANDER: And we'll be back on the record  
15 in a minute.

16 (Discussion off the record.)

17 JUDGE FRIEDLANDER: Let's go back on the record.

18 I understand that the parties have had a chance to  
19 discuss this potential for an additional filing that may or may  
20 not be included in this docket and consolidated with UE-130617.

21 At this time, they are prepared to discuss that off  
22 the record amongst themselves and report back to me or file  
23 something and I'll know at that point where we're at.

24 Otherwise, we'll just continue as planned and deal  
25 with that as it comes.

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1                   So if there is nothing further?

2                   Okay. We are adjourned. Thank you.

3                   (Proceeding adjourned at 11:48 p.m.)

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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 11th day of June, 2013.

12

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14

\_\_\_\_\_  
SHELBY KAY K. FUKUSHIMA, CCR

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16 My commission expires:

June 29, 2013

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