### **BEFORE THE WASHINGTON** UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	
TRANSPORTATION COMMISSION,	DOCKET UG-20099
Complainant,	ORDER 03
v.	
NORTHWEST NATURAL GAS	PREHEARING CON
COMPANY, d/b/a NW NATURAL,	ORDER; NOTICE C
	(Evidentiary Hearing

Respondent.

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NFERENCE **DF HEARING** (Evidentiary Hearing set for August 23-24, 2021, at 9:00 a.m.)

- NATURE OF PROCEEDING. On December 18, 2020, Northwest Natural Gas 1 Company, d/b/a NW Natural, (NW Natural or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-6, Natural Gas Service. The purpose of the Company's filing is to increase rates and charges for natural gas service provided to customers in the state of Washington. NW Natural proposes a multi-year rate plan. Specifically, for Year One, the Company requests authority to increase revenues from base rates by \$6.3 million, which would result in an approximately 8.0 percent increase to overall base rates. For Year Two, the Company requests authority to increase revenues from base rates by \$3.2 million, which would result in an approximately 3.7 percent increase to overall base rates. NW Natural agreed to the suspension of the tariff revisions.<sup>1</sup> Accordingly, the Commission suspended operation of the tariffs on January 7, 2021, by Order 01 entered in this docket.
- 2 **CONFERENCE.** The Commission convened a prehearing conference virtually on January 19, 2021, before Administrative Law Judges Rayne Pearson and Samantha Doyle.

<sup>&</sup>lt;sup>1</sup> NW Natural also proposes suspending the amortization of a regulatory asset associated with its energy efficiency programs during Year One, and to apply proceeds received from the Company's sale of a property in Portland, Oregon, known as "Block 24" as a credit to customers in Year One. The net impact of the proposed increase to base rates and proposed offsetting measures is an overall increase to rates of \$3.9 million, or 5.0 percent, in Year One.

- 3 APPEARANCES. Lisa Rackner and Jocelyn Pease, McDowell Rackner Gibson PC, Portland, Oregon, represent NW Natural. Nash Callaghan, Assistant Attorney General, Lacey, Washington, represents Commission staff (Staff).<sup>2</sup> Lisa W. Gafken, Ann Paisner, and Nina Suetake, Assistant Attorneys General, Seattle, Washington, represent the Public Counsel Unit of the Attorney General's Office (Public Counsel). Chad M. Stokes and Tommy Brooks, Cable Huston LLP, Portland, Oregon, represent the Alliance of Western Energy Consumers (AWEC). Simon J. ffitch, Bainbridge Island, Washington, represents The Energy Project. Contact information for the representatives of those granted party status is attached as Appendix A to this Order.
- 4 **PETITIONS FOR INTERVENTION.** AWEC and The Energy Project timely filed petitions to intervene. No party objected to either petition.
- 5 Absent objections to the petitions to intervene, the Commission finds that these petitioners have established a substantial interest in this proceeding and that their participation will be in the public interest. Accordingly, the Commission grants the petitions.
- 6 **PROTECTIVE ORDER.** The Commission entered a protective order as Order 02 in this docket on January 7, 2021.
- 7 DISCOVERY. Order 01 provides that discovery will be conducted under the Commission's discovery rules, WAC 480-07-400 – 425. The Commission urges the parties to work cooperatively together to avoid having to bring discovery matters forward for formal resolution. Response times to data requests will be adjusted as set forth in Appendix B.
- 8 The Commission believes it will aid discovery in this case if all responses to data requests are shared with all parties. No party objects to the Commission making the exchange of data request responses with all parties a requirement for discovery in this case. Accordingly, the Commission requires the parties to share every data request

<sup>&</sup>lt;sup>2</sup> In formal proceedings such as this, the Commission's regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners' policy and accounting advisors do not discuss the merits of this proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455.

response with all parties, subject to any confidentiality limitations contained in Commission rule or the protective order issued in this docket.

- 9 At the prehearing conference, Staff proposed further requirements for parties issuing data requests. Specifically, Staff proposed requiring that the requesting party (1) include a list in the body of the email that serves each set of data requests that identifies each data request by number and the subject or issue of each data request being issued, and (2) group the data requests by subject or issue in the cover letter serving the data request. No party objected to these proposed requirements. The Commission therefore adopts Staff's recommendations on this issue for the purposes of this case.
- 10 PROCEDURAL SCHEDULE. The parties presented an agreed procedural schedule at the prehearing conference. Under WAC 480-07-460(1)(b), a deadline for filing errata sheets to exhibits may be established in the prehearing conference order. In the prehearing conference, no party objected to setting the errata filing deadline for one week prior to the evidentiary hearing. Incorporating the deadlines for errata filings and notice of the public comment hearing,<sup>3</sup> the Commission adopts the parties' proposed procedural schedule, which is attached to this Order as Appendix B.
- 11 **DOCUMENT FILING AND SERVICE REQUIREMENTS.** Parties must file and serve all pleadings, motions, briefs, and other pre-filed materials in compliance with all of the following requirements:
  - (a) Parties must submit electronic copies of all documents by 5 p.m. on the filing deadline established in the procedural schedule (or other deadline as applicable) unless the Commission orders otherwise. Parties must comply with WAC 480-07-140(6) in formatting, organizing, and identifying electronic files. Documents that include information designated as confidential must comply with the requirements in WAC 480-07-160 and the Protective Order in these dockets. Parties must submit documents electronically through the Commission's web portal (www.utc.wa.gov/e-filing). If a party is unable to use the web portal to submit documents for filing, the Commission will accept a submission via email to records@utc.wa.gov provided the email: (1)

<sup>&</sup>lt;sup>3</sup> WAC 480-90-197 provides that the amount of notice to the public or to customers of public comment hearings will be addressed in the prehearing conference order.

explains the reason the documents are not being submitted via the web portal, and (2) complies with the requirements in WAC 480-07-140(5)(b).

- (b) The Commission accepts only electronic versions of documents for formal filing. Parties must submit documents electronically through the Commission's web portal (<u>www.utc.wa.gov/e-filing</u>). If a party is unable to use the web portal to submit documents for filing, the Commission will accept a submission via email to <u>records@utc.wa.gov</u>, provided that the email: (1) explains the reason the documents are not being submitted via the web portal, and (2) complies with the requirements in WAC 480-07-140(5)(b).
- (c) In light of the COVID-19 pandemic, the Commission is suspending requirements for paper filings in this case.
- (d) If any of the exhibits contain information designated as confidential, parties must file an electronic copy of the redacted version in searchable PDF (Adobe Acrobat or comparable software) of each such exhibit.
- (e) Parties must electronically serve the other parties and provide courtesy electronic copies of filings to the presiding administrative law judges (<u>rayne.pearson@utc.wa.gov</u> and <u>samantha.doyle@utc.wa.gov</u>) by 5 p.m. on the filing deadline unless the Commission orders otherwise. If parties are unable to email copies, they may furnish electronic copies by delivering them on a flash drive only.
- 12 EXHIBITS FOR CROSS-EXAMINATION. Parties are required to file with the Commission and serve all proposed cross-examination exhibits by 5 p.m. on August 16, 2021. The Commission requires electronic copies (in searchable Adobe Acrobat (.pdf)). If any of the exhibits contain information that is designated as confidential or highly confidential, the party must also file one electronic copy (in Adobe Acrobat (.pdf)) of the redacted version of each such exhibit. The exhibits must be grouped according to the witness the party intends to cross examine with the exhibits.
- 13 EXHIBIT LISTS. With each submission of pre-filed testimony and exhibits, the party making the submission must include a preliminary exhibit list that identifies each submitted exhibit in the format the Commission uses for exhibit lists it prepares for evidentiary hearings. The Company will prepare and file its preliminary exhibit list for its initial filing in this docket. Each party must file and serve a final list of all exhibits the

party intends to introduce into the evidentiary record, including all pre-filed testimony and exhibits, as well as cross-examination exhibits by **5 p.m., August 16, 2021**.

- 14 CROSS-EXAMINATION TIME ESTIMATES. Each party must provide a list of witnesses the party intends to cross-examine at the evidentiary hearing and an estimate of the time that party anticipates the cross-examination of that witness will take. Parties should not file witness lists or cross-examination time estimates but must provide them to the administrative law judges (rayne.pearson@utc.wa.gov and samantha.doyle@utc.wa.gov) and the other parties by 5 p.m., August 16, 2021.
- 15 PUBLIC COMMENT HEARING. The Commission will hold a public comment hearing in this docket in Clark County, or virtually, prior to the hearing on the final disposition of this case. NW Natural customers will receive notice of the date, time, and address of the public comment hearing, as well as other information required under WAC 480-90-197, at least 30 days prior to the date of the public comment hearing.
- 16 NOTICE OF EVIDENTIARY HEARING. The Commission will hold an evidentiary hearing in this docket on August 23-24, 2019, at 9 a.m., in the Commission's Hearing Room, First Floor, 621 Woodland Square Loop S.E., Lacey, Washington, or virtually, depending on the public health restrictions in effect at that time. In the event the hearing must be held virtually, the Commission will provide notice at least 20 days prior to the hearing date with meeting information for Microsoft Teams.
- 17 ALTERNATE DISPUTE RESOLUTION. The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission has limited ability to provide dispute resolution services. If you wish to explore those services, please contact Rayne Pearson, Director, Administrative Law Division (360-664-1136).
- 18 NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of this Order, in the upper right-hand corner. Absent such objection,

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this Order will control further proceedings in this docket, subject to Commission review.

Dated at Lacey, Washington, and effective January 26, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Samantha Doyle SAMANTHA DOYLE Administrative Law Judge

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## APPENDIX A PARTIES' REPRESENTATIVES DOCKET UG-200994

PARTY	REPRESENTATIVE	PHONE	E-MAIL
Northwest	Jocelyn Pease	(503) 290-3620	jocelyn@mrg-law.com
Natural Gas	McDowell Rackner & Gibson PC		
	419 SW 11th Avenue STE 400		
	Portland, OR 97205		
	Lisa Rackner	(503) 595-3925	lisa@mrg-law.com
	McDowell Rackner & Gibson PC		
	419 SW 11th Avenue STE 400		
	Portland, OR 97205	_	
	Eric Nelsen	(503) 610-7618	eric.nelsen@nwnatural.com
	Ryan Sigurdson	(503) 610-7570	ryan.sigurdson@nwnatural.com
	Northwest Natural Gas Company		
	220 NW 2nd Ave.		
~	Portland, OR 97209-3991		
Commission	Nash Callaghan	(360) 664-1186	nash.callaghan@utc.wa.gov
Staff	Assistant Attorney General		
	Office of the Attorney General		
	Utilities and Transportation Division		
	P.O. Box 40128		
	Olympia, WA 98504 Kristen Hillstead	_	kristen.hillstead@utc.wa.gov
	Chris McGuire	_	
		_	chris.mcguire@utc.wa.gov
	Margrete Jordahl	-	margrete.jordahl@utc.wa.gov
D 11	Betsy DeMarco		bdemarco@utc.wa.gov
Public	Lisa Gafken	(206) 464-6595	Lisa.Gafken@atg.wa.gov
Counsel	Assistant Attorney General		
	Washington Attorney General's Office Public Counsel Unit		
	800 Fifth Avenue, Suite 2000		
	Seattle, WA 98104-3188		
	Nina Suetake	(206) 389-2055	NinaS@atg.wa.gov
	Sarah Laycock	(200) 509-2055	sarahl2@atg.wa.gov
	Luther Caulkins	(206) 464-6215	lutherc@atg.wa.gov
	Chanda Mak	(206) 389-3972	chandam@atg.wa.gov
	Chundu Max	(200) 30 - 3772	ununum e arg. wa.gov

PARTY	REPRESENTATIVE	PHONE	E-MAIL
Alliance of	Tommy Brooks	(503) 224-3092	tbrooks@cablehuston.com
Western	Cable Huston LLP		
Energy	1001 SW Fifth Avenue, Suite 2000		
Consumers	Portland, OR 97204-1136		
	Chad M. Stokes	(503) 224-3092	cstokes@cablehuston.com
	Cable Huston LLP		
	1001 SW Fifth Avenue, Suite 2000		
	Portland, OR 97204-1136		
	Brad Mullins		brmullins@mwanalytics.com
The Energy	Simon J. ffitch	(206) 669-8197	simon@ffitchlaw.com
Project	Attorney at Law		
	321 High School Rd. NE, Suite D3, Box		
	No. 383		
	Bainbridge Island, WA 98110		
	Shawn Collins		shawnc@oppco.org
	Carol Baker		carol@ffitchlaw.com

# APPENDIX B PROCEDURAL SCHEDULE DOCKET UG-200994

EVENT	DATE
Initial Filing	Friday, December 18, 2020
Prehearing Conference	Tuesday, January 19, 2021
Initial Settlement Conference	Tuesday, April 13, 2021
Staff, Public Counsel and Intervenor Response Testimony and Exhibits <sup>1</sup>	Friday, May 21, 2021
NW Natural Circulates Joint Issues Matrix	Wednesday, June 9, 2021
Settlement Conference	Wednesday, June 23, 2021
Company Rebuttal Testimony and Exhibits; Staff, Public Counsel and Intervenor Cross-Answering Testimony and Exhibits <sup>2</sup>	Friday, July 16, 2021
Notice Issued for Public Comment Hearing	30 days prior to Public Comment Hearing
Public Comment Hearing	TBD (Exact date and location to be determined)
Discovery Deadline – Last Day to Issue Data Requests <sup>3</sup>	Thursday, August 5, 2021
NW Natural Files Joint Issues Matrix	Friday, August 13, 2021
Exhibit List, Cross-Examination Exhibits, Witness Lists, Time Estimates, and Exhibit Errata	Monday, August 16, 2021
Evidentiary Hearing	Monday and Tuesday, August 23 and 24, 2021
Initial Post-Hearing Briefs and Updated Joint Issues Matrix	Friday, September 24, 2021
Simultaneous Reply Briefs	Friday, October 8, 2021
Statutory Suspension Date	November 18, 2021

<sup>&</sup>lt;sup>1</sup> Response time to data requests relating to this testimony will be 7 business days.

<sup>&</sup>lt;sup>2</sup> Response time to data requests relating to this testimony will be 5 business days.

<sup>&</sup>lt;sup>3</sup> Response time to data requests will be 5 business days.