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1                                   BEFORE THE WASHINGTON  
2                                   UTILITIES AND TRANSPORTATION COMMISSION  
3 \_\_\_\_\_ )  
4 In the Matter of the Joint            )Docket UE-051090  
5 Application of                         )Volume I  
6   )Pages 1-48  
7 MIDAMERICAN ENERGY HOLDINGS COMPANY )  
8 AND PACIFICORP, d/b/a PACIFIC POWER )  
9 & LIGHT COMPANY                     )  
10                                        )  
11 For an Order Authorizing Proposed    )  
12 Transaction.                         )  
13 \_\_\_\_\_ )

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10                                   A pre-hearing conference in the  
11 above-entitled matter was held at 9:30 a.m. on  
12 Tuesday, July 26, 2005, at 1300 South Evergreen Park  
13 Drive, S.W., Olympia, Washington, before  
14 Administrative Law Judge DENNIS MOSS.

15  
16                                   The parties present were as follows:

17                                   PACIFICORP/MIDAMERICAN ENERGY HOLDINGS  
18 COMPANY, by James M. Van Nostrand, Attorney at Law,  
19 Stoel Rives, LLP, 900 S.W. Fifth Avenue, Suite 2600,  
20 Portland, Oregon, 97204.

21                                   PUBLIC COUNSEL, by Robert W. Cromwell,  
22 Jr., Assistant Attorney General, 900 Fourth Avenue,  
23 Suite 2000, Seattle, Washington 98164-1012.

24                                   COMMISSION STAFF, by Robert Cedarbaum,  
25 Assistant Attorney General, 1400 S. Evergreen Park  
26 Drive, S.W., P.O. Box 40128, Olympia, Washington  
27 98504-0128.

28                                   (Appearances Continued on Next Page)

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1                   INDUSTRIAL CUSTOMERS OF NORTHWEST  
2 UTILITIES, by Matthew Perkins, Attorney at Law, 333  
3 S.W. Taylor, Suite 400, Portland, Oregon 97204.

4                   SNOHOMISH COUNTY P.U.D. NUMBER ONE, by  
5 Michael Goldfarb, Attorney at Law, 1150 Marketplace  
6 Tower, 2025 First Avenue, Seattle, Washington 98121  
7 (Appearing via teleconference bridge.)

8                   THE ENERGY PROJECT, by Brad Purdy,  
9 Attorney at Law, 2019 N. 17th Street, Boise, Idaho  
10 83702 (Appearing via teleconference bridge.)

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0003

1                   JUDGE MOSS: Good morning. My name is  
2 Dennis Moss. I'm an Administrative Law Judge for the  
3 Washington Utilities and Transportation Commission.  
4 We are convened this morning in the matter of the  
5 joint application of MidAmerican Energy Holdings  
6 Company and PacifiCorp, doing business as Pacific  
7 Power and Light Company, for an order authorizing  
8 proposed transaction, that transaction being the  
9 acquisition of PacifiCorp by MidAmerican. The docket  
10 number is UE-051090.

11                   This is our, as I mentioned, I think, our  
12 first pre-hearing conference, and we'll begin taking  
13 appearances, and we'll start with the company. Mr.  
14 Van Nostrand.

15                   MR. VAN NOSTRAND: Thank you, Your Honor.  
16 On behalf of joint applicants, MidAmerican Energy  
17 Holdings Company and PacifiCorp, James M. Van  
18 Nostrand, with the Law Firm of Stoel Rives, LLP.  
19 Address, 900 S.W. Fifth Avenue, Suite 2600, Portland,  
20 Oregon, 97204. E-mail, jmvannostrand@stoel.com.  
21 Phone, 503-294-9679, and fax, 503-220-2480.

22                   JUDGE MOSS: Are you now located in the  
23 Portland office?

24                   MR. VAN NOSTRAND: Yes, Your Honor.

25                   JUDGE MOSS: We in Washington are sorry to

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1 see you leave our fair state.

2 MR. VAN NOSTRAND: I still have an office in  
3 Seattle, but I've got to say I spend most of my time  
4 in Portland, so -- in the interest of full  
5 disclosure.

6 JUDGE MOSS: Thank you. All right. Mr.  
7 Perkins.

8 MR. PERKINS: Thank you, Your Honor. Here  
9 for the Industrial Customers of Northwest Utilities,  
10 my name's Matthew Perkins, with the law firm Davison  
11 Van Cleve. Also appearing in this proceeding from  
12 our office will be Melinda Davison, although she's  
13 not here today. Our address is 333 S.W. Taylor,  
14 Suite 400, Portland, Oregon, 97204. Our phone number  
15 is 503-241-7242; fax number is 503-241-8160; and our  
16 e-mail address is mail@dvclaw.com.

17 JUDGE MOSS: Thank you. Mr. Cromwell.

18 MR. CROMWELL: Good morning, Your Honor.  
19 Robert William Cromwell, Jr., Assistant Attorney  
20 General, appearing on behalf of the Public Counsel  
21 Section of the Attorney General's office. My address  
22 is 900 Fourth Avenue, Suite 2000, State Mail Stop TB  
23 14, Seattle, Washington 98164-1012. My direct line  
24 is 206-464-6595; my fax number is 206-389-2058; and  
25 my e-mail address is Robertc1@atg.wa.gov.

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1                   JUDGE MOSS:  And Mr. Cromwell, I did not  
2 have down your mail stop.  Do we need to add that for  
3 purposes of U.S. mail for you?

4                   MR. CROMWELL:  No, you do not, sir.

5                   JUDGE MOSS:  Okay.  That is something we do  
6 here.  That's why I asked.  Let's go ahead and take  
7 your appearance, Mr. Cedarbaum, before we turn to  
8 those on the bridge line.

9                   MR. CEDARBAUM:  Thank you.  Robert  
10 Cedarbaum, Assistant Attorney General, representing  
11 Commission Staff.  My business address is the  
12 Heritage Plaza Building, 1400 South Evergreen Park  
13 Drive, S.W., Olympia, Washington, 98504.  My direct  
14 line telephone is 360-664-1188; the fax number, same  
15 area code, 586-5522; and my e-mail is  
16 Bcedarba@wutc.wa.gov.

17                   JUDGE MOSS:  Thank you.  Let's have your  
18 appearance, Mr. Purdy.

19                   MR. PURDY:  Thank you, Your Honor.  Brad  
20 Purdy, from Boise, Idaho, representing the Energy  
21 Project Coalition for the time being, anyway  
22 (inaudible.)

23                   JUDGE MOSS:  We can't hear, Mr. Purdy.  Try  
24 to speak up a little bit.

25                   MR. PURDY:  Opportunities Industrialization

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1 Center of Washington, LIC, and the NCAC National  
2 Center, National Consumer Assistance Center. My  
3 address is 2019 North 17th Street, Boise, Idaho,  
4 83702. My e-mail is bmpurdy@hotmail. My phone is  
5 208-384-1299. And finally, my fax is 208-384-8511.

6 JUDGE MOSS: Now, Mr. Purdy, you mentioned  
7 three organizations there. I have your petition to  
8 intervene in the name of The Energy Project. Is it  
9 your intention that these other organizations will be  
10 within the umbrella of your representation?

11 MR. PURDY: Yes, they're within the umbrella  
12 of The Energy Project. I just wanted to, you know,  
13 for sake of full disclosure, for everyone to know  
14 that, that The Energy Project is a coalition  
15 representing these other organizations that I named.

16 JUDGE MOSS: All right. Well, I appreciate  
17 that illumination, and we will just refer to the  
18 petitioner as The Energy Project. Let's hear from  
19 Mr. Goldfarb, please.

20 MR. GOLDFARB: My name is is Michael A.  
21 Goldfarb, G-o-l-d-f-a-r-b. I'm appearing on behalf  
22 of Public Utility District Number One in Snohomish  
23 County. Also appearing will be Michael J. Gianunzio,  
24 who is General Counsel at Snohomish, and Eric L.  
25 Christensen, who's the Assistant General Counsel.

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1 They're not present in this call, however. My  
2 address is 1150 Marketplace Tower, 2025 First Avenue,  
3 Seattle, Washington, 98121. My telephone number is  
4 206-374-7090; fax number is 206-374-7095; my e-mail  
5 address is Mgoldfarb@goldfarb-law.com.

6 JUDGE MOSS: Thank you. All right. Is  
7 there anything preliminary before we take up the  
8 three pending petitions to intervene? Hearing  
9 nothing, we will turn to that.

10 Mr. Van Nostrand, does the company have an  
11 objection to the intervention by ICNU, Snohomish  
12 County P.U.D. Number One, or The Energy project?

13 MR. VAN NOSTRAND: No with respect to ICNU  
14 and The Energy Project. With respect to Snohomish  
15 P.U.D., I don't know if we'd characterize our  
16 position as an objection. I guess we do have some  
17 concerns about the -- a substantial interest in the  
18 outcome of the proceeding given the interest that  
19 they've stated in their petition, which the  
20 Commission may consider to be outside the scope of  
21 this proceeding. They seem to be more directed  
22 towards federal issues of market power and generation  
23 and transmission, which we're not sure the Commission  
24 wishes to address as part of this proceeding, but,  
25 that being said, we don't object to their

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1 intervention.

2 I guess if the intervention is allowed, we  
3 would propose that the intervention be limited under  
4 the Washington Administrative Procedure Act to only  
5 those issues raised by Snohomish in its petition.

6 JUDGE MOSS: And what is the status of the  
7 -- I assume application, if you will, before the  
8 Federal Energy Regulatory Commission? Has that  
9 application been --

10 MR. MOENCH: I can address that. We filed  
11 that on Friday, the Section 203 filing.

12 JUDGE MOSS: All right. And Mr. Van  
13 Nostrand, why don't you introduce our speaker?

14 MR. VAN NOSTRAND: Sorry, Your Honor. This  
15 is Mark Moench, M-o-e-n-c-h, on behalf of Mid  
16 American Energy Holdings Company.

17 JUDGE MOSS: All right. And that has been  
18 filed at the FERC?

19 MR. MOENCH: Correct.

20 JUDGE MOSS: All right. Very good. Anyone  
21 else want to be heard on the petitions to intervene?  
22 Of course, I have the written petitions, so those who  
23 are seeking intervention, I understand your stated  
24 interest. Mr. Cromwell, did you have something?

25 MR. CROMWELL: I have no objection to the



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1 interventions, Your Honor.

2 MR. CEDARBAUM: Yes, Your Honor.

3 Commission Staff would object to the intervention of  
4 Snohomish P.U.D. One of the reasons would be -- we  
5 would echo Mr. Van Nostrand's concern. Under the  
6 Commission's intervention rule, the applicant for  
7 intervention has to show either a substantial  
8 interest or that intervention is in the public  
9 interest. The issues that are raised by Snohomish  
10 P.U.D. are with respect to the operation and the  
11 transmission -- interstate transmission grid and how  
12 that might affect its business with respect to its  
13 own customers.

14 That is not something that's within the  
15 scope of the Commission's jurisdiction or the scope  
16 of interest that the Commission is here to protect.  
17 So we don't think that intervention meets the  
18 Commission's rule. And I would just cite the  
19 Commission to the case of Cole versus the WUTC, at 79  
20 Washington 2d 302, in which the Commission denied  
21 intervention to an association of oil heat  
22 distributors in a Washington Natural Gas rate case.  
23 And that denial of intervention was upheld by the  
24 State Supreme Court and the reasons were analogous,  
25 that that was an unregulated business, from the

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1 Commission's perspective, and beyond the scope of the  
2 interests the Commission could protect. So that's  
3 the first reason.

4           But there are two other additional reasons  
5 -- two additional reasons that Mr. Van Nostrand did  
6 not mention. One is undoubtedly in this case, when  
7 we set a schedule, there will be -- we'll probably  
8 set a settlement conference time. Whether that will  
9 be fruitful or not, we don't know, but having an  
10 additional party, which does not have an interest in  
11 the case from the Commission's scope of interest, has  
12 the potential to make that, as a practical matter, a  
13 more difficult settlement process. So setting one  
14 more person at the table that's unnecessary to be  
15 there is something that may weigh down that process.

16           And finally, I think you noted to the  
17 federal proceedings, both at the FERC and at the  
18 Securities and Exchange Commission, those do provide  
19 adequate remedies for Snohomish P.U.D. to appear  
20 before an agency and have its interest represented  
21 within the scope of interest that those agencies are  
22 designed to protect. So they are not without  
23 adequate remedy to pursue their interest, but I don't  
24 think this Commission is that remedy, that avenue.  
25 Thank you.

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1           JUDGE MOSS: Thank you. There being no  
2 objection to ICNU or The Energy Project, and my  
3 having been satisfied by the written petitions that  
4 they do demonstrate a substantial interest in the  
5 outcome of the proceeding and that their  
6 participation would be in the public interest, those  
7 petitions are granted.

8           Mr. Goldfarb, you have heard the objections  
9 raised by Staff and the company's comment. Do you  
10 have anything you'd like to say before I rule on your  
11 petition?

12           MR. GOLDFARB: Only that our interest is set  
13 forth in the petition, that Snohomish, as you know,  
14 is a large public utility district with hundreds of  
15 thousands of customers, and intervention is  
16 appropriate, I don't believe that it's any impediment  
17 to a settlement conference for Snohomish to  
18 participate, and while the other forums provide  
19 certain remedies, it is appropriate for Snohomish to  
20 participate here, as well.

21           JUDGE MOSS: All right. Thank you, Mr.  
22 Goldfarb. With respect to your petition, which I  
23 have read, the petition of Snohomish County P.U.D.  
24 Number One, it strikes me that the interests  
25 expressed are most central to the Federal Energy

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1 Regulatory Commission's consideration of this matter  
2 under Sections 203 and 205 of the Federal Power Act,  
3 particularly 205 with respect to open access  
4 transmission tariff issues. The SEC, of course, will  
5 be looking at competitive issues, which you mentioned  
6 in your petition.

7           It does seem to me that the matters  
8 addressed in the petition are perhaps beyond the  
9 scope of this Commission's jurisdiction, and would be  
10 inappropriate and perhaps represent an inappropriate  
11 broadening of the issues in any settlement  
12 discussions or hearing, for that matter. All of  
13 these things taken into account, the petition of  
14 Snohomish County P.U.D. Number One to intervene is  
15 denied.

16           MR. GOLDFARB: Based on that, Snohomish  
17 would request the opportunity to amend its petition.  
18 I need to advise you that I did not personally draft  
19 it, and those that did are not in the call today, but  
20 in light of your ruling, we would request the  
21 opportunity to essentially replead it.

22           JUDGE MOSS: Well, you'll have an  
23 opportunity for interlocutory appeal, but I've made  
24 my ruling and that will be my ruling in the  
25 pre-hearing order that will follow.

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1 MR. GOLDFARB: Understood.

2 JUDGE MOSS: Okay. Thank you. All right.

3 Are there other motions or requests? I noticed that  
4 the company has established an electronic data room,  
5 I guess I'd call it. I think you maybe used a  
6 slightly different term. In any event, making  
7 documents available to folks in connection with this  
8 matter. I would consider that to be itself the  
9 initiation of discovery, and I will just say that  
10 discovery should continue consistent with the  
11 Commission's procedural rules in this jurisdiction  
12 under WAC 480-07-400, et seq.

13 Any need for a protective order in this  
14 proceeding?.

15 MR. VAN NOSTRAND: Yes, Your Honor. We  
16 would ask that a protective order be issued. We're  
17 also seeking to have highly confidential information  
18 accommodated in a protective order. Last week I  
19 circulated the protective order which the Commission  
20 issued in PacifiCorp's last general rate case, Docket  
21 UE-032065, and suggested -- because that accommodated  
22 highly confidential provisions and suggested that be  
23 used, as well, in this proceeding.

24 I received comments from Mr. Perkins on  
25 behalf of ICNU and Mr. Cedarbaum on behalf of Staff,

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1 and those suggested revisions were essentially to  
2 sort of carry forward the refinement that had  
3 happened in the Puget Sound Energy case. So what we  
4 have is sort of what we think is probably the state  
5 of play or state of the art in terms of the highly  
6 confidential provisions of the protective order. And  
7 I believe we've got agreement from the parties that  
8 that would be acceptable, so I have a draft of that  
9 for your consideration. I can also send an  
10 electronic version to you, as well.

11 JUDGE MOSS: Did you mention Mr. Cromwell?  
12 Did you --

13 MR. VAN NOSTRAND: Mr. Cromwell was  
14 circulated on the e-mails. We didn't have any  
15 suggested revisions, but I assumed silence was  
16 assent, but I guess we'll find out.

17 MR. CROMWELL: Robert Cromwell, for those on  
18 the bridge line, Your Honor. I have no objection to  
19 the form of order that Mr. Van Nostrand has  
20 circulated this morning, although I suppose I should  
21 note that I don't believe Mr. Purdy or -- I guess  
22 that's the only other person on the bridge line  
23 currently a party to this proceeding, but he may not  
24 have had the opportunity to view this.

25 MR. VAN NOSTRAND: I did send it to him

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1 yesterday, I think.

2 JUDGE MOSS: Mr. Purdy, have you had a  
3 chance to review the proposed form of protective  
4 order?

5 MR. PURDY: Yes, briefly, and I, on its  
6 face, don't see any problem with it, no.

7 JUDGE MOSS: All right, then.

8 MR. PURDY: I'll take a further look and,  
9 should I have any concerns, I'll certainly bring that  
10 to everyone's attention immediately, but at this  
11 point, I don't have an objection.

12 JUDGE MOSS: Okay. Mr. Van Nostrand, I will  
13 ask you to send me an electronic copy of that, and  
14 you can provide me a paper copy, as well, if you have  
15 one here today at the close of the proceeding. As  
16 you know, we typically have the Commissioners enter  
17 these orders over their own signatures, and I'll  
18 follow that practice here, which means it will be a  
19 couple of days, since they are away on other  
20 business, and that will be an opportunity for Mr.  
21 Purdy to take further review, and if you have any  
22 concerns, please bring those to Mr. Van Nostrand's  
23 attention or indeed to the attention of all parties,  
24 and if there's any further refinement indicated, then  
25 we'll be able to take that into account prior to

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1 entering the order, but do that promptly, so I'll  
2 move pretty quickly on this myself.

3 MR. PURDY: Yes, sir.

4 JUDGE MOSS: All right. Are there any other  
5 motions or requests before we talk about our process  
6 and our procedural schedule? Apparently not.

7 Mr. Cedarbaum mentioned settlement, and we  
8 have fallen into the practice recently of scheduling  
9 at least an initial settlement conference. In some  
10 cases, more than one. And I think we'll probably  
11 want to do that here, and perhaps earlier rather than  
12 later.

13 We have PacifiCorp's pre-filed direct  
14 testimony, we will want to set dates for other  
15 obvious procedural opportunities, such as Staff,  
16 Public Counsel, Intervenor testimony, rebuttal  
17 testimony.

18 I wanted to ask, I suppose I should turn to  
19 you, Mr. Cromwell, whether the Public Counsel's  
20 Office would be urging a public comment hearing in  
21 connection with this transaction?

22 MR. CROMWELL: I suppose, out of an  
23 abundance of caution, I should, Your Honor. I --

24 JUDGE MOSS: I will note that the last time  
25 we did this, no one showed up.



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1           MR. CROMWELL: I am well aware of the  
2 attendance levels at the Commission's public  
3 hearings, and certainly fervently desire that the  
4 Commission's Consumer Affairs Staff, which have  
5 changed and have evidenced a strong interest in  
6 public participation, may be able to improve that  
7 factor, but I am aware of the issue you raise.

8           I think, as a general rule, it is beneficial  
9 to the Commission's consideration to have an  
10 opportunity for public comment. As you may recall,  
11 with the currently proceeding rate case, one of the  
12 questions was whether there might be an opportunity  
13 to have a joint public hearing or combine them, since  
14 what sometimes does occur is that folks will come to  
15 a public hearing seeking to comment on a given issue  
16 that may not, in fact, be the purported topic of the  
17 public hearing or the reason why it was called, so  
18 there may be an opportunity for economization there.

19           But in general, yes, Your Honor, we would  
20 request a public hearing.

21           JUDGE MOSS: Your observations are all quite  
22 accurate.

23           MR. PURDY: Your Honor, this is Brad Purdy.  
24 If I would be allowed to intervene briefly. My  
25 client also wishes for the opportunity to have public

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1 input, and I can inform you that we are going to  
2 attempt a variety of new means to generate a higher  
3 turnout this time around. We're hopeful that these  
4 new means will be successful and we'll see more  
5 people show up, so we are very much in favor of,  
6 again, some kind of public comment.

7 JUDGE MOSS: And of course, there are other  
8 opportunities for public comment, including  
9 particularly the opportunity for written comments to  
10 be filed at any point in time up to the close of the  
11 record, which typically occurs a day or so after the  
12 evidentiary hearings, or a day or so after a public  
13 comment hearing, should that follow the evidentiary  
14 hearings.

15 When is the public comment hearing scheduled  
16 in the rate case? Does anybody have that date in  
17 hand?

18 MR. PURDY: December, I believe.

19 MR. CROMWELL: Yes, Your Honor. Robert  
20 Cromwell. The date that was last discussed was  
21 December 1st. We had a -- I initiated a conference  
22 call with Ms. Smith, representing Commission Staff,  
23 Mr. Van Nostrand, and the three of us discussed and  
24 other folks in the rate case had previously given me  
25 some feedback. It boiled down to a November,

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1 December date. It seemed like December was more  
2 conducive for a number of people and would work for  
3 everyone. That was the date that I conveyed to --

4 JUDGE MOSS: I have that on the schedule.  
5 So apparently we've noticed that.

6 MR. CROMWELL: Yeah.

7 JUDGE MOSS: Okay. Well, that's fine.  
8 Prospects for a joint public comment hearing, if we  
9 decide to have one? This is a decision, by the way,  
10 that the Commissioners will ultimately make, so I  
11 will raise to their attention your points.

12 MR. PURDY: Your Honor, Brad Purdy. The  
13 Energy Project, for what it's worth, would rather  
14 have separate public comment hearings for a number of  
15 reasons. We believe that the public might not fully  
16 comprehend the differing issues in the two cases and  
17 in our attempts to work with some of our constituent  
18 groups and other groups, to raise awareness of the  
19 issues that are at stake in these various  
20 proceedings, we are going to make it very clear what  
21 is at issue and hopefully eliminate what Mr. Cromwell  
22 alluded to, sometimes the lack of awareness of what's  
23 truly at stake in the proceeding.

24 In light of that, I think it would be  
25 helpful to have separate public hearings.

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1           JUDGE MOSS: All right. Before I make any  
2 response to that, if I do, let me hear from the  
3 company on the idea of a joint versus separate.

4           MR. VAN NOSTRAND: Your Honor, I think it  
5 would make sense. We're open to having that joint  
6 hearing. It seems like you may want to separate time  
7 periods and have it on the same evening, but have it  
8 at the same time and, you know, date and location,  
9 and I think we'd want to make sure that the notices  
10 were clear that there's not any link between the rate  
11 case and the transaction, and it is just for purposes  
12 of taking public input that the Commission may be  
13 holding them on the same day, but we wouldn't want to  
14 create the impression that there's a link as far as  
15 we're concerned.

16           I think, for the reasons Mr. Cromwell  
17 pointed out, that customers may not be tracking all  
18 that closely what the differences are between the two  
19 cases, they just noticed some deal involving  
20 PacifiCorp and maybe their rates are going to go up  
21 and maybe there's going to be a new owner, but  
22 they're going to show up and talk about what they  
23 want to talk about. So since we're going to have it  
24 over in Yakima or Walla Walla, then it would make  
25 sense to try to combine it in the same day.

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1           JUDGE MOSS: Thank you. Mr. Purdy, that is  
2 a thought that is on my mind, which is the question  
3 of the resources, including the resources of the  
4 Commission. These proceedings are not inexpensive to  
5 put on, and we may very well wish to at least do them  
6 on the same date, even if we somehow separate them by  
7 time, and of course there would be separate notices,  
8 because these are separate dockets, and I see -- I've  
9 heard no suggestion that they be consolidated, nor  
10 would I favorably view such an idea.

11           And so let's think about that. We typically  
12 don't decide the matter of public comment hearing at  
13 our first pre-hearing conference. We give the  
14 parties an opportunity to communicate among  
15 themselves, and particularly we ask the Public  
16 Counsel to work with our Consumer Affairs staff in  
17 setting these things up, coordinating and so forth,  
18 so I will leave that open and ask that the parties  
19 communicate among themselves and make a suggestion to  
20 me in a week or two and we'll notice the date and  
21 process for that.

22           And of course, at this juncture, Mr. Purdy,  
23 we have your comment in mind, but you'll have a  
24 further opportunity to discuss that with others.

25           MR. PURDY: Thank you, Judge.

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1 JUDGE MOSS: Thank you.

2 MR. CEDARBAUM: Your Honor.

3 JUDGE MOSS: Yes.

4 MR. CEDARBAUM: If I could just interject,  
5 not on the public hearing subject, but because it  
6 seems to me that you're about to embark on trying to  
7 set a schedule and look at specific dates, I wanted  
8 to raise the subject that has been discussed amongst  
9 the parties over the past few days as to whether or  
10 not we should set a schedule today at all or wait  
11 about ten days to do that.

12 It's my position -- and the company  
13 disagrees with me on this, and Mr. Van Nostrand will  
14 say why, but other parties may agree with me.

15 Tomorrow, it's my understanding, on July  
16 27th, the Utah Commission is having its pre-hearing  
17 conference on this application. On August 2nd, the  
18 Oregon Commission is having its pre-hearing  
19 conference on this application.

20 It makes sense to me for this Commission to  
21 wait till after those two pre-hearing conferences  
22 have occurred to set a schedule so we can find out if  
23 the company's two largest jurisdictions are going to  
24 make an attempt to stay with the company's proposed  
25 February 28 order date in this case. If they are, I

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1 think Staff is willing to work with the company, try  
2 to meet that date, as well. If they're not, then I  
3 don't see any reason why this Commission should act  
4 sooner than those two other jurisdictions.

5           And part of the concern here, of course, is  
6 the Staff resource issue. As you're well aware, this  
7 is not the only case before the Commission. In fact,  
8 there are too many cases before the Commission.  
9 There's a Puget Sound Energy power cost case, Avista  
10 general rate case, PacifiCorp general rate case,  
11 there is a gas pipeline safety case involving Puget  
12 Sound Energy, and there are at least three or four  
13 active rulemakings that the Commission is engaged in.

14           So there's the practical benefit of waiting  
15 till after Utah and Oregon have acted and to see what  
16 kind of constraints we really are dealing with for  
17 this transaction.

18           And I would also note it's not just a  
19 practical procedural matter; it's also a substantive  
20 one. It is -- there's always the potential that, in  
21 settlement discussions that occur in other states,  
22 there's a give and take which involves the company  
23 making more commitments to those states than it may  
24 have made in its application. I'm not saying that's  
25 going to happen, but it's a potential for it to

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1 happen. I think there's some benefit for this  
2 Commission to let that process play out in Utah and  
3 Oregon so this Commission's not ahead of the eight  
4 ball on that issue and can react to what other  
5 concessions the company may or may not make in these  
6 other states.

7           So we would ask the Commission to adjourn  
8 this pre-hearing conference, reconvene by telephone  
9 would be fine, next Wednesday or Thursday after Utah  
10 and Oregon have set their schedules, and then we  
11 would set a schedule that was in sync with their  
12 schedules.

13           JUDGE MOSS: All right. I suppose I should  
14 ask first whether there are others who wish to speak  
15 in favor of Mr. Cedarbaum's proposal before I turn to  
16 the company, and it's not necessary if you have  
17 nothing new to add.

18           MR. CROMWELL: This is Robert Cromwell. I  
19 would simply concur with the rationale Mr. Cedarbaum  
20 provided.

21           JUDGE MOSS: Thank you.

22           MR. PURDY: Brad Purdy. I'd simply point  
23 out that Idaho also has a stake in this, although we  
24 are occasionally overlooked. PacifiCorp does have a  
25 service territory there. The Idaho Commission's



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1 expected to issue a notice of pre-hearing conference  
2 within a week, just so you all know.

3 MR. PERKINS: Matt Perkins, for ICNU. We  
4 also support the Staff proposal, but I think Mr.  
5 Cedarbaum summarized it very well.

6 JUDGE MOSS: I think he did, too. Mr. Van  
7 Nostrand, let me hear from the company on this  
8 suggestion.

9 MR. VAN NOSTRAND: Your Honor, I do have a  
10 proposed schedule, which I'd like to circulate to  
11 you. I've already circulated it to the other  
12 parties.

13 JUDGE MOSS: All right. Thank you.

14 MR. CROMWELL: I don't have that. I wasn't  
15 in yesterday afternoon. Sorry.

16 MR. VAN NOSTRAND: Your Honor, we have had  
17 some discussions with one of the parties on this. As  
18 you know from the application, the joint applicants  
19 have asked for this -- for all necessary state  
20 approvals to be obtained by February 28th in order to  
21 close the transaction by March 31. Along those  
22 lines, when we filed the application, we did ask that  
23 it not be put on the open meeting and we asked that a  
24 pre-hearing conference be set as soon as possible,  
25 and we really appreciate the speed that the

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1 Commission took in actually setting this pre-hearing  
2 conference on the day we filed the application.

3           And consistent with that, we do think -- we  
4 do wish to offer for your consideration the schedule  
5 that I circulated. I think we have good reasons for  
6 wanting to close this transaction by the 28th, given  
7 the uncertainty that's been created. Scottish Power  
8 made it clear it's going to sell PacifiCorp, and the  
9 uncertainty has adverse effects on the company's  
10 employees, as well as other stakeholders, and there's  
11 also an SEC approval process that has to follow the  
12 state approvals.

13           What we've done by this schedule is to try  
14 to take into account all the cases that Mr. Cedarbaum  
15 mentioned. We did pull the pre-hearing conference  
16 orders in the various matters pending before the  
17 Commission and we tried to weave a schedule that  
18 would work around those hearing dates and the  
19 testimony pre-filing dates in those proceedings and  
20 still result in a Commission order by February 28th.

21           And along those same lines, I guess another  
22 docket that we looked at as being probably the most  
23 relevant to this one is the Verizon-MCI transaction.  
24 And in that case, the Commission order's expected 193  
25 days after the filing of direct testimony in that

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1 case. The schedule that I've handed out contemplates  
2 an order 195 days after the company filed its -- the  
3 joint applicants filed their testimony on July 15th.  
4 We think that is probably the most relevant  
5 proceeding to look to for guidance in terms of how  
6 long one of these approvals should take. It's the  
7 same public interest, no harm standard.

8           Joint applicants in this case, unlike  
9 Verizon-MCI, are not contesting a jurisdictional  
10 issue, so we won't be doing separate briefing or  
11 procedures having to do with arguing the Commission's  
12 jurisdiction. This transaction, in many respects, is  
13 simpler. You may be aware, MCI, the acquired company  
14 in that case, actually has operating subsidiaries in  
15 Washington, whereas MidAmerican Energy Holdings  
16 Company currently has no operations in Washington.  
17 It's a simple transaction where MidAmerican would  
18 become PacifiCorp's owner, rather than Scottish  
19 Power.

20           JUDGE MOSS: Barb is good, Mr. Van Nostrand,  
21 but could you slow down just a little bit for her?

22           MR. VAN NOSTRAND: Sorry. Too much caffeine  
23 this morning.

24           JUDGE MOSS: I guess.

25           MR. VAN NOSTRAND: The other point I guess

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1 we'd make is the availability of the electronic data  
2 room, as we noticed in our application, and the joint  
3 applicants have put up a lot of information available  
4 online, which will provide a lot of the essential  
5 background information on MidAmerican and its  
6 previous rate proceedings in the states in which  
7 MidAmerican Energy Company operates and testimonies,  
8 SEC filings, things like that.

9           And finally, I guess I'd point out that we  
10 think this application was a very robust application.  
11 It includes 60-plus commitments, picks up virtually  
12 all the commitments that were made by Scottish Power  
13 when we handled this similar deal six years ago, Your  
14 Honor. And included in those commitments are  
15 proposed committed reductions in PacifiCorp costs of  
16 more than \$36 million, including \$30 million in  
17 corporate cost charges and \$6 million in debt costs  
18 and a commitment to expend \$1.3 billion of  
19 infrastructure investment in the form of transmission  
20 projects and emission reductions.

21           So we think the joint applicants have put a  
22 lot on the table already, which would comfortably  
23 satisfy the no harm standard in Washington.

24           I guess related to the point of the  
25 standard, this notion that we should wait until Utah

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1 and Oregon decide, some state has to go first. And  
2 given that the standard in Washington is a no harm  
3 standard does make sense for this state to be one of  
4 the early states, and it should not be held up where  
5 the standard may be a higher one, such as Oregon and  
6 Utah, which is a net benefits or net positive  
7 benefits in Utah. It should be a simpler process in  
8 Washington. In fact, we think the application  
9 satisfies that no harm standard.

10 To the point that Mr. Cedarbaum makes, and  
11 it's a valid one, to the extent the commitments are  
12 changed or added upon as a result of later actions in  
13 the states, I mean, the joint applicants have made  
14 the commitment that the states will be treated  
15 equally. There won't be a penalty for going first.  
16 If you'll recall from the last transaction involving  
17 PacifiCorp, in fact, proposals did get sweetened as  
18 we worked around the states and we came back to  
19 Washington and put rate credits on the table,  
20 notwithstanding that they probably weren't necessary  
21 to meet the standard in Washington -- or meet the  
22 standard in Oregon and Utah, and the company put the  
23 same proposal on the table in all the states, and I  
24 think joint applicants have made a similar commitment  
25 here.

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1           So to address that point, there would not be  
2 a penalty sort of for going first, I think. All the  
3 states would be treated comparably and to the extent  
4 Washington can bootstrap onto the standards of the  
5 other -- the higher standards of the other states.

6           So for those reasons, Your Honor, we would  
7 ask that we take up the issue of scheduling today  
8 and, like I say, we've tried to put together a  
9 schedule that accomplishes the order by February  
10 28th, and we think there's a reason for Washington to  
11 go first and to not wait and see what Oregon and Utah  
12 does. You know, for all we know, we go to Salt Lake  
13 City tomorrow and we go to Salem on Monday. They'll  
14 say, Well, let's wait and see what Idaho does, let's  
15 wait to see what Washington does on Thursday, the  
16 5th, and it's just going to keep going around and  
17 round.

18           Some state has to go first, and we see no  
19 reason why it shouldn't be Washington. The  
20 Commission moved very quickly in setting this  
21 pre-hearing conference on a quick schedule, and we  
22 think, consistent with that, we shouldn't wait  
23 another ten days to reconvene. Thank you, Your  
24 Honor.

25           JUDGE MOSS: Thank you.

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1           MR. CEDARBAUM: Could I just respond, or  
2 would you like to hear from other parties?

3           JUDGE MOSS: If you have a response, please  
4 go ahead.

5           MR. CEDARBAUM: Just a couple of quick  
6 points. First, I am just asking for a week and a day  
7 or a week and two days to come back. And if any of  
8 Mr. Van Nostrand's concerns are valid and correct,  
9 they're not going to be harmed by that delay.

10           Secondly, I'm not suggesting that if Utah  
11 and Oregon were to say, Well, let's wait until  
12 Washington or Idaho act, that we don't meet on next  
13 Wednesday or Thursday. I mean, my proposal is that  
14 we adjourn till that date and we set a schedule. If  
15 Utah and Oregon delay because other states haven't  
16 acted, we'll still set the schedule.

17           I just think there's a benefit in waiting  
18 for those two states to set their schedules first, if  
19 they do so tomorrow and next Monday, because being  
20 the two largest jurisdictions of this company, that  
21 just has a great impact on how quickly this case  
22 needs to be processed.

23           Given all of the commitments and -- I forgot  
24 the Verizon merger case. There's another case on the  
25 Commission's plate.

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1 JUDGE MOSS: You and I aren't on that one.

2 MR. CEDARBAUM: We're not on that one, but  
3 the Commissioners are and Staff is. I just don't see  
4 the harm in waiting a few days.

5 JUDGE MOSS: Anybody else need to be heard  
6 on this?

7 MR. CROMWELL: Robert Cromwell, Your Honor.  
8 First, I would note there is no statutory deadline  
9 for the Commission's processing of this proceeding,  
10 and I think the Commission certainly, through its  
11 timing of scheduling this pre-hearing conference,  
12 clearly evidenced a desire to promptly resolve the  
13 matters brought before it, as its record reflects,  
14 and I think the company's concerns are certainly  
15 reasonable. But as far as the Commission goes, they  
16 should not be controlling on the procedural schedule  
17 adopted.

18 I have a clarifying question for the  
19 company. I'm not certain what the second entry of  
20 parties identify preliminary issues, what is  
21 specifically intended by that date, and I'd welcome  
22 clarification from Mr. Van Nostrand.

23 But my gravest concern with the proposed  
24 schedule that Mr. Van Nostrand has distributed is  
25 with the reply brief date of January 18th, which



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1 falls firmly within the hearing dates for the general  
2 rate case, which at least a good number of us in the  
3 room will be in this room during those hearings and  
4 I, for one, would not be able to devote my full  
5 attention to both a week-plus of hearings and  
6 drafting a brief, not having the benefit of a fleet  
7 of associates in a firm to provide that assistance.

8           And in terms of responsive comment to Mr.  
9 Van Nostrand's arguments, I think his round and round  
10 concerns regarding Oregon and Utah deferring  
11 scheduling to see what happens in Washington or Idaho  
12 is highly improbable. Thank you.

13           JUDGE MOSS: Anybody else want to be heard  
14 on this? All right.

15           MR. VAN NOSTRAND: Could I provide that  
16 clarification?

17           JUDGE MOSS: Oh. Well, yeah, why don't you  
18 go ahead and clarify that point.

19           MR. VAN NOSTRAND: I think our thinking was,  
20 to make that settlement conference on the 16th as  
21 productive as possible, it would be helpful to have  
22 the parties identify their concerns prior to that, so  
23 that when we come to the settlement conference, we  
24 can hopefully put proposals on the table to address  
25 those concerns. I think it makes the settlement

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1 conference more productive.

2           And I think another item the company -- or  
3 proposal the company's making in other states and  
4 would like to do so here, as well, is technical  
5 workshops at some point, probably in August, where we  
6 would make all the witnesses available. I think it's  
7 a very efficient way of conducting discovery. Sort  
8 of like clarifying cross-examination, but have the  
9 witnesses make sort of presentations of their  
10 testimony, then make them available to answer  
11 questions. We proposed that sometime in August. We  
12 don't have that as part of the schedule, but that  
13 would be another way of making the process more  
14 efficient, Your Honor.

15           JUDGE MOSS: Okay.

16           MR. CEDARBAUM: Your Honor, I should just  
17 add, if we do get to the Company's proposed schedule,  
18 then we do have -- Staff does have some problems with  
19 the schedule, particularly the front end.

20           JUDGE MOSS: All right. Well, let's take  
21 things one step at a time. I do intend to set a  
22 procedural schedule today. The Commission did make a  
23 commitment to an early pre-hearing conference with  
24 the intention that I would do so, and so I will  
25 follow through on that.

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1           I will say this. I am, one, pleased to see  
2 that the company has recognized that it is  
3 appropriate to have -- to schedule a settlement  
4 conference, which all parties will be invited to  
5 attend, fairly early on, but sufficiently far out  
6 that people will have adequate time to digest the  
7 filing and make that a meaningful opportunity.

8           The idea of identifying preliminary issues  
9 is a step along the way that does sound to me to be a  
10 useful step in terms of focusing. I don't know that  
11 we need to do that in a particularly formal way.

12           As far as the specific schedule is  
13 concerned, should settlement discussions prove  
14 fruitful, then it might be appropriate to adjust our  
15 schedule. Indeed, should settlement discussions  
16 prove not to be fruitful, it might be appropriate to  
17 adjust our procedural schedule after that if it  
18 appears that the case is going to be more difficult  
19 and contentious than originally meets the eye.

20           I would -- I will, in fact, hear about  
21 specific date problems that are present in this  
22 proposed schedule, and I will note one now, which is  
23 that the Commissioners have an apparent conflict on  
24 the 6th, 7th and 8th of December, of which no one  
25 outside of the Commission, I suspect, is aware.

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1 These things are subject to change, but currently  
2 that would pose a problem in terms of the proposed  
3 hearing dates of December 1 through 7, which picks up  
4 a weekend, I noticed. In any event, we would have to  
5 work around that until I learn more definitively  
6 whether that is a firm conflict or a soft conflict.

7 So with those ideas in mind, let me hear --  
8 Mr. Cedarbaum, you said you had some specific  
9 problems early on in this proposed schedule. Let's  
10 hear about that.

11 MR. CEDARBAUM: Yes, Your Honor. First the  
12 settlement conference in September, I would have to  
13 discuss more with Staff. That just may be too soon,  
14 given some existing commitments Staff has this  
15 summer, but I would need to confirm that.

16 The first and maybe the main conflict that I  
17 have is the October 17th date for Staff, Public  
18 Counsel, Intervenor testimony. October is PCORC  
19 month for me. There are hearings and two rounds of  
20 brief in that month, two rounds of briefs in that  
21 month, so meeting an October 17th deadline to file a  
22 Staff case in this proceeding is -- I don't know if  
23 it's impossible, but it's sure hard.

24 So I would suggest that if we're going to  
25 set a schedule, which it appears we are, that we

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1 would have to let the Staff, Intervenor testimony  
2 pre-filing date slip into, you know, the middle-ish  
3 part of November and then back up the schedule from  
4 there.

5 I would add, though, that I personally think  
6 that we can do that by removing a reply brief. I  
7 don't think we have to have reply briefs. They're  
8 nice to have, but they're not necessary all the time.  
9 Parties do have the opportunity to file for  
10 reconsideration of the Commission order if there's  
11 something that they believe they need to correct in  
12 the order.

13 So my suggestion would be to put aside the  
14 settlement conference idea for now, but certainly  
15 have a settlement conference, and then let the  
16 October date slip enough into November that I can  
17 regroup, and then have the schedule slip accordingly.  
18 I think that would still meet the February 28th time  
19 frame.

20 Now, I say that knowing that there's this  
21 block of hearings for the PacifiCorp rate case in the  
22 middle of January, and I think letting the schedule  
23 slip, we would have to work around that for the  
24 hearings. And that's probably a problem for Mr. Van  
25 Nostrand and Mr. Cromwell and I believe Mr. Perkins,

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1 as well, but not for me.

2 MR. PERKINS: Your Honor, this is Matt  
3 Perkins. I would just note that that October 17th  
4 date is problematic for us. In addition to the PCORC  
5 events that are scheduled during that, that is the  
6 first day of the Avista general rate case hearing and  
7 we also have a -- ICNU has a hearing in Oregon  
8 scheduled for that day, as well. So we would fully  
9 support the idea of moving Staff, Public Counsel and  
10 Intervenor testimony to mid-November if that is at  
11 all possible.

12 MR. CROMWELL: Your Honor, Robert Cromwell.  
13 At the risk of adding to the list of woes, I would  
14 note that the PacifiCorp general rate case, Staff,  
15 Public Counsel and Intervenor testimony is due  
16 November 3rd, and I think it makes -- it would be  
17 best if that -- the testimony in this proceeding were  
18 not due that same week.

19 I would disagree with my colleague, Mr.  
20 Cedarbaum, to the extent that I do like my reply  
21 brief, and would advocate for its retention. And  
22 with the clarification Mr. Van Nostrand provided  
23 regarding what he intended with the preliminary issue  
24 identification date, I would ask that the Commission  
25 not place that date in the procedural calendar as a

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1 requirement for a range of reasons, which I can  
2 specify if you'd like, but in general I think it can  
3 be helpful if the proceeding and the nature of the  
4 settlement discussions are such that that type of  
5 exchange of information is fruitful, but as you well  
6 know, settlement negotiations are just that, a  
7 negotiation, and sometimes it is not in one's  
8 interest to play the hand with the deck up, as it  
9 were.

10 JUDGE MOSS: Well, I see this is a difficult  
11 fall and winter that we're facing as a Commission,  
12 and some of the parties are similarly so involved in  
13 these various matters that they also will have some  
14 scheduling difficulties. And while the company's  
15 schedule is clearly designed with the other matters  
16 in mind, I certainly see the problem with the October  
17 17th date.

18 I like your suggestion, Mr. Cedarbaum, to  
19 eliminate the reply brief as a means of purchasing 21  
20 days of flexibility. It is probably foolish to say  
21 so, but it strikes me that there may be some  
22 additional flexibility in terms of the time set aside  
23 for the Commission's order, perhaps as much as two  
24 weeks.

25 MR. CEDARBAUM: Your Honor, I would also

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1 add, I -- we never know at this point, but my guess  
2 is that we would not need a full week of hearing time  
3 for this case. That might add, as well.

4 JUDGE MOSS: I think that is a good  
5 observation, as well. So what I'm going to do is I'm  
6 going to go off the record and give the parties an  
7 opportunity to discuss this scheduling matter among  
8 themselves, taking fully into account the various  
9 conflicts that people have identified and may  
10 identify in that informal discussion. We'll also  
11 give Staff an opportunity to confer with its client,  
12 who is represented in the room. Of course, the  
13 company's client is also represented in the room. So  
14 I see some benefit to that.

15 Mr. Purdy is on the bridge line, so we'll  
16 leave that on so that he can be involved in the  
17 conversation, as well. I can give you whatever time  
18 you would like, but I would suggest that, what, 15  
19 minutes or 20 minutes would be adequate.

20 MR. CEDARBAUM: How about if you return at a  
21 quarter to or somebody will come get you sooner.

22 JUDGE MOSS: All right. I'll check in with  
23 you all at 10:45. And if you're not ready, all you  
24 have to do is tell me and I will go occupy myself  
25 again. Or if you finish early, you can come get me.



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1 I'll plan to be in my office.

2 MR. CEDARBAUM: Your Honor, do you have, in  
3 December and January, do you have the available dates  
4 for hearings so that we can -- we're not shooting in  
5 the dark on this discussion?

6 JUDGE MOSS: Yeah, and as I said, I'm not  
7 sure that this conflict that I see on my calendar --  
8 it's no secret. It's EPRI meeting in Palo Alto,  
9 California. The Commission sometimes sends one  
10 Commissioner, sometimes more, sometimes I think this  
11 meeting can be missed. I don't know. I'll have to  
12 check with them, obviously, but that is on my  
13 calendar the 6th, 7th and 8th of December. So that  
14 week may be a possibility. The week of the 12th  
15 appears to be available.

16 MR. CROMWELL: The week of January 12th?

17 JUDGE MOSS: No, December 12th. I'm looking  
18 at the hearing dates. The week of the 19th appears  
19 to be available.

20 MR. CEDARBAUM: That's, again, December?

21 JUDGE MOSS: I'm still in December. The  
22 following week involves Christmas and the  
23 Christmas/New Year's period, so that's probably not  
24 the best week, but it is available, the 26th being a  
25 state holiday to celebrate my birthday, or perhaps

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1 it's Christmas, I'm not sure.

2 Let's see. After that, things look grim.

3 We have the first week of January, when we'll be  
4 doing our final pre-hearing matters in anticipation  
5 of the PacifiCorp rate case. That begins on the 9th.  
6 I suspect we have more time scheduled for that case  
7 than it will require. I'll go so far as to say I  
8 hope so. But it is scheduled from the 9th through  
9 the 20th.

10 So I think the parties should look at  
11 something in December in terms of a hearing.

12 MR. CEDARBAUM: Okay.

13 JUDGE MOSS: And then, again, taking  
14 holidays into account, so on, so forth, I think that  
15 just one round of briefing will be sufficient in this  
16 proceeding. So that gives a little flexibility there  
17 at the end.

18 Is there any other information I can give  
19 you that -- I realize that wasn't real helpful, but  
20 --

21 MR. CEDARBAUM: No, I think it was helpful,  
22 because we know we're working with December for  
23 hearings.

24 JUDGE MOSS: Yeah, try to work with December  
25 for a hearing.

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1           MR. VAN NOSTRAND: Your Honor, how much time  
2 do you think we should allow between that brief and  
3 the Commission order, working back?

4           JUDGE MOSS: If you can give us four weeks,  
5 that would be good. I'll be writing other orders  
6 during that period. And I notice that the Avista  
7 suspension date is February 28th. I'm presiding in  
8 that case. However, I have a co-presiding officer in  
9 that case, and so that may give me some flexibility.  
10 We will certainly do our best to work with everyone  
11 and, again, if events transpire such that there is a  
12 need identified in a week or two or a month or six  
13 weeks to adjust the procedural schedule, and  
14 particularly if it's something to which all parties  
15 agree, then we'll certainly do our best to  
16 accommodate that, as well.

17           And of course, we will be able to take into  
18 account at that point in time any scheduling that's  
19 occurred in Utah or Oregon or elsewhere that might  
20 influence us down the line.

21           So do we have enough information now to go  
22 off the record for the parties to have a fruitful  
23 discussion on this and hopefully arrive at some sort  
24 of an agreement so that we don't have to belabor this  
25 all morning?

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1 MR. CEDARBAUM: Yes.

2 MR. CROMWELL: Yes, Your Honor.

3 JUDGE MOSS: Okay. Great. Then let's go  
4 off the record. And I'll still plan to check in with  
5 you all at 10:45. We're off.

6 (Recess taken.)

7 JUDGE MOSS: Let's be back on the record.  
8 And from whom will we have a report? Mr. Cedarbaum.

9 MR. CEDARBAUM: I'll give it a shot. Your  
10 Honor, we did discuss the procedural schedule and  
11 reached agreement on a proposal. The first two dates  
12 concern settlement discussions, so I don't know that  
13 they need to be on the formal schedule, but the  
14 parties have committed to them.

15 On September 15th, we will meet to have what  
16 we call a technical conference on an informal basis,  
17 for the company to explain and answer questions from  
18 the parties sort of in discovery mode. On October  
19 13th and 14th, we will meet for settlement  
20 discussions. Again, those first two dates I don't  
21 think are necessarily ones that need to be in the  
22 schedule, procedural schedule in your order, but we'd  
23 want to make you aware of them.

24 The next date would be November 14th, the  
25 Staff, Public Counsel and Intervenors will file their

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1 direct cases. Again, that's November 14th. On  
2 November 28th, the company will file its rebuttal  
3 case.

4 On December 19th to 22nd, we would request  
5 hearings, and January 30th would be the date for  
6 filing closing briefs with no reply briefs.

7 We also agreed, with respect to discovery  
8 matters, that beginning with the Staff and Public  
9 Counsel, Intervenor pre-filing on November 14th, that  
10 we would reduce the turnaround time for data request  
11 responses from ten business days to five business  
12 days, and that parties should have their data  
13 requests received by the responding party by noon of  
14 the date that they submit the data request in order  
15 for that to be considered the first day of that five  
16 business day time frame. Otherwise, it kicks into  
17 the next day as the first day.

18 JUDGE MOSS: Okay.

19 MR. CEDARBAUM: That is our agreement.

20 JUDGE MOSS: And that being an agreement,  
21 I'll get to say something I've wanted to say for  
22 years, make it so. All right. We'll make that the  
23 schedule, then, and I will publish these dates as  
24 part of the pre-hearing order, understanding that the  
25 parties will have some flexibility on those first

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1 couple of the dates if they need it. Nothing formal  
2 will need to be done, but I just want to note it.  
3 For purposes of the order, I'll probably drop a  
4 footnote or something to that effect.

5 As far as the discovery, I think that's  
6 fine. I believe I captured the point. If the data  
7 request is received by noon, that counts as the first  
8 day in the five-day turnaround.

9 Okay. Very good. Well, I compliment the  
10 parties on being able to achieve that quickly and  
11 cooperatively and am hopeful that the spirit of  
12 cooperation will carry forward as we go on with this  
13 proceeding and keep the wheels of justice turning  
14 smoothly through the fall and the winter, that we all  
15 face certain challenges during as a result of other  
16 pending business.

17 Anything else before I make a few closing  
18 remarks? All right. The closing remarks are these.  
19 On paper filings, we'll need the original and 15 in  
20 this case for internal distribution purposes. Please  
21 remember that all filings must be made through the  
22 Commission's secretary. I'm not going to repeat the  
23 mail address. You all have that. Please do  
24 remember, however, that for filings of substance, we  
25 require an electronic copy in addition to paper copy.

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1 That would be testimony, briefs, motions, answers,  
2 that sort of thing.

3 As far as any documents that contain  
4 confidential or highly confidential information, the  
5 documents that actually display that information  
6 should be filed in pdf, .pdf read only format.  
7 Redacted versions, however, should be supplemented by  
8 a filing in Word or WordPerfect to facilitate our use  
9 of those documents internally.

10 I will enter a pre-hearing conference order  
11 in the next day or so to memorialize the various  
12 things we have done today. We may have a final  
13 pre-hearing conference a few days before any  
14 evidentiary hearing that is required ultimately in  
15 this case, or we may mark and exchange cross  
16 examination exhibits by mail or courier, as we have  
17 done in several cases in the recent past with  
18 considerable success.

19 However, if there is other pending business  
20 shortly before the hearing, in terms of motions and  
21 that sort of thing, we probably will have that  
22 conference so as to maximize the efficient use of our  
23 time during hearing.

24 If there's nothing further, apparently there  
25 is not, then I thank you all for being here this

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1 morning and I look forward to working with you as we  
2 bring this docket to a close next year or sooner.

3 MR. CROMWELL: Thank you, Your Honor.

4 MR. MOENCH: Thank you.

5 JUDGE MOSS: Thank you.

6 (Proceedings adjourned at 10:53 a.m.)

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