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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3 WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
4 Complainant,) DOCKET NO. UR-950619
5 vs.)
6 US ECOLOGY, INC.,)
7 Respondent.)
-----)
8 Petition of US ECOLOGY, INC.,)
for an Order Regarding the) DOCKET NO. UR-950620
9 Accounting Treatment of the) VOLUME 3
Benton County Property Tax) PAGES 225 - 256
10 Liability)
-----)

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12 A hearing in the above matter was held
13 at 9:30 a.m. on September 18, 1995, at 1300 South
14 Evergreen Park Drive Southwest, Olympia, Washington
15 before Chairman SHARON L. NELSON, Commissioners
16 RICHARD HEMSTAD, WILLIAM R. GILLIS and Hearing
17 Examiner JOHN PRUSIA.

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19 The parties were present as follows:

20 US ECOLOGY, INC., by JAMES M. VAN NOSTRAND,
Attorney at Law, 411 108th Avenue Northeast, Bellevue,
21 Washington 98004.

22 WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION STAFF, by ANN RENDAHL, Assistant Attorney
23 General, 1400 South Evergreen Park Drive Southwest,
Olympia, Washington 98504.

24 Cheryl Macdonald, CSR
25 Court Reporter

1 APPEARANCES (Cont.)

2 TELEDYNE WAH CHANG, by RICHARD WILLIAMS,
3 Attorney at Law, 800 Pacific Building, 520 SW Yamhill,
4 Portland, Oregon 97201.

5 PORTLAND GENERAL ELECTRIC COMPANY, by JAY
6 DUDLEY, Attorney at Law, 121 Southwest Salmon Street,
7 Portland, Oregon 97204.

8 PRECISION CASTPARTS, by JAMES F. FELL,
9 Attorney at Law, 900 Southwest Fifth Avenue, Suite
10 2300, Portland, Oregon 97204.

11 WASHINGTON PUBLIC POWER SUPPLY SYSTEM and
12 PUBLIC SERVICE COMPANY OF COLORADO, by MELVIN N.
13 HATCHER, Attorney at Law, MD 396, P.O. Box 968,
14 Richland, Washington 99352.

15 BONNEVILLE POWER ADMINISTRATION, by JAMES T.
16 IRISH, Program Analyst, 3000 George Washington Way,
17 MD 399, Richland, Washington 99352.

18 WASHINGTON STATE UNIVERSITY, by LEN PORTER,
19 Director, Radiation Safety Office, 1110 SE Sunnymeade
20 Way, Pullman, Washington 99163.

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5 BEDE, WALSH, ECKHART,
PORTER, ADDISON, IRISH

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7 EXHIBITS: MARKED ADMITTED
14 228 235
8 15 228 235

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1 PROCEEDINGS

2 (Marked Exhibits 14 and 15.)

3 EXAMINER PRUSIA: Let's be on the record.

4 The hearing will please come to order. This is a
5 second day of hearings in consolidated docket Nos.
6 UR-950619 and UR-950620. The first docket, UR-950619,
7 is captioned Washington Utilities and Transportation
8 Commission versus US Ecology, Inc. The notice of this
9 hearing was issued on September 6, 1995. The hearing
10 is taking place on September 18, 1995 at Olympia,
11 Washington. The hearing is being held before Chairman
12 Sharon L. Nelson and Commissioners Richard Hemstad and
13 William Gillis. I am John Prusia. I'm a hearings
14 examiner with the Commission.

15 Today's hearing is limited to the question
16 of whether the Commission should accept the
17 stipulation filed by the parties on September 5, 1995.
18 If accepted the stipulation would resolve several
19 issues in this case. Those are rate setting
20 methodology, changes in the semi-annual rate
21 adjustment mechanism and rate design. The parties
22 have agreed upon the following procedure for
23 presentation of the stipulation. The attorney for the
24 company will make a brief opening statement. Then the
25 facilitator for the collaborative, Gerald Cormick,

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1 will briefly testify and following that everyone will
2 be sworn in and form a round table and will be
3 available to -- you can make any additional comments
4 you wish to make and you will also be available for
5 questions from the Commission and from myself.

6 At this time I will take appearances
7 beginning with the company.

8 MR. VAN NOSTRAND: On behalf of US Ecology,
9 James M. Van Nostrand.

10 EXAMINER PRUSIA: For the Commission.

11 MS. RENDAHL: On behalf of Commission
12 staff, Ann Rendahl, assistant attorney general.

13 EXAMINER PRUSIA: Thank you, and the
14 intervenors beginning to my left with Mr. Williams.

15 MR. WILLIAMS: Richard Williams appearing
16 for Teledyne Wah Chang.

17 MR. FELL: James Fell, F E L L, appearing
18 for Precision Castparts.

19 MR. DUDLEY: Jay Dudley appearing for
20 Portland General Electric Company.

21 MR. HATCHER: Melvin Hatcher appearing for
22 Washington Public Power Supply System.

23 MR. IRISH: James Irish appearing for
24 Bonneville Power Administration.

25 MR. PORTER: Len Porter appearing for

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1 Washington State University.

2 EXAMINER PRUSIA: Thank you. Are there any
3 other appearances today? Are there any parties -- is
4 anyone aware of any party who is not present at the
5 counsel table represented? I'm not talking about
6 participants in the collaborative but parties in this
7 proceeding.

8 MS. RENDAHL: Your Honor, I am aware that
9 Public Service Colorado is here or at least someone is
10 here from Public Service of Colorado but I don't
11 believe they're represented.

12 MR. HATCHER: Your Honor, on behalf of
13 Public Service of Colorado, they have asked the Supply
14 System to assist them during this portion of the
15 hearing today, so Les Hutchins is the technical
16 representative for Public Service of Colorado and on
17 behalf of Public Service Colorado, the Supply System
18 will be assisting Mr. Hutchins in presenting any
19 testimony that he offers here today.

20 EXAMINER PRUSIA: Does he intend to
21 testify?

22 MR. HATCHER: During the round table if he
23 is asked a question he will certainly answer.

24 EXAMINER PRUSIA: Before we went on the
25 record I marked two documents for identification. I

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1 have given them the numbers that I believe are next in
2 line. Exhibit 14 for identification is a multi-page
3 exhibit entitled Final Report of the US Ecology
4 Collaborative Group. Exhibit 15 for identification is
5 a multi-page exhibit entitled Stipulation Regarding
6 Rate Design and Ratemaking Issues filed September 5,
7 1995.

8 Mr. Van Nostrand, did you plan to offer
9 those exhibits during your presentation?

10 MR. VAN NOSTRAND: Yes.

11 EXAMINER PRUSIA: Let's be off the record.

12 (Recess.)

13 EXAMINER PRUSIA: Let's be back on the
14 record. While we were off the record the
15 commissioners came into the hearing room and we're now
16 prepared to proceed with Mr. Van Nostrand. He's going
17 to make an opening statement.

18 MR. VAN NOSTRAND: Thank you, Your Honor.
19 I have just a few brief introductory remarks. The
20 collaborative group is very pleased to be able to
21 present this morning for the Commission's
22 consideration two documents. One is the stipulation,
23 which we were able to achieve a complete consensus
24 among all parties. We went back to the table
25 following the Commission's July 21 order rejecting an

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1 earlier proposed stipulation and we went back to work
2 on August 15 and 16 and we were able to achieve a
3 complete consensus, and the document which has been
4 marked for identification as Exhibit 15 is that
5 consensus agreement.

6 By way of update, I have circulated this
7 morning a couple of more signature pages. We've been
8 able to get the signature of the University of
9 Washington and PN Services, so I would ask that that
10 be amended as part of Exhibit 15 and I would offer
11 Exhibit 15 into the record.

12 The other document which we have for your
13 consideration today is Exhibit 14, which is the final
14 report of the collaborative, and we're going to have
15 Jerry Cormick, the facilitator, answer any questions
16 that you might have as far as the procedural aspects
17 of this collaborative process.

18 The Commission in its 1993 order, which
19 encouraged us to convene this collaborative, also
20 said it might prove useful if we appointed an
21 independent facilitator to help us define the issues
22 and guide the discussions, and that was one of our
23 earliest moves in the collaborative was to appoint
24 Jerry Cormick to act as facilitator/mediator, and we
25 believe that's been a very instrumental decision that

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1 we made, that he's been instrumental in bringing us
2 together to allow us to achieve the consensus we were
3 able to present to you today.

4 The final report of the collaborative,
5 which is Exhibit 14, I would also like to offer that
6 into evidence, described as the elements of the
7 stipulation, and describes some of the procedural
8 background as to how we got there, and Mr. Cormick
9 will be available to answer questions about some of
10 the procedural aspects of how the collaborative
11 process worked.

12 I have just a couple of housekeeping items.
13 Staff had asked that a few clarifying points be made
14 regarding a couple of the exhibits to the stipulation.
15 In particular, just for the record, the stipulation
16 has a couple of references to first year and second
17 year revenue requirement, line 3 and line 19. We just
18 wanted to clarify that that doesn't reflect the impact
19 of a phase-in. In other words, that the first year
20 and second year is not really the first year following
21 this stipulation. It assumes a complete phase-in of
22 the new rate design so it's really the first year and
23 second year following complete phase-in of the rate
24 design, that this exhibit is really intended to show
25 -- to illustrate how deferred accounting works. It

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1 really isn't intended to show the percentage
2 allocations that result from phasing in the rate
3 design.

4 The second clarifying point that staff had
5 asked me to make on Exhibit B, schedule 2, the column
6 that's page 1 and page 2, has the multiplier which
7 shows the ratio of charge to the charge of the
8 previous block, we made a reference to a common
9 multiplier throughout the blocks in the site access or
10 the site availability charge. It isn't a common
11 multiplier. The first number is 2.06 and the rest of
12 the numbers are 1.92, and by way of explanation these
13 were numbers that were agreed upon by the
14 collaborative group at our meeting on August 16, and
15 the 2.06 number at the outset more or less results by
16 taking \$100 as the accepted starting point -- and
17 those are the numbers that came from that and we're
18 agreed upon by the collaborative group. We ran some
19 numbers right there in the session and so it's not
20 technically a common multiplier throughout, but it's
21 something that the collaborative agreed upon and it's
22 just a very minor refinement, but we felt that was the
23 numbers that were agreed upon in the group and really
24 it is a common multiplier for all practical purposes
25 throughout the schedule, but we just wanted to offer

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1 an explanation as to how that first number, how we got
2 there.

3 Lastly on Exhibit 14, the final report of
4 the stipulation there is one typographical error which
5 was pointed out by Len Porter of Washington State and
6 it's on page 7, the second to the last line, the
7 number is 1.4 percent. That should be 2.4 percent.
8 And with those corrections and clarifications I would
9 offer Exhibits 14 and 15 into evidence.

10 EXAMINER PRUSIA: Excuse me, that last
11 correction was on page what?

12 MR. VAN NOSTRAND: Page 7 of Exhibit 14,
13 second to the last line, that should be 2.4 percent.

14 EXAMINER PRUSIA: Are there any objections
15 to the admission of Exhibits 14 and 15? Hearing none
16 those exhibits will be admitted.

17 (Exhibits 14 and 15 admitted.)

18 MR. VAN NOSTRAND: Your Honor, I'd now like
19 to turn it over to Jerry Cormick, the
20 facilitator/mediator.

21 MR. CORMICK: Thank you, Commissioners and
22 collaborative participants.

23 EXAMINER PRUSIA: Excuse me, Mr. Cormick.
24 I think it would be better if I swore you in, so if
25 you could stand and raise your right hand.

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1 minutes on this morning is on overview of the process
2 and to give you, to the extent I'm able, a bit of an
3 insight into how they proceeded in their search for an
4 agreement, and some of the factors that I think not
5 only led us in that direction but also led us to the
6 type of consensus that was reached. The process
7 itself involved more than 20 generators, the site
8 operator, the departments of Ecology and Health from
9 the state of Washington and the Commission staff. We
10 had 16 full days of meetings over the period of about
11 nine months, ten months perhaps. But that was only
12 the surface of the time and energy that people put in.
13 There were innumerable phone calls back and forth,
14 conference calls, calls between small numbers of the
15 participants. There were work groups.

16 One of the things that the participants did
17 that I thought was very helpful was I asked them if
18 they were putting together a new idea or a new
19 proposal that before they come to the meetings they
20 try it out on people. They knew who were the ones
21 that might have the most difficulty. They all knew
22 each other very well by the time they got involved in
23 this process, and they did that, and as a result
24 when we came to the meetings people had had a chance
25 to think about issues. They had had a chance to begin

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1 to look at different ways of implementing approaches
2 and to do some discussion behind the scenes, which was
3 cost-effective, since meetings can be very expensive,
4 but also I think helped to build some of the working
5 relationships that I think you've seen indicated as
6 we've come before you over the last few months.

7 So there was a huge investment by the
8 parties in terms of effort as well as of time and
9 actual resources. In terms of external communication
10 we are constantly concerned with making sure that this
11 was -- this could never be perceived as being done
12 behind closed doors or in back rooms but really
13 reaching out to make people aware that the process was
14 going on and how it was proceeding. In terms of that
15 agendas were mailed out on a regular basis to all of
16 the generators and others who had participated in
17 previous proceedings. We distributed meeting notes to
18 whoever wished them and those notes were quite a
19 complete record of the content of the discussions and
20 the directions we were going. Individual participants
21 spoke with other generators who weren't at the table.
22 I personally spoke with a number of generators both at
23 the beginning and other public interest groups to
24 assert their interests in participating and encouraged
25 them to do so and made specific commitments which I

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1 followed up to brief people who felt they weren't able
2 or it wasn't of sufficient interest for them to be,
3 quote, at the table, unquote.

4 A few brief observations on the process.
5 First, a lot of times when people think about
6 consensus building and negotiations they think of it
7 in terms of the kind of haggling that goes on over a
8 used car or perhaps even in some labor/management
9 negotiations, but I think I would have to say that --
10 and I think it's correct to say that in this process
11 perhaps because we were working on a purely consensus
12 basis it was much more of a problem solving sort of
13 approach, and the attitude became in most cases, If
14 you've got a problem I've got a problem, and that was
15 reinforced as far as when the Commission chose not to
16 accept the stipulation at the last session.

17 Indeed one of the participants who
18 testified or one of the persons who testified at the
19 last hearing, Mr. Joe Skovran for Cell Therapeutics,
20 came to the meetings that followed this hearing, and I
21 talked to him this morning. He indicated that his
22 company is sending a letter of support to your
23 secretary, but he said that he was particularly
24 impressed by the way people interacted, because in
25 past times he had seen them interacting in a way that

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1 was not nearly so, perhaps one might say, friendly.

2 Another thing that became clear very early
3 on was that I used to do labor mediation, and often
4 everybody would be unhappy and you would hear, Well,
5 if everybody is unhappy it must be a good deal. That
6 clearly was not good enough here. This is a matter of
7 public policy, an important facility, and it was very
8 clear to everybody that being unhappy was not good
9 enough, and I'm sure that you will hear that it isn't
10 sort of mutual unhappiness that brings us here now.

11 Third thing was that we followed an orderly
12 process. We set ground rules and creating a common
13 information base and departments of Health and Ecology
14 as well as the staff were very important with that and
15 then did the cost of service study before generating
16 solutions. There's a tendency in these kinds of
17 things to go fire, aim, ready but we went ready, aim,
18 fire. We then generated solutions and began to put
19 together packages of provisions that not only
20 addressed each other's needs but worked together
21 effectively, and that's what we present this morning
22 is a package that we believe meets the needs of not
23 only the participants but of the public.

24 Another thing that I really commend the
25 Commission on was the participation of the staff. It

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1 was absolutely central that they be there, not only
2 because of their experience and insights but their
3 ability to make sure that the concerns of having a
4 viable regulation in terms of administration was kept
5 front and center. Their concern along with the other
6 state departments that participated for the broader
7 public interest and the staff also in particular was,
8 I thought, very good at raising the specter of those
9 who chose not to be there, and that it wasn't good
10 enough to cut a deal, so to speak, that worked for
11 everybody around the table but it had to take account
12 of those who chose not to be there.

13 Another point is that what we've put
14 together here is a package, a package that I believe
15 is responsive to all of the concerns that have been
16 raised by the Commission, but it is a package and
17 there's no insurance that if any one provision was
18 pulled out and stood by itself that that provision by
19 itself would have a consensus of all of the
20 participants; and similarly, if any provision is
21 deleted it could jeopardize the whole package concept,
22 because it is a carefully constructed and integrated
23 package.

24 Just by way of closing, I would have to say
25 that the participants in this compared to some others

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1 I've been involved in made my job easy by their
2 cooperation and working with me. Not always easy in
3 terms of finding the common ground but certainly easy
4 in terms of cooperating in what I was trying to do,
5 and my own assessment is that the participants worked
6 very, very diligently to create a consensus rate
7 design that meets the public interest in a
8 cost-effective and well maintained site; that meets
9 the test of regulatory fairness, equity and
10 administrative viability; that maintains the viability
11 of the site operator; and that meets the disparate and
12 sometimes conflicting needs of the more than 150
13 generators who regularly use the site. Thank you.

14 EXAMINER PRUSIA: Thank you, Mr. Cormick.
15 Since Mr. Cormick testified as a witness, I will give
16 the attorneys an opportunity to cross-examine him at
17 this time if they have any questions for him. Does
18 anyone have any questions for Mr. Cormick?

19 Do the commissioners have any questions
20 they want to ask him before we go into a round table
21 session?

22 CHAIRMAN NELSON: No.

23 COMMISSIONER HEMSTAD: No.

24 COMMISSIONER GILLIS: I have one. Mr.
25 Cormick, I would be interested in your perspective on

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1 the level of guidance that you received from the
2 Commission during their early stages. About right or
3 too much or --

4 MR. CORMICK: I think it would be
5 interesting after this is all over to maybe even
6 invite some of the people who participated to have
7 sort of a discussion with the Commission, if that was
8 appropriate. My own observation would be that the
9 Commission staff was very helpful as far as they
10 could go, but on calls of policy, particularly as
11 went into areas that policy had not necessarily been
12 established, at times we were forced to fly a little
13 bit blind, and one of the things that occurred as we
14 came before you three times --

15 I think this is the third time, is it not?

16 CHAIRMAN NELSON: Yes.

17 MR. CORMICK: -- was that we got some of
18 those questions clarified as we went, and if we could
19 find some way that was more effective and less costly
20 than coming forward and needing to get those clarified
21 in a formal session like this, I think it would be
22 worth exploring.

23 COMMISSIONER GILLIS: Thank you.

24 EXAMINER PRUSIA: Does either of the other
25 commissioners have any questions?

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1 COMMISSIONER HEMSTAD: No.

2 EXAMINER PRUSIA: Thank you, Mr. Cormick.

3 At this point we'll go and I will swear everyone in
4 and we can go into a round table session and you can
5 make any additional statements that you wish to make
6 and the commissioners can ask any party additional
7 questions. I understand, Mr. Hatcher, that there is a
8 gentleman from Public Service Corporation of Colorado
9 who is available also and will be sworn in named Mr.
10 Hutchins, is it?

11 MR. HATCHER: Yes, Les Hutchins.

12 EXAMINER PRUSIA: Would all the
13 representatives of the parties and Mr. Hutchins please
14 stand and be sworn in.

15 MR. DUDLEY: Before we do I would like to
16 just be sure that we have on -- I'm not sure what the
17 administrative law judge's intent is but my intent
18 would be to have my client who is here, Mr. Mike
19 Lackey, sworn in to support the thing and not
20 personally myself as a lawyer be sworn in to talk
21 about this unless it was --

22 EXAMINER PRUSIA: Let's be off the record.

23 (Recess.)

24 EXAMINER PRUSIA: Let's be back on the
25 record. The way we will proceed then is there are a

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1 number of witnesses for the parties and they will be
2 put under oath all at the same time. The attorneys
3 will not be put under oath but we will all be -- we
4 will all convene as a round table. Would the company
5 witnesses please stand and raise your right hand?

6 Whereupon,

7 BARRY BEDE, STUART TRIPPEL, SANDRA WALSH, GENE
8 ECKHART, LES HUTCHINS, LEN PORTER, MICHAEL LACKEY,
9 STAN ADDISON,

10 having been first duly sworn, were called as witnesses
11 herein and testified as follows:

12 EXAMINER PRUSIA: Whenever a party speaks
13 or a witness speaks, would they please identify
14 themselves and who they're with. The way we will
15 proceed then is I will give each company an
16 opportunity to make any additional remarks that they
17 wish to make, or each party an opportunity and we'll
18 begin with the company. Did you have any additional
19 remarks, you or your witnesses?

20 MR. VAN NOSTRAND: No.

21 EXAMINER PRUSIA: Mr. Williams?

22 MR. WILLIAMS: I have no additional
23 remarks.

24 EXAMINER PRUSIA: Mr. Fell.

25 MR. FELL: Yes. I have a few, thank you.

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1 Precision Castparts was not a signer on the first
2 stipulation. Precision was primarily concerned about
3 the site availability charge. The concern related to
4 the percentage of revenue requirement collected from
5 the site availability charge. The large size of the
6 blocks, particularly block 4, which went from 100
7 cubic feet to 10,000 cubic feet of shipment, and to
8 some lesser extent the broad scope of the preference
9 for--I guess we could describe it in the first
10 stipulation--for nonprofit institutions. This
11 stipulation addresses every one of those in a
12 satisfactory way. The percentage of revenue
13 requirement in the site availability charge has been
14 reduced to 22 percent from 29.3 percent. The blocks
15 have been increased to 11 blocks plus a block for
16 those who do not ship anything, so effectively it's 12
17 blocks now. The steps between blocks are now smaller
18 so that a shipper can actually affect its site
19 availability charge by the volume being shipped.

20 And finally the preference, if that's what
21 it's to be called, or perhaps the limitation on the
22 site availability charge that applies for the
23 nonprofits, is now limited both as to the institutions
24 that would qualify so that it's now educational
25 research institutions and as to the size of the

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1 limitation that applies. And I think with all of
2 those we believe that all of these are very reasonable
3 adjustments and for Precision Castparts made it
4 acceptable for signing and we recommend the
5 Commission's approval.

6 EXAMINER PRUSIA: Thank you, Mr. Fell. Did
7 any other parties have any comments that they wish to
8 make?

9 MS. RENDAHL: Your Honor, I would wish to
10 make a brief comment for Commission staff.

11 I would echo Mr. Fell's comments that I
12 believe that the collaborative has come together again
13 and in a consensus manner addressed the concerns that
14 the Commission expressed after our July 13 hearing.
15 In addition, I would like to stress that this is an
16 entirely different process than what you would have in
17 a litigated case and because of that the result in a
18 sense is a different type of result than you might get
19 in a litigated case. It's -- for lack of a better
20 analogy it's more like a sausage and that we might not
21 want to go and look at how it's made but we believe
22 it's a good sausage at this point. I'm finished.

23 EXAMINER PRUSIA: Did any other party have
24 any comment that they wished to make before they're
25 available for questioning?

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1 I hear no response. Do the commissioners
2 have any questions for any of the attorneys or any of
3 the witnesses?

4 CHAIRMAN NELSON: I guess I have a couple.
5 Ms. Rendahl, is the sausage fresh enough to last to
6 the year 2002?

7 MS. RENDAHL: I think it is, and I think
8 the casing around the sausage is strong enough, too,
9 to hold it all together.

10 CHAIRMAN NELSON: And then I guess for the
11 new educational research institution discount, did any
12 of the parties see any invitation to change one's
13 corporate form so as to fall within the discount? Is
14 that eventuality a realistic one? Let me ask it the
15 other way. Are the entities which qualify for that
16 discount known and measurable at this time and would
17 the pool be likely to expand?

18 MS. RENDAHL: I will address that. I
19 believe the discount or preference, however you wish
20 to describe it, concerns universities primarily and I
21 think it would be quite difficult for many of the
22 generators including those here today to change their
23 status to become a university to qualify for that
24 discount. If anybody else has any comments on that I
25 will be interested to hear it.

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1 EXAMINER PRUSIA: Does anyone else have a
2 comment on that? Let the record reflect that there is
3 no response.

4 EXAMINER PRUSIA: Mr. Porter of Washington
5 State.

6 MR. PORTER: Len Porter, Washington State
7 University, and I really wanted to speak in support of
8 the newly arrived at consensus. I would like to
9 emphasize the special role of the educational research
10 institution. The two representatives here present,
11 Len Porter and Stan Addison from the University of
12 Washington, both attempted throughout all the
13 collaborative proceedings to represent all educational
14 not-for-profit research institutions and not merely
15 two universities in this state.

16 I think it is important to emphasize that
17 for all of these institutions research is a
18 fundamental part of the teaching mission, and that our
19 research is not aimed at developing proprietary rights
20 and information much as many other research
21 institutions per se are concerned, but we seek
22 research results which will benefit the public at
23 large, and this special role has been recognized by
24 this collaborative satisfactorily in the eyes of both
25 our institutions although I'm sure Mr. Addison can

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1 speak for himself.

2 MR. ADDISON: Well, yeah. My name is Stan
3 Addison from the University of Washington. I guess
4 that was an invitation to speak. For various reasons
5 we support the educational discount, and I want to
6 emphasize that it's a very modest discount but for
7 various reasons it's necessary and for that reason
8 because it's a very modest discount, going back to the
9 original question, I do not believe that other
10 institutions would try to change their corporate form
11 or something to become -- to try to get this modest
12 discount. I just do not believe that's a possibility.
13 Thank you.

14 CHAIRMAN NELSON: Thank you. That's all I
15 have.

16 EXAMINER PRUSIA: Were there any other
17 questions or comments from the Commission?

18 COMMISSIONER HEMSTAD: I have one. At the
19 last public hearing we heard from various small users
20 who almost by definition don't have the time, staff or
21 resources to participate in the collaborative process
22 as complex or as elaborate as this has been. Does
23 anyone have any comment on either their participation
24 now or how their interests were represented in this
25 final agreement?

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1 MR. VAN NOSTRAND: We had three witnesses I
2 believe testified at the public hearing in the
3 afternoon. Jerry Cormick already mentioned the
4 position of Joe Skovran of Cell Therapeutics who came
5 to our August 15 and 16 meeting. As Jerry reported,
6 Mr. Skovran is very supportive and I think was
7 impressed by and enjoyed his participation in the
8 collaborative process. The other gentleman who
9 spoke at the public hearing was David Schneidmiller,
10 and that was the thing that I circulated this morning
11 on behalf of PN Services. Mr. Schneidmiller was also
12 present on August 15 and 16 and had some valuable
13 contributions to the discussion, and we were able to
14 bring him on board.

15 The third person, Mr. Campbell, I believe,
16 maybe others -- I know Jerry and Barry Bede, both made
17 considerable efforts to keep him informed and invite
18 him to the meeting and let him know what the results
19 of our meetings were, and we just didn't get any sort
20 of participation whatsoever, so I really don't know
21 where that particular generator is coming from, and I
22 think Jerry Cormick described generally how that was
23 the valuable role of staff in this proceeding was to
24 look after the interests of those who were too small
25 to justify, on economic grounds, participation. So I

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1 don't know if anybody has anything else to add to
2 that.

3 COMMISSIONER HEMSTAD: That's all I have.

4 COMMISSIONER GILLIS: I have no questions.

5 EXAMINER PRUSIA: There will be a public
6 hearing session at 1:30 this afternoon and perhaps
7 some small generators will show up at that.

8 Is there anything else that we need to take
9 up this morning?

10 Let the record reflect that there is no
11 response. We'll stand adjourned then until 1:30 this
12 afternoon. At that time we'll take the public
13 testimony.

14 MR. HATCHER: May I make a suggestion?

15 MR. PRUSIA: Yes, Mr. Hatcher.

16 MR. HATCHER: You mentioned earlier that we
17 might do a schedule, and perhaps we could do alternate
18 schedules since we have between now and 1:30 and that
19 way can immediately upon the closing of the public
20 session we could either adopt one schedule or the
21 other depending on whichever way the Commission rules
22 on the stipulation. We have time to fill in and I
23 don't have anything to do here in Olympia.

24 MR. PRUSIA: I was hoping that all of you
25 could get together and try to work out possible

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1 schedules. It's going to be difficult to know exactly
2 what to do until you get a decision from the
3 Commission on the stipulation and that can't come
4 until after the afternoon session at the very
5 earliest. But if you could all stay after this
6 session and discuss possible hearing dates.

7 Anything else then to come before us? Then
8 we'll be adjourned until --

9 COMMISSIONER HEMSTAD: Hearings for what?

10 MR. PRUSIA: Still have to have a hearing
11 on the revenue requirement.

12 We'll be adjourned until 1:30 this
13 afternoon. Thank you for coming and everyone can stay
14 and talk about possible dates.

15 (Hearing adjourned at 10:20 a.m.)

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AFTERNOON SESSION

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(1:30 p.m.)

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MR. PRUSIA: Let's be on the record. This hearing will please come to order. This is a hearing before the Utilities and Transportation Commission for the purpose of taking public testimony for docket Nos. UR-950619 and UR-950620. The first docket is captioned Washington Utilities and Transportation Commission versus US Ecology, Inc. The notice of this hearing was issued on September 6, 1995. The hearing is taking place on September 18, 1995 at Olympia, Washington. The hearing is being held before Chairman Sharon L. Nelson and Commissioners Richard Hemstad and William Gillis. I am John Prusia. I am a hearings examiner with the Commission. Before I take appearances, are there any members of the public present who wish to testify today?

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Let the record reflect that there was no affirmative response. Let's be off the record then to discuss scheduling of the future hearings.

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(Discussion off the record.)

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EXAMINER PRUSIA: Let's be back on the record. While we were off the record I discussed with one of the commissioners the Commission's decision and also discussed with the parties possible scheduling of

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1 the remainder of this case. Let me say first the
2 commissioners did confer and they congratulate the
3 parties on coming up with an acceptable stipulation.
4 The Commission will enter an order accepting the
5 proposed stipulation as filed on September the 5th.

6 The parties, as I understand it, agreed
7 upon the following hearing schedule. There will be
8 hearing for cross of the company on October 9, 10 and
9 the afternoon of October 11th; prefiling of staff and
10 intervenors' direct testimony on November 1, 1995;
11 prefiling of rebuttal by all parties on November 22,
12 1995. There will be a hearing for cross of staff and
13 intervenor direct and cross of all rebuttal on
14 December 5, 6 and 7. Simultaneous briefs will be due
15 on January 1st of '96 and the Commission's order will
16 be due on February 29 of '96. The time for responses
17 to data requests is shortened to five working days and
18 the last day for submission of data requests to the
19 company will be September 29.

20 Have I caught everything? Does anyone have
21 anything to odd to that? Mr. Dudley.

22 MR. DUDLEY: Yes, Your Honor. You might
23 have misspoken. The briefing date was January 8 and I
24 caught you saying the 1st of January so I might have
25 misheard that.

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1 MR. PRUSIA: January 8 is the briefing
2 date, simultaneous briefs due.

3 MS. RENDAHL: And in addition the cutoff
4 date is September 29, but I believe after October 9
5 parties can submit data requests to the company until
6 they have filed their direct case.

7 MR. PRUSIA: That would be correct.

8 MR. VAN NOSTRAND: Like a one week
9 moratorium. I might also note, the February 29
10 suspension date I think you indicated the order would
11 be issued on that date. I think we would anticipate
12 it would be issued sufficiently in advance of that
13 date so as to permit permanent rates to be effective
14 March 1 which usually is the required turnaround time
15 for compliance filings and all of that.

16 MR. PRUSIA: I certainly hope so. Is there
17 anything else to come before us this afternoon?

18 Hearing nothing the hearing is adjourned.

19 Thank you.

20 (Hearing adjourned at 2:08 p.m.)

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