

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET UE-090205
TRANSPORTATION COMMISSION,	)	
Complainant,	)	
	)	
v.	)	ORDER 04
	)	
PACIFICORP D/B/A PACIFIC	)	
POWER & LIGHT COMPANY,	)	PREHEARING CONFERENCE
	)	ORDER
Respondent.	)	<b>(Evidentiary Hearing set for</b>
	)	<b>October 27 – 30, 2009)</b>
.....	)	

- 1     **NATURE OF PROCEEDINGS:** On February 9, 2009, PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-74. The stated effective date of the tariff revisions is March 11, 2009. The proposed revisions would implement a general rate increase of \$38.5 million, or 15.1 percent.
  
- 2     At its regularly scheduled Open Meeting on February 26, 2009, the Commission suspended the filing for 10 months concluding on January 11, 2010, and set the docket for hearing. On March 2, 2009, the Commission entered a Notice of Prehearing Conference and appointed Administrative Law Judge Patricia Clark as presiding officer in this proceeding.
  
- 3     **CONFERENCE.** The Commission convened a prehearing conference in this proceeding at Olympia, Washington on March 23 2009, before Judge Clark.
  
- 4     **PARTY REPRESENTATIVES:** Katherine A. McDowell, McDowell & Rackner, PC, Portland, Oregon, and Michelle Mishoe, Legal Counsel, PacifiCorp, represent PacifiCorp. Sarah A. Shifley, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of Attorney General (Public Counsel). Donald T. Trotter and Jennifer Cameron-Rulkowski, Assistant

Attorneys General, Olympia, Washington, represent the Commission's regulatory staff (Commission Staff or Staff).<sup>1</sup> Irion Sanger, Davison Van Cleve, P.C., Portland, Oregon, represents the Industrial Customers of Northwest Utilities (ICNU). Brad Purdy represents The Energy Project. A complete list of party representatives and their contact information is attached to this Order as Appendix A.

5     **PETITIONS FOR INTERVENTION.** On March 13, 2009, The Energy Project filed a petition to intervene. The petition was not opposed. Moreover, the petitioner demonstrated a substantial interest in this proceeding and that its participation will be in the public interest. *WAC 480-07-355*. The petition to intervene by The Energy Project is granted.

6     **PROCEDURAL SCHEDULE.** On March 20, 2009, the parties submitted an agreed-upon procedural schedule to discuss during the prehearing conference. The Commission commends the parties for undertaking the effort to reach agreement on a procedural schedule in advance of the prehearing conference. The Commission adopts the procedural schedule proposed by the parties, with the exception of the proposed dates for a public comment hearing. The Commission will attempt the schedule the public comment for one of the dates proposed by the parties, but is unable to confirm its ability to do so at this time. The schedule proposed by the parties takes into consideration the issues raised by the parties to these proceedings as well as the press of other regulatory business before the Commission. The procedural schedule is set forth in Appendix B to this Order.

7     *Supplemental Filing.* In general rate case proceedings, the Commission ordinarily issues two bench requests shortly after the first prehearing conference regarding the Company's revenue requirement filings. In an effort to expedite the distribution of this information, the Commission requested the supplemental information during the course of the prehearing conference. Specifically, the Commission requested that PacifiCorp provide the direct testimony exhibit of R. Bryce Dalley, RBD-3 in a separate electronic spreadsheet file. The file(s) must be in Excel format. The filing

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<sup>1</sup> In formal proceedings, such as this, the Commission's regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as other parties to the proceeding. There is an "*ex parte* wall" separating the Commissioners, the presiding

must include all linked files with all formulas and formatting in every spreadsheet intact (formulas not converted to values or otherwise modified from original). This information should be provided on a CD. In addition, the Commission requested that the Company provide electronic spreadsheet files for any other exhibits that flow into the results of operations including all adjustments furnished by other witnesses. The files(s) must be in Excel format and include all linked files with all formulas and formatting in every spreadsheet intact (formulas not converted to values or otherwise modified from original). This information should also be provided on a CD. During the course of the prehearing conference, the Commission established a deadline of **April 2, 2009**, for submitting the supplemental information.

- 8 *Prefiled Testimony and Exhibits.* The Commission's rule, WAC 480-07-510(1), governs the content of Company submissions for requests for general rate relief. That rule requires the Company to submit an exhibit with results of operations statement that demonstrates test year actual results together with restating and *pro forma* adjustments supporting the requested rate increase.
- 9 To ensure consistency in the comparison of the Company's filing with the filings of other parties, the Commission requires intervenors, Public Counsel, and Staff to prepare their testimony and exhibits starting with the results of operations that show test year actual results (or "per books.") The party should state whether the Company's restating and *pro forma* adjustments are contested or uncontested. If contested, the party must state the basis for the disagreement and how that adjustment should be modified. This ruling is not intended to restrict parties to an analysis of the issues raised by the Company. The other parties to this proceeding may propose any new adjustments or raise any issues that they deem fit for the Commission's consideration.
- 10 The parties should follow the foregoing format when presenting cross-answering testimony and rebuttal testimony. That is, each party should state whether other parties' adjustments are contested or uncontested, the basis for the disagreement, and how other parties' proposed adjustments should be modified.

- 11 During the prehearing conference, the Commission further determined, for the purpose of consistent comparison, that each party's proposed rate of return should be rounded to two decimal points and that the conversion factor should constitute six digits.
- 12 *Public Notice.* Public Counsel is required to submit, by **April 21, 2009**, a status report concerning its efforts to reach consensus with Staff and PacifiCorp on the content and format of any public notice PacifiCorp is required to issue in connection with these proceedings.
- 13 *Cross-Examination Exhibits.* According to WAC 480-07-460(1), the Commission may require the parties to predistribute their cross-examination exhibits. It has been the Commission's practice to require the predistribution of cross-examination exhibits and to establish a deadline for that predistribution. In recent cases, the predistribution of cross-examination exhibits after the deadline established by the Commission has presented problems for both the Commission and other parties to the proceeding. To ensure that the parties and the Commission have adequate time to prepare for hearing and review proposed cross-examination exhibits, the Commission will enforce WAC 480-07-460(1)(c) and may exclude cross-examination exhibits distributed after the deadline absent a showing of good cause for the delay in timely predistributing such proposed exhibits. The deadline for filing cross-examination exhibits is **October 22, 2009**.
- 14 *Public Comment Hearing.* The parties requested that the Commission conduct a public comment hearing in this proceeding in Yakima, Washington. The Commission concludes that a public comment hearing should be conducted in Yakima. The Commission will attempt to accommodate the parties' request that the hearing be conducted on either October 12, 13, or 14, 2009. A separate notice of public comment hearing will be issued closer to the hearing date to remind members of the public of their opportunity to present oral comments.
- 15 **NOTICE OF HEARING.** The Commission will hold evidentiary hearings in this matter beginning, **October 27, 2009**, at 9:30 a.m., and continuing thereafter, as necessary, on **October 28, October 29, and October 30, 2009**, in the Commission's

Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.

- 16 **NOTICE OF PREHEARING CONFERENCE.** The Commission will convene a prehearing conference in this matter on **October 23, 2009, at 1:30 p.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington, to mark exhibits, including exhibits on cross examination, if any, and to address any procedural matters that the parties may present. If no matters warrant attention, the conference will be cancelled.
- 17 **DOCUMENT PREPARATION AND FILING REQUIREMENTS.** Parties must file the original plus **20 copies** of the unredacted versions of all pleadings, motions, briefs, and other prefiled materials. Parties must also file the original and 1 copy of any redacted version(s). These materials must conform to the format and publication guidelines in WAC 480-07-395 and WAC 480-07-460. The Commission prefers that materials be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.
- 18 All filings must be mailed or delivered to the Executive Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive, S.W., Olympia, Washington 98504-7250. Both the post office box and street address are required to expedite deliveries by the U.S. Postal Service.
- 19 **ELECTRONIC SUBMISSION OF DOCUMENTS.** Electronic versions of all documents must be filed in accordance with WAC 480-07-140(6). Specifically, all documents must be filed in .pdf (Adobe Acrobat) format, supplemented by a separate file in .doc (MS Word), .wpd (WordPerfect), .xls (Excel), or .ppt (Power Point) format.
- 20 A copy of all filings must be provided through the Commission's Web Portal ([www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing)) or by e-mail delivery to <[records@utc.wa.gov](mailto:records@utc.wa.gov)>. Alternatively, parties may furnish an electronic copy by delivering with each filing a 3.5-inch IBM-formatted high-density diskette or CD including the filed document(s). Parties must furnish electronic copies in MS Word 6.0 (or later) supplemented by a

separate file in .pdf (Adobe Acrobat) format. Parties must follow WAC 480-07-140(5) in organizing and identifying electronic files.

- 21 According to WAC 480-07-145(6), the parties may electronically submit documents to the Commission provided the electronic submission is received by 3:00 pm on the filing deadline and the Commission receives the original and required number of copies by 12:00 pm on the following business day.. Parties must submit documents through the Commission's Web Portal ([www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing)) or by e-mail to [records@utc.wa.gov](mailto:records@utc.wa.gov), and file an original, plus 19 paper copies, of the documents with the Commission by the following business day. Parties must provide courtesy copies of their electronic submissions to the presiding administrative law judge at [pclark@utc.wa.gov](mailto:pclark@utc.wa.gov) and to the parties to the proceeding.
- 22 **ALTERNATE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission does have limited ability to provide dispute resolution services; if you wish to explore those services, please call the Director, Administrative Law Division, at 360-664-1144.
- 23 **NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.**

Dated at Olympia, Washington, and effective March 24, 2009.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

PATRICIA CLARK  
Administrative Law Judge

<b>APPENDIX A</b>				
<b>PARTIES' REPRESENTATIVES</b>				
<b>DOCKET UE-090205</b>				
<b>PARTY</b>	<b>REPRESENTATIVE</b>	<b>PHONE</b>	<b>FACSIMILE</b>	<b>E-MAIL</b>
<b>PacifiCorp</b>	Katherine A. McDowell McDowell & Rackner, PC 520 SW 6 <sup>th</sup> Avenue, Suite 830 Portland, Oregon 972024	503-595-3924	503-595-3928	<a href="mailto:katherine@mcd-law.com">katherine@mcd-law.com</a>
	Michelle Mishoe Legal Counsel PacifiCorp d/b/a Pacific Power & Light Company 825 NE Multnomah, Suite 1800 Portland, Oregon 97232	503-813-6840	503-813-7252	<a href="mailto:michelle.mishoe@pacificorp.com">michelle.mishoe@pacificorp.com</a>
<b>Commission Staff</b>	Donald T. Trotter	360-664- 1189	360-586-5522	<a href="mailto:dtrotter@utc.wa.gov">dtrotter@utc.wa.gov</a>
	Jennifer Cameron-Rulkowski 1400 S. Evergreen Park Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	360-664-1186	360-586-5522	<a href="mailto:jcameron@utc.wa.gov">jcameron@utc.wa.gov</a>
<b>Public Counsel</b>	Sarah A. Shifley Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-464-6595	206-389-2058	<a href="mailto:sarah.shifley@atg.wa.gov">sarah.shifley@atg.wa.gov</a>
<b>Industrial Customers of Northwest Utilities (ICNU)</b>	Irion Sanger Davison Van Cleve, P.C. 333 S.W. Taylor, Suite 400 Portland, OR 97204	503-241-7242	503-241-8160	<a href="mailto:IAS@DVCLaw.com">IAS@DVCLaw.com</a>
<b>The Energy Project</b>	Brad Purdy Attorney At Law 2019 N. 17 <sup>th</sup> Street Boise, Idaho 83702	208-384-1299	208-384-8511	<a href="mailto:bmpurdy@hotmail.com">bmpurdy@hotmail.com</a>

**APPENDIX B  
PROCEDURAL SCHEDULE  
DOCKET UE-090205**

<b><u>EVENT</u></b>	<b><u>DATE</u></b>	<b><u>INTERVAL</u> <b>(Days)</b></b>
<b>Company Direct Testimony and Exhibits</b>	February 9, 2009	52 days
<b>Supplemental Filing by PacifiCorp<sup>2</sup></b>	April 2, 2009	19 days
<b>Public Notice Report</b>	April 21, 2009	100 days
<b>Issue Discussion/Settlement Conference (parties only)</b>	July 30, 2009, and continuing thereafter, as necessary, on July 31, 2009	
<b>Public Comment Hearing in Yakima, Washington</b>	TBD	
<b>Staff, Public Counsel and Intervenor Responsive Testimony and Exhibits</b>	August 28, 2009 <sup>3</sup>	29 days
<b>Company Rebuttal Testimony and Exhibits Staff, Public Counsel and Intervenor Cross-Answering Testimony and Exhibits</b>	September 28, 2009 <sup>4</sup>	31 days
<b>Deadline for Cross-examination Exhibits</b>	October 22, 2009	24 days

<sup>2</sup>See Paragraph 7 of this Order.

<sup>3</sup> After August 28, 2009, responses to data requests are due seven business days after receipt.

<sup>4</sup> After September 28, 2009, responses to data requests are due five business days after receipt.



<u>EVENT</u>	<u>DATE</u>	<u>INTERVAL</u> (Days)
<b>Prehearing Conference</b>	October 23, 2009	1 day
<b>Evidentiary Hearing</b>	October 27, 28, 29, and 30, 2009	4 days
<b>Simultaneous Post-hearing Briefs</b>	November 24, 2009	28 days
<b>Suspension Date</b>	January 11, 2009	48 days