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1                               BEFORE THE WASHINGTON STATE  
2                               UTILITIES AND TRANSPORTATION COMMISSION

3 \_\_\_\_\_

4           In the Matter of the Application of           ) Docket  
5           T & T PROFESSIONAL SERVICES                ) UW-143617  
6    )  
7           For an Order Declining to Assert           )  
8           Jurisdiction Over, or, in the                )  
9           Alternative, Approving the Transfer of     )  
10          Piper Water System, Pinewood Water        )  
11          System, and Lightmoor Court Water         )  
12          System   )

13 \_\_\_\_\_

14                               PREHEARING CONFERENCE, VOLUME I

15                               Pages 1 - 16

16                               ADMINISTRATIVE LAW JUDGE RAYNE PEARSON

17 \_\_\_\_\_

18                               10:30 A.M.

19                               JUNE 15, 2015

20                               Washington Utilities and Transportation Commission  
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1 A P P E A R A N C E S

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25 FOR PIPER WATER SYSTEM:

ROBIN MOEUR (Via Bridge Line)

ATTENDING VIA BRIDGE LINE:

VIVIENNE ALPAUGH  
ANN MARIE TRIPPS  
FRANK GORMAN  
JOHN KIESS  
MELINA KNOOP  
JASON YOUNKER

\* \* \* \* \*

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1 OLYMPIA, WASHINGTON; JUNE 15, 2015

2 10:34 A.M.

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5 JUDGE PEARSON: Let's be on the record in

6 Docket UW-143617 captioned In the matter of the

7 Application of T & T Professional Services for an Order

8 Declining to Assert Jurisdiction Over, or, in the

9 Alternative, Approving the Transfer of the Piper Water

10 System, Pinewood Water System, and Lightmoor Court Water

11 System.

12 Today is Monday, June 15th, 2015, a little

13 after 10:30 a.m., and we are here for a prehearing

14 conference to discuss scheduling and other procedural

15 issues. My name is Rayne Pearson. I'm the

16 Administrative Law Judge presiding over this case.

17 We have one party present in the hearing

18 room right now, so let's go ahead and take an appearance

19 from Commission Staff.

20 MS. BROWN: Good morning, Your Honor. My

21 name is Sally Brown, Assistant Attorney General,

22 appearing today on behalf of Commission Staff. My

23 co-counsel on this proceeding has filed a notice of

24 appearance dated June 11th. His name is Brett,

25 B-R-E-T-T, T. Shearer, S-H-E-A-R-E-R, Assistant Attorney

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1 General.

2 JUDGE PEARSON: Thank you.

3 MS. BROWN: Thank you.

4 JUDGE PEARSON: And I believe on the bridge  
5 line, we have Vivian Alpaugh from the Lightmoor Water  
6 System, Ann Marie Tripps from the Lightmoor Water  
7 System, Frank Gorman from the Lightmoor Water System,  
8 Jason Younker from the Lightmoor Water System, John  
9 Kiess and Melina Knoop from the Kitsap Public Health,  
10 and Robin Moeur from the Piper Water System.

11 Is there anyone else?

12 MS. BROWN: No. Your Honor, I just wanted  
13 to point out that Ms. Moeur filed a formal written  
14 petition to intervene dated June 12th -- or -- yeah,  
15 June 12th.

16 JUDGE PEARSON: Thank you.

17 MS. BROWN: Thank you.

18 JUDGE PEARSON: Okay. We will now go off  
19 the record and take a break to allow T&T to arrive.  
20 They did say that they would be here today, so we will  
21 be off the record for about ten minutes. Thank you.

22 (A break was taken from  
23 10:36 a.m. to 10:59 a.m.)

24

25 JUDGE PEARSON: We are back on the record

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1 now. It is approximately 10:59 a.m. Ms. Thurston has  
2 just arrived. I will take your appearance in a moment.  
3 I've already taken an appearance from Staff.

4 And just for your benefit, on the bridge  
5 line right now, we have from Lightmoor Water System,  
6 Vivian Alpaugh, Ann Marie Tripps, Frank Gorman and Jason  
7 Younker.

8 From Piper Water System, we have Robin  
9 Moeur. And from Kitsap Public Health, we have John  
10 Kiess and Melina Knoop.

11 Okay. So if you could pull the microphone a  
12 little bit closer to you and just go ahead and state  
13 your name and provide your address, phone number and  
14 email address.

15 MS. THURSTON: My name is Cheri Thurston.  
16 My address is 111 Sparrow Court, Port Ludlow, Washington  
17 98365. My email address is my name, C-H-E-R-I  
18 underscore Thurston, T-H-U-R-S-T-O-N, @MSN.com.

19 JUDGE PEARSON: Okay. Thank you.

20 So unless either party has an objection, I  
21 think it's appropriate to consolidate this docket with  
22 Docket 150791. That docket is a penalty assessment in  
23 the amount of \$1,000 for T&T Professional Services'  
24 failure to file a 2014 annual report by the May 1st  
25 deadline.

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1                   Are the parties agreeable to consolidating  
2 these dockets?

3                   MS. BROWN: Yes, Your Honor.

4                   JUDGE PEARSON: Ms. Thurston?

5                   MS. THURSTON: Yes.

6                   JUDGE PEARSON: Okay. Thank you.

7                   So on Friday, we received a petition for  
8 intervention from Robin Moeur on behalf of the Piper  
9 Water System.

10                  Ms. Moeur, if you want to just briefly speak  
11 to your petition, and then I'll see if either of the  
12 other parties has an objection to your petition.

13                  MS. MOEUR: Yes. The fundamental nature of  
14 the petition focuses on two points: First of all, that  
15 we have continued ownership and operation by Thurston of  
16 the (inaudible) --

17                  THE COURT REPORTER: I can't hear.

18                  JUDGE PEARSON: Okay. Ms. Moeur, could you  
19 speak up. The court reporter is having trouble hearing  
20 you, and so are the people in the hearing room.

21                  MS. MOEUR: Okay. I can shout. Is that  
22 better?

23                  JUDGE PEARSON: It's a little bit better.

24                  MS. MOEUR: The nature of the petition  
25 focuses on two points: Point one, continued ownership

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1 and operation of the Piper System by the Thurstons,  
2 providing enough time for the consumers on the Piper  
3 System to complete our planning and replacement of the  
4 Piper System of (inaudible) hydrogeologist's report.

5 We may perform an LDD with a PUD, but that  
6 decision has not yet been made. We cannot determine the  
7 transferee until we complete our planning process.

8 JUDGE PEARSON: Okay.

9 MS. MOEUR: Second, we also request  
10 consideration of the Thurstons' accountability  
11 decommission to existing auxiliary wells on the property  
12 where the well is currently located, and I believe  
13 Melina and John from Public Health can comment on the  
14 history of the requested decommissioning from Public  
15 Health.

16 JUDGE PEARSON: Okay. Thank you.

17 Does either party have an objection to  
18 Ms. Moeur's petition for intervention?

19 MS. BROWN: To the contrary, Your Honor, we  
20 welcome it.

21 JUDGE PEARSON: Okay.

22 MS. THURSTON: Well, I'm a little confused  
23 because I've talked to several of the owners at Piper,  
24 and it is their concern that Miss Moeur is -- her whole  
25 objective is to get the well off of her property, and so

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1 she -- it is -- that is her motivation, and that's  
2 coming directly from her neighbors.

3 JUDGE PEARSON: Okay. We're just now  
4 addressing whether you have any objection to her  
5 petition to intervene in this case, and it sounds like  
6 if you have concerns about that, it might be best to  
7 allow --

8 MS. THURSTON: Yeah.

9 JUDGE PEARSON: -- her intervention.

10 MS. THURSTON: Uh-huh.

11 JUDGE PEARSON: Okay. So, Ms. Moeur,  
12 because you have a compelling interest in this case as a  
13 representative of the Piper Water System and not just as  
14 a single customer, I'm going to grant your petition for  
15 intervention.

16 And now I would like to ask if there are any  
17 other parties that are seeking to intervene.

18 Okay. Hearing nothing, there are a couple  
19 other issues I would like to address today on the  
20 record, and the first is to clarify which entity is  
21 currently operating the water system. I see that  
22 Mr. Thurston is the sole proprietor of T&T Professional  
23 Services; is that correct?

24 MS. THURSTON: That's correct, but that was  
25 closed in 2012.



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1 JUDGE PEARSON: Okay. And what do you mean  
2 by "closed"?

3 MS. THURSTON: Well, we closed the business.  
4 We closed through the IRS, we closed through the state,  
5 and we wanted -- our objective was to open an LLC  
6 instead of a sole proprietorship.

7 JUDGE PEARSON: Okay. And you are the --

8 MS. THURSTON: T&T Professional Services was  
9 not available to do an LLC as a name, so we had to  
10 change it to Water and Wastewater Management Services.

11 JUDGE PEARSON: Okay. And you are the  
12 governing --

13 MS. THURSTON: I am the owner.

14 JUDGE PEARSON: The owner of Waste -- Water  
15 and Wastewater Management, LLC --

16 MS. THURSTON: Water and Wastewater  
17 Management Services, LLC.

18 JUDGE PEARSON: Okay. And that is the  
19 entity that's currently operating --

20 MS. THURSTON: Yes.

21 JUDGE PEARSON: -- the system?

22 MS. THURSTON: Uh-huh.

23 JUDGE PEARSON: Okay. And you said that the  
24 transfer occurred in 2012?

25 MS. THURSTON: Well, we closed T&T 2012, and

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1 to our unbeknownst knowledge now, we should have had  
2 that transferred with the UTC, but it was always our  
3 common goal to get out of the water system so we kind of  
4 just --

5 JUDGE PEARSON: Okay. That was my next  
6 question. So you didn't --

7 MS. THURSTON: Right.

8 JUDGE PEARSON: -- seek Commission approval  
9 before making that transfer?

10 MS. THURSTON: We did not. We did not.

11 JUDGE PEARSON: Okay. And second, we  
12 received comments from a number of customers in this  
13 docket, and I will be incorporating those comments into  
14 the docket -- or into the record at the hearing, but two  
15 of the comments indicate that Fred Steinman and Don  
16 Bumpus are willing to take over the Pinewood Water  
17 System. Are you able to --

18 MS. THURSTON: That's correct.

19 JUDGE PEARSON: -- confirm that?

20 MS. THURSTON: Yes, that's correct, uh-huh.

21 JUDGE PEARSON: Okay. Thank you.

22 All right. And that brings us to service.  
23 Do each of the parties consent to electronic service if  
24 the Commission decides to serve documents in that  
25 manner? So it would be via email.

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1 MS. THURSTON: Well, I don't know if Fred  
2 Steinman has email, but I know that Bumpus does.

3 JUDGE PEARSON: They're not parties to this  
4 proceeding.

5 MS. THURSTON: Oh.

6 JUDGE PEARSON: I'm talking about at this  
7 point Staff, you and Ms. Moeur.

8 MS. THURSTON: Oh, absolutely, absolutely.

9 JUDGE PEARSON: Okay. Is Staff okay with  
10 that, Ms. Brown?

11 MS. BROWN: Yes.

12 JUDGE PEARSON: And, Ms. Moeur, do you  
13 consent to electronic service?

14 MS. MOEUR: Yes.

15 JUDGE PEARSON: Okay. Thank you.

16 And that brings us to the schedule. Because  
17 of the statutory time constraints, this case has to  
18 conclude by October 25, 2015, unless the company waives  
19 that statutory requirement in writing, but with the  
20 October 25th deadline in mind, we're looking at a  
21 hearing date the first week of August, and specifically  
22 August 3rd, 4th or 5th, with a start time of 9:30 a.m.,  
23 and I would also like the parties to schedule a  
24 settlement conference sometime during the week of July  
25 13th or July 20th.

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1                   So with those dates in mind, I'd assume that  
2 the parties probably need a brief recess to discuss  
3 scheduling?

4                   MS. THURSTON: Well, I can tell you the July  
5 13th schedule won't work for me. Later in July --  
6 you're saying the 23rd?

7                   JUDGE PEARSON: The week of the 20th. Why  
8 don't we take a brief recess, and you can discuss it  
9 with Ms. Moeur and with Staff.

10                  Okay. So we'll be off the record.

11                                 (Pause in the proceedings.)

12                  JUDGE PEARSON: Okay. We're back on the  
13 record, and during the break, the parties agreed on a  
14 procedural schedule, which includes a settlement  
15 conference with the parties only on July 20th at 10 a.m.  
16 and a hearing on August 5th at 9:30 a.m.

17                  Is there anything else we need to address  
18 while we're here today?

19                  MS. BROWN: This may seem a bit unorthodox,  
20 but I just want to, just for the benefit of the parties,  
21 state on the record some of the issues that I would like  
22 to see addressed.

23                  JUDGE PEARSON: Okay.

24                  MS. BROWN: If that would be helpful.

25                  JUDGE PEARSON: Sure.

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1 MS. BROWN: And I'm happy to provide both  
2 the intervenor and Ms. Thurston copies of the statutes,  
3 if that would be helpful to you, or Commission  
4 regulations, but I would encourage you to take a look at  
5 RCW 80.12, which is the transfer of property statute,  
6 and also I would assume that the Thurstons have been  
7 giving considerable thought to a transfer plan.

8 I would encourage you to examine RCW  
9 80.28.110, and that pertains to the company's obligation  
10 to serve.

11 And finally, I would direct your attention  
12 to RCW 80.04.015(29)(e), which addresses the scope of  
13 the Commission's regulatory jurisdiction over water  
14 companies and removal regulation.

15 And my preliminary research discloses that  
16 the statutes are but a few that are relevant here in  
17 this proposed transaction. There are statutes and  
18 regulations identifying the State Board of Health, the  
19 State Department of Health, the Kitsap County Health  
20 District, the Kitsap County Public Utility District, and  
21 presumably there are local or other municipal water  
22 utilities in the area that I am unaware of. So there  
23 are many issues that will need to be addressed in the  
24 context of this proceeding.

25 That's all I have. Thank you, Your Honor.

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1 JUDGE PEARSON: Thank you. Anything else?

2 Okay. Hearing nothing, I will issue an  
3 order reflecting what was discussed here today, and we  
4 are adjourned. Thank you.

5 (Hearing concluded at 11:12 a.m.)

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3 STATE OF WASHINGTON

4 COUNTY OF KING

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6 I, Lisa Buell, a Certified Shorthand Reporter and  
7 Notary Public in and for the State of Washington, do  
8 hereby certify that the foregoing transcript of the  
9 hearing on April 15, 2015, is true and accurate to the  
10 best of my knowledge, skill and ability.

11

IN WITNESS WHEREOF, I have hereunto set my hand  
12 and seal this 23rd day of June, 2015.

13

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LISA BUELL, RPR, CRR, CCR

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18 My commission expires:

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DECEMBER 2018

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