Page 1 Page 3 1 1 OLYMPIA, WASHINGTON; AUGUST 31, 2016 BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION 2 2 1:33 P.M. 3 3 --000--WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, 4 4 5 5 JUDGE FRIEDLANDER: Good afternoon. My name Complainant, ) Docket No. PG-150120 6 6 is Marguerite Friedlander. I'm the administrative law GAS CORPORATION, ) CASCADE NATURAL 7 judge assigned to this proceeding. 8 Respondent. 8 We're here before the Washington Utilities 9 9 and Transportation Commission on August 31st of 2016 for PREHEARING CONFERENCE, VOLUME I 10 the matter of Docket PG-150120, a complaint against Cascade 10 **PAGES 1 - 10** 11 11 Natural Gas Corporation alleging that the Company violated ADMINISTRATIVE LAW JUDGE MARGUERITE FRIEDLANDER 12 12 a prior Commission order by failing to file its maximum 13 allowable operating pressure compliance plan when directed 13 14 and failing to maintain records or documentation sufficient 14 1:33 P M 15 to establish, confirm, or validate the MAOP of at least 116 15 AUGUST 31, 2016 16 16 pipeline segments. 17 Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive Southwest, Room 206 Olympia, Washington 98504-7250 17 The purpose of the prehearing today is to 18 18 take appearances of the parties, discuss the schedule for 19 19 the Commission's consideration of the complaint, and any 20 REPORTED BY: RYAN ZIEGLER, RPR, CCR #3348 other procedural matters that the parties wish to address. 20 21 Buell Realtime Reporting, LLC 1325 Fourth Avenue Suite 1840 21 So we'll start with brief appearances. I 22 already have your contact information, so if, Ms. Carson, 22 Seattle, Washington 98101 206.287,9066 | Seattle 360.534.9066 | Olympia 800.846.6989 | National 23 23 you could start, and you could just say your full name, 2.4 spell your last name, and then identify who you're 24 www.buellrealtime.com 25 25 representing. Page 2 Page 4 APPEARANCES MS. CARSON: Good afternoon. Sheree Strom 1 1 Carson, C-A-R-S-O-N, with Perkins Coie representing Cascade 2 ADMINISTRATIVE LAW JUDGE: Natural Gas, and also sitting here with me today is Eric 3 3 MARGUERITE FRIEDLANDER
Utilities and Transportation Commission
P O Box 47250
1300 South Evergreen Park Drive Southwest
Olympia, Washington 98504
360.664.1136 Martuscelli, who is the vice president of operations with 4 4 5 5 Cascade Natural Gas. 6 6 JUDGE FRIEDLANDER: Thank you. 7 And Mr. Beattie? FOR COMMISSION STAFF: 8 MR. BEATTIE: Julian Beattie, B-E-A-T-T-I-E, JULIAN BEATTIE Assistant Attorney General 1400 South Evergreen Park Drive Southwest P.O. Box 40128 Olympia, Washington 98504 9 9 assistant attorney general representing Commission Staff, 10 10 and I'm joined by Alan Rathbun, who is the pipeline safety 11 director for Commission Staff. 11 ibeattie@utc.wa.gov 12 12 JUDGE FRIEDLANDER: Thank you. FOR CASCADE NATURAL GAS CORPORATION: 13 Is there anyone else who wishes to put in an SHEREE STROM CARSON Perkins Cole The PSE Building 10885 Northeast Fourth Street Sulfe 700 Bellevue, Washington 98004 14 14 appearance either in person or on the conference bridge? 15 15 And we have -- I hear nothing. 16 Also, we've received no interventions. Is 16 there anyone in person or on the conference bridge who 17 17 scarson@perkinscoie.com wishes to put in an appearance -- I'm sorry, who wishes to 18 18 petition for an intervention? All right. Hearing nothing, 19 19 we'll proceed. 20 20 21 21 We have already discussed off the record that the parties will consent to electronic service amongst themselves; however, delivery of documents from the 23 Commission will be done in hard copy to Ms. Carson and 24 24 Mr. Martuscelli and also Mr. Beattie and Mr. Rathbun for 25

Page 5 Page 7 Staff. 1 1 And Cascade has not yet determined, you know, what discovery might be needed. 2 2 The discovery rules -- discovery will be conducted pursuant to the Commission's discovery rules, and 3 MR. BEATTIE: Right. So I would say now I guess I need to know whether or not there's a need 4 4 discovery should be available during that time period. 5 5 for a protective order in the proceeding? JUDGE FRIEDLANDER: Okay. With the 6 MS. CARSON: At this point in time, we don't 6 traditional response time of ten business days? anticipate the need for the protective order. We would 7 7 MR. BEATTIE: That works for us. like to reserve our rights to ask for one if, at some point 8 JUDGE FRIEDLANDER: Okay. I will take this 8 in time, confidential information is requested. 9 9 under advisement and issue a procedural schedule in the JUDGE FRIEDLANDER: That's fine. Thank you. prehearing conference order. 10 10 11 11 And the parties, it would appear, have a MS. CARSON: If I could just clarify, I proposed procedural schedule. If somebody would like to 12 wanted to make sure that discovery would be available past 12 walk me through it on the record? 13 the direct testimony. Did you say it would only go into 13 MR. BEATTIE: I will do so. September 21st, the direct testimony, or --14 14 2016, the parties would like to meet here at the Commission 15 JUDGE FRIEDLANDER: Typically, I believe it 15 for a settlement conference, and I've indicated that's 16 only goes through direct, but I'm open to continuing 16 parties only. By November 1st, the parties agree to submit 17 discovery past that if there's no objections. 17 a status report to you, the presiding officer, indicating 18 MS. CARSON: My experience is we typically 18 the progress made, if any, on settlement negotiations. 19 19 have a discovery cutoff a couple of weeks before the And after that, we have a more traditional evidentiary hearing. 20 procedural schedule in the event that settlement 21 JUDGE FRIEDLANDER: Okav. 21 negotiations fail to produce an agreement. On 22 MS. CARSON: So certainly we would want the 22 December 15th, 2016, Staff will file its direct testimony. 23 opportunity to undertake discovery on Staff's testimony 23 when they file that, and that -- so we would want it to January 31st, 2017, Cascade Natural Gas will file its 24 24 response testimony. Staff will file its rebuttal testimony 25 continue beyond the direct testimony. 25 Page 6 Page 8 on February 17th, 2017. 1 JUDGE FRIEDLANDER: So if the evidentiary 1 hearing is indeed convened on March 22nd, what time frame 2 There will be an evidentiary hearing here at this Commission on March 22nd, 2017. Briefing will follow. 3 were you looking at for the end of discovery? 3 Staff will file an initial brief on April 21st, 2017, and 4 MS. CARSON: I would say two weeks before 5 March 22nd. 5 Cascade will respond on May 5th, 2017. 6 And now I'm actually wondering if the intent 6 JUDGE FRIEDLANDER: Okay. So March 8th? here was to -- for us both to file and then both to 7 MR. BEATTIE: And that would be fine with 7 8 respond? 8 Staff. 9 MS. CARSON: Right. 9 JUDGE FRIEDLANDER: Okay. Thank you. JUDGE FRIEDLANDER: Simultaneous? 10 10 All right. And I think I mentioned MS. CARSON: Simultaneous initial briefs and 11 previously off the record that any documents filed with the 11 reply briefs is what I had in mind. 12 Commission will need to be filed as an original and five 12 MR. BEATTIE: Okay. Then I stand corrected 13 copies. 13 14 on that -- on that note, so simultaneous opening briefs on 14 Are there any other procedural matters that April 21st, 2017, simultaneous response or reply briefs on 15 we need to address today before we adjourn? 15 May 5th, 2017. MS. CARSON: What is the time for filing? In 16 16 JUDGE FRIEDLANDER: Okay. So in the period 17 the most recent case I was involved in, it was a 5 p.m. 17 from, I would say, if discovery isn't already occurring, filing time, and I just want to know if that's the new 18 18 after this -- the prehearing conference through the filing standard or if that was just that particular case. 19 19 20 JUDGE FRIEDLANDER: Right. I believe that of direct testimony, I assume that discovery will be 20 21 conducted by the parties; is that correct? 21 the rule says -- and you'll have to double-check on this, but I believe the rule says electronic filings by noon that MS. CARSON: Yeah. There may be discovery. 22 22 I mean, I think that Staff probably has already done a day with hard copies to follow by 3 p.m. the next day. But 23 I will put in the prehearing conference order what the time 24 detailed investigation and has -- and may not have a lot more need for discovery, although I cannot speak for them. is, whether it's 5 p.m. or noon for electronic copies. 25

	Page 9
1	MS. CARSON: Okay.
2	JUDGE FRIEDLANDER: Yeah. Did Staff have
3	anything else to
4	MR. BEATTIE: We have nothing further.
5	JUDGE FRIEDLANDER: All right. If there's
6	nothing further, we'll adjourn, so thank you very much.
7	(Proceedings concluded at 1:41 p.m.)
8	, ,
9	
10	* * * *
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
_	Da 40
	Page 10
1	Page 10 CERTIFICATE
1 2	CERTIFICATE
1 2 3	CERTIFICATE  STATE OF WASHINGTON
1 2 3 4	CERTIFICATE
1 2 3 4 5	CERTIFICATE  STATE OF WASHINGTON  COUNTY OF KING
1 2 3 4 5	C E R T I F I C A T E  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in
1 2 3 4 5 6	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the
1 2 3 4 5 6 7 8	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24,
1 2 3 4 5 6 7 8 9	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge,
1 2 3 4 5 6 7 8 9 10	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.
1 2 3 4 5 6 7 8 9 10	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested
1 2 3 4 5 6 7 8 9 10 11 12	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative
1 2 3 4 5 6 7 8 9 10	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.
1 2 3 4 5 6 7 8 9 10 11 12	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.
1 2 3 4 5 6 7 8 9 10 11 12 13 14	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand and seal this September 8, 2016.
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	CERTIFICATE  STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand and seal this September 8, 2016.
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand and seal this September 8, 2016.
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand and seal this September 8, 2016.
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	STATE OF WASHINGTON COUNTY OF KING  I, Ryan Ziegler, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the proceedings held August 24, 2016, is true and accurate to the best of my knowledge, skill, and ability.  I do further certify that I am a disinterested person in this cause of action and that I am not a relative of the attorneys for any of the parties.  IN WITNESS WHEREOF, I have hereunto set my hand and seal this September 8, 2016.