

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

WASHINGTON UTILITIES AND)	DOCKET UG-110723
TRANSPORTATION COMMISSION,)	
)	ORDER 02
Complainant,)	
)	PREHEARING CONFERENCE
v.)	ORDER; NOTICE OF HEARING
)	(Set for November 17, 2011)
PUGET SOUND ENERGY, INC.,)	
)	
Respondent.)	
.....)	

- 1 **NATURE OF PROCEEDING.** This proceeding arises from a tariff filing by Puget Sound Energy, Inc. (PSE or Company) to establish a Pipeline Integrity Program (PIP), a new cost recovery method intended to enhance pipeline safety by providing for the expedited recovery of the Company’s investment in new plant to implement certain reliability, integrity, and safety programs related to PSE’s natural gas delivery system.

- 2 **CONFERENCE.** The Washington Utilities and Transportation Commission (Commission) convened a prehearing conference in this docket at Olympia, Washington, on August 19, 2011, before Administrative Law Judge Gregory J. Kopta.

- 3 **APPEARANCES.** Sheree Strom Carson, Perkins Coie LLP, Bellevue, Washington, represents PSE. Simon J. ffitich, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of the Attorney General (Public Counsel). Robert D. Cedarbaum, Assistant Attorney General, Olympia, Washington, represents the Commission’s regulatory staff (Commission Staff or Staff).¹ Chad M. Stokes and Tommy A. Brooks, Cable Huston Benedict

¹ 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

Haagensen & Lloyd, Portland, Oregon, represent the Northwest Industrial Gas Users (NWIGU). Contact information provided at the conference for the parties' representatives is attached as Appendix A to this order.

4 **PETITIONS FOR INTERVENTION.** The NWIGU petitioned in writing to intervene in the docket. No party objected to this petition, which was granted.

5 **MOTION FOR CONSOLIDATION.** On August 18, 2011, Staff, Public Counsel, and the NWIGU filed a motion to consolidate this case with the pending PSE rate case, Dockets UE-111048 and UG-111049. PSE may respond to this motion on or before August 29, 2011, and the Commission will enter an order on that motion in due course.

6 **DISCOVERY.** Discovery will be conducted pursuant to 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.

7 **SCHEDULING ISSUES.** The parties were not able to agree on a procedural schedule during the conference. PSE proposes a schedule with evidentiary hearings, if necessary, on November 17 and 18, contending that this case presents primarily legal and policy issues that can be resolved with little or no factual disputes. Staff and the NWIGU tentatively propose a schedule with hearings during the second week of January with the caveat that they have not seen PSE's supporting testimony and thus cannot fully recommend any schedule at this time outside of consolidation with the rate case. Public Counsel does not support either proposal and takes the position that any schedule for proceeding on this case in isolation from the rate case is unreasonable and a denial of due process.

8 The Commission agrees with PSE that the issues at this stage of the proceeding appear to be primarily, if not exclusively, legal and policy issues, the resolution of which should not require a lengthy procedural schedule. We also note that the greatest difference between the two proposed schedules is that PSE proposes 10 days

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.

between the rebuttal testimony and the evidentiary hearings while Staff and the NWIGU propose an interval of almost seven weeks. Even considering holidays and other scheduling issues, we see no need to delay the start of hearings for so long. Having considered the arguments presented at the prehearing conference, the Commission adopts the procedural schedule PSE proposes, which is attached to this Order as Appendix B.

- 9 **NOTICE OF HEARING.** The Commission will hold evidentiary hearings in this matter beginning **November 17, 2011, at 9:30 a.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Commission may alter this schedule by subsequent notice.
- 10 **DOCUMENT PREPARATION AND FILING REQUIREMENTS.** Parties must file an original plus twelve (12) copies of all pleadings, motions, briefs, and other prefiled materials. These materials must conform to the format and publication guidelines in WAC 480-07-395 and WAC 480-07-460. The Commission prefers that materials be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.
- 11 All filings must be mailed or 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. Both the post office box and street address are required to expedite deliveries by the U.S. Postal Service.
- 12 An electronic copy of all filings must be provided through the Commission's Web Portal (www.utc.wa.gov/e-filing) or by e-mail delivery to records@utc.wa.gov. Alternatively, parties may furnish an electronic copy by delivering with each filing a 3.5-inch IBM-formatted high-density diskette or CD including the filed document(s). Parties must furnish electronic copies in MS Word 6.0 (or later) supplemented by a separate file in .pdf (Adobe Acrobat) format. Parties must follow WAC 480-07-140(5) in organizing and identifying electronic files.

- 13 **ELECTRONIC SUBMISSION OF DOCUMENTS.** Parties may submit documents electronically to the Commission on the filing deadline to expedite the filing process, but must file an original, plus twelve (12) paper copies, of the documents with the Commission by 12:00 noon on the first business day following the filing deadline established in the procedural schedule. WAC 480-07-145(6). Parties may submit documents electronically through the Commission's Web Portal (www.utc.wa.gov/efiling) or by e-mail to records@utc.wa.gov. Finally, to perfect filing, parties must simultaneously provide e-mail courtesy copies of filings to the presiding administrative law judge and advisory staff identified on Appendix A to this Order as well as to the parties to the proceeding.
- 14 **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 does have limited ability to provide dispute resolution services; if you wish to explore those services, please call the Director, Administrative Law Division, at 360-664-1355.
- 15 **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 August 24, 2011.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

GREGORY J. KOPTA
Administrative Law Judge

APPENDIX A

**PARTIES' REPRESENTATIVES
DOCKET UG-110723**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Puget Sound Energy	Sheree Strom Carson Perkins Coie LLP 10885 NE Fourth Street Suite 700 Bellevue, WA 98004-5579	425-635-1400	425-635-2400	scarson@perkinscoie.com
Commission Staff	Robert D. Cedarbaum Assistant Attorney General 1400 S. Evergreen Park Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	360-664-1188	360-586-5522	bcedarba@utc.wa.gov
Public Counsel	Simon J. ffitich Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	206-389-2055	206-389-2544	simonf@atg.wa.gov
Northwest Industrial Gas Users (NWIGU)	Chad M. Stokes Tommy Brooks Cable Huston Benedict Haagensen & Lloyd LLP 1001 SW Fifth Avenue Suite 2000 Portland, OR 97204-1136	503-224-3092	503-224-3176	cstokes@cablehuston.com tbrooks@cablehuston.com

**APPENDIX B
PROCEDURAL SCHEDULE
DOCKET UG-110723**

EVENT	DATE
Company Direct Testimony and Exhibits	September 2, 2011
Staff, Public Counsel and Intervenor Response Testimony and Exhibits	October 25, 2011
Company Rebuttal Testimony and Exhibits	November 8, 2011
Evidentiary Hearings	November 17-18, 2011
Simultaneous Post-Hearing Briefs	TBD