

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

NORTHWEST NATURAL GAS, d/b/a  
NW NATURAL,

Respondent.

DOCKET UG-181053

ORDER 03

PREHEARING CONFERENCE  
ORDER; NOTICE OF HEARING  
**(Evidentiary Hearing set for August  
14-15, 2019, at 9:00 a.m.)**

- 1 **NATURE OF PROCEEDING.** On December 31, 2018, Northwest Natural Gas, 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. Specifically, NW Natural requests authority to increase revenues from base rates by \$8.3 million, which would result in an approximately 12.6 percent increase to overall base rates.<sup>1</sup> NW Natural agreed to the suspension of the tariff revisions. The Commission suspended operation of the tariffs on January 8, 2019, by Order 01 entered in this docket.
- 2 **CONFERENCE.** The Commission convened a prehearing conference at Olympia, Washington on January 24, 2019, before Administrative Law Judges Rayne Pearson and Nelli Doroshkin.
- 3 **APPEARANCES.** Lisa Rackner and Jocelyn Pease, of McDowell Rackner Gibson PC, Portland, Oregon, represent NW Natural. Jennifer Cameron-Rulkowski, Assistant

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<sup>1</sup> NW Natural also proposes to implement a decoupling mechanism, an environmental cost recovery mechanism, and a mechanism that adjusts rates for the effects of the Tax Cuts and Jobs Act of 2017, An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018, Pub. L. No. 115-97, 131 Stat. 2054 (2017).

Attorney General, Olympia, Washington, represents Commission staff (Staff).<sup>2</sup> Lisa W. Gafken 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, of Cable Huston LLP, Portland, Oregon, represent the Alliance of Western Energy Consumers (AWEC). Simon J. ffitich 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.

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 those petitions.

6 **PROTECTIVE ORDER.** The Commission entered a protective order as Order 02 in this docket on January 8, 2019.

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

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<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.

9 **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.

10 **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.
- (b) The Commission accepts only electronic versions of documents for formal filing. Parties must submit documents electronically through the Commission's web portal ([www.utc.wa.gov/e-filing](http://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](mailto:records@utc.wa.gov), 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) Parties must also file **an original and five (5)** paper copies (with original signatures, if applicable) of the documents with the Commission by 5 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. 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. All hard copy filings must be mailed or otherwise delivered to the Executive Director and Secretary, Washington Utilities and Transportation

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<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.

Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250.

- (d) Documents filed with the Commission 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 this docket for documents that include information designated as confidential.
- (e) Parties must electronically serve the other parties and provide courtesy electronic copies of filings to the presiding administrative law judges ([rayne.pearson@utc.wa.gov](mailto:rayne.pearson@utc.wa.gov) and [nelli.doroshkin@utc.wa.gov](mailto:nelli.doroshkin@utc.wa.gov)) 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.

11 **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 7, 2019.** The Commission requires electronic copies in searchable PDF (Adobe Acrobat or comparable software), the original paper copy, and five (5) paper copies of the exhibits. If any of the exhibits contain information designated as confidential, parties must file an electronic copy, the original, and five paper copies of the redacted version in searchable PDF (Adobe Acrobat or comparable software) of each such exhibit. 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.

12 **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 7, 2019.**

13 **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](mailto:rayne.pearson@utc.wa.gov) and [nelli.doroshkin@utc.wa.gov](mailto:nelli.doroshkin@utc.wa.gov)) and the other parties by **5 p.m., August 7, 2019.**

- 14 **PUBLIC COMMENT HEARING.** The Commission will hold a public comment hearing in this docket in Clark County 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.
- 15 **NOTICE OF EVIDENTIARY HEARING.** The Commission will hold an evidentiary hearing in this docket on **August 14-15, 2019, at 9 a.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.
- 16 **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).
- 17 **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, this Order will control further proceedings in this docket, subject to Commission review.**

Dated at Olympia, Washington, and effective January 25, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

NELLI DOROSHKIN  
Administrative Law Judge

**APPENDIX A  
PARTIES' REPRESENTATIVES  
DOCKET UG-181053**

<b>PARTY</b>	<b>REPRESENTATIVE</b>	<b>PHONE</b>	<b>E-MAIL</b>
Northwest Natural Gas	Zachary Kravitz Director, Rates and Regulatory Affairs Northwest Natural Gas Company 220 NW 2nd Ave. Portland, OR 97209-3991	(503)220-2379	<a href="mailto:zdk@nwnatural.com">zdk@nwnatural.com</a>
	Lisa Rackner McDowell Rackner & Gibson PC 419 SW 11th Avenue STE 400 Portland, OR 97205	(503) 595-3925	<a href="mailto:lisa@mrg-law.com">lisa@mrg-law.com</a>
	Jocelyn Pease	(503) 290-3620	<a href="mailto:jocelyn@mrg-law.com">jocelyn@mrg-law.com</a>
Commission Staff	Jennifer Cameron-Rulkowski Assistant Attorney General Office of the Attorney General Utilities and Transportation Division 1400 S. Evergreen Park Drive S.W. P.O. Box 40128 Olympia, WA 98504	(360) 664-1186	<a href="mailto:jennifer.cameron-rulkowski@utc.wa.gov">jennifer.cameron-rulkowski@utc.wa.gov</a>
	Kristen Hillstead		<a href="mailto:kristen.hillstead@utc.wa.gov">kristen.hillstead@utc.wa.gov</a>
	Chris McGuire		<a href="mailto:chris.mcguire@utc.wa.gov">chris.mcguire@utc.wa.gov</a>
	Krista Gross		<a href="mailto:kgross@utc.wa.gov">kgross@utc.wa.gov</a>
	Betsy DeMarco		<a href="mailto:bdemarco@utc.wa.gov">bdemarco@utc.wa.gov</a>
Public Counsel	Lisa Gafken Assistant Attorney General Washington Attorney General's Office Public Counsel Unit 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188	(206) 464-6595	<a href="mailto:Lisa.Gafken@atg.wa.gov">Lisa.Gafken@atg.wa.gov</a>
	Nina Suetake	(206) 389-2055	<a href="mailto:NinaS@atg.wa.gov">NinaS@atg.wa.gov</a>
	Sarah Laycock		<a href="mailto:sarahl2@atg.wa.gov">sarahl2@atg.wa.gov</a>
	Luther Caulkins	(206) 464-6215	<a href="mailto:luther@atg.wa.gov">luther@atg.wa.gov</a>
	Chanda Mak	(206) 389-3972	<a href="mailto:chandam@atg.wa.gov">chandam@atg.wa.gov</a>
Alliance of Western Energy Consumers	Edward Finklea Director of Natural Gas Alliance of Western Energy Consumers 545 Grandview Drive Ashland, OR 97520	(541) 708-6338	<a href="mailto:efinklea@awec.solutions">efinklea@awec.solutions</a>
	Chad M. Stokes Cable Huston LLP 1001 SW Fifth Avenue, Suite 2000 Portland, OR 97204-1136	(503) 224-3092	<a href="mailto:cstokes@cablehuston.com">cstokes@cablehuston.com</a>
	Tommy Brooks		<a href="mailto:tbrooks@cablehuston.com">tbrooks@cablehuston.com</a>

PARTY	REPRESENTATIVE	PHONE	E-MAIL
	Brad Mullins		<a href="mailto:brmullins@mwanalytics.com">brmullins@mwanalytics.com</a>
The Energy Project	Simon J. ffitich Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110	(206) 669-8197	<a href="mailto:simon@ffitchlaw.com">simon@ffitchlaw.com</a>
	Shawn Collins		<a href="mailto:shawnc@oppco.org">shawnc@oppco.org</a>
	Carol Baker		<a href="mailto:carol@ffitchlaw.com">carol@ffitchlaw.com</a>

**APPENDIX B  
PROCEDURAL SCHEDULE  
DOCKET UG-181053**

EVENT	DATE
Rate case filing	<b>December 31, 2018</b>
Initial Settlement Conference	<b>Monday, April 22, 2019</b>
Staff, Public Counsel and Intervenor Response Testimony and Exhibits <sup>1</sup>	<b>Monday, June 10, 2019</b>
NW Natural Circulates Joint Issues Matrix	<b>Thursday, June 13, 2019</b>
Settlement Conference	<b>Thursday, June 20, 2019</b>
Company Rebuttal Testimony and Exhibits; Staff, Public Counsel and Intervenor Cross-Answering Testimony and Exhibits <sup>2</sup>	<b>Monday, July 22, 2019</b>
Notice Issued for Public Comment Hearing	<b>30 days prior to Public Comment Hearing</b>
Public Comment Hearing	<b>TBD (Exact date and location to be determined)</b>
NW Natural Files Joint Issues Matrix	<b>Friday, July 26, 2019</b>
Discovery Deadline – Last Day to Issue Data Requests <sup>3</sup>	<b>Friday, July 26, 2019</b>
Exhibit List, Cross-Examination Exhibits, Witness Lists, Time Estimates, and Exhibit Errata	<b>Wednesday, August 7, 2019</b>
Evidentiary Hearing	<b>Wednesday &amp; Thursday, August 14-15, 2019</b>
Initial Post-Hearing Briefs and Updated Joint Issues Matrix	<b>Thursday, September 26, 2019</b>

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

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

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



Simultaneous Reply Briefs	<b>Thursday, October 10, 2019</b>
Suspension Date	<b>December 1, 2019<sup>4</sup></b>

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<sup>4</sup> Based on a 10-month suspension from the stated effective date of February 1, 2019, on the as-filed tariff sheets, per RCW 80.04.130.