

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

WASHINGTON UTILITIES AND	)	DOCKET UE-100749
TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	
	)	
v.	)	NOTICE OF SECOND PREHEARING
	)	CONFERENCE
PACIFICORP d/b/a PACIFIC POWER	)	<b>(Set for November 17, 2010,</b>
& LIGHT COMPANY,	)	<b>at 1:30 p.m.)</b>
	)	
Respondent.	)	
	)	
.....	)	

1 The Commission has been reviewing the prefiled responsive testimony filed in this case in the context of the filing requirements specified by Commission rule and previous Order entered in this docket. In Order 04, *Prehearing Conference Order*, dated June 17, 2010, the Commission established a procedural schedule and informed the parties of the manner in which they were to present prefiled testimony and exhibits. Specifically, the Commission found that:

*Prefiled Testimony and Exhibits.* The Commission’s rule, WAC 480-07-510(1), governs the content of Company submissions for requests for general rate relief. That rule requires the Company to submit an exhibit with results of operations statement that demonstrates test year actual results together with restating and *pro forma* adjustments supporting the requested rate increase.

To ensure consistency in the comparison of the Company’s filing with the filings of other parties, the Commission requires intervenors, Public Counsel, and Staff to prepare their testimony and exhibits starting with the results of operations that show test year actual results (or “per books”). The party should state whether the Company’s restating and *pro forma* adjustments are contested or uncontested. If contested, the party must state the basis for the disagreement and how that adjustment should be modified. This ruling is not intended to restrict parties to an analysis of the issues raised by the Company. The other parties to this proceeding

may propose any new adjustments or raise any issues that they deem fit for the Commission's consideration.

The parties should follow the foregoing format when presenting cross-answering testimony and rebuttal testimony. That is, each party should state whether other parties' adjustments are contested or uncontested, the basis for the disagreement, and how other parties' proposed adjustments should be modified.<sup>1</sup>

- 2 Based on this review, it is apparent that certain parties have not complied with the Commission's directive and that it is impeding the Commission's ability to compare the testimony filed in this proceeding. The specific concerns with the prefiled testimony are as follows:
- 3 First, the jointly-filed testimony of Public Counsel and the Industrial Customers of Northwest Utilities (ICNU), and the separately sponsored testimony of ICNU do not follow the Commission's filing requirement. That is, the responsive testimony of these parties commences with PacifiCorp's restating and *pro forma* adjustments to its actual test year results of operations. The Commission must have testimony and exhibits that commence with the PacifiCorp's test year actual results or "per books" results.
- 4 Second, the prefiled responsive testimony of Commission Staff does not segregate its adjustments. In other words, some of Staff's adjustments affect more than one issue. For example, Staff does not explain how working cash and current assets are accounted for "per books" (Adjustments 8.1, 8.2, 8.5, and 8.12). Each Staff adjustment must stand on its own merit. The Commission must have each adjustment segregated so that it has an adequate record upon which to render a decision. Moreover, the adjustments must be presented separately so that the Commission's decisions are not limited by the manner in which a party elected to present its case.

---

<sup>1</sup>Order 04, ¶¶ 8 – 10.

- 5 Third, the Company rebuttal, by necessity, responds to the prefiled responsive testimony of the other parties. This compounds the problem. For example, ICNU filed its case based on the Company's adjusted case rather than actual results. Each of ICNU's adjustments to the Company's adjusted results modifies more than one Company adjustment. The Company's rebuttal then commences its analysis with ICNU's adjustments (without reference to how the adjustments affect per books or individual adjustments) and makes further adjustments.
- 6 As a result of these filing deficiencies, the Commission cannot determine the revenue effect of each proposed adjustment. The Commission requires the testimony and exhibits addressing the issues in paragraphs 3, 4, and 5 of this Notice to be refiled in the form of revised testimony and exhibits.
- 7 The Commission has determined that the most expeditious manner in which to address these issues is to convene a prehearing conference on shortened notice. At the prehearing conference, the parties must be prepared to address: (1) the date by which they can properly refile their testimony and exhibits and (2) whether a delay in the hearing date is warranted to address this filing requirement. To aid in this discussion, certain witnesses must be present at the prehearing conference. The witnesses who must attend the prehearing conferences are as follows:
- PacifiCorp: Dally, Fuller, Wilson, Duval, and Reiten
  - Staff: Foisy, Novak, and Breda
  - ICNU and Public Counsel: Meyer
  - ICNU: Falkenberg
- 8 Parties and their witnesses may appear at the prehearing conference telephonically by calling into the Commission's conference bridge line approximately five (5) minutes before the prehearing conference is scheduled to convene. The conference bridge line number is **360-664-3846**.

9 **THE COMMISSION GIVES NOTICE That it will hold a prehearing conference in this matter at 1:30 p.m., on Wednesday, November 17, 2010, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.**

10 **THE COMMISSION GIVES FURTHER NOTICE that any party who fails to attend or participate in the prehearing conference set by this Notice, or any other stage of this proceeding, may be held in default under RCW 34.05.440.**

DATED at Olympia, Washington, and effective November 9, 2010.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

PATRICIA CLARK  
Administrative Law Judge