Docket No. UT-171082 - Vol. I

Washington Utilities and Transportation Commission v. Qwest Corporation d/b/a CenturyLink QC

February 12, 2018



COURT REPORTING AND LEGAL VIDEO

206.287.9066 | 800.846.6989

1325 Fourth Avenue, Suite 1840, Seattle, Washington 98101 www.buellrealtime.com email: info@buellrealtime.com



Page 1

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,))	DOCKET UT-171082
Complainant,)))	
vs.)	
QUEST CORPORATION D/B/A CENTURYLINK QC,)))	
))	
Respondent.)	

PREHEARING CONFERENCE, VOLUME I

Pages 1-12

ADMINISTRATIVE LAW JUDGE GREGORY J. KOPTA

10:00 a.m.

February 12, 2018

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, Washington 98504

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

Buell Realtime Reporting, LLC 1325 Fourth Avenue Suite 1840 Seattle, Washington 98101 206.287.9066 | Seattle 360.534.9066 | Olympia 800.846.6989 | National www.buellrealtime.com Page 2 APPEARANCES 1 2 ADMINISTRATIVE LAW JUDGE: 3 GREGORY J. KOPTA Washington Utilities and 4 Transportation Commission 1300 South Evergreen Park Drive SW 5 Olympia, Washington 98504 360.664.1160 6 FOR COMMISSION STAFF: 7 JENNIFER CAMERON-RULKOWSKI 8 Assistant Attorney General 1400 South Evergreen Park Drive SW P.O. Box 40128 9 Olympia, Washington 98504 360.664.1186 10 jennifer.cameron-rulkowski@utc.wa.gov 11 FOR PUBLIC COUNSEL: 12 LISA W. GAFKEN 13 Office of the Attorney General 800 - 5th Avenue, Suite 2000 14 Seattle, Washington 98104 206.464.6595 15 lisa.gafken@atg.wa.gov 16 FOR CENTURYLINK: 17 LITSA A. ANDERL Senior Associate General Counsel 18 1600 - 7th Avenue, Room 1506 Seattle, Washington 98191 19 206.345.1574 lisa.anderl@centurylink.com 20 ALSO PRESENT: 21 PHIL GRATE 22 SUSIE PAUL 23 24 25

1 OLYMPIA, WASHINGTON; FEBRUARY 12, 2018 2 10:00 A.M. ------3 4 PROCEEDINGS 5 6 JUDGE KOPTA: Let's be on the record in 7 Docket UT-171082, captioned, Washington Utilities and 8 Transportation Commission versus Quest Corporation d/b/a 9 CenturyLink QC. 10 It is Monday, February 12th, 2018. We are 11 here at 10 o'clock in the morning at the Commission's 12 offices for a prehearing conference to establish the 13 schedule and take care of some other procedural matters. 14 I am Gregory J. Kopta, the administrative law judge the Commission has appointed to preside in 15 16 this proceeding, and we will begin by taking appearances 17 starting with the Company. MS. ANDERL: Thank you, Your Honor. My name 18 19 is Lisa Anderl. I'm an in-house attorney for CenturyLink. I've provided the court reporter with my 20 contact information on my business card unless you want 21 22 me to give the full appearance. JUDGE KOPTA: I do not. I think everyone we 23 24 have contact information for, so we're good. 25 MS. ANDERL: Thank you.

BUELL REALTIME REPORTING, LLC

Page 3

Page 4 JUDGE KOPTA: And for Staff? 1 MS. CAMERON-RULKOWSKI: Jennifer 2 Cameron-Rulkowski, assistant attorney general appearing 3 on behalf of Staff, and I have a notice of appearance on 4 file. 5 JUDGE KOPTA: 6 Thank you. 7 And for Public Counsel? 8 MS. GAFKEN: Yes, good morning. My name is Lisa Gafken, assistant attorney general appearing on 9 behalf of Public Counsel. 10 JUDGE KOPTA: All right. That's it for the 11 12 hearing room. Anyone else on the bridge line who might want to make an appearance? Hearing none, sounds like 13 we have everyone here. 14 15 I would say that the next order of business is petitions to intervene. I have not -- Commission has 16 not received any written petitions to intervene. 17 Is 18 there anyone in the hearing room or on the bridge line who wishes to petition to intervene in this matter? 19 Again, hearing none, we will have no interventions, but 20 21 the parties are as currently constituted. 22 Discovery, are the parties wanting to have the Commission's discovery rules available? 23 24 MS. CAMERON-RULKOWSKI: I believe that 25 would -- that may be helpful, but I think it depends

BUELL REALTIME REPORTING, LLC

Page 5

whether or not we end up with a schedule that calls for 1 2 prefiled testimony. 3 I think, from my perspective, MS. ANDERL: it never hurts to have the discovery rules available and 4 a protective order as well, because there is likely to 5 be some confidential information in the docket. 6 So I 7 would vote yes for both of those. 8 JUDGE KOPTA: Okay. I'm --That's fine with 9 MS. CAMERON-RULKOWSKI: Staff. 10 11 JUDGE KOPTA: All right. Then we will make 12 the discovery rules available and enter the standard protective order in this case. 13 14 That -- well, yeah, that pretty much concludes my list of things that I wanted to make sure 15 16 that we covered except for a schedule. I understand 17 that the parties have been working on developing a schedule and you just alluded to a question in terms of 18 what the nature of that schedule is going to be. Do we 19 want to have a discussion about that on the record or 20 shall we talk about it off the record and then 21 memorialize what we talked about on the record? 22 23 MS. ANDERL: I think it's always easier to do it off the record. 24 25 MS. CAMERON-RULKOWSKI: So one moment,

Page 6 though. We do have -- we're not fully agreed on the 1 2 type of schedule, and so that's something -- that's a discussion that we would want to have before we talk 3 4 about the actual schedule. We have had discussions and the question, the major question here is whether we 5 6 should have prefiled testimony or have all of the 7 testimony be live at hearing. 8 And Staff believes that we can that --9 although there are -- there are some significant legal issues in this case, Staff believes that that -- that 10 11 those are best addressed on brief and that having a live 12 hearing is efficient and will save us some time, and we can make our record on -- with a live hearing. And so 13 Staff -- that would be Staff's preference, would be to 14 go forward with a live hearing and -- and then have 15 16 several rounds of briefing to be able to get into those 17 legal issues. JUDGE KOPTA: And, Ms. Anderl? 18 19 MS. ANDERL: And so when Staff says a live 20 hearing, I understand that to mean no prefiled testimony, but oral, direct, and cross, and we're 21 22 opposed to that. We would like to have prefiled

24 investigate and prepare a lengthy investigative report,

testimony. We feel that Staff has had a long time to

25 which is essentially akin to testimony, and that we

23

BUELL REALTIME REPORTING, LLC

would be prejudiced if we're not similarly afforded an 1 2 opportunity to have prefiled direct testimony. We also think that it would take a lot less 3 time if we have prefiled direct testimony, because I 4 think that oral testimony could take us from what would 5 6 otherwise be a one-day hearing into a two- or three-day 7 hearing. So we feel very strongly that we should have 8 the usual process, which is prefiled testimony. I know Staff has said that in Staff's 9 experience, investigative hearing -- hearings on 10 11 investigation reports or penalty assessments don't 12 usually involve prefiled testimony. In CenturyLink's case, when we had the cable cut in the San Juan Islands 13 and when we had the 911 outage, both of those were 14 hearings on investigation reports, and both of those 15 16 proceedings did follow the process of prefiled testimony 17 and then a hearing only for purposes of cross-examination and maybe oral argument. So that's --18 19 that's our ask. 20 JUDGE KOPTA: My understanding from obviously just having read what is in the file is that 21 22 this is predominantly legal issues as opposed to factual issues. Do you have a different take on it, Ms. Anderl? 23 MS. ANDERL: Yeah, I think that there are 24 25 significant public policy issues that will be best

BUELL REALTIME REPORTING, LLC SEATTLE 206.287.9066 OLYMPIA 360.534.9066 SPOKANE 509.624.3261 NATIONAL 800.846.6989

Page 7

Page	8
------	---

developed through additional factual evidence. 1 I don't 2 think there's a lot of dispute about the facts in the investigation report, but it's our strong feeling that 3 4 those are not all of the facts that the Commission should consider when making its decision in this case. 5 6 There are implications for how the Company operates and 7 service to customers and other types of developments and 8 situations that would be impacted by a decision in this 9 And we certainly want to develop an evidentiary case. record on that. 10 11 JUDGE KOPTA: All right. Ms. Gafken, do you 12 have a dog in this fight? 13 MS. GAFKEN: I don't have a large dog in the I guess I'll just offer a couple of 14 fight.

15 observations. I think there are times when compliance 16 dockets do happen in a live manner. I'll just note that 17 the cases that Public Counsel has been involved in, they have followed the written testimony framework. I do see 18 some value in doing it that way in terms of efficiency. 19 If we do a live testimony framework in this case, for 20 example, I think I would want to do depositions because 21 22 you don't want to walk into a hearing without knowing what other parties are going to say. And so depositions 23 aren't something that we normally do in the ordinary 24 25 course, and I think in large part it's because of the

BUELL REALTIME REPORTING, LLC SEATTLE 206.287.9066 OLYMPIA 360.534.9066 SPOKANE 509.624.3261 NATIONAL 800.846.6989

Page 9

1	prefiled written testimony. Certainly we do have the
2	Staff report, and so we sort of know where Staff is
3	going, but we certainly don't know where CenturyLink is
4	going so and other parties may want to depose any
5	witness that I may bring forward as well.
6	So I think that adds at least a different
7	component to the proceeding. I'm not sure any more or
8	less efficient, but I guess I would approach the case
9	like a normal court case where you have direct live,
10	direct testimony and then followed by cross. Those are
11	just my observations.
12	JUDGE KOPTA: Okay. Thank you.
13	Ms. Cameron-Rulkowski, did you have anything
14	further?
15	MS. CAMERON-RULKOWSKI: While we're talking
16	about efficiencies, I guess I would mention that as
17	we've tried to work together to come up with a schedule
18	that works for everyone, as soon as you have those
19	rounds of prefiled testimony, it pushes the schedule
20	out. And so the actual effect of having prefiled
21	testimony is that it ends up going a little bit later,
22	and I don't and that's okay. I certainly want to
23	have sufficient rounds of briefing, so we need a certain
24	amount of time, I recognize that. But I think that we
25	could certainly get the facts out that we need to get

BUELL REALTIME REPORTING, LLC SEATTLE 206.287.9066 OLYMPIA 360.534.9066 SPOKANE 509.624.3261 NATIONAL 800.846.6989 Page 10 out in -- in one -- in a hearing with live testimony. 1 2 JUDGE KOPTA: All right. Well, I will take this under advisement for right now, but I would like to 3 have a discussion about schedules under either 4 alternative off the record. So let's be off the record 5 6 for right now. 7 (A break was taken from 10:11 a.m. to 10:40 a.m.) 8 JUDGE KOPTA: Let's be back on the record. 9 While we were off the record, we had a discussion about 10 scheduling and developed what I believe is a consensus 11 12 or at least it will be my decision that we will have prefiled testimony as part of our procedural schedule. 13 And as a result, that schedule will be direct testimony 14 from Staff is due April 6th; response testimony from the 15 16 Company and Public Counsel is due June 1st; rebuttal 17 from Staff and any cross-answering testimony would be due on July 3rd; cross-examination, exhibits, and 18 cross-estimates would be due on July 17th. We will have 19 an evidentiary hearing pending kind of confirmation of 20 21 the hearing room availability on Monday, July 23rd; 22 simultaneous opening briefs are due on August 23rd, and simultaneous reply briefs due on September 12th. 23 24 Have I gotten those dates correct? 25 MS. CAMERON-RULKOWSKI: I believe so, Your

BUELL REALTIME REPORTING, LLC

1 Honor. Thank you.

2	JUDGE KOPTA: And while the Commission
3	requires a settlement conference to be part of any
4	procedural schedule, I will waive that particular rule
5	in this case because I agree with the parties that it
6	would not be productive given the fact that this is
7	largely a legal and policy dispute and not easily
8	susceptible to settlement. That does not mean, however,
9	of course, that the parties are still encouraged to have
10	discussions and to at least narrow issues, agree on
11	facts, whatever you can do to minimize the disputes so
12	that we crystallize them to the point they are really
13	issues that the Commission needs to resolve.
14	So with that, do we have anything further we
15	need to discuss today?
16	MS. CAMERON-RULKOWSKI: Nothing from Staff.
17	MS. ANDERL: Not from the Company.
18	MS. GAFKEN: Not from Public Counsel.
19	JUDGE KOPTA: Then we are adjourned. Thank
20	you very much.
21	(Adjourned at 10:42 a.m.)
22	
23	
24	
25	

Page 11

Page	12
1	CERTIFICATE
2	
3	STATE OF WASHINGTON
4	COUNTY OF THURSTON
5	
6	I, Tayler Garlinghouse, a Certified Shorthand
7	Reporter in and for the State of Washington, do hereby
8	certify that the foregoing transcript is true and
9	accurate to the best of my knowledge, skill and ability.
10	
11	
12	A DICA . Se
13	
14	Jayler Garlinghouse -
15	Tayler Garlinghouse, CCR 3358
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	