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1 BEFORE THE WASHINGTON UTILITIES AND
2 TRANSPORTATION COMMISSION
3 WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,) Docket No. UW-030410
4)
 Complainant,) Volume I
5) Pages 1 to 12
 vs.)
6)
TIMBERLINE VILLAGE WATER)
7 COMPANY, INC.,)
)
8) Respondent.
)
9 _____)

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11 A pre-hearing conference in the above matter
12 was held on August 8, 2003, from 9:30 a.m to 10:10 a.m.,
13 at 1300 South Evergreen Park Drive Southwest, Room 206,
14 Olympia, Washington, before Administrative Law Judge ANN
15 RENDAHL.

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The parties were present as follows:

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18 THE COMMISSION, by MARY M. TENNYSON, Senior
Assistant Attorney General, 1400 South Evergreen Park
19 Drive Southwest, Post Office Box 40128, Olympia,
Washington, 98504-0128, Telephone (360) 664-1220, Fax
(360) 586-5522, E-Mail mtennyson@wutc.wa.gov.

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21 TIMBERLINE VILLAGE WATER COMPANY, INC., by
RICHARD A. FINNIGAN, Attorney at Law, 2405 Evergreen
Park Drive Southwest, Suite B-1, Olympia, Washington
22 98502, Telephone (360) 956-7001, Fax (360) 753-6862,
E-Mail rickfinn@ywave.com

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Joan E. Kinn, CCR, RPR
25 Court Reporter

0002

1 TIMBERLINE COMMUNITY ASSOCIATION, by GLENNA
2 MALANCA, Attorney at Law, 8915 North Harborview Drive,
3 Suite 101, Gig Harbor, Washington 98332, Telephone
4 (253) 851-8280, Fax (253) 851-7782, E-Mail
5 glennam@harbornet.com; and by WILLIAM H. GRIFFIES,
6 Attorney at Law, 3570 - 65th Avenue West, Tacoma
7 Washington 98466, Telephone (253) 564-7531, E-Mail
8 wgriffies@earthlink.net.
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0003

1 P R O C E E D I N G S

2 JUDGE RENDAHL: What I didn't talk about off
3 the record was if you're going to talk in the mike,
4 please talk as close as I am into the mike so that
5 everyone can hear you. The mikes are very sensitive,
6 and they will pick it up, but you need to talk directly
7 into them.

8 Again, good morning, my name is Ann Rendahl,
9 I'm the Administrative Law Judge presiding in this
10 proceeding. We're here before the Washington Utilities
11 and Transportation Commission this morning on Friday,
12 August 8th, in the matter Docket Dumber UW-030410, the
13 Washington Utilities and Transportation Commission
14 versus Timberline Village Water Company, Incorporated.

15 By order entered on April 30th, 2003, the
16 Commission suspended tariff revisions filed by the water
17 company pending hearings as to whether those tariff
18 revisions are fair, just, and reasonable, and the
19 Commission set this pre-hearing conference by a notice
20 served on July 10th, 2003.

21 The purpose of this pre-hearing this morning
22 is to take the appearances of the parties and to address
23 any petitions to intervene that may be filed or made
24 orally this morning, to determine the status of the
25 proceeding, determine whether settlement discussions or

0004

1 mediation are appropriate, discuss whether it's possible
2 to narrow the issues or consider efforts to stipulate to
3 facts or issues, identify the issues in the proceeding,
4 establish a schedule for discovery or evidentiary
5 hearings, and identify any further matters for
6 discussion.

7 So before we go any farther, let's take
8 appearances. When you make your appearance, I would
9 like you to state your full name, the party you
10 represent, your full address, your telephone number,
11 your fax number, and your E-mail. And that's necessary
12 so that when we do send out notices and orders and any
13 other communications from the Commission, we like to do
14 it simultaneously by mail and E-mail and if necessary if
15 it's that urgent by fax, so it's important to have all
16 of that information.

17 I will attach with the pre-hearing conference
18 order a list for all parties and intervenors of all the
19 information so you can communicate with your fellow
20 party members.

21 So let's begin with Timberline.

22 MR. FINNIGAN: Thank you, Your Honor, Richard
23 A. Finnigan.

24 JUDGE RENDAHL: You will need to turn your
25 microphone on, I'm not sure if it's on.

0005

1 MR. FINNIGAN: Thank you. Richard A.
2 Finnigan, 2405 Evergreen Park Drive Southwest, Suite
3 B-1, Olympia, Washington 98501, appearing on behalf of
4 Timberline Village Water Company, Inc. My phone number
5 is (360) 956-7001, fax is (360) 753-6862, E-mail is
6 rickfinn@ywave.com.

7 JUDGE RENDAHL: Thank you.

8 At this point we will just take the
9 representatives or the attorneys representing the
10 parties and intervenors. I will talk about service list
11 later. I do have a question about the service list at
12 this point, but let's take appearances.

13 For Commission Staff.

14 MS. TENNYSON: Thank you. My name is Mary M.
15 Tennyson, T-E-N-N-Y-S-O-N, Senior Assistant Attorney
16 General. Address is 1400 South Evergreen Park Drive
17 Southwest, Post Office Box 40128, Olympia, Washington
18 98504-0128. Telephone number is (360) 664-1220, Fax is
19 (360) 586-5522, E-mail address is mtennyso@wutc.wa.gov.

20 JUDGE RENDAHL: Thank you.

21 And for the intervenors.

22 MS. MALANCA: We'll have two for the proposed
23 intervenors. My name is Glenna Malanca, M-A-L-A-N-C-A.
24 I represent the proposed intervener, Timberline
25 Community Association, either as attorney or

0006

1 representative, and the address is 8915 North
2 Harborview, all one word, Drive, Unit 101, Gig Harbor,
3 Washington 98332. The Fax is (253) 851-7782, Telephone
4 (253) 851-8280, E-mail is glennam@harbornet.com.

5 JUDGE RENDAHL: Thank you.

6 MR. GRIFFIES: My name is William Griffies,
7 I'm co-counsel to represent Timberline Community
8 Association, actually it's William H. Griffies is the
9 full name. My address is 3570 - 65th Avenue West,
10 Tacoma, 98466. My phone number is (253) 564-7531. I
11 don't have a fax. My E-mail is wgriffies@earthlink.net.

12 JUDGE RENDAHL: Thank you.

13 We do have the conference bridge on, and so
14 I'm going to ask if there's anyone on the conference
15 bridge who wishes to state an appearance or make an
16 intervention this morning?

17 Hearing nothing, we will now turn to the
18 petition for intervention that was filed this morning.
19 Do all parties have a copy of that petition that was
20 filed this morning?

21 MS. TENNYSON: We do.

22 JUDGE RENDAHL: Mr. Finnigan, do you have a
23 copy of the petition?

24 MR. FINNIGAN: Yes, I do.

25 JUDGE RENDAHL: Okay, thank you.

0007

1 Ms. Malanca or Mr. Griffies, would either one
2 of you care to make a brief presentation on the petition
3 to intervene?

4 MR. FINNIGAN: Your Honor, just to move this
5 on, the Respondent doesn't have an objection to their
6 appearance as interveners.

7 JUDGE RENDAHL: Thank you.

8 MS. TENNYSON: Staff has no objection.

9 JUDGE RENDAHL: Okay. Then at this point I
10 would grant the intervention, and there's no need to
11 cover that any further, so we'll go on, and the
12 pre-hearing conference order will note that
13 intervention.

14 At this point, Mr. Finnigan or Ms. Tennyson,
15 I would appreciate it if either one of you would explain
16 the status of the case since it was suspended on April
17 30th, and thanks very much.

18 MS. TENNYSON: Thank you. Staff and
19 Mr. Harrington have been involved in extensive
20 negotiations over the past several weeks. We are very
21 close to a settlement agreement. We had actually hoped
22 to have it signed this morning but had some last minute
23 changes, and we haven't had an opportunity to discuss
24 all of the details of those. So we will actually plan
25 to meet and sit down and discuss those after this

0008

1 hearing is concluded.

2 We don't have, as I said, I believe we're
3 agreed on most of the terms. We're down to final
4 language and a couple of numbers as to whether they're
5 the right ones, so we are hopeful that we will be able
6 to reach a resolution in the very near future and would
7 like to be setting a date for presenting the settlement.
8 I think because there's always the possibility that we
9 won't reach an agreement, we need to go ahead and set
10 dates for a hearing and a schedule and the testimony and
11 everything, but we're hopeful we would not need to
12 utilize those.

13 JUDGE RENDAHL: Okay. And I'm assuming that
14 when you sit down and talk further after the pre-hearing
15 you will be including the interveners in your
16 discussions and explaining your settlement discussions.

17 MS. TENNYSON: We hadn't discussed that. It
18 was about ten minutes before the hearing that I received
19 the notice of the intervention, so.

20 JUDGE RENDAHL: Okay. As they're now a party
21 to the case, I'm sure they would be interested in
22 knowing what the discussions would be.

23 MR. FINNIGAN: We have no problem in talking
24 to them and showing them where we're headed, but I don't
25 -- at this point there's, you know, we're like two

0009

1 numbers off, and it's not very -- and it's so close that
2 I think I consider rehashing the whole thing -- would
3 like to finish up the discussion with Staff on those two
4 items, get it done, and then -- and tell the interveners
5 generally where it's going to come out. We're within a
6 very small range of difference, and we can talk about
7 that with the interveners.

8 JUDGE RENDAHL: Okay. I guess I'm just
9 saying that now that they're a party in the case, even
10 if you all reach a settlement and they don't agree,
11 they're entitled to object to that during the
12 settlement.

13 MR. FINNIGAN: We understand that, that's not
14 the issue.

15 MS. TENNYSON: And it will take some
16 explaining for them to understand how we structured the
17 settlement.

18 JUDGE RENDAHL: Okay.

19 MS. MALANCA: Your Honor, if we may concede
20 that the two parties should conclude their negotiations,
21 and we'll have our opportunity later, we don't want to
22 impose at this point.

23 MR. FINNIGAN: Thank you very much.

24 JUDGE RENDAHL: Okay, well, it sounds like
25 there's no need at this point to talk about narrowing

0010

1 issues or stipulating to facts or issues since it
2 appears that there may be settlements in the offing
3 here, and maybe what we should do is go off the record
4 and talk about scheduling just so that we have a backup
5 schedule in case things do fall apart, and we can
6 explain the discovery process and anything that might be
7 necessary. So let's be off the record for discussions
8 at this time.

9 (Discussion off the record.)

10 JUDGE RENDAHL: While we were off the record,
11 we discussed a proposed hearing schedule for the case
12 that anticipates a final order entered on March 1st,
13 2004, to meet the ten month statutory limit. The
14 schedule we have discussed and the parties have agreed
15 to is for direct testimony to be filed with the
16 Commission on September 8th, responsive testimony to be
17 filed with the Commission on October 6th, and rebuttal
18 testimony to be filed on October the 27th. Is that the
19 understanding?

20 MS. MALANCA: Was the responsive testimony
21 the 26th, not the 6th?

22 JUDGE RENDAHL: Responsive testimony October
23 6th.

24 MS. MALANCA: Oh.

25 JUDGE RENDAHL: With rebuttal by the company

0011

1 on October 27th was what I understood.

2 MS. MALANCA: Oh, okay, thank you.

3 MR. GRIFFIES: Okay.

4 JUDGE RENDAHL: Is that acceptable?

5 MS. MALANCA: Yes.

6 MR. GRIFFIES: Yes, that's acceptable.

7 JUDGE RENDAHL: Then we'll have a status
8 conference the week -- actually, I'm going to omit the
9 status conference at this point, because we may hear
10 from the parties before this time about settlement.

11 So following the rebuttal testimony on the
12 27th of October, I will schedule a pre-hearing
13 conference the week of November the 10th. Then we'll
14 schedule three days of hearing no later than the week of
15 November the 17th. Post hearing briefs would be due
16 under this schedule Friday, December the 12th, 2003, and
17 then I will enter an initial order by Friday, January
18 the 2nd, which would give time for petitions for
19 administrative review on Thursday, January the 22nd,
20 answers to be filed ten days later by Monday, February
21 the 1st, with a final order entered on March 1st.

22 Now my understanding is from talking to the
23 parties that we may see a settlement in the near future,
24 and I would request the parties to continue their
25 discussions, and at the time you reach a resolution, to

0012

1 file that with the Commission, and I will schedule a
2 settlement hearing on that proposed settlement, at which
3 time the parties would need to either provide oral
4 testimony or declarations or affidavits demonstrating
5 that the settlement is in the public interest and that
6 the rates would be fair, just, and reasonable in the
7 settlement, just to give you a heads up on what we would
8 need at that time. And again, you could request to
9 waive the initial order and proceed on to a final order.

10 Is there anything else we need to address
11 here this morning?

12 MS. TENNYSON: Staff has nothing.

13 MR. FINNIGAN: I can't think of anything,
14 Your Honor.

15 MR. GRIFFIES: We have nothing.

16 JUDGE RENDAHL: Okay, well, hearing that,
17 this pre-hearing conference will be adjourned, and I
18 will enter a pre-hearing conference order in the near
19 future. Okay, thank you.

20 (Hearing adjourned at 10:10 a.m.)

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