

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND PILOTS,

Respondent.

DOCKET TP-220513

STAFF RESPONSE TO PUGET  
SOUND PILOTS' MOTION TO  
SUPPLEMENT THE RECORD

**I. INTRODUCTION**

*1* Staff of the Washington Utilities and Transportation Commission (Commission) submits this response to Puget Sound Pilots' (PSP) Motion to Supplement the Record (Motion). Commission Staff (Staff) does not oppose PSP's Motion, but requests that the Commission (1) order PSP to clarify how its supplemental material revises or replaces existing testimony and exhibits filed by PSP, and (2) continue all remaining procedural deadlines, other than the settlement conference dates, by an additional four weeks to allow the parties sufficient time to review the supplemental material and update existing analysis.

**II. STATEMENT OF FACTS**

*2* On June 29, 2022, PSP filed its general rate case with the Commission. On August 26, the Commission issued the Prehearing Conference Order for this case, which includes the procedural schedule for all remaining deadlines. As part of the Prehearing Conference Order, the Commission noted:

The Commission will make its best efforts to issue the final order in this case by the above Final Order Due Date [May 29, 2023], 11 months after the filing of PSP's initial testimony on June 29, 2022. This is not the limits of the Commission's statutory authority, however. Pursuant to RCW 81.116.030(4), the statutory suspension date is 10 months "from the time the change would

otherwise go into effect.” Because PSP’s initial filing provided an effective date of January 25, 2023, the actual statutory suspension date would be October 25, 2023.<sup>1</sup>

3           On September 9, PSP filed its Motion seeking to supplement the record with the Supplemental Testimony of Weldon Burton (Burton, Exh. WTB-04T) and an additional exhibit (Burton, Exh. WTB-05).

4           As part of its Motion, PSP explains that the Witness Burton’s supplemental testimony will provide “significant additional information regarding PSP’s financial accounting and includes a description and explanation of PSP’s 2021 pro forma statement of operations, including restating adjustments and pro forma adjustments.”<sup>2</sup> PSP’s Motion also states “Exhibit WTB-05 to Mr. Burton’s testimony provides much of the information requested in a September 8, 2022 set of 12 data requests issued by UTC Staff.”<sup>3</sup>

5           Witness Burton’s proposed supplemental testimony further explains:

In this testimony, I provide a PSP 2021 pro forma statement of operations that presents the relevant financial information in a regulatory accounting format, which is displayed in Exhibit WTB-05. This exhibit also contains proposed restating and pro forma adjustments. In examining the financial projections prepared by PSP office manager Magen Brooks, Exhibits MB-04 and MB-05, I discovered a number of inaccuracies or omitted financial information which I anticipate UTC staff will wish to examine. Therefore, the purpose of this testimony is to correct those inaccuracies and to provide a higher level of financial detail in the spreadsheets that are contained in Exhibit WTB-05. As a result, PSP has asked me to serve as its principal accounting witness in this rate proceeding in connection with the PSP 2021, 2022 and 2023 pro forma statements of operations.<sup>4</sup>

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<sup>1</sup> *Wash. Utils. & Transp. Comm’n v. Puget Sound Pilots*, Docket TP-220513, Order 03, 19 n.31 (August 26, 2022).

<sup>2</sup> Puget Sound Pilots’ Motion to Supplement the Record (Motion) at 2, ¶ 4.

<sup>3</sup> Motion at 2, ¶ 5.

<sup>4</sup> Burton, Exh. WTB-04T at 1:13-24.

### III. ARGUMENT

6 Staff does not oppose PSP's Motion and believes that the supplemental material will be helpful to the parties and the Commission in evaluating PSP's rate case. While Staff appreciates the additional detail provided by PSP's supplemental material, Staff also respectfully requests that PSP provide full responses to Staff DRs 1-12.<sup>5</sup> Furthermore, Staff has two additional recommendations to the Commission in light of PSP's supplemental filing.

7 First, the Commission should direct PSP to clarify whether and how the supplemental material affects the material already on file with the Commission in this docket. Although Witness Burton's supplemental testimony refers to inaccuracies or omitted financial information in two of Witness Brooks' exhibits, it is not clear what specific information PSP intends to correct or update as part of PSP's supplemental filing.<sup>6</sup> Similarly, it is unclear from PSP's Motion and supplemental material whether PSP intends to replace some or all of Witness Brooks' testimony and exhibits already on file with the Commission. As such, the Commission should order PSP to clarify whether the supplemental material is intended to revise or replace any existing testimony or exhibits and to specifically identify the revised or added information if the previously filed exhibits and testimony are not withdrawn.

8 Second, pursuant to WAC 480-07-385, the Commission should extend all remaining procedural deadlines in this case, other than the settlement conference dates, by four weeks to allow the parties additional time to review the supplemental information provided by PSP. Staff notes that PSP's supplemental filing was provided more than two months after its

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<sup>5</sup> Motion at 2, ¶ 5.

<sup>6</sup> Burton, Exh. WTB-04T at 1:13-24.

original filing with the Commission on June 29, 2022. As stated by PSP, the supplemental material contains “significant additional information regarding PSP’s financial accounting and includes a description and explanation of PSP’s 2021 pro forma statement of operations, including restating adjustments and pro forma adjustments.”<sup>7</sup> Furthermore, as mentioned above, Witness Burton’s supplemental testimony corrects inaccuracies, provides a higher level of financial detail than PSP’s originally filed material, and indicates that Witness Burton is taking on a new role in the rate case as PSP’s principal accounting witness with respect to PSP’s pro forma statements of operations.<sup>8</sup>

9           While Staff acknowledges the Commission’s preference to issue its final order in this proceeding by May 29, 2023, as the Commission noted in the Prehearing Conference Order, the Commission is not required under statute to render a decision in this case until October 2023.<sup>9</sup> Given the scope, timing, and significance of PSP’s supplemental material, as well as the need to reanalyze PSP’s pro forma and restating adjustments in light of the supplemental material, Staff submits that good cause exists for a relatively short four week continuance of all remaining procedural deadlines other than the settlement conference dates.

#### IV. CONCLUSION

For the reasons stated above, Staff does not oppose PSP’s Motion, but requests that the Commission (1) order PSP to clarify how its supplemental material revises or replaces existing testimony and exhibits filed by PSP, and (2) continue all remaining procedural deadlines, other than the settlement conference dates, by an additional four weeks to allow the parties sufficient time to review the supplemental material and update existing analysis.

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<sup>7</sup> Motion at 2, ¶ 4.

<sup>8</sup> Burton, Exh. WTB-04T at 1:20-24.

<sup>9</sup> *Wash. Utils. & Transp. Comm’n v. Puget Sound Pilots*, Docket TP-220513, Order 03, 19 n.31 (August 26, 2022).

DATED this 16th day of September 2022.

Respectfully submitted,

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