Service Date: July 5, 2017

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKETS UE-170485 and UG-170486 (Consolidated)

Complainant,

v.

ORDER 03

AVISTA CORPORATION, d/b/a AVISTA UTILITIES,

PREHEARING CONFERENCE ORDER; NOTICE OF HEARING (Set for January 16-18, 2018, at 9 a.m.)

Respondent.

- NATURE OF PROCEEDING. On May 26, 2017, Avista Corporation, d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-28, Electric Service, in Docket UE-170485 and revisions to its currently effective Tariff WN U-29, Natural Gas, in Docket UE-170486.
- Avista proposes a three-year rate plan effective May 1, 2018, through April 30, 2021. For the first year of the Rate Plan, Avista proposes an overall increase in electric base revenues of \$61.4 million, or 12.5 percent, and an overall increase in natural gas base revenues of \$8.3 million, or 9.3 percent. For the second year of the proposed Rate Plan, Avista proposes an increase in electric revenues of \$14 million, or 2.4 percent, and an increase in natural gas billed revenues of \$4.2 million, or 2.6 percent. For the third year of the Rate Plan, Avista proposes an additional electric increase of \$14.4 million, or 2.5 percent, and an additional natural gas billed revenue increase of \$4.4 million, or 2.7 percent.
- On June 2, 2017, the Commission entered Order 01 suspending the tariffs and setting the matters for hearing.
- 4 **CONFERENCE.** The Commission convened a prehearing conference in this docket at Olympia, Washington on June 30, 2017, before Administrative Law Judge Rayne Pearson.
- APPEARANCES. David J. Meyer, Vice President and Chief Counsel for Regulatory and Governmental Affairs, Spokane, Washington, Represents Avista. Lisa Gafken and Armikka Bryant, Assistant Attorneys General, Seattle, Washington, represent the Public

Counsel Unit of the Washington State Attorney General's Office (Public Counsel). Christopher Casey and Jennifer Cameron-Rulkowski, Assistant Attorneys General, Olympia, Washington, represent the Commission's regulatory staff (Staff).

- Jesse E. Cowell and Patrick J. Oshie, Davison Van Cleve, P.C., Portland, Oregon, represent the Industrial Customers of Northwest Utilities (ICNU). Chad M. Stokes and Tommy A. Brooks, Cable Huston, Portland, Oregon, represent the Northwest Industrial Gas Users (NWIGU). Simon ffitch, attorney, Bainbridge Island, Washington, represents The Energy Project. Contact information for the parties' representatives is attached as Appendix A to this order.
- 7 **PETITIONS FOR INTERVENTION.** The following organizations filed petitions to intervene:

ICNU NWIGU The Energy Project

- No one objected to the petitions to intervene. The Commission finds that the petitioners each demonstrated a substantial interest in this proceeding and that their participation will be in the public interest. The petitions to intervene are granted.
- 9 **ELECTRONIC SERVICE.** Pursuant to WAC 480-07-150(4)(a), the Commission will serve only electronic copies of documents in this docket.
- 10 **PROTECTIVE ORDER.** On June 5, 2017, the Commission entered Order 02, Protective Order.
- DISCOVERY. The parties may continue to conduct discovery 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 to the Commission for formal resolution.
- The parties agreed to a shortened response time of seven business days for data requests received on or after October 27, 2017. The response time is shortened further to five business days for data requests received from December 1, 2018, through the close of discovery on January 9, 2018.
- At the prehearing conference, Staff requested the parties each serve copies of all data requests and corresponding responses on all other parties in this proceeding. The parties

unanimously agreed with Staff's request. Accordingly, each party will serve data requests and responses to data requests on all parties simultaneously.

- PROCEDURAL SCHEDULE. The parties agreed on a procedural schedule during the conference. The Commission adopts this procedural schedule, which is attached to this Order as Appendix B.
- DOCUMENT FILING AND SERVICE REQUIREMENTS. Parties must file and serve all pleadings, motions, briefs, and other prefiled materials in compliance with all of the following requirements:
 - (a) Parties must submit electronic copies of all documents by 5:00 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) 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) Parties must also file **an original and 10** paper copies (with original signatures, if applicable) of the documents with the Commission by 5:00 p.m. on the next business day following the filing deadline established in the procedural schedule (or other deadline as applicable) unless the Commission orders otherwise. The documents must conform to the formatting and other requirements in WAC 480-07-395 and WAC 480-07-460, and must comply with the requirements in WAC 480-07-160 and the Protective Order in these dockets for documents that include information designated as confidential. All hard copy filings must be mailed or otherwise delivered to the Executive Director and Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250.
 - (c) Parties must electronically serve the other parties and provide courtesy electronic copies of filings to the presiding administrative law judges

(<u>rpearson@utc.wa.gov</u>) and <u>mfriedlander@utc.wa.gov</u>) by 5:00 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 <u>flash drive</u> only.

- proposed cross-examination exhibits by **noon** on **January 9, 2018.** The Commission requires electronic copies in searchable Adobe Acrobat (.pdf), and **one original and 10** paper copies of the exhibits. Exhibits that include information designated as confidential must comply with the requirements in WAC 480-07-160 and the Protective Order in these dockets. The exhibits must be grouped according to the witness the party intends to cross examine with the exhibits. The paper copies of the exhibits also must be organized into sets that are tabbed and labeled.
- 17 **EXHIBIT LISTS**. Each party must file a list of all exhibits the party intends to introduce into the evidentiary record, **including all prefiled testimony and exhibits**, as well as cross-examination exhibits. The parties must file and serve their exhibit lists by **noon** on **January 9, 2018**.
- 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 judge and the other parties by **noon** on **January 9, 2017**.
- NOTICE OF HEARING. The Commission will hold an evidentiary hearing in this matter on January 16, 17, and 18, 2018, beginning at 9 a.m. in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.
- 20 **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. Parties may also contract for the services of a private mediator to facilitate their discussion. If the parties wish to consider using these dispute resolution alternatives, please contact Gregory J. Kopta, Director, Administrative Law Division (gkopta@utc.wa.gov or 360-664-1355).
- 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 the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.

Dated at Olympia, Washington, and effective July 5, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

RAYNE PEARSON Administrative Law Judge

APPENDIX A PARTIES' REPRESENTATIVES DOCKETS UE-170485 & UG-170486 (Consolidated) **PARTY** REPRESENTATIVE **PHONE** E-MAIL Avista Kelly O. Norwood* 509-495-4267 kelly.norwood@avistacorp.com VP, State & Federal Regulation 1411 E. Mission Avenue, MSC-27 P.O. Box 3727 Spokane, WA 99220-3727 David J. Meyer, Esq. david.meyer@avistacorp.com VP and Chief Counsel for Regulatory and Governmental **Affairs** Avista Staff avistadockets@avistacorp.com 360-664-1189 **Commission Staff** Christopher M. Casey* ccasev@utc.wa.gov Assistant Attorney General Office of Attorney General **Utilities and Transportation** Division 1400 S. Evergreen Park Drive S.W. P.O. Box 40128 Olympia, WA 98504-0128 sbrown@utc.wa.gov Sally Brown Senior Assistant Attorney General Krista Gross kgross@utc.wa.gov Legal Assistant Betsy DeMarco bdemarco@utc.wa.gov Legal Assistant

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	Leslie Rothbaum Paralegal		leslie@ffitchlaw.com

 $[\]ast$ Designee for official service per WAC 480-07-360.

APPENDIX B PROCEDURAL SCHEDULE **DOCKETS UE-170485 and UG-170486**

EVENT	DATE
Customer Notice Report	August 7, 2017
Avista Circulates Joint Issues List	September 15, 2017
Settlement Conference #1	October 6, 2017
Staff, Public Counsel, and Intervenor Response Testimony and Exhibits ¹	October 27, 2017
Settlement Conference #2	November 3, 2017
Joint Issues List	November 13, 2017
Avista Rebuttal Testimony and Exhibits; Staff, Public Counsel, and Intervenor Cross-Answering Testimony and Exhibits ²	December 1, 2017
Public Comment Hearings	TBD (Exact date and location to be determined by separate notice)
Discovery Deadline – Last Day to Issue Data Requests	December 28, 2017
Cross-Examination Exhibits, Witness Lists, and Time Estimates	January 9, 2018
Evidentiary Hearing	January 16-18, 2018, at 9 a.m.
Post-Hearing Briefs and Updated Issues List	February 22, 2018
Suspension Date ³	April 26, 2018

Response time to data requests will be 7 business days.
 Response time to data requests will be 5 business days.
 Based on a 10-month suspension from the stated effective date of June 25, 2017 on the as-filed tariff sheets, per RCW 80.04.130.