

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

DOCKET UG-240008

ORDER 03

PREHEARING CONFERENCE
ORDER AND NOTICE OF HYBRID
HEARING

(Set for January 7 and 8,
2025, at 9:00 a.m.)

- 1 **NATURE OF PROCEEDING.** On April 25, 2024, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions that would increase Cascade’s rates and charges for natural gas services to customers. The Company proposes a multiyear rate plan (MYRP), with new rates effective March 1, 2025, and extending two years. The Two-Year Rate Plan would increase base rates by \$43.8 million, or 29.78 percent, in Rate Year 1, and would increase base rates by an additional \$11.7 million, or 6.04 percent, in Rate Year 2.
- 2 **CONFERENCE.** The Commission convened a virtual prehearing conference on May 16, 2024, before Administrative Law Judge Connor Thompson.
- 3 **APPEARANCES.** Donna Barnett, Sheree Carson, and Megan Lin of Perkins Coie LLP, represent Cascade. Josephine Strauss and Liam Weiland represent the Commission staff (Staff).¹ Chad M. Stokes and Tommy Brooks of Cable Huston LLP represents the Alliance of Western Energy Consumers (AWEC). Yochanan Zakai of Shute, Mihaly & Weinberger LLP represents The Energy Project (TEP). Contact information for the parties’ representatives is attached as Appendix A to this Order.

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 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.

4 **INTERVENTION.** At the prehearing conference, the presiding administrative law judge granted unopposed petitions to intervene filed by AWEC and TEP.

5 **DISCOVERY.** On April 18, 2024, in order to facilitate an efficient resolution to this matter, Order 02 in this docket made discovery immediately available to the parties. Discovery shall be conducted under the Commission’s discovery rules, Washington Administrative Code (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. On February 15, 2024, in Order 01, the Commission issued a separate protective order.

6 Furthermore, the Parties agree to certain discovery practices that will facilitate the sharing of all data requests and responses with all Parties as well as the tracking and organizing of those data requests and responses.

7 First, the Parties agree to identify each data request by subject (1) above each data request, (2) in the cover letter, and (3) in the distribution email. Data requests propounded in a single set will be grouped by subject in the cover letter and distribution email. The Parties will cooperate to develop a uniform list of subjects to facilitate discovery tracking. These discovery tracking processes are not intended to limit or restrict discovery in any way.

8 Second, response times to data requests will be adjusted as set forth in Appendix B.

9 Third, the Commission believes it will aid discovery in this case if all responses to data requests are shared with all parties. No party objected 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 and the protective order issued in this docket. To be clear, data requests and responses are not shared with the Commissioners, the presiding administrative law judge, or Commission policy advisors, unless those responses are offered as exhibits to be admitted into the record.

10 **PROCEDURAL SCHEDULE.** The parties presented an agreed upon stipulated schedule at the prehearing conference. The parties submitted a second agreed upon schedule following a Commission request to move the Evidentiary Hearing. The Commission adopts the second procedural schedule proposed by the parties, with minor modifications. The procedural schedule is attached to this Order as Appendix B. The

parties may modify the date of either settlement conference by providing written notice to the Commission.

- 11 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. This is included in the hearing schedule attached as Appendix B.
- 12 Finally, the Commission is only able to suspend the operation of the Company's tariff for a set number of months. This complex proceeding must be concluded within an approximately 11-month timeframe. The Commission will not look favorably on any litigation tactics aimed towards delaying the proceeding, hindering the orderly administration of the case, or unnecessarily expanding the issues in the case.
- 13 **INTERVENOR FUNDING.** At the prehearing conference, the presiding administrative law judge granted case certification status to AWEC and TEP. Any proposed budgets are due Friday, June 14, 2024.
- 14 **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). 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 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 electronically serve the other parties and provide courtesy electronic copies of filings to the presiding administrative law judge (connor.thompson@utc.wa.gov) by 5 p.m. on the filing deadline unless the

Commission orders otherwise. Pursuant to WAC 480-07-365(2)(c), all electronic documents submitted to the Commission must also be delivered to all parties and the presiding administrative law judge “at the same time” that the documents are submitted to the Commission or shortly thereafter. Please note as well that failing to provide a courtesy copy to the presiding administrative law judge may result in a delayed ruling on a motion or other filing. If parties are unable to email copies, they may furnish electronic copies by delivering them on a flash drive only.

(d) When submitting testimony, exhibits, or post-hearing briefs, the filing party must submit five paper copies to the Commission within three business days of its electronic filing. This requirement does not apply to exhibits comprised of tables or worksheets more than five pages long. The Commission is otherwise suspending any requirements for paper copies.

(e) Attorneys, non-attorney representatives, and witnesses are welcome to include their pronouns in filings or oral testimony if they so choose.

15 **EXHIBITS FOR CROSS-EXAMINATION.** Parties are required to file with the Commission and serve all proposed cross-examination exhibits by **5 p.m. on Monday, December 20, 2024**. The Commission requires electronic copies in searchable PDF (Adobe Acrobat or comparable software). 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. The exhibits must be grouped according to the witness the party intends to cross-examine with the exhibits.

16 **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. Cascade will prepare its preliminary exhibit list and circulate it to the parties. 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. Monday, December 20, 2024**.

17 **PUBLIC COMMENT HEARING.** Consistent with the procedural schedule adopted as Appendix B to this Order, the Commission will hold a public comment hearing in this docket prior to the hearing on the final disposition of this case. The proposed schedule proposes that the public comment hearing be held on December 9, 2024. During the

prehearing conference, the presiding officer suggested the public comment be held later in the week and no party objected. Due to scheduling conflicts with the original proposed schedule and the second proposed schedule, the Commission will hold a public comment hearing on January 2, 2024. The Commission agrees that conducting a virtual public comment hearing is in the public interest. Cascade customers will receive notice of the date, time, and address of each public comment hearing, as well as other information required under WAC 480-90-197 and WAC 480-100-197, at least 30 days prior to the date of the relevant public comment hearing.

18 **NOTICE OF EVIDENTIARY HEARING.** The Commission will hold a hybrid evidentiary hearing in this docket beginning on Tuesday, January 7, 2025, at 9 a.m., continuing if necessary, at 9 a.m. on Wednesday, January 8, 2025. Parties may attend the hearing in person at the Commission’s headquarters or virtually via Zoom. The hearing will convene in the Commission’s Hearing Room, First Floor, Commission Headquarters, 621 Woodland Square Loop S.E., Lacey, Washington. To attend the hearing via Zoom, [click here to join meeting](#), or call (253) 215-8782 and enter the Conference ID: 858 1408 4576# and use the Passcode: 449831#.

19 **ALTERNATE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. If the Parties reach a settlement in principle and request suspension of the procedural schedule, Cascade must inform the Commission whether it is willing to extend the statutory deadline, if necessary, to allow the Commission sufficient time to consider the settlement and take final action in these proceedings. The Commission may decline to consider a settlement agreement if the Commission determines that it cannot consider the settlement and take final action by the statutory deadline. Ideally, settlement among the parties would arise sooner rather than later during these proceedings, thus resulting in a Commission determination at a much earlier stage.

20 Parties are also 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 Michael Howard, Director, Administrative Law Division (360-664-1139).

21 **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 Lacey, Washington, and effective June 7, 2024.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Connor A. Thompson

Connor Thompson

Administrative Law Judge

**APPENDIX A
PARTIES' REPRESENTATIVES
DOCKET UG-240008**

| PARTY | REPRESENTATIVE | PHONE | E-MAIL |
|--|--|-------------------|--|
| Utilities and Transportation Commission Staff | Josephine R. K. Strauss Liam Weiland Office of the Attorney General PO Box 40128 Olympia, WA 98504-0128 | (360) 586-7777 | Josephine.Strauss@atg.wa.gov Liam.Weiland@atg.wa.gov |
| Cascade Natural Gas Corporation | Donna L. Barnett Sheree Strom Carson Megan Lin Perkins Coie LLP 10885 N.E. Fourth St., Suite 700 Bellevue, WA 98004-5579 | (425) 635-1400 | DBarnett@perkinscoie.com SCarson@perkinscoie.com MLin@perkinscoie.com |
| Public Counsel | Tad Robinson O'Neill Washington Attorney General's Office Public Counsel Unit 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188 | (206) 254-0570 | Tad.Oneill@atg.wa.gov |
| AWEC | Chad M. Stokes Tommy A. Brooks Cable Huston LLP 1455 SW Broadway, Suite 1500 Portland, OR 97201 | (503) 224-3092 | cstokes@cablehuston.com tbrooks@cablehuston.com |
| TEP | Yochanan Zakai Shute, Mihaly & Weinberger LLP 396 Hayes Street San Francisco, CA 94102 | (415) 552-7272 | yzakai@smwlaw.com |

**APPENDIX B
PROCEDURAL SCHEDULE
DOCKET UG-240008**

| EVENT | DATE |
|--|---------------------------|
| Application Filing | March 29, 2024 |
| Prehearing Conference | May 16, 2024 |
| Non-company Parties Settlement Conference | July 31, 2024 |
| Initial Settlement Conference | August 7-8, 2024 |
| Staff, Public Counsel, Intervenor Response Testimony and Exhibits* | September 25, 2024 |
| Non-company Parties Settlement Conference | September 26, 2024 |
| Second Settlement Conference | October 2, 2024 |
| Company Circulates Joint Issues Matrix | October 11, 2024 |
| Company Rebuttal Testimony and Exhibits; Staff Public Counsel, Intervenor Cross Answering Testimony and Exhibits** | November 12, 2024 |
| Company Files Joint Issues Matrix | November 22, 2024 |
| Discovery Deadline | December 2, 2024 |
| Exhibit List, Cross-Exam Exhibits, Witness List, Time Estimates, Exhibits Errata | December 20, 2024 |
| Public Comment Hearing | January 2, 2024 |
| Evidentiary Hearing | January 7-8, 2024 |
| Post Hearing Briefs | January 29, 2024 |
| Suspension Date | March 1, 2024 |
| <p>Notes: *Response times to data requests shortened to 7 business days ** Response times to data requests shortened to and maintained at 5 business days</p> | |