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August 13, 2018

SENT VIA UTC WEB PORTAL

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: 2018 Generic Cost of Service Rulemaking,
Dockets UE-170002 and UG-170003

Dear Mr. Johnson:

On July 23, 2018, the Commission issued its notice of CR-101 in the above-referenced dockets and called for comments by August 31, 2018. Public Counsel is very interested in these dockets and believes that the inquiry undertaken is important. We supported Commission Staff's request to conduct a generic proceeding in the 2016 Avista general rate case (Dockets UE-160228 and UG-160229),¹ and we have participated in these dockets prior to the CR-101. In particular, Public Counsel has participated in each workshop and filed comments in response to each request for comments to date.² We will continue to participate and offer material contribution.

During the early stages of the proceeding, we engaged an expert consultant, Glenn Watkins, who shares our desire to address the issues posed in these dockets. However, for reasons explained below, Public Counsel respectfully submits that it will be unable to file comments by August 31, 2018. Instead, Public Counsel will submit comments by September 18, 2018, which is the earliest possible time we will have comments of adequate quality prepared. This is slightly more than two weeks after the deadline set in the Commission's July 23rd notice.

¹ *WUTC v. Avista Corp.*, Dockets UE-160228 and UG-160229, Post-Hearing Brief of Public Counsel ¶¶ 27-28 (Nov. 7, 2016).

² Participated in workshops on February 8, 2017, February 16, 2018, and April 20, 2018; *See also* Docket UE-170002, Comments on Behalf of Public Counsel (Mar. 29, 2018); Docket UG-170003, Comments on Behalf of Public Counsel (May 30, 2018).

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To: Mr. Mark L. Johnson
Re: Docket Nos. UE-170002 and UG-170003
Date: August 13, 2018
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Mr. Watkins, President and Senior Economist of Technical Associates, has worked with Public Counsel on rate spread and rate design matters in several UTC rate case docket since 2007. Additionally, Mr. Watkins worked with Public Counsel on previous rate design collaboratives (for example, PSE rate spread design collaborative in Docket UE-141368 and Pacific Power rate design collaborative arising from Docket UE-152253). Given his deep understanding of Washington ratemaking and cost of service studies, he will bring a cohesive perspective to the current inquiry into cost of service studies.

The timing of the July 23rd notice poses a significant hardship given Mr. Watkins' other workload commitments. Because the timing of these dockets has been open-ended to date, and has been in limbo for almost two years, it was difficult to plan workload for this case with any degree of procedural certainty. As a result, we are experiencing several scheduling conflicts that will prevent us from preparing adequate comments by the August 31st deadline. In particular, Mr. Watkins has evidentiary hearings in cases that will not settle on August 15 through 17 and August 23 through 24. Additionally, Mr. Watkins is preparing five sets of testimony and exhibits to be filed in various jurisdictions on August 6, 17, 22, 28, and September 14.

Public Counsel believes it is very important that we provide thorough and comprehensive comments to the Commission, given the weight of these dockets. Comments filed before September 18 would not provide the thorough and comprehensive comments we feel these dockets require. We do not make this decision lightly, as we want to provide timely and responsive comments for the Commission's consideration and for stakeholders to evaluate. We carefully considered the situation and believe this solution will meet the needs of the Commission, stakeholders, and Public Counsel.

If you have any questions about this letter, please contact the undersigned at Lisa.Gafken@atg.wa.gov or (206) 464-6595.

Sincerely,

/s/ Lisa W. Gafken

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