

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION	)	DOCKET NO. TO-011472
	)	
Complainant,	)	
	)	
v.	)	
	)	NINTH SUPPLEMENTAL ORDER
OLYMPIC PIPE LINE COMPANY,	)	
	)	ORDER DENYING MOTION FOR RULING ON METHODOLOGY
Respondent	)	
	)	
.....	)	

1     **Synopsis:** *The Commission denies a request by Olympic Pipe Line Company for an order in advance of hearing declaring whether FERC or WUTC methodology should be used to calculate the Company’s need for additional revenues from rates and charges.*

2     **Nature of the proceeding:** This proceeding is established to review a filing by Olympic Pipe Line Company for an increase in its rates and charges for providing transportation of petroleum products within the state.

3     **Relief requested:** Olympic asks by a motion filed on February 22, 2002, that the Commission determine in advance of the evidentiary hearing that the calculation of rates that are fair, just and reasonable under state law be done through the use of methodologies developed and used by the Federal Energy Regulatory Commission, or FERC, rather than by methodology used in other rate setting matters before the Commission.

4     **FERC Methodology Issue.** Olympic asks for a second time that the Commission determine in the context of the general rate proceeding whether the Commission will apply the FERC or the WUTC methodology in calculating rates.

5     The Commission upon suspending this proceeding denied the Company’s earlier request for the an earlier determination of methodology. It based this decision on its view that the proper methodology to use in calculating rates for this company should be decided in the context of an actual general rate proceeding and with knowledge of the operation and the effects of both methodologies, rather than in the abstract.

6 The Company again asks the Commission to decide the issue of methodology in  
advance of the hearing. It states that it will be difficult for the Company in effect to  
prepare two rate cases rather than one, in a time frame when its resources are  
challenged.

7 No other party responded to the motion.

8 The Commission again denies the requested relief. The Company is free to present  
its case based on its understanding of FERC methodology; other parties are free to  
present a responding case that follows WUTC analytical methodologies. The  
Company will be the source of data for both inquiries, and parties will have the  
opportunity to cross examine each other on both methodologies. In doing so, the  
parties will make a record for a sound decision not only on which methodology is  
appropriate for use with regard to the Company and its operations, but also for a  
sound decision on the details of the application of the proper methodology.

9 It is so ordered.

DATED at Olympia, Washington, and effective this 29th day of March, 2002.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner