

Service Date: September 8, 2015

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF MONTANA-) REGULATORY DIVISION
DAKOTA UTILITIES CO., a Division of)
MDU Resources Group, Inc., for Authority) DOCKET NO. D2015.6.51
to Establish Increased Rates for Electric)
Service) ORDER NO. 7433

PROCEDURAL ORDER

1. On June 25, 2015, Montana-Dakota Utilities Co. (MDU), a Division of Montana-Dakota Resources Group, Inc., filed its application with the Montana Public Service Commission (Commission) seeking approval of increased electricity rates for service to its Montana customers. MDU's proposed rates would provide an additional \$11,755,752 of annual revenue, a 21.1% increase overall.

2. The Commission issued a *Notice of Application and Intervention Deadline* on July 8, 2015, and granted intervention to the Montana Consumer Counsel, The Alliance For Solar Choice, and Montana Large Customer Group on August 6, 2015.

3. The Commission, through delegation to staff, hereby establishes the Procedural Order (Order) to be followed in this proceeding. This Order is effective immediately and remains effective unless modified by the Commission or staff. Nothing in this Order limits the right of the Commission or its staff to inspect the books, accounts, papers, records and memoranda of MDU at any time. Mont. Code Ann. § 69-3-106 (2013). A party may seek reconsideration of this Order within ten (10) days of its service date. Admin. R. Mont. 38.2.4806 (2014).

Schedule

4. This Order sets the following procedural schedule for this Docket:

- (a) October 21, 2015: Final day for data requests to MDU related to its Application.

- (b) November 4, 2015: Final day for MDU to respond to data requests issued on October 21, 2015. *See infra* ¶ 8.
- (c) November 20, 2015: Final day for intervenor testimony.
- (d) December 3, 2015: Final day for the Commission to identify additional issues.*
- (e) December 7, 2015: Final day for data requests to intervenors.
- (f) December 21, 2015: Final day for intervenors to respond to data requests issued on November 12, 2015. *See infra* ¶ 8.
- (g) January 12, 2016: Final day for MDU to file rebuttal testimony and for intervenors to file cross-intervenor response testimony.
- (h) January 20, 2016: Final day for written discovery to MDU about its rebuttal testimony and written discovery to intervenors about cross-intervenor response testimony.
- (i) January 29, 2016: Final day for MDU's responses to written discovery about its rebuttal testimony and intervenors' responses to written discovery about cross-intervenor response testimony. *See infra* ¶ 8.
- (j) February 4, 2016: Deadline for pre-hearing memorandum.
- (k) February 9, 2016: Hearing commences and continues from day-to-day as necessary.
- (l) March 25, 2016: Final day for Commission to issue an order.

* If the PSC identifies additional issues it will issue a modified procedural order and schedule, likely changing some of deadlines e through j.

Service and Filing

5. A party must serve a copy of every pleading, motion, brief, objection, data request or response, and other document it files in this proceeding on every other party. Upon e-filing a document with the Commission, the filing party must email a copy of the document to counsel of record. In order to file a document with the Commission, a party must: (1) Submit the document electronically (e-file) on the Commission's website at <http://psc.mt.gov> ("Account Login/Registration" under "Electronic Documents" tab); and (2) physically deliver or mail the original document to the Commission at 1701 Prospect Avenue, P.O. Box 202601, Helena,

Montana 59620-2601. The Commission will not post an e-filed document to its website until it receives the original from the filing party. Upon posting a Commission-generated document to the website, the Commission will e-mail the document to counsel of record. Service or filing by means of facsimile is prohibited. Service by mail does not extend a deadline.

Intervention

6. The deadline for intervention in this proceeding was September 12, 2014. An entity seeking late intervention must file a petition to intervene setting forth: (1) The general position that it intends to take; (2) a legally protectable interest directly affected by this proceeding; (3) whether late intervention would delay the proceeding or prejudice another party; and (4) good cause for not having filed a timely petition. Late intervention will become effective only upon action of the Commission.

Discovery

7. “The exchange of information among parties pursuant to data requests is the primary method of discovery in proceedings before the [C]ommission.” Admin. R. Mont. 38.2.3301(2). The Commission directs parties to use the following guidelines for data requests:

- (a) Assign a unique, consecutive number to each data request (e.g., MCC-001), regardless of the party to whom the request is directed (e.g., the Commission may direct PSC-001 through 008 to MDU, PSC-009 through 016 to MCC, and PSC-017 through 019 again to MDU).
- (b) At the beginning of each data request, consistently describe its subject in five words or less. In addition, a party may direct the request to a particular witness or include citations to exhibits or testimony.
- (c) For multi-part requests, use lower case letters (a-e) to denote up to five parts.
- (d) The following is an example of an acceptable data request:

PSC-006 RE: Purchased Gas Contracts
Witness Doe, JBD-4:13-15.

- a. What risks of bypass would be avoided by the shareholders as a result of the company's proposed treatment?
- b. What risks of bypass would be avoided by the ratepayers as a result of the company's proposed treatment?

8. Parties must respond to data requests within fourteen (14) calendar days of the service date of the data request or by the deadline to respond, whichever is earlier.

9. A party may file an objection to a data request within ten (10) calendar days from service or by the deadline to respond, whichever is earlier. Objections must be sufficiently specific for the Commission to adequately rule on whether to sustain or object. The responding party need not object if an answer has been provided to a discovery request. If the requesting party finds the response inadequate, they may file a motion to compel. *See infra* ¶ 13. Only objections based on discoverability will be considered; objections on admissibility will be overruled. The failure to object to a data request does not waive the right to subsequently object to the admissibility of the information provided in response. If a party objects based on privilege, it must file a privilege log by the deadline to respond with enough information for the Commission to determine whether the privilege applies. The Commission may schedule oral argument before ruling on an objection.

10. If a data request asks for trade secret information, the responding party must file a motion for a protective order as soon as practicable, but no later than the deadline to respond to the data request.

11. Before filing a motion for an extension to respond or object to a data request, the party requesting the extension must ask the entity that issued the data request to waive the applicable response deadline and agree to the extension (specifying the new deadline and particular data request(s) for which the extension is sought) within seven (7) calendar days of the service date of the data request. The entity that issued the data request should agree to extensions related to data requests that seek the production of documents or additional analyses unless doing so would unduly delay a subsequent deadline.

12. A party may submit a data request after a deadline established in this Order either by agreement of the parties or with approval of the Commission upon a showing of good cause that addresses why the discovering party missed the deadline.

13. If a response to a data request fails to answer the request, the discovering party may move within seven (7) calendar days after service of the response for an order compelling an answer. The motion, which the party must file with the Commission and serve on all parties, must identify the relief requested. The responding party may file a brief in opposition within fourteen (14) days of service of the motion to compel. The Commission may schedule oral

argument before ruling on a motion to compel, and will set a new response deadline if it grants the motion.

14. In response to a party's failure to answer a data request, the Commission may: (1) Refuse to allow it to support or oppose related claims; (2) prohibit it from introducing related evidence; (3) strike pleadings, testimony, or parts thereof; (4) stay the proceeding until the request is satisfied; or (5) dismiss the proceeding, or parts thereof.

15. In order to promote the efficiency of the administrative process, staff attorney Laura Farkas will act as examiner for the limited purpose of disposing of discovery disputes (including objections to data requests and motions to compel) and motions for protective order in this proceeding. Mont. Code Ann. §§ 69-2-101, 69-3-103; *see also* Admin. Mont. R. 38.2.306, 38.2.1501. "Any party may apply for reconsideration in respect to any matter determined" in a Commission order or decision, including the examiner's written decision. Admin. Mont. R. 38.2.4806.

Pre-hearing Motions, Conferences and Memoranda

16. A party must make a pre-hearing motion, including a motion to strike pre-filed testimony, at the earliest possible time. A responding party must file and serve its response brief within seven (7) calendar days of service of the motion. If the movant wishes to reply, it must file and serve its reply brief within five (5) calendar days of service of the response brief. Upon the request of a party, the Commission may allow oral argument on a pre-hearing motion.

17. The Commission may schedule a pre-hearing conference at any time prior to the hearing to discuss the feasibility of settlement in whole or in part, simplification of the remaining issues through admissions of fact, and any other matters that may expedite the hearing.

18. Unless the parties agree to file jointly, each party must file and serve a pre-hearing memorandum listing the following information regarding the hearing: (1) Contested issues; (2) uncontested issues; (3) witnesses that it intends to call; (4) exhibits and responses to data requests that it intends to introduce (other than responses to data requests related to additional issues response testimony); (5) any special accommodations sought regarding witness sequence or scheduling. Each party's pre-hearing memorandum must also list any responses to data requests that the parties have collectively agreed to introduce. Whenever a party moves for the admission of a response to a data request, it must identify the number of the request.

Hearing

19. The Montana Rules of Evidence in effect at the time of the hearing will govern the hearing. Because each party is entitled to reasonable notice of what issues will be addressed at the hearing, the Commission may not allow a party to raise an issue at a hearing unless it is reasonably related to an issue previously identified in the proceeding.

20. Prior to the hearing, the parties must arrange with the court reporter and Commission staff to consistently mark all proposed exhibits, responses to data requests, and pre-filed testimony for reference.

21. A party must make each person that authored a data request response available for cross-examination at the hearing unless the Commission approves an agreement among the parties to waive cross-examination. A witness need not recite pre-filed testimony before counsel moves to admit the testimony into the record.

22. When a party seeks to cross-examine a witness based on a document not previously filed in this proceeding, it must make copies of the document available to each Commissioner, party, and staff member, unless it shows good cause why copies are not available. A party seeking to introduce a document not previously filed in this proceeding must also provide a copy of the document to the court reporter.

23. At the discretion of the Commission, members of the public may comment on the proceeding at the hearing.

24. “In the discretion of the commission or hearing examiner persons desiring to testify at a commission hearing may be allowed to do so without filing a petition to intervene.”
Admin. R. Mont. 38.2.2401.

DONE AND DATED this 8th day of September, 2015, by delegation to Commission staff as an Order of the Commission.

BY THE MONTANA PUBLIC SERVICE COMMISSION

BRAD JOHNSON, Chairman
TRAVIS KAVULLA, Vice Chairman
KIRK BUSHMAN, Commissioner
ROGER KOOPMAN, Commissioner
BOB LAKE, Commissioner