

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

NORTHWEST NATURAL GAS  
COMPANY,

Respondent.

DOCKET NO. UG-080519

In the Matter of the Petition of

NORTHWEST NATURAL GAS  
COMPANY

For an Accounting Order Authorizing  
Deferred Accounting Treatment of Certain  
Costs Associated with the Smart Energy  
Program.

DOCKET NO. UG-080530  
*(consolidated)*

COMMISSION STAFF'S  
RESPONSE TO PUBLIC  
COUNSEL'S MOTION TO  
CONSOLIDATE WITH DOCKET  
NO. UG-080546

1 Commission Staff hereby responds to Public Counsel's June 4, 2008, Motion to  
Consolidate with Docket No. UG-080546.

2 Commission Staff opposes consolidation of Northwest Natural Gas Company's  
Petition for an Accounting Order and its Smart Energy Program tariff filing with its current  
general rate case.

3 The Smart Energy Program is a pilot program, and the Company is not proposing  
that the start-up expenses (for which it seeks authority to establish a deferral) be included in

permanent rates. Moreover, it is neither necessary nor possible to determine prudence at the time a deferral is authorized. Thus, Public Counsel's assertions regarding commonality of issues are not well-founded.

4 Public Counsel's main argument for consolidation is judicial economy and administrative efficiency. While there is some surface appeal to consolidating dockets for efficiency, the cost of doing so would likely be substantial delay of a decision on the Company's request in the instant proceeding.

5 Staff believes it should be possible to arrive at a procedural approach that will allow the Company's petition for an accounting order to be handled in a manner that serves both judicial economy and speed. Staff submits that the issues raised by the Company's petition are not so much factual as legal and policy matters. As such, Staff believes it should be possible to dispense with pre-filed testimony and briefs and instead for the parties to submit comments that combine legal and policy arguments. This procedural approach was recently utilized by the parties to Docket No. UT- 073034 (Qwest Performance Assurance Plan six-month review). Staff would envision the Company filing its comments first, and the opposing parties, including Staff, filing comments thirty days later. Staff would defer to the Company's preference regarding the need for reply comments.

RESPECTFULLY SUBMITTED this 11<sup>th</sup> day of June, 2008,

ROBERT M. MCKENNA  
Attorney General



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Assistant Attorney General  
Counsel for Washington Utilities and  
Transportation Commission Staff