## WUTC v. Washington Water Supply, Inc.

## Docket Nos. UW-240079 and UW-230598 - Vol. I

May 13, 2024



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## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	)
TRANSPORTATION COMMISSION,	)
	)
Complainant,	)
	)
vs.	)DOCKETS UW-240079
	)and UW-230598
	)(Consolidated)
	)
WASHINGTON WATER SUPPLY, INC.,	)
	)
Respondent.	)
	)

PREHEARING CONFERENCE - VOL I

PAGES 1 - 18

BEFORE ADMINISTRATIVE LAW JUDGE

CONNOR THOMPSON

Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, Washington 98504

DATE HELD: May 13, 2024

TRANSCRIBED BY: ELIZABETH PATTERSON HARVEY, FAPR, RPR,

WA CCR 2731

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- 1 May 13, 2024 1:31 p.m.
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- 4 JUDGE THOMPSON: On the record. Thank you.
- 5 Good afternoon. We're now on the record. The time is
- 6 1:31 p.m. My name is Connor Thompson, and I am an
- 7 administrative law judge with the Washington Utilities
- 8 and Transportation Commission.
- 9 We are here today for a prehearing conference
- in Dockets UW-230598 and UW-240079, consolidated,
- 11 captioned respectively In Re Washington Water Supply,
- 12 Inc., to approve tariff provisions regarding a temporary
- 13 surcharge for recovery of purchased water expenses in
- 14 Washington Utilities and Transportation Commission versus
- 15 Washington Water Supply, Inc.
- 16 And I believe I actually -- I think I have it
- 17 wrong. I think it's actually tariff revisions regarding
- 18 a temporary surcharge for well recovery or work on the
- 19 well.
- 20 Let's go ahead and start by taking
- 21 appearances. And we'll start with staff.
- 22 ATTORNEY GAFKEN: Good afternoon. My name is
- 23 Lisa Gafken, assistant attorney general appearing on
- 24 behalf of staff, along with Assistant Attorney General
- 25 Cassandra Jones.

- 1 JUDGE THOMPSON: Thank you. And the company?
- 2 ATTORNEY GRIMES: Good afternoon. My name is
- 3 Alysa Grimes from Bagwell Law representing Washington
- 4 Water Supply, Inc.
- JUDGE THOMPSON: Okay. Thank you.
- And Ms. Grimes, do you know if Mr. Ellerbee
- 7 is still involved in the case, or has it moved to just
- 8 you and Mr. Bagwell?
- 9 ATTORNEY GRIMES: Mr. Bagwell and I are
- 10 taking primary on this, but Mr. Ellerbee is still
- 11 attached to the case.
- 12 JUDGE THOMPSON: Okay. I just wanted to
- 13 check for service list. So thank you for clarifying
- 14 that.
- 15 ATTORNEY GRIMES: You're welcome.
- 16 JUDGE THOMPSON: Do we have any intervenors
- 17 here today? I didn't see any petitions for intervention
- 18 in the docket.
- 19 We'll look at our participants. I do not see
- 20 any potential intervenors in the room. And so we will go
- 21 ahead and proceed.
- I believe that Order 01/02, which suspended
- 23 the tariff revisions in Docket UW-240079 made discovery
- 24 available to the parties. If you're looking for that
- 25 reference, I believe it's in paragraph 30 of the order.

- 1 So discovery is already available to the parties.
- 2 However, I wanted to check with the parties
- 3 to see if you'd like me to clarify that or include that
- 4 in the prehearing conference order, or to check if
- 5 discovery has already started amongst the parties.
- 6 ATTORNEY GAFKEN: I think it would be helpful
- 7 to have it in the prehearing conference order, just to
- 8 have everything in one place, even if it did appear in
- 9 the initial order in 01/02.
- I don't believe we've started active
- 11 discovery yet amongst the parties. But it's certainly
- 12 something that would be helpful and useful.
- 13 JUDGE THOMPSON: Okay. I'll go ahead and
- 14 include that in the prehearing conference order.
- 15 And would the parties like a protective order
- 16 in this docket?
- 17 I'll start with the company because you're
- 18 the one who likely has sensitive information if it needs
- 19 to be protected.
- 20 ATTORNEY GRIMES: We aren't looking for a
- 21 protective order at this time. Thank you, your Honor.
- 22 JUDGE THOMPSON: Okay. And is that okay with
- 23 staff?
- 24 ATTORNEY GAFKEN: That's fine with staff. If
- 25 the need arises later during the case, I'm sure parties

- 1 can make arrangements to get one of those in place.
- JUDGE THOMPSON: Wonderful. Okay.
- 3 Have the parties had an opportunity to discuss
- 4 a procedural schedule?
- 5 ATTORNEY GAFKEN: We have discussed a
- 6 procedural schedule, and I think we're probably about 95
- 7 percent of the way there.
- 8 There's a couple of dates that we should nail
- 9 down. We have a couple of settlement conferences that we
- 10 could find some dates for.
- 11 But I did want to check the commission's
- 12 calendar. We're looking at March 18 for the evidentiary
- 13 hearing.
- 14 And then we're also seeking a public comment
- 15 hearing. And, you know, we can either find a date for
- 16 that here during this prehearing conference or schedule
- 17 after as well. But that date will be dependent on the
- 18 commission's calendar. So if you're already looking,
- 19 maybe we can find a date for the other piece as well.
- 20 JUDGE THOMPSON: Okay. I believe that March
- 21 18 should work fine from the commission's perspective.
- I am also on one of the rate cases, which
- 23 should be concluding around that time. So I don't think
- 24 that this will interfere with that. So I believe that
- 25 March 18 will be more than okay --

- 1 ATTORNEY GAFKEN: Okay.
- 2 JUDGE THOMPSON: -- if that works for the
- 3 parties. And we can sort of work with that date for now.
- 4 ATTORNEY GAFKEN: Okay. I guess one other
- 5 thing that we wanted to confirm, so we're looking at the
- 6 suspension date for this case. And RCW 80.04.130 says
- 7 ten months from when the tariff would otherwise go into
- 8 effect.
- 9 And the effective date for this tariff, the
- one in 240079 is September 1, 2024. And so that would
- 11 put the suspension date at July 1, 2025.
- So we've crafted a schedule that goes out to
- 13 that suspension date. And I guess I just wanted to make
- 14 sure that the commission's on the same page with the
- 15 parties on that.
- 16 JUDGE THOMPSON: That's my interpretation as
- 17 well, and I looked at that again this morning. And so I
- 18 do believe that we have until then.
- 19 My only hesitation with scheduling a hearing
- 20 date too far in advance is of course the company can come
- 21 back and amend filings or propose tariffs under the rate
- 22 case, which may have an effective date and preceding that
- 23 September 1 date, which would bump us up.
- 24 But I think that with the March 18 hearing
- 25 date, we will steer clear of any potential issues there,

- 1 given where we're at in the calendar now. And so I think
- 2 that's a good date to work with.
- 3 ATTORNEY GAFKEN: Okay. And I guess to
- 4 preview a little bit, I don't want to go through the
- 5 entire listing of the dates quite yet. But we're looking
- 6 at the first filing date to incorporate the rate case as
- 7 well.
- 8 So we understand that the -- considering the
- 9 tariff filing under 240079 should be done in the context
- 10 of a rate case. And so we've talked about having that
- 11 first filing be the rate case as well as the supporting
- 12 documents for the pending tariff.
- 13 JUDGE THOMPSON: Okay. I think that should
- 14 put us on a good track.
- I was curious to see what the parties felt
- 16 regarding the rate case and the lack of filing at this
- 17 point in time, and so I think that that puts us on a good
- 18 trajectory moving forward.
- 19 And, you know, depending on how things go,
- 20 and where we're at once that comes in and staff has an
- 21 opportunity to review that filing, I think that there is
- 22 an opportunity to move up some of the dates at a later
- 23 time if we feel that that would be necessary or helpful
- 24 to the parties.
- 25 And I say that only because March 18, 2025,

- 1 is quite a ways out there. And so if we get that filing
- 2 in and the parties can come to some consensus on a
- 3 limited number of issues or to limit the number of issues
- 4 that might be in dispute, then I would be more than
- 5 willing to revisit all of this and move dates around if
- 6 we need to.
- 7 ATTORNEY GAFKEN: Okay. That's good to know.
- 8 JUDGE THOMPSON: Okay. And so what I'm
- 9 hearing now is that we're 90 or 95 percent of the way
- 10 there. We're probably not going to get there today if we
- 11 do a brief recess; am I correct in that assumption?
- 12 ATTORNEY GAFKEN: No. I'm sorry. I didn't
- 13 mean to imply that.
- I thought we could take a brief recess, and
- 15 then we can look at a couple of dates for the settlement
- 16 conferences.
- 17 And then we have the rest of it hammered out.
- JUDGE THOMPSON: Okay. Perfect. Why don't
- 19 we go ahead and do that at this time, then. We can go
- 20 ahead and take a brief recess. I will jump off of the
- 21 Zoom, and if somebody just wants to let me know via
- 22 e-mail when you have hammered out the rest of the
- 23 schedule, then I'll come back on and we can finish.
- 24 ATTORNEY GAFKEN: Will do.
- JUDGE THOMPSON: Okay. So at this time,

- 1 we'll go ahead and go off the record.
- 2 (Recess.)
- JUDGE THOMPSON: We are now back on the
- 4 record. The parties have agreed on a procedural
- 5 schedule, which I will go ahead and ask staff's counsel
- 6 to now read into the record.
- 7 ATTORNEY GAFKEN: Okay. The first date will
- 8 be for the company's filing on June 27, 2024. And as I
- 9 mentioned before we recessed or took a break, that we're
- 10 contemplating that the rate case filing, along with
- 11 testimony and exhibits supporting both the new general
- 12 tariff rate case and the tariff filing in 240079 would be
- 13 contemplated in that filing.
- 14 The next date is our first settlement
- 15 conference, which will take place on September 17 of
- 16 2014.
- 17 The next date is for response testimony,
- 18 which would be January 22, 2025. And at this point,
- 19 discovery responses would be due within seven business
- 20 days after that filing date.
- 21 The next event is the second settlement
- 22 conference, which will be on February 5, 2025.
- 23 The next -- well, it's usually rebuttal and
- 24 cross-answering, but I quess here we really just need
- 25 rebuttal testimony. So that will occur on February 20 of

- 1 2025.
- 2 And then the public comment hearing being to
- 3 be determined.
- 4 The next deadline is the discovery deadline,
- 5 which is February 27 of 2025.
- 6 The next deadline is the cross exhibits and
- 7 cross-examination estimates, which will be March 11,
- 8 2025.
- 9 And then a hearing on May 18, 2025.
- 10 This next one --
- JUDGE THOMPSON: Excuse me.
- 12 ATTORNEY GAFKEN: I'm sorry.
- JUDGE THOMPSON: March 18 for the hearing?
- 14 ATTORNEY GAFKEN: March 18 for the hearing.
- JUDGE THOMPSON: Okay.
- 16 ATTORNEY GAFKEN: 2025.
- 17 The next deadline addresses the briefing.
- 18 And this one, we do need to have a little bit of
- 19 discussion. And I forgot to hammer out this detail. My
- 20 apologies.
- 21 All of our briefing needs to be in by May 1
- 22 of 2025. My question is whether we need or want one or
- 23 two rounds of briefing.
- So if it's just one round, we could have May 1
- 25 be the only briefing deadline.

- If it's two, then I would put the initial
- 2 brief at April 17, 2025, so about a month after the
- 3 hearing, with reply briefs due May 1 of 2025.
- 4 I don't have a strong feeling one way or the
- 5 other. In my view, it's really the company's preference
- 6 whether we have reply briefs or not. I will write one or
- 7 two as needed.
- JUDGE THOMPSON: Okay. And how does the
- 9 company feel about that?
- 10 ATTORNEY GRIMES: We are good with one round,
- 11 your Honor.
- JUDGE THOMPSON: One round. Okay. We'll go
- 13 ahead and plan for one round May 1.
- 14 ATTORNEY GAFKEN: Okay. I was going to say
- 15 we could have April 17 be the due date for that one round
- 16 of briefing. I'm also happy to keep it at May 1.
- 17 ATTORNEY GRIMES: We're fine with the 17th.
- 18 JUDGE THOMPSON: Okay. Let's go ahead and
- 19 plan on the 17th, just because this is a little further
- 20 out, and I don't know what the calendar will look like
- 21 then. The earlier might be the better in this case. And
- 22 if we need to, we can revisit that at a later date.
- 23 Okay. And so since we're doing post-hearing
- 24 briefings, I'll go ahead and assume that the parties are
- 25 not going to want to do closing oral arguments at the

- 1 conclusion of the hearing. Or would you also like
- 2 closing arguments at the end of the hearing?
- 3 ATTORNEY GAFKEN: Staff is not requesting
- 4 closing arguments. I think we can handle arguments on
- 5 brief.
- I did want to note that I forgot one detail
- 7 with the rebuttal testimony on February 20, 2025. At
- 8 that point, discovery responses would drop down to five
- 9 business days.
- 10 JUDGE THOMPSON: Okay. And is the company
- 11 okay with waiving closing argument at the hearing as
- 12 well?
- 13 ATTORNEY GRIMES: Yes. We're fine with doing
- 14 the written closing brief.
- JUDGE THOMPSON: Okay.
- 16 ATTORNEY GRIMES: Instead of the oral.
- 17 JUDGE THOMPSON: Wonderful. And for errata
- 18 sheets, the deadline for filing errata sheets to exhibits
- 19 may be established in the prehearing conference order.
- 20 Does either party have an objection to setting a deadline
- 21 a week prior to that same March 11 date for the deadline
- 22 for errata?
- 23 ATTORNEY GAFKEN: No objection from staff.
- JUDGE THOMPSON: Okay.
- 25 ATTORNEY GRIMES: No objection, your Honor.

- 1 JUDGE THOMPSON: Okay. I will ask that
- 2 staff, if you could please just send me a copy of the
- 3 schedule in e-mail so that I can have that. I have
- 4 everything written down, but there is always a real
- 5 chance that I made a mistake. So.
- 6 ATTORNEY GAFKEN: Yes, I will do that.
- 7 JUDGE THOMPSON: Thank you. I appreciate
- 8 that.
- 9 Just a quick reminder that documents should
- 10 be filed online through the electronic filing link. I
- 11 think that everyone is familiar with that present today.
- 12 If there is a notice of appearance that comes
- in and we need to amend the master service list, please
- 14 let me know at connor.thompson@utc.wa.gov.
- 15 And if there are any errors in the service
- 16 list in the prehearing conference order, again, please
- 17 feel free to contact me by e-mail and let me know, and we
- 18 can get that amended. If there's any changes, the same
- 19 applies.
- I believe with that, we've covered everything
- 21 that we need to today. Is there anything else we need to
- 22 address from the parties?
- 23 ATTORNEY GAFKEN: I just have one -- maybe
- 24 it's a strange thing, but I thought I would bring it to
- 25 your attention, and maybe this is a record center

- 1 question.
- 2 But the docketing online is a little bit
- 3 wonky. All of the documents are showing up on UW or
- 4 UW-230598. That docket is also still showing as closed.
- 5 And then UW-240079 does not have all of the
- 6 docket -- or I'm sorry; all of the documents in that
- 7 docket.
- 8 And so really, all documents should be
- 9 showing in both places, and the earlier docket shouldn't
- 10 be closed.
- So I don't know if that's something that you
- 12 can contact the records center about or if you want us
- 13 to. But I thought I would raise it today, because it's a
- 14 little wonky.
- 15 JUDGE THOMPSON: I appreciate that. I
- 16 have noticed that as well. And I will go ahead and ask
- 17 if we can get that straightened out, because there are
- 18 some filings that show up in one docket and not the
- 19 other. And so we'll go ahead and see what we can do.
- 20 ATTORNEY GAFKEN: Perfect. I appreciate
- 21 that. It's a little bit confusing for the public if
- 22 anybody want to look into those dockets.
- 23 JUDGE THOMPSON: Okay. I appreciate that.
- 24 And I appreciate the reminder. I was also thinking about
- 25 that morning.

- 1 Is there anything else?
- 2 ATTORNEY GRIMES: I actually have a question
- on behalf of the company. And again, I'm not sure you're
- 4 the right person to ask.
- 5 But because the company is filing this
- 6 general rate case in 240079, does that meet the
- 7 requirement to file a general rate case from Order 1 in
- 8 230598 since they are now consolidated?
- 9 JUDGE THOMPSON: Yes. It will meet the
- 10 requirements to file in the consolidated. And we'll go
- 11 ahead and proceed accordingly. Generally, I think the
- 12 way that that would have been handled is the rate case
- 13 would have been assigned a separate docket number. The
- 14 condition in the earlier docket was merely a compliance
- 15 condition, and so the general rate case didn't need to be
- 16 necessarily filed in that docket. But because we've
- 17 moved forward in the way that we have, I believe that we
- 18 can go ahead and file in the consolidated docket and
- 19 proceed.
- 20 ATTORNEY GRIMES: (Inaudible).
- 21 JUDGE THOMPSON: Yes. And I think that I
- 22 will look into this just to be sure. But if we do,
- 23 depending on how the filing looks; for instance, if the
- 24 surcharge for well rehabilitation is now part of the
- 25 general rate case and is not a separate line item, and

- 1 the -- there seems to be a reason to assign a new docket
- 2 number, then we can handle that accordingly when we get
- 3 to that point.
- 4 But because we're in a little bit of an odd
- 5 procedural position, because we're talking about an
- 6 evidentiary hearing on a filing that hasn't taken place
- 7 yet, we'll go ahead and proceed the way we are, and
- 8 continue to move forward.
- 9 ATTORNEY GRIMES: Sounds great. Thank you.
- JUDGE THOMPSON: Absolutely.
- 11 Okay. We'll go ahead and adjourn here in
- 12 just a minute, but I'll give each party one more
- 13 opportunity to raise any issues.
- 14 ATTORNEY GAFKEN: Nothing further for staff.
- JUDGE THOMPSON: Okay. And I just am reading
- 16 something that just came in really quickly before we
- 17 close out the Zoom.
- 18 Okay. I think that concludes everything for
- 19 today. I will go ahead and issue an order shortly
- 20 containing the procedural schedule and other guidelines
- 21 for this case.
- We are adjourned, and we may go off the
- 23 record. Thank you for your participation today.
- 24 (Conclusion of proceedings at 1:58 p.m.)

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     CERTIFICATE OF REPORTER)
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                        CCR 2731
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                        The State of Washington
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