

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

WASHINGTON UTILITIES AND)	DOCKETS UE-090704
TRANSPORTATION COMMISSION,)	and UG-090705 (<i>consolidated</i>)
)	
Complainant,)	
)	ORDER 04
v.)	
)	
PUGET SOUND ENERGY, INC.,)	PREHEARING CONFERENCE
)	ORDER
Respondent.)	
)	
.....)	

1 **NATURE OF PROCEEDINGS.** On May 8, 2009, Puget Sound Energy, Inc. (PSE), filed with the Washington Utilities and Transportation Commission (Commission) certain tariff revisions designed to effect a general rate increase in its rates for electric service (Docket UE-090704) and gas service (Docket UG-090705) to customers in Washington. The proposed revisions provide for a general rate increase of 7.4 percent for the electric tariffs and 2.2 percent for the gas tariffs. The Commission suspended operation of the tariffs by Order 01 entered in these dockets following the May 28, 2009, open meeting. The Commission consolidated these dockets by Order 02, entered on June 8, 2009.

2 **CONFERENCE/PRESIDING OFFICERS.** The Commission convened a prehearing conference in this proceeding at Olympia, Washington on June 22, 2009, before Administrative Law Judge Dennis J. Moss, whom the Commission appoints as presiding officer in this proceeding.

3 **PARTY REPRESENTATIVES.** Sheree Strom Carson, Perkins Coie, Bellevue, Washington, represent PSE. Simon ffitch, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of Attorney General (Public Counsel). Robert D. Cedarbaum, Senior Assistant Attorney

General and Michael Fassio, Assistant Attorney General, Olympia, Washington, represent the Commission’s regulatory staff (Commission Staff or Staff).¹

4 S. Bradley Van Cleve and Irion Sanger, Davison Van Cleve, Portland, Oregon, represent the Industrial Customers of Northwest Utilities (ICNU). Chad M. Stokes, Cable Huston Benedict Haagensen & Lloyd LLP, Portland, Oregon, represents Northwest Industrial Gas Users (NWIGU). Elaine L. Spencer, Graham & Dunn PC, Seattle, Washington, represents Seattle Steam Company (Seattle Steam). Michael L. Kurtz and Kurt J. Boehm, Boehm, Kurtz & Lowry, Cincinnati, Ohio, represent the Kroger Co., on behalf of its Fred Meyer Stores and Quality Food Centers divisions (Kroger). Norman Furuta, Associate Counsel, Department of the Navy, San Francisco, California, represents the Federal Executive Agencies (FEA). Ronald L. Roseman, Attorney, Seattle, Washington, represents the Energy Project. John A. Cameron, Davis Wright Tremaine LLP, represents Cost Management Services, Inc. David S. Johnson, attorney, Northwest Energy Coalition (NVEC) represents his organization.

5 **PETITIONS FOR INTERVENTION.** The following businesses and organizations filed petitions to intervene or petitioned orally:

ICNU	Federal Executive Agencies
NWIGU	The Energy Project
Seattle Steam Company	NVEC
Kroger Company on behalf of its Fred Meyer Stores and Quality Food Centers	Cost Management Services, Inc.

¹ In formal proceedings, such as this, the Commission’s regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as other parties to the proceeding. There is an “*ex parte* wall” separating the Commissioners, the presiding ALJ, and the Commissioners’ policy and accounting advisors from all parties, including Staff. *RCW 34.05.455*.

6 These petitioners each demonstrated their substantial interest in this proceeding and that their participation will be in the public interest. There were no objections to the petitions to intervene. The petitions to intervene by ICNU, NWIGU, NWEC, Seattle Steam Company, Kroger Company, the Federal Executive Agencies and Cost Management Services, Inc., and the Energy Project's oral motion, are granted.

7 **PROTECTIVE ORDER.** The Commission entered Order 03, a protective order in this docket under RCW 34.05.446, RCW 80.04.095, WAC 480-07-420 and WAC 480-07-423, on June 23, 2009, to facilitate discovery.

8 **DISCOVERY.** Discovery will continue pursuant to the Commission's discovery rules, WAC 480-07-400 – 425. The parties request a shortened response period for data request after Staff, Public Counsel and the intervenors file their response testimony. The response time for data requests will be reduced to five business days, after November 17, 2009. In addition, to expedite the exchange of potentially relevant information, all parties are required to provide all work papers, including model runs and source documents, at the time they prefile testimony and exhibits. The Commission urges the parties to work cooperatively together to avoid having to bring discovery matters forward for formal resolution.

9 **PROCEDURAL SCHEDULE.** The parties agreed on a procedural schedule. The Commission adopts this procedural schedule as set forth below and in Appendix B to this Order.

Prefiled Direct Testimony	May 8, 2009
Public Comment Hearing	To Be Determined
Issue Discussion/Settlement Conference	October 23, 2009
Staff, Public Counsel, and Intervenor Response Testimony	November 17, 2009
Company, Rebuttal and Cross- Answering Testimony	December 17, 2009
Settlement Conferences	January 5-6, 2010

Evidentiary Hearing	January 19-22 and 25, 2010
Initial Briefs	February 19, 2010
Reply Briefs	March 2, 2010
Suspension Date	April 7, 2010

Public Counsel is required to submit a status report concerning its efforts to reach consensus with Staff and PSE on the content and format of any public notice PSE is required to issue in connection with this proceeding. The status report must be filed no later than July 23, 2009.

- 10 **NOTICE OF HEARING.** The Commission will hold evidentiary hearings in this matter beginning January 19, 2010, 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.
- 11 **PUBLIC COMMENT HEARINGS.** The Commission will provide three opportunities for members of the public to comment orally during public comment hearings. These hearings will be in Bremerton, Kirkland and Olympia. The dates and locations will be determined and noticed for hearing in due course.
- 12 **DOCUMENT PREPARATION AND FILING REQUIREMENTS.** Parties must file the original plus 16 copies of the unredacted versions of all pleadings, motions, briefs, and other prefiled materials. Parties must also file the original and 1 copy of any redacted version(s). 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.

- 13 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.
- 14 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.
- 15 **ELECTRONIC SUBMISSION OF DOCUMENTS.** The presiding officer granted a one-day extension of the paper-filing requirement under WAC 480-07-145(6), allowing electronic submission of documents with the Commission on the filing deadline. Parties must submit documents through the Commission's Web Portal (www.utc.wa.gov/e-filing) or by e-mail to records@utc.wa.gov, and file an original, plus 16 paper copies,² of the documents with the Commission by the following business day. Parties must provide courtesy copies of their electronic submissions to the presiding administrative law judges and the parties to the proceeding.
- 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 does have limited ability to provide dispute resolution services; if you wish to explore those services, please call the Director, Administrative Law Division, at 360-664-1144.

² See, *supra*, ¶ 13 for detailed filing requirements when documents include material designated confidential.

- 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 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 June 24, 2009.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS
Administrative Law Judge

APPENDIX A

**PARTIES' REPRESENTATIVES
DOCKETS UE-090704 and UG-090705**

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 psedrs@perkinscoie.com
	Commission Staff	Robert D. Cedarbaum Michael Fassio 1400 S. Evergreen Park Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	360-664-1188 360-664-1192	360-586-5522
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	Regulatory Analyst Lea Daeschel			lead@atg.wa.gov
	Legal Assistant Carol Williams			carolw@atg.wa.gov
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PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
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	Robert Sheppard			rbsheppard@comcast.net
The Kroger Co.	Michael L. Kurtz, Esq. Kurt J. Boehm, Esq Boehm, Kurtz & Lowry 36 East Seventh Street Suite 1510 Cincinnati, OH 45202	513-421-2255	513-421-2764	mkurtz@BKLawfirm.com Kboehm@BKLawfirm.com
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	Chuck Eberdt			Chuck_Eberdt@oppco.org

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
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**APPENDIX B
PROCEDURAL SCHEDULE
DOCKETS UE-090704 and UG-090705**

<u>EVENT</u>	<u>DATE</u>	<u>INTERVAL</u> (Days)
Company Direct Testimony and Exhibits	May 8, 2009	
Issue Discussion/Settlement Conference (parties only)	October 23, 2009	
Public Comment Hearing	TBD	
Staff, Public Counsel and Intervenor Response Testimony and Exhibits (including workpapers)	November 17, 2009	193
Company Rebuttal Testimony and Exhibits (including workpapers) Staff, Public Counsel and Intervenor Cross-Answering Testimony and Exhibits (including workpapers)	December 17, 2009	30
Settlement Conference (parties only)	January 5-6, 2010	
Evidentiary Hearing	January 19-22 and 25, 2010	33
Initial Briefs	February 19, 2010	25
Reply Briefs (no more than 15 pages)	March 2, 2010	11
Suspension Date	April 7, 2010	36