

SERVICE DATE  
AUG 11 1994

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

|                            |   |                        |
|----------------------------|---|------------------------|
| WASHINGTON UTILITIES AND   | ) |                        |
| TRANSPORTATION COMMISSION, | ) | DOCKET NO. UG-940034   |
|                            | ) |                        |
| Complainant,               | ) | DOCKET NO. UG-940814   |
| v.                         | ) |                        |
|                            | ) |                        |
| WASHINGTON NATURAL GAS     | ) | ORDER OF CONSOLIDATION |
| COMPANY,                   | ) |                        |
|                            | ) | SECOND SUPPLEMENTAL    |
| Respondent.                | ) | ORDER ON PREHEARING    |
|                            | ) | CONFERENCE             |
| .....)                     | ) |                        |

PREHEARING CONFERENCE: Prehearing conferences were held in these dockets in Olympia on August 10, 1994, before Administrative Law Judge Lisa A. Anderl of the Office of Administrative Hearings.

The caption and docket numbers as set forth in this order are to be used in all future filings in this consolidated matter. Both filings are in response to the Commission's orders in Docket UG-920840, but that docket number should not be included in filings in this matter.

APPEARANCES: Respondent Washington Natural Gas Company was represented by David S. Johnson, attorney, Seattle. The Commission was represented by Robert Cedarbaum and Anne Egeler, assistant attorneys general, Olympia. The public was represented by Donald Trotter, assistant attorney general, Seattle. The following parties petitioned to intervene: the Partnership for Equitable Rates for Commercial Customers (PERCC), represented by Knoll Lowney and Carol Arnold, attorneys, Seattle; Northwest Industrial Gas Users (NWIGU), Associated Gas Services, Inc., and Inland Pacific Energy Services Corporation, represented by Edward Finklea and Paula Pyron, attorneys, Portland; Seattle Steam, represented by Frederick O. Frederickson, attorney, Seattle; Cost Management Services, Inc., represented by Michael Rabin, director of sales and marketing.

RECORD OF THE PROCEEDINGS: The record of the prehearing conferences in these dockets is contained on two cassette tapes which are a part of the official file in the records center. Copies may be obtained through a request for public records.

PETITIONS TO INTERVENE: No objection was raised to the petitions to intervene of PERCC, NWIGU, and Seattle Steam. Those petitions were granted. The company, Commission Staff and Public counsel objected to the petitions of Associated Gas Services, Inland Pacific and Cost Management. The company filed a written answer to the petitions of Associated Gas Services and Inland Pacific and those petitioners filed a written reply; otherwise, the objections and other argument on this issue was made on the record.

Associated Gas Services, Inland Pacific and Cost Management are engaged in natural gas brokering and marketing activities. Those three petitions were denied on the basis that the petitioners did not state a substantial interest in the subject matter of the proceeding as required under WAC 480-09-430, and that their intervention would not be in the public interest. [See, also, Cole v. Washington Utilities and Transportation Commission, 79 Wn.2d 302 (1971)].

MOTION TO CONSOLIDATE: The company filed a motion in Docket No. UG-940034 to consolidate that matter with the later filed rate design proceeding in Docket No. UG-940814. No party to either proceeding objected to consolidation. The company waived the suspension date in UG-940034 to correspond to the suspension date in UG-940814. The motion to consolidate was granted.

SCHEDULE: NWIGU filed a motion to alter the usual procedural schedule, asking that fewer rounds of cross-examination be scheduled, that settlement conferences be ordered, that surrebuttal be allowed, and that oral argument be allowed. Other parties responded to that motion and an extensive discussion regarding various scheduling options was held off the record.

The following schedule is established:

|                                    |  |
|------------------------------------|--|
| August 10, 1994                    | Prehearing conferences/Company prefile direct testimony in UG-940814                   |
| August 24, 1994                    | Company prefile direct in UG-940034  |
| September 23, 1994                 | Parties to file stipulated issues list   |
| * October 5-7, 1994                | HEARINGS for cross of company  |
| November 23, 1994                  | Staff, Public Counsel and Intervenors prefile testimony                                |
| January 6, 1995                    | Company prefile rebuttal; Staff, Public Counsel and Intervenors prefile cross-rebuttal |
| January 23, 1995                   | Parties to file revised stipulated issues list   |
| * January 30 -<br>February 3, 1995 | HEARINGS for cross of all parties  |
| March 3, 1995                      | Briefs due   |
| May 12, 1995                       | Order  |

The issue of oral argument is reserved and will be decided after briefs are filed.

EXHIBITS: Exhibits T-1 through 19 were marked and identified for the record.

DISCOVERY: The discovery rule was invoked. Accordingly, the methods for obtaining data as provided by WAC 480-09-480 are available in this proceeding. The parties will work amongst themselves to establish any necessary discovery schedule. The company suggested generally that some limitations on discovery within a certain number of days prior to any hearing might be appropriate to allow parties time to prepare for hearing. Staff suggested that the 10 days allowed for responses to data requests might be shortened to five days. The parties were instructed to bring a specific motion regarding these issues if an agreement could not be reached.

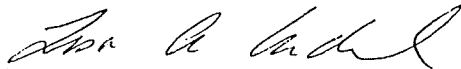
PROTECTIVE ORDER: The respondent requested a protective order. There was no objection to that request and one will be issued in the standard form.

BENCH REQUEST: The company agreed to respond to a bench request to provide two copies of the cost of service model (software) and the explanation book. The company also agreed to provide a training session on the model, with a date, time and location to be established by letter from the company to the ALJ, with a copy to all parties.

NOTICE TO PARTIES: Any objection to the provisions of this order must be filed within 10 days after the date of mailing of this statement, pursuant to WAC 480-09-460(2). In the absence of such objections, this prehearing conference order will control further proceedings in this matter, subject to Commission review.

DATED at Olympia, Washington, and effective this 11th day of August, 1994.

OFFICE OF ADMINISTRATIVE HEARINGS



LISA A. ANDERL  
Administrative Law Judge