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

2 JUDGE WALLIS: The prehearing conference will  
3 please come to order. This is a conference in the  
4 matter of Commission Docket Number UG-060518 In the  
5 Matter of the Petition of Avista Corporation for an  
6 Order Authorizing, I'm sorry, we're in, yes, it is  
7 060518 In the Matter of the Petition of Avista  
8 Corporation for an Order Authorizing Implementation of a  
9 Natural Gas Decoupling Mechanism. This conference is  
10 being held at Seattle, Washington on September 6th of  
11 the year 2006 before Administrative Law Judges Patricia  
12 Clark and Robert Wallis.

13 Let's begin with appearances, please,  
14 beginning with the Petitioner.

15 MR. MEYER: Thank you, Your Honor, I will  
16 give you the long form of the appearance.

17 JUDGE WALLIS: Please do.

18 MR. MEYER: David Meyer, M-E-Y-E-R, Vice  
19 President and Chief Counsel for Regulatory Affairs,  
20 address is 1411 East Mission, I will give you the P.O.  
21 Box in addition, P.O. Box 3727, Spokane, Washington, the  
22 zip is 99220-3727, fax number (509) 495-8851, and E-mail  
23 is david.meyer@avistacorp, that's one word, .com. Thank  
24 you, Your Honor.

25 JUDGE WALLIS: Thank you.

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1 For Public Counsel.

2 MR. FFITCH: Your Honor, Simon ffitch,  
3 Assistant Attorney General, Public Counsel Section,  
4 Washington Attorney General's Office, the current  
5 address is 900 Fourth Avenue, Suite 2000, Seattle,  
6 Washington 98164. The office address will change  
7 effective September 18th. We will be issuing formal  
8 notice to all parties in our dockets of the address  
9 change, but until the 18th the current address is still  
10 the correct mailing address.

11 It's the correct mailing address for all  
12 purposes including service through up until September  
13 18th, and then again we will be sending out a formal  
14 notice, and we will include the Commission in that  
15 notice of our new address. My phone number is (206)  
16 389-2055, my E-mail address is simonf@atg.wa.gov, the  
17 fax number for Public Counsel is (206) 389-2079. The  
18 phone numbers, E-mail addresses, and fax number for  
19 Public Counsel will not change, they will remain the  
20 same after the September 18th date.

21 JUDGE WALLIS: Thank you, I will remind you  
22 that our rules require that you file a notice in each of  
23 the active dockets in which you are participating.

24 MR. FFITCH: Thank you, Your Honor, we will  
25 do that.

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1                   JUDGE WALLIS: That helps us a great deal in  
2 terms of keeping records and making sure that things get  
3 to you.

4                   MR. FFITCH: Be happy to do that.

5                   JUDGE WALLIS: Interventions?

6                   MR. ROSEMAN: Thank you, Your Honor, my name  
7 is Ronald L. Roseman, I'm an attorney at law, my address  
8 is 2011 - 14th Avenue East, Seattle, Washington 98112,  
9 my telephone is (206) 324-8792, my fax number is (206)  
10 568-0138, my E-mail address is  
11 ronaldroseman@comcast.net, I am appearing today in this  
12 proceeding on behalf of The Energy Project.

13                   JUDGE WALLIS: Thank you. Did you file a  
14 written petition to intervene?

15                   MR. ROSEMAN: No, I did not, Your Honor.

16                   JUDGE WALLIS: Is there objection or any voir  
17 dire on this petition?

18                   MR. MEYER: No objection.

19                   JUDGE WALLIS: Very well.

20                   Other interventions?

21                   MR. ROSEMAN: Your Honor, maybe I should  
22 enter the address of The Energy Project, which the  
23 petition to intervene if it was in written form would  
24 require, and that is The Energy Project, The Opportunity  
25 Council, 1701 Ellis Street, Bellingham, Washington

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1 98225, the phone number of the Executive Director,  
2 Mr. Chuck Eberdt, E-B-E-R-D-T, is (360) 255-2169, his  
3 E-mail address is chuck eberdt@opportunitycouncil.org.  
4 Thank you.

5 MS. GLASER: My name is Nancy Glaser, I'm  
6 here representing the Northwest Energy Coalition, I'm a  
7 Senior Policy Associate with that group, we would like  
8 to intervene in the decoupling docket. The Coalition's  
9 address is 219 First Avenue South, Suite 100, Seattle,  
10 Washington 98104, the telephone is (206) 621-0094, fax  
11 (206) 621-0097, and my E-mail address is nglaser,  
12 N-G-L-A-S-E-R, @northwestenergy.org, which is just  
13 nwenergy, all one word, .org.

14 JUDGE WALLIS: Are you the person with The  
15 Energy Coalition to whom service should be addressed on  
16 matters for which the client needs to be addressed?

17 MS. GLASER: Let's also put Nancy Hirsh,  
18 H-I-R-S-H.

19 JUDGE WALLIS: Very well. And did you file a  
20 petition to intervene?

21 MS. GLASER: No, we did not do that.

22 JUDGE WALLIS: What is the nature of your  
23 interest in this matter?

24 MS. GLASER: We represent a variety of  
25 conservation, renewable and low income interests, and

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1 have an interest in this docket.

2 JUDGE WALLIS: Is there objection to the  
3 proposed intervention or any questions?

4 MR. MEYER: No objection, thank you.

5 JUDGE WALLIS: Very well.

6 Any other petitions for intervention?

7 MR. PERKINS: Not from ICNU, no.

8 MR. TROTTER: Your Honor, I would enter an  
9 appearance given the opportunity.

10 JUDGE WALLIS: Yes.

11 MR. TROTTER: Thank you.

12 JUDGE WALLIS: First what I would like to do  
13 is indicate that in as much as there are no objections  
14 and the petitioners for intervention have indicated  
15 appropriate interest in the subject matter, the  
16 petitions are granted.

17 Now, Mr. Trotter.

18 MR. TROTTER: Thank you. My name is Donald  
19 T. Trotter, I am an Assistant Attorney General  
20 representing the Commission Staff in this docket, my  
21 address is 1400 South Evergreen Park Drive Southwest,  
22 P.O. Box 40128, Olympia, Washington 98504-0128, my fax  
23 number is (360) 586-5522, my phone is (360) 664-1189, my  
24 E-mail address is dtrotter@wutc.wa.gov.

25 JUDGE WALLIS: Thank you very much.

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1 MR. FFITCH: Your Honor.

2 JUDGE WALLIS: Let me ask if there is any  
3 other person in the hearing room who wishes to  
4 intervene?

5 Let the record show that there is no  
6 response.

7 Mr. ffitch.

8 MR. FFITCH: Thank you, Your Honor. One  
9 other comment about the service list, in some dockets we  
10 have included electronic courtesy service to other staff  
11 members of different parties, and we may wish to do that  
12 here to expedite, it's often done to expedite handling  
13 of electronic documents internally within parties'  
14 offices, especially discovery. We're not actually  
15 prepared today to identify who those additional courtesy  
16 service folks would be on the electronic mailing list,  
17 but we could do so within a reasonable period of time.

18 JUDGE WALLIS: 24 hours?

19 MR. FFITCH: That might be a little quick,  
20 Your Honor, but we could do whatever deadline you would  
21 like to set if other parties want to do that too.

22 JUDGE WALLIS: The reason that I suggested  
23 that was not to be facetious, but it is my hope to have  
24 orders ready for service tomorrow.

25 MR. FFITCH: Right.



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1                   JUDGE WALLIS:  And it would be my preference  
2  to include that information.  If you think you could get  
3  that by noon on Friday, that would allow us to serve  
4  those orders on Friday.

5                   MR. FFITCH:  Well, Your Honor, given your --  
6  we could certainly give it a reasonable shot to get you  
7  the information within 24 hours if you would like.

8                   JUDGE WALLIS:  Mr. Meyer.

9                   MR. MEYER:  Yeah, I was going to suggest that  
10 rather than make that a part of the order on the  
11 prehearing that the parties just agree among themselves  
12 who within their respective shops should receive E-mail.  
13 This becomes an issue, and it's a good point, it becomes  
14 an issue sometimes in discovery, make sure that  
15 discovery gets into the right hands, the request gets  
16 into the right hands so you don't lose a day in  
17 processing something internally.  So we can just agree  
18 among ourselves through E-mail traffic who those  
19 representatives ought to be.

20                   JUDGE WALLIS:  Yes, I appreciate that, and I  
21 encourage the parties to engage in as much communication  
22 along those lines as possible.  However, there are times  
23 when the Bench may need to communicate with the parties,  
24 and we have discovered that sometimes if the lawyer is  
25 not available that that message may not get where it

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1 needs to go as quickly as possible, so we would prefer  
2 to include that and recognize that it is not a formal  
3 service list, it's a courtesy to all of us to have that  
4 information available.

5           So if we could, those of you who have that  
6 information, if you could put it on a piece of paper and  
7 leave it with me, we will see that that gets into the  
8 order. And if you don't have it available right now,  
9 please make an effort to get it to us by Friday, and we  
10 will attempt to get it in the order that's served in  
11 this docket.

12           MR. FFITCH: Your Honor, I think we can get  
13 it to you tomorrow if that would be your preference.

14           JUDGE WALLIS: Thank you very much.

15           I would acknowledge for the record that prior  
16 to the beginning of this conference which was set for  
17 9:30, the parties engaged in some informal discussions  
18 and reached some conclusions amongst themselves and  
19 agreed proposals for scheduling and other process in  
20 this docket. Among other things, there is a request for  
21 a standard protective order, and discovery is asked to  
22 be invoked. We will invoke the discovery rules in the  
23 prehearing conference order, and we will enter a  
24 protective order in standard form for this docket. In  
25 terms of the protective order, there has been a request

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1 that the last day for filing data requests would be  
2 November 22nd, and responses to such requests would be  
3 due by November 29th, which given the Thanksgiving  
4 holiday would appear to provide for a three business day  
5 turn around on those requests in response to issues that  
6 may arise in company and cross or answering rebuttal.

7           The schedule, let me read that for the  
8 record, and I will ask parties to follow closely and  
9 make sure that my notes are accurate. The company  
10 direct testimony deadline for filing is September 26.  
11 The parties propose to convene a settlement conference  
12 amongst themselves on October 16th. The staff and  
13 intervener testimony would be due on November 3rd.  
14 Company and cross or answering rebuttal will be due on  
15 November 20th. Hearings would be scheduled for December  
16 4th and 5th and briefs due on December 22nd.

17           Has there been a change in the settlement  
18 conference date?

19           MR. MEYER: I have October 16th, I think  
20 that's --

21           MR. FFITCH: I believe that's what you said,  
22 Your Honor, was the 16th.

23           MR. MEYER: Yes.

24           JUDGE WALLIS: Very well, are the dates that  
25 I read correct?

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1 MR. MEYER: Yes, they are.

2 JUDGE WALLIS: Very well.

3 MR. FFITCH: And did you recite the briefing  
4 date of December 22nd?

5 JUDGE WALLIS: Yes.

6 MR. FFITCH: Thank you, Your Honor.

7 JUDGE WALLIS: There is a concern about that.  
8 I think my own preference would be to have that moved to  
9 December 26th so that those of us at the Commission are  
10 not either tempted nor coerced into working on the brief  
11 over the holiday, but if parties prefer to have that  
12 deadline on the 22nd, that will be acceptable.

13 MR. MEYER: I think that would be our  
14 preference, thank you.

15 MR. FFITCH: Your Honor, there was one  
16 comment, you had mentioned the discovery turn-around  
17 dates, should we talk about that at this point?

18 JUDGE WALLIS: Yes, I did note that for the  
19 record. I would also note that while we checked and the  
20 Commissioner's calendars appeared to be free on December  
21 4th and 5th, it does appear that Chairman Sidran has a  
22 cabinet meeting on that date, and the hearing may recess  
23 for the period while he is attending that cabinet  
24 meeting.

25 Now, Mr. ffitich, we did mention the three

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1 business day turn around for responses to the discovery  
2 requests made on November 22nd.

3 MR. FFITCH: Yes, Your Honor, I think the  
4 understanding or what we talked about was having a three  
5 business day turn around beginning with the company  
6 rebuttal and cross answering date of November 20th, and  
7 we're comfortable with that. We typically don't have a  
8 discovery cutoff date in Commission cases, and I guess I  
9 just wanted to have a discussion to clarify the  
10 scheduling of the discovery requests that happen in that  
11 time frame between the rebuttal and the hearing.

12 MR. TROTTER: Your Honor, can I interrupt on  
13 that?

14 JUDGE WALLIS: Mr. Trotter.

15 MR. TROTTER: Thank you. I did propose a  
16 cutoff date, but I'm not wedded to it. I thought two  
17 business days from getting the company's rebuttal and  
18 cross answering, get your DR's out and you have your  
19 responses by mid week and you have two days to figure  
20 out whether you wanted to put them in. But I suppose if  
21 you wanted to issue one on Monday of the following week,  
22 you would have a response by Thursday. But I think in  
23 the discussion that kind of -- that proposal kind of --  
24 His Honor picked up on it, but I think other parties may  
25 have not focused on it. So I'm not particularly wedded

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1 to that proposal, if you just want a straight three day  
2 turn around, that's fine with me, but I did make that  
3 proposal for a cutoff date.

4 MR. FFITCH: Well, my only thought there,  
5 Your Honor is that the, I appreciate counsel's  
6 accommodation, the schedule itself creates obviously  
7 some imperatives. If you want answers back that you can  
8 use potentially in the hearing, you have to get your  
9 DR's out. And once you get too close to the hearing, it  
10 becomes a futile exercise.

11 We're really looking forward to getting into  
12 our new building.

13 JUDGE WALLIS: If that was the elevator  
14 alarm, I think I'll walk.

15 MR. FFITCH: So we're comfortable with a  
16 three day turn around, and understanding there are  
17 practical limitations on when you can expect to get  
18 things back on the eve of hearing, but I didn't want the  
19 record to reflect there was actually a cutoff of the  
20 29th.

21 MR. MEYER: We're fine with what Simon  
22 suggested. We're agreeable to a three day turn around  
23 for that interval with some accommodation, which I'm  
24 sure we can work out, in the event we get a voluminous  
25 request that spills over into the fourth day, something

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1 like that, so I don't anticipate a problem.

2 JUDGE WALLIS: Very well, so we will just say  
3 a three day, and is that intended to be a three business  
4 day interval?

5 MR. MEYER: Yes.

6 MR. TROTTER: Yes.

7 JUDGE WALLIS: For data requests that are  
8 submitted on or after November 20th?

9 MR. MEYER: Yeah, and with the further  
10 understanding that the response would be by means or  
11 could be by means of electronic response.

12 JUDGE WALLIS: Yes, electronic response  
13 followed by hard copy delivery, all right.

14 MR. FFITCH: Your Honor, also, I apologize, I  
15 wasn't listening closely enough, but I think the parties  
16 had understood that the company rebuttal date of  
17 November 20th also included cross answering testimony,  
18 and I wasn't sure --

19 JUDGE WALLIS: Yes, we have so indicated.

20 MR. FFITCH: Thank you.

21 MS. GLASER: And could I just clarify that  
22 these dates, are these for electronic submission with  
23 the hard copies to follow the next day, or are these for  
24 hard copies?

25 JUDGE WALLIS: No, these are the hard copy

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1 filings.

2 MS. GLASER: Thank you.

3 JUDGE WALLIS: Is there any need or request  
4 for a hearing for comment from members of the public in  
5 this docket?

6 MR. FFITCH: Your Honor, I'm not certain  
7 whether we will request one.

8 JUDGE WALLIS: Because of the logistics  
9 involved, if you do intend to request one, I would ask  
10 you to make that request as soon as possible. This is,  
11 as everybody understands I believe, a period in which  
12 there are a number of significant matters pending that  
13 are going to draw upon not only the Commissioners' time  
14 but our time, and it is going to be difficult to  
15 schedule anything that involves the Judges or the  
16 Commissioners. I will ask that if you do decide to make  
17 a proposal that you consult with the other parties and  
18 if possible present an agreed proposal, and we will in  
19 that regard do our best to accommodate dates that you  
20 may have.

21 MR. FFITCH: Thank you, Your Honor, we will  
22 try to make that decision as quickly as we can.

23 JUDGE WALLIS: Very well.

24 Is there any other matter that should come  
25 before the Commission in this docket?



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1                   MR. TROTTER: Just one, Your Honor, as I  
2   circulated yesterday to the parties, the Staff, excuse  
3   me, the company has not filed its direct case in this  
4   docket and that scheduling is inherently problematic in  
5   that regard, but we're confident given the circumstances  
6   of this docket that this schedule will work, but if we  
7   do see a surprise when they file their case and it  
8   causes a change in the schedule, both events that we  
9   think are highly unlikely, we do want you to know that  
10  we will come back to you and don't want you to be  
11  surprised given the circumstances.

12                   JUDGE WALLIS: Yes, we understand that no  
13  schedule is forever etched in a permanent substance and  
14  that when exigencies arise, we have to deal with them.

15                   Very well, this appears to conclude the  
16  business.

17                   (Discussion on the Bench.)

18                   JUDGE WALLIS: I am reminded that we do have  
19  a prehearing conference for the purpose of marking  
20  exhibits on cross-examination, I would like to schedule  
21  one for December 2nd with the understanding that if  
22  there are few such documents, it may be possible to  
23  handle that without a prehearing conference and that  
24  this date would be used for a prehearing conference on  
25  any other procedural matter that might arise.

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1                   So with that, let us conclude today's  
2 session, this conference is adjourned, thank you all  
3 very much.

4                   (Prehearing conference adjourned at  
5 10:40 a.m.)

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