```
00020
      BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
1
                         COMMISSION
 3
    In the Matter of the Joint
    Application of
 4
                                 ) Docket No. UE-001878
    PACIFICORP and PACIFICORP,
 5
    WASHINGTON, INC.,
                                   ) Volume No. II
                                   ) Pages 20 - 25
 6
    for an Order Approving (1) the )
    Transfer of Distribution
                                   )
    Property from PacifiCorp to
                                   )
    an Affiliate, PacifiCorp,
                                    )
    Washington, Inc., (2) the
    Transfer of PacifiCorp of
9
    Certain Utility Property to
    an Affiliate, the Service
10
    Company, and (3) the Proposed
    Accounting Treatment for
11
    Regulatory Assets and
    Liabilities, and an Order
12
    Granting an Exemption under
    RCW 80.08.047 for the Issuance
13
    or Assumption of Securities and )
    Encumbrance of Assets by )
14
    PacifiCorp, Washington, Inc.,
    and/or PacifiCorp.
                                   )
    _____
15
16
17
              A prehearing conference in the above matter
    was held on September 13, 2000, at 9:45 a.m., at 1300
18
19
    South Evergreen Park Drive Southwest, Olympia,
20
    Washington, before Administrative Law Judge KAREN M.
21
    CAILLE.
2.2
23
24
    Kathryn T. Wilson, CSR
25
   Court Reporter
```

00021 1 The parties were present as follows: 2 3 PACIFICORP and PACIFICORP, WASHINGTON, 4 INC., by JAMES M. VAN NOSTRAND, Attorney at Law, Stoel 5 Rives, LLP, 600 University Street, Suite 3600, Seattle, 6 Washington 98101. 7 8 THE WASHINGTON UTILITIES AND TRANSPORTATION 9 COMMISSION, by ROBERT D. CEDARBAUM, Assistant Attorney 10 General, 1400 South Evergreen Park Drive Southwest, 11 Post Office Box 40128, Olympia, Washington 98504. 12 13 INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES, 14 by IRION A. SANGER, Attorney at Law, Davison Van Cleve, 15 1000 Southwest Broadway, Suite 2460, Portland, Oregon 16 97205. (Via Bridge) 17 18 PUBLIC COUNSEL, by ROBERT W. CROMWELL, JR., 19 Assistant Attorney General, 900 Fourth Avenue, Suite 20 2000, Seattle, Washington 98164. 21 22 THE YAKIMA ENERGY PROJECT, on behalf of 23 Yakima Opportunities and Industrialization Council, by 24 CHARLES M. EBERDT, Manager of The Energy Project, 314 25 East Holly Street, Bellingham, Washington 98225.

PROCEEDINGS

2.4

JUDGE CAILLE: This is a prehearing conference in Docket No. UE-001878 entitled, In the Matter of the Joint Application of PacifiCorp and PacifiCorp Washington, Incorporated. This matter concerns the restructuring of PacifiCorp into six separate state electric companies, a generation company, and a service company.

The purpose of this prehearing conference was to set a procedural schedule and to formulate substantive issues and consider other matters that may aid in the disposition of this proceeding. I'm Karen Caille, and I'm the administrative law judge presiding in this proceeding. The commissioners will also be presiding. They initially were to be here today to discuss and formulate issues.

Prior to this prehearing conference, I asked the parties to submit a list of issues, and I submitted your lists of issues with a memo to the commissioners Tuesday, and after reading the list of issues, they felt it was not necessary for them to participate in the discussion today. I want to be clear that those issues that you have listed, obviously, there may be other issues that may come up, and as long as they are

2.4

1 relevant, you certainly would be able to raise those 2 issues.

Today is September the 13th, 2001, and we are convened in the hearing room at the Commission's offices in Olympia, Washington. I'm going to ask for appearances. We've had an off-record discussion, and the parties have felt that they do not feel a need to discuss the issues. They are satisfied with the issues that the parties have each raised, and we also are not going to set a procedural schedule today because there are no other schedules in the proceedings in the other states as yet. So we will be waiting for a schedule to be set in Utah and Oregon, and we will set our schedule after that.

The parties have agreed to get together and submit either an agreed schedule or request another prehearing conference if they cannot come to an agreement on the schedule, and they will notify the Commission by October the 12th either as to the schedule or as to the need for a prehearing conference to establish a schedule. I might mention when you do work on that schedule to please consider whether we would need a public hearing or public hearings and to also include a briefing schedule.

Let's take appearances, and if anyone has

00024

2.4

25

anything to add to what I have said to flush out what we said off the record, I'll give you an opportunity to do that. So, Mr. Van Nostrand, why don't we start with 4 5 MR. VAN NOSTRAND: Thank you, Your Honor. On 6 behalf of the joint applicants, PacifiCorp and 7 PacifiCorp, Washington, Inc., James M. Van Nostrand. JUDGE CAILLE: Mr. Eberdt? 8 9 MR. EBERDT: Charles Eberdt from The Energy 10 Project on behalf of the Yakima OIC. 11 MR. CROMWELL: Robert Cromwell with Public 12 Counsel. 13 MR. CEDARBAUM: Robert Cedarbaum, senior 14 counsel for Commission staff. I would just add two 15 points to your summary of our off-record discussions. 16 The first was that if the commissioners believe that 17 our issues did not cover all of the issues that they 18 wished us to consider or provide testimony or briefing 19 on, either by way of a Bench request or however you want to work that, if they could let us know once we 20 21 have a schedule scheduled in the case, that would be 22 helpful to us. 23 The second point was that I had offered to

coordinate with you the schedule after a conferencing

with the parties later this month or in early October,

```
00025
    and I assume that that's agreeable to everyone that
     it's fine with me if I communicate with you on those
    process-type matters.
 4
              MR. VAN NOSTRAND: That's agreeable to
 5
    Applicants.
 6
              MR. CROMWELL: That's fine.
 7
               MR. SANGER: That's fine.
 8
               JUDGE CAILLE: Mr. Sanger?
              MR. SANGER: Irion Sanger on behalf of the
 9
10
    Industrial Customers of Northwest Utilities.
11
              JUDGE CAILLE: Does anyone else wish to say
12
     anything on the record about our off-record discussion?
13
     Then if not, I think I should represent on the record
14
     that I will wait until we have a schedule to do a
15
     prehearing conference order establishing that schedule.
16
     If there is nothing further, then this meeting is
17
     adjourned. Thank you for coming.
18
              (Prehearing concluded at 9:55 a.m.)
19
20
21
22
23
2.4
```

25