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STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA
Before Commissioners: Stephen McAlpine, Chairman
Paul F. Lisankie
Rebecca L. Pauli
Robert M. Pickett
Janis W. Wilson
In the Matter of the Joint)
Application Filed by Hydro One)
Limited and Avista Corporation for) U-17-097
Authority for Hydro One Limited to)
Acquire a Controlling Interest in)
ALASKA ELECTRIC LIGHT & POWER COMPANY)
_____)

REGULATORY COMMISSION OF ALASKA
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501

PREHEARING CONFERENCE
March 15, 2018
9:35 a.m.

BEFORE JAMES L. WALKER
Administrative Law Judge

1 APPEARANCES:

2 For Hydro One Limited:

3 K&L GATES, LLP
4 925 Fourth Avenue, Suite 2900
5 Seattle, Washington 98104
6 BY: KARI LEE VANDER STOEP

7

8 For Avista Corporation:

9

10 KEMPPPEL, HUFFMAN & ELLIS, P.C.
11 225 East Fireweed Lane, Suite 200
12 Anchorage, Alaska 99503
13 BY: DEAN THOMPSON
14 JONATHON GREEN

15

16 For the City and Borough of Juneau:

17

18 MCDOWELL RACKNER GIBSON, PC
19 419 SW 11th Avenue, Suite 400
20 Portland, Oregon 97205
21 BY: KIRK H. GIBSON

22

23 Also Present:

24

25 Adele Pantusa (telephonic)
Liz Andrews (telephonic)
Connie Hulbert (telephonic)
Casey Fielder (telephonic)
Annette Brandon (telephonic)
Alec Mesdag (telephonic)

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1 P R O C E E D I N G S

2 (On record - 9:35 a.m.)

3 ALJ WALKER: On record, please.

4 Good morning, it is approximately 9:35 a.m. on
5 March, 15, 2018, in the Commission's east hearing
6 room in Anchorage, Alaska.

7 This is the time and place set for
8 a prehearing conference in Docket U-17-097
9 entitled: In the Matter of the Joint Application
10 Filed by Hydro One Limited and Avista Corporation
11 for Hydro One Limited to Acquire a Controlling
12 Interest in Alaska Electric Light & Power Company.

13 James L. Walker, administrative law
14 judge for the Commission preceding. This
15 prehearing conference was set by Order Number 3
16 issued in Docket U-17-097 on March 9, 2018.

17 The purpose of this conference is
18 to establish a procedural schedule and address
19 other procedural issues relevant to the resolution
20 of this matter.

21 This conference is being recorded,
22 and a transcript will be prepared and available on
23 the Commission's website within approximately the
24 next week.

25 With Order 3 in this docket, the

1 Commission established the start of this
2 prehearing conference as the due date for
3 petitions to intervene.

4 To the best of my knowledge, the
5 Commission has not received any additional
6 petitions to intervene. And if that is true, the
7 parties in this proceedings are Hydro One Limited,
8 Avista Corporation, and the City and Borough of
9 Juneau.

10 At this time I'd like to have
11 representatives of the parties identify
12 themselves, their client, and any client
13 representatives or co-counsel with them or on the
14 telephone, starting with Hydro One Limited.

15 MS. VANDER STOEP: Good morning,
16 Your Honor, I'm Kari Vander Stoep with K&L Gates,
17 and I'm representing Hydro One Limited. And on
18 the phone is assistant general counsel for Hydro
19 One Limited, Adele Pantusa.

20 ALJ WALKER: Thank you. Avista
21 Corporation?

22 MR. THOMPSON: Good morning, Dean
23 Thompson with the law firm of Kemppe, Huffman &
24 Ellis representing Avista Corporation, and with me
25 is Jonathon Green from our firm.

1 And I'm not sure who all from
2 Avista is on the telephone, perhaps if you could
3 ask them to introduce themselves.

4 ALJ WALKER: Can we have anyone
5 from Avista or -- or --

6 MR. THOMPSON: AEL&P.

7 ALJ WALKER: -- AEL&P who's on the
8 phone identify themselves for the record, please.

9 MS. ANDREWS: Yes, this is Liz
10 Andrews from Avista, and included here with me
11 is --

12 MS. FIELDER: Casey Fielder with
13 Avista.

14 MS. BRANDON: And Annette Brandon
15 with Avista.

16 MS. HULBERT: For AEL&P, Connie
17 Hulbert and Alec Mesdag.

18 ALJ WALKER: Thank you. And now
19 for the City and Borough of Juneau?

20 MR. GIBSON: Thank you. Kirk
21 Gibson from McDowell Rackner and Gibson on behalf
22 of the City and Borough of Juneau.

23 ALJ WALKER: Are there any members
24 of the public in the -- in attendance who would
25 like to identify themselves for the record? And I'm

1 not seeing anyone jumping up and down to do that.
2 Is there anyone on the phone who would like to
3 identify themselves for the record?

4 Okay. Despite many requests and
5 comments for the evidentiary hearing to be held in
6 this proceeding in Juneau, budgetary constraints
7 require the hearing to be in Anchorage.

8 I don't know if that effects the
9 plans of the parties and wanted to inform the
10 parties of this reality early on.

11 Do the parties have a proposed
12 procedural schedule or would they like to take a
13 break and discuss this amongst themselves?

14 MR. THOMPSON: We have been in
15 communication about a proposed procedural
16 schedule, and I think we may be close, and so a --
17 a brief recess may be helpful.

18 ALJ WALKER: Okay. Then it is
19 9:20 -- 9:39 a.m., March 15, 2018. We'll go off
20 record for the parties to consult on a procedural
21 schedule. Thank you.

22 (Off record.)

23 ALJ WALKER: Okay. We are back on
24 record in Docket U-17-097, the prehearing
25 conference scheduled for March 15, 2018. It is

1 approximately 10:02 a.m., and it's my
2 understanding that the parties have a proposed
3 procedural schedule.

4 MR. THOMPSON: Yes, Your Honor.
5 And the -- before I get to the details of the
6 schedule, this schedule will -- proposes a
7 four-day hearing beginning on April 30th and
8 concluding on May 3rd.

9 ALJ WALKER: Okay. And I have got
10 the April to May calendar up for the Commission,
11 and there appears to be no conflicts with that.

12 MR. THOMPSON: And the document
13 that you have in front of you, Your Honor, the
14 hearing dates, it says Monday, April 30th through
15 Wednesday, May 3rd. That's -- actually it should
16 be through Thursday, May 3rd.

17 ALJ WALKER: I shall make that
18 correction.

19 MR. THOMPSON: And -- and, again,
20 before I go into the details of the schedule, this
21 hearing date would have the hearing concluding on
22 May 3rd. And the current statutory timeline ends
23 May 20th.

24 And as part of this schedule, the
25 parties would propose and consent to an extension

1 of the statutory timeline from May 20th to
2 June 4th, which would provide --

3 ALJ WALKER: June 4th or July?

4 MR. THOMPSON: June 4th.

5 ALJ WALKER: You've got order
6 issued July 2nd, that would be after the statutory
7 timeline.

8 MR. THOMPSON: Yes, that -- that is
9 incorrect. That's one of the things that we're
10 changing here.

11 ALJ WALKER: Okay.

12 MR. THOMPSON: Order issued will --
13 should say Monday, June 4th.

14 ALJ WALKER: Okay. So that's June
15 4.

16 MR. THOMPSON: And which,
17 incidentally, Your Honor, that -- that extension
18 to June 4th would provide the Commission with
19 32 days after the conclusion of the hearing before
20 the end of the statutory timeline.

21 MR. GIBSON: Excuse me, before the
22 order is issued. The statutory time frame, right
23 now, is May 20.

24 MR. THOMPSON: Right, and -- well,
25 we're using different language. What -- how I

1 would characterize it, the -- is that the current
2 statutory timeline is May 20th.

3 We are proposing to extend that
4 statutory timeline to June 4th, and that statutory
5 timeline is the date by which the Commission is
6 required to issue a final order.

7 ALJ WALKER: Okay. Before we go
8 any further, I would like to get on the record
9 whether or not all the parties agree to the -- or
10 consent to this extension, starting with Hydro
11 One.

12 MS. VANDER STOEP: Yes, Your Honor,
13 we consent to this.

14 ALJ WALKER: Avista?

15 MR. THOMPSON: Yes, Your Honor, as
16 part of this procedural schedule, yes, we do.

17 ALJ WALKER: And, Mr. Gibson, for
18 City and Borough?

19 MR. GIBSON: Yes. Yes.

20 ALJ WALKER: Thank you. Okay. So
21 we have that consent. Do you want to go through
22 the schedule now?

23 MR. THOMPSON: Yes. First of all,
24 we -- the City and Borough of Juneau can begin
25 discovery regarding the applicant's application

1 today. So we -- discovery at -- I don't know that
2 that needs to be in the schedule, but -- but
3 discovery would open today.

4 And then we would envision that the
5 applicants, Hydro One and Avista, will submit
6 prefiled direct testimony by March 23rd.

7 ALJ WALKER: This is in addition to
8 the testimony that was filed with the application?

9 MR. THOMPSON: There was no
10 prefiled testimony filed with the application
11 here, there were in other states --

12 ALJ WALKER: Okay. That --

13 MR. THOMPSON: -- so we would --

14 ALJ WALKER: -- that's where I saw
15 it.

16 MR. THOMPSON: Yeah.

17 ALJ WALKER: Okay. Thank you.

18 MR. THOMPSON: And then --

19 ALJ WALKER: Proceed.

20 MR. THOMPSON: Okay. And I'll skip
21 the settlement conferences since -- but the -- the
22 last day for the CBJ to propound discovery
23 regarding direct testimony is March 30.

24 ALJ WALKER: Okay. So the end date
25 is the last day to propound?

1 MR. THOMPSON: Yes.

2 ALJ WALKER: Okay.

3 MR. THOMPSON: And then the
4 intervenor test- -- intervenor responsive
5 testimony is due April 6th. And discovery opens
6 on intervenor testimony, also on April 6th.

7 The last day to propound discovery
8 regarding intervenor testimony is April 11th, and
9 Hydro One and Avista's prefiled reply testimony
10 would be due April 17th. Then witness lists --

11 ALJ WALKER: Excuse me,
12 Mr. Thompson, I --

13 MR. THOMPSON: Yes.

14 ALJ WALKER: -- I see no discovery
15 on the reply testimony. Is that an omission or is
16 that intentional?

17 MR. THOMPSON: I believe that is an
18 omission.

19 MR. GIBSON: Yeah, I think we --

20 MR. THOMPSON: So April 17th, so we
21 would -- yes, we should probably discuss that and
22 insert that. We thought we had it.

23 ALJ WALKER: Do you want a moment
24 to do that?

25 MR. THOMPSON: Yes.

1 ALJ WALKER: Okay. Do you need me
2 to leave the room?

3 MR. THOMPSON: I don't think so.

4 ALJ WALKER: No, off record,
5 please, at 10:08 a.m. This will be a short
6 recess.

7 (Off record.)

8 ALJ WALKER: Okay. Back on record
9 in Docket U-17-097, the prehearing conference
10 scheduled for March 15, 2018. And the parties are
11 ready to present further information on their
12 proposed schedule.

13 MR. THOMPSON: Yes. So the last
14 date I mentioned was applicant's reply testimony
15 due on April 17th. Discovery regarding
16 applicant's reply testimony will open on
17 April 17th and will close on April 20th, meaning
18 the last day to propound.

19 ALJ WALKER: Okay.

20 MR. THOMPSON: And witness lists
21 and any prehearing motions would be due
22 April 27th.

23 ALJ WALKER: And I am to assume
24 that would include any discovery motions?

25 MR. THOMPSON: Yes.

1 ALJ WALKER: Okay.

2 MR. THOMPSON: And then hearing
3 dates of April 30th through May 3rd. And we have
4 agreed on -- to hold three dates open for
5 settlement conference among the parties.

6 We are not asking for Commission
7 supervision or participation in that, so I don't
8 know that it needs to be in the procedural
9 schedule. But the parties have agreed to those,
10 and that is listed here.

11 And then as far as discovery, this
12 schedule is expedited, and we are agreeing to
13 depart from the Commission's discovery regulations
14 with respect to when discovery responses are due.

15 The parties are agreeing to serve
16 discovery within three calendar days of receipt of
17 a discovery request. And so that will include --
18 if a due date falls on a Saturday, we will be
19 serving discovery on a Saturday.

20 ALJ WALKER: Okay. And with
21 regards to the procedural schedule, the panel is
22 actually upstairs adjudicating other matters.

23 If you want, I can go upstairs and
24 ask for their approval and give an oral approval
25 on the record. We would have to take a brief

1 recess while I do that.

2 MR. THOMPSON: Yes, that would be
3 great.

4 MS. VANDER STOEP: That would be
5 great.

6 MR. GIBSON: Certainly.

7 ALJ WALKER: Mr. Gibson? Okay.
8 Then let us go off record in Docket U-17-097. It
9 is approximately 10:13 a.m. Thank you.

10 (Off record.)

11 ALJ WALKER: Back on record in
12 Docket U-17-097, the prehearing conference on
13 March 15, 2018. It is approximately 10:32 a.m.

14 And I have met with the Commission
15 panel, and they have agreed to accept the proposed
16 schedule by the parties as the procedural schedule
17 for this docket, including the consent for
18 extension of the statutory timeline.

19 And I will -- that's accepted. But
20 I will issue an order -- a written order, but the
21 parties can proceed with its acceptance. And with
22 that, I believe that leads us to the confidential
23 discovery issue.

24 MR. THOMPSON: Yes, Your Honor, and
25 we -- we are going on the assumption that there

1 are no other petitions to intervene. If there
2 ends up being another petition to intervene, and
3 particularly if it's by an unincorporated
4 association, then we may need to request an
5 adjustment.

6 But assuming that that does not
7 occur, the parties have agreed that Order Number 3
8 in Docket U-16-086 would be acceptable to be
9 issued in this docket. And that order --

10 ALJ WALKER: I'm sorry, that was
11 U-16?

12 MR. THOMPSON: U-16-086, Order
13 Number 3. And that was AEL&P's most recent base
14 rate rate case. And so the parties would request
15 that an order governing confidential discovery
16 material be issued in this docket that uses the
17 provisions of that order.

18 ALJ WALKER: That follows that
19 format.

20 MR. THOMPSON: Yes.

21 ALJ WALKER: Okay. And --

22 MR. GIBSON: Your Honor?

23 ALJ WALKER: -- since I drafted
24 that one, I can't object too much to it, but --

25 MR. GIBSON: We were hoping you

1 would say that. But, Your Honor, in -- and to
2 accommodate this schedule, applicants have been
3 willing to share some documents in advance should
4 your order be delayed in publication.

5 So I would like to represent on the
6 record that I will follow the spirit in the letter
7 of U-16-086(3) regarding confidentiality of
8 discovery.

9 And I will be the only one that
10 sees it until the order, just to -- I want to make
11 it clear that I appreciate the applicant's
12 willingness to share documents in advance. That
13 helps us with this -- accommodating the schedule
14 that we've done, and we'll look forward to working
15 hard.

16 ALJ WALKER: Thank you, Mr. Gibson.
17 And it will take a little time to publish an
18 order, so --

19 MR. GIBSON: Got it.

20 ALJ WALKER: And as far as the
21 issue of petitions to intervene, one of the
22 reasons we started a little late this morning was
23 because I asked our records and filing people to
24 contact me at 9:30.

25 And you may not have seen Melissa

1 do that, but she did, and we had no petitions
2 filed as of 9:30 this morning. So any petitions
3 that might be filed will be late, and we'll have
4 to deal with that under the procedures for late
5 filings.

6 MR. THOMPSON: Okay.

7 ALJ WALKER: With that, are there
8 any other discrete issues the parties believe
9 could or should be taken up at this conference?

10 MR. GIBSON: Your Honor, I have one
11 thing to bring up. And while I appreciate your
12 comments about the budgetary constraints of the
13 Regulatory Commission of Alaska, I was prepared to
14 make a motion for -- to hold the hearings in
15 Juneau.

16 I think it's very important for the
17 people of Juneau to have the proceedings down
18 there. I believe it's a minor burden for the
19 applicants and other parties, and indeed, AEL&P is
20 in Juneau.

21 And I went ahead and checked on the
22 potential hearing dates, and there is a room for
23 accommodations.

24 Now, I accept what your
25 representation is, and I just have to confer with

1 my clients as to how they might proceed. But we
2 might have to -- I might be filing a motion to
3 encourage the Commission to find some dollars
4 somewhere, and I just wanted to alert you to that.

5 And I appreciate your
6 representation at the beginning about the budget,
7 and that's all. I just wanted -- I didn't want
8 to -- I wanted you to be aware that I was
9 definitely prepared to do that. I accept your
10 representation. I just need to confer with my
11 client.

12 ALJ WALKER: And if you choose to
13 file a motion, you don't have to wait till the
14 motion deadline to file it, you can do it before
15 then.

16 MR. GIBSON: Oh, thank you.

17 ALJ WALKER: Yes, the -- you know,
18 whatever you file the Commission will consider.
19 You know, it's, I guess a little sad to say we're
20 approaching the end of the fiscal year. Anything
21 else from the parties?

22 MR. GIBSON: No, but I just want to
23 say I appreciate the applicants and their
24 flexibility.

25 ALJ WALKER: Okay. With that, I

1 will remind the parties -- and I realize that at
2 least two of the counsel here have heard this
3 before -- that there's been a problem with hearing
4 exhibits being introduced with print too small to
5 be legible for the Commissioners, and so I ask the
6 parties to consider reviewing font size used in
7 all exhibits for legibility, particularly taking
8 into consideration that the exhibit may be scanned
9 and reprinted a time or two between when it's
10 filed and when it actually gets to the
11 Commissioners.

12 Is there anything else to be
13 addressed on the record of this conference?
14 Hearing nothing, I adjourn this conference.

15 It is approximately 10:40 a.m. on
16 March 15, 2018. Thank you all for participating,
17 and to the folks on the telephone also. Thank
18 you.

19 MR. GIBSON: Thank you.

20 MR. THOMPSON: Thank you, Your
21 Honor.

22 ALJ WALKER: Off record.

23 (Hearing adjourned - 10:40 a.m.)
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TRANSCRIBER'S CERTIFICATE

I, Brooklende D. Leavitt, hereby certify
that the foregoing pages numbered 94 through 112
are a true, accurate, and complete transcript of
the Prehearing Conference of the Regulatory
Commission of Alaska, Docket U-17-097, held on
March 15, 2018, transcribed by me from a copy of
the electronic sound recording to the best of my
knowledge and ability.

_____	_____
Date	Brooklende D. Leavitt, Transcriber