

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

| | | |
|----------------------------------|---|--------------------------|
| WASHINGTON UTILITIES AND |) | |
| TRANSPORTATION COMMISSION, |) | DOCKET NO. TO-011472 |
| |) | |
| Complainant, |) | NOTICE OF PREHEARING |
| |) | CONFERENCE AND NOTICE OF |
| v. |) | PETITION FOR DECLARATORY |
| |) | ORDER |
| OLYMPIC PIPE LINE COMPANY, INC., |) | |
| |) | (November 21, 2001) |
| Respondent. |) | |
| |) | |

- 1 On October 31, 2001, Olympic Pipe Line Company, Inc. (Company) filed with the Commission certain tariff revisions (denominated the Company’s Tariff No. 23) designed to effect a general rate increase in its rates for transportation of petroleum products in this state. The Company indicates that the total effect on Washington intrastate traffic by such tariff revisions is an increase of approximately \$8.74 million (62%) annually.

- 2 The Company also filed a Petition for an Order Authorizing Immediate Effectiveness (December 1, 2001) of Olympic’s WUTC Tariff No. 22 (sic) Subject to Refund (hereafter Petition for Interim Relief). The Company filed direct testimony and exhibits in support of its Petition for Interim Relief. The Company seeks to place into effect the 62% increase in rates on December 1, 2001, subject to refund, pending determination of the justness and reasonableness of the tariff revisions it has filed.

- 3 The Company also filed a Petition of Olympic Pipeline Company for a Policy Statement and Order Clarifying Oil Pipeline Rate Methodology (hereafter Petition for Policy Statement). In this petition, the Company asks the Commission to issue a “Policy Statement” pursuant to WAC 480-09-200, or, in the alternative, a “Declaratory Order” pursuant to WAC 480-09-230. WAC 480-09-230 requires the Commission to give notice of a petition for declaratory order. Though the Petition for Policy Statement ultimately may not be resolved as a petition for declaratory order, the Commission will provide in this notice of hearing the notice required by WAC 480-09-230 for petitions for declaratory orders.

NOTE: The Commission currently anticipates that it will consider the issue of whether to suspend the operation of the tariff revisions, as well as other matters relevant to this docket, at its open public meeting on Friday, November 16, 2001. If the Commission does not suspend the effectiveness of the tariff revisions, and Tariff No. 23, this Notice of Hearing may be withdrawn. The matters addressed in this Notice of Hearing may otherwise be affected by the action, if any, taken by the Commission at that open public meeting.

- 4 Hearing in this matter is being held pursuant to Part IV of chapter 34.05 RCW pertaining to adjudicative proceedings, including but not limited to RCW 34.05.413, RCW 34.05.431, RCW 34.05.440, RCW 34.05.443, RCW 34.05.449, RCW 34.05.452, and RCW 34.05.455. The Commission has jurisdiction over this matter pursuant to Title 81 RCW, having legal authority to regulate the rates, services, and practices of petroleum pipeline companies. The statutes and rules involved include those within chapters 81.01, 81.04, 81.16, 81.20, 81.28, 81.44, and 81.88 RCW and chapters 480-09 and 480-75 WAC.
- 5 The ultimate issues include whether the proposed tariff revisions are just, fair, reasonable, and sufficient and in the public interest, as well as whether existing rates are just, fair, reasonable, and sufficient and in the public interest. These issues include consideration of alternative rate design or rate structure. In accordance with the provisions of RCW 81.04.130, the burden of proof to show that the rates produced by the filing are just and reasonable shall be upon the respondent.
- 6 The ultimate issues also include whether the Company has proven entitlement to interim relief, and if so, in what amount, and on what terms and conditions. In accordance with the provisions of RCW 81.04.130, the burden of proof to show that the Company is entitled to interim relief shall be upon the respondent.
- 7 The ultimate issues also include whether the Commission can, and if so, should issue a policy statement or declaratory ruling in response to the Company's Petition for Policy Statement, and if so, what form of policy statement and/or declaratory ruling should be issued. The burden to prove that the relief sought in the Petition for Policy Statement is available and appropriate and consistent with the public interest is on the respondent as petitioner.
- 8 NOTICE IS HEREBY GIVEN That in accordance with WAC 480-09-700(1)(a), the Commission has determined that good cause exists for this matter to be heard upon shortened notice.
- 9 NOTICE IS FURTHER GIVEN That a prehearing conference in this matter will be held at 1:30 p.m., on Wednesday, November 21, 2001, in the Commission's Hearing Room, Second Floor, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.
- 10 The purpose of the prehearing conference is to consider formulating the issues in the proceeding, and to determine other matters to aid in its disposition, as specified in WAC 480-09-460. Petitions to intervene should be made in writing prior to the hearing date or made orally at the hearing. Appearances will be taken. The time and place for any evidentiary hearings or other hearings, as well as any other procedural phases, will be set at the prehearing conference or by later written notice. WAC 458-09-480 is hereby invoked. At the prehearing conference, the Company shall distribute to the Commission and the parties its direct testimony and exhibits in support of its request for permanent rate relief. At the prehearing conference, the Company shall also distribute to the

Commission and the parties its direct testimony and exhibits, if any, in support of its Petition for Policy Statement. At the prehearing conference, the Company shall also distribute its direct testimony and exhibits in support of its Petition for Interim Relief. If the testimony and exhibits already filed in support of the Company's Petition for Interim Relief constitute its direct case, the Company shall confirm that at the prehearing conference, and have sufficient copies to distribute to the Commission and the parties at that time.

- 11 If any party or witness needs an interpreter or other assistance, please fill out the form attached to this notice and return it to the Commission.
- 12 NOTICE IS FURTHER GIVEN THAT ANY PARTY WHO FAILS TO ATTEND OR PARTICIPATE IN THE HEARING SET BY THIS NOTICE, OR ANY OTHER STAGE OF THIS PROCEEDING, MAY BE HELD IN DEFAULT IN ACCORDANCE WITH RCW 34.05.440. THE PARTIES ARE FURTHER ADVISED THAT THE SANCTION PROVISIONS OF WAC 480-09-700(4) ARE SPECIFICALLY INVOKED.
- 13 The names and mailing addresses of all parties and their known representatives are as follows:

Complainant: Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive S.W.
P. O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

Representative: Donald T. Trotter
Senior Counsel
1400 S. Evergreen Park Drive S.W.
P. O. Box 40128
Olympia, WA 98504-0128
(360) 664-1189

Lisa Watson
Assistant Attorney General
1400 S. Evergreen Park Drive S.W.
P. O. Box 40128
Olympia, WA 98504-0128
(360) 664-1186

Respondent: Robert C. Batch
President
Olympic Pipe Line Company, Inc.
2201 Lind Avenue, Suite 270
Renton, WA 98055
(425) 235-7736

Representative: Steven C. Marshall
Patrick W. Ryan
Perkins Coie LLP
One Bellevue Center
411 108th Avenue N.E., Suite 1800
Bellevue, WA 98004-5584
(425) 453-7314

14 Dennis J. Moss has been designated as the Administrative Law Judge from the Utilities and Transportation Commission's Administrative Law Division, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250, and will preside at the prehearing conference.

15 Notice of any other procedural phase will be given in writing or on the record as the Commission may deem appropriate during the course of this proceeding.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN
Executive Secretary

November 13, 2001

Inquires may be addressed to:

Executive Secretary
Washington Utilities and
Transportation Commission
Chandler Plaza Building
1300 S. Evergreen Park Drive S.W.
P. O. Box 47250
Olympia, WA 98504-7250
(360) 6 64-1160