

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of	)	
	)	DOCKET NO. UG-971136
PUGET SOUND ENERGY, INC.,	)	
	)	
For a Certificate of Public	)	FIRST SUPPLEMENTAL ORDER
Convenience and Necessity to	)	ON PREHEARING CONFERENCE
Operate a Gas Plant for Hire in the	)	
Designated Area of Kittitas County	)	
.....	)	

**PREHEARING CONFERENCE:** The Commission convened a prehearing conference in this matter on September 10, 1997, at Olympia, Washington, before Administrative Law Judge Terrence Stapleton of the Washington Utilities and Transportation Commission (Commission).

**APPEARANCES:** The following parties and their representatives entered appearances: James M. Van Nostrand for Puget Sound Energy, Inc. (Puget or Company); Robert Cedarbaum, Assistant Attorney General, for Staff of the Washington Utilities and Transportation Commission (Commission Staff); and, Terence L. Mundorf for City of Ellensburg (City).

**INTERVENTIONS:** The City of Ellensburg made an oral motion to intervene. The Company nor Commission Staff objects to the motion.

**SCHEDULE:** Pursuant to Commission's August 29, 1997, Notice of Prehearing Conference, the Company distributed its direct testimony and exhibits at the prehearing conference. The following procedural schedule is adopted for this proceeding:

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| Simultaneous Legal Memoranda of the Parties Addressing the Scope of the City's Authority to Hold a Certificate Of Public Convenience and Necessity | September 17, 1997 |
| Joint Resolution by the Parties of the Appropriate Notice for the Proposed Rule Waiver Request by the Company                                      | September 19, 1997 |
| Commission Order on City's Authority   | September 22, 1997 |
| Commission Staff and City File Direct Testimony and Exhibits   | October 17, 1997   |

Company File Rebuttal Testimony and Exhibits	October 31, 1997
HEARINGS	NOVEMBER 19-21, 1997
PUBLIC HEARING (Date and Location to be Announced)	
Briefs Due	December 10, 1997
Expected Entry of Commission Order	December 30, 1997

**PUBLIC HEARING:** It is anticipated the Company will seek a waiver of rules within Chapter 480-93 WAC regarding proximity considerations and proscribed areas for the operation of high pressure natural gas facilities. The Commission Staff and Company by letter dated September 19, 1997, propose the following regarding notice of a rule waiver request:

- (1) property owners within 100 feet of the proposed route of the Company's pipeline will receive individual notice by letter from the Company;
- (2) the notice will be developed by the Company in consultation with Commission Staff;
- (3) the notice will include the time, date, and location of the public hearing to be held in the affected area; and,
- (4) the notice will be mailed after the October 17, 1997 filing of Commission Staff's direct case.

The Commission finds this arrangement acceptable.

**DISCOVERY:** The Commission's rule on discovery is invoked. Accordingly, the methods for obtaining data as provided by WAC 480-09-480 are available in this proceeding. The parties have agreed to respond to data requests within seven calendar days; in the event such response shall be impossible, the requesting party shall be notified immediately. The parties mutually will determine the minimum possible time for compliance and discuss ways to provide requested information in a format and manner meeting the needs of the requesting party either in whole or in part within the time required for a response.

**PROTECTIVE ORDER:** The Commission will enter a protective order in this proceeding. The Company and City jointly will propose amendatory language to the order and submit an addendum to the order describing additional agreements and arrangements between the Company and the City to protect sensitive information.

**ISSUE OF CITY'S AUTHORITY TO HOLD A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY:** On September 17, 1997, Commission Staff, Company, and City filed legal memoranda on the issue of the City's authority to hold a certificate of public convenience and necessity from the Commission. The parties' submissions were well researched and documented, and the Commission expresses its appreciation for the quality of the briefs produced on short notice.

The Commission has read each parties' brief and the Commission's order granting the application of the City for a certificate of public convenience and necessity.<sup>1</sup> The Commission acknowledges and appreciates Commission Staff's inclusion of Orders in U-9763, and consolidated proceedings in Cause Nos. U-9692, U-9702, U-9703,<sup>2</sup> applications for certificates of public convenience and necessity by Washington Natural Gas Company, City of Enumclaw, and Town of Buckley, respectively.

The Commission finds persuasive Commission Staff's conclusion concerning the legal basis for the Commission's 1967 Order granting a certificate to the City, and the effect on the City's ability to hold that certificate of its form of government at the time the certificate was issued. The Commission had legal authority to issue a certificate to the City that included geographic area outside the City's municipal boundaries. Any impediment to the City's ability to fully operate in the certificated territory originally granted to it was cured in 1991 when the City reorganized as a non-charter code city pursuant to RCW 35A.01, *et seq.*

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<sup>1</sup>In the Matter of the Application of CITY OF ELLENSBURG, a Municipal Corporation, for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire in the general area or areas of Kittitas County, ORDER GRANTING APPLICATION, Cause No. U-9763, April 7, 1967.

<sup>2</sup>In the Matter of the Application of WASHINGTON NATURAL GAS COMPANY, for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire in the general area or areas of Snohomish, King, Pierce, Thurston, and Lewis Counties, Cause No. U-9692; In the Matter of the Application of the CITY OF ENUMCLAW, a Municipal Corporation, for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire in the general area or areas of the City of Enumclaw, Cause No. U-9702; and, In the Matter of the Application of the TOWN OF BUCKLEY, a Municipal Corporation, for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire in the general area or areas of the Town of Buckley, Cause No. U-9703; ORDER; November 2, 1966.

The Commission orders that the Company's application in this matter proceed pursuant to the procedural schedule adopted above.

The Commission requests the City delineate on a surveyors plat its certificated territory as legally described in the ORDER in Cause No. U-9763.

**MOTION TO EXPEDITE PROCEDURAL SCHEDULE:** The Company on August 27, 1997, filed a motion for an expedited procedural schedule. The Commission believes the procedural schedule established for this proceeding is responsive to the Company's request. At the prehearing conference, the Company agreed to withdraw that motion, and the request was granted.

**NOTICE TO PARTIES:** Any objection to the provisions of this Order must be filed within ten days from the date of its service date pursuant to WAC 480-09-460(2). In the absence of objection, this Order on Prehearing Conference will govern further proceedings in this matter, subject to Commission review and modification.

DATED at Olympia, Washington, and effective this 22nd day of September 1997.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

  
ANNE LEVINSON, Chair

  
RICHARD HEMSTAD, Commissioner

  
WILLIAM R. GILLIS, Commissioner