

Service Date: September 21, 2017

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

IN THE MATTER OF the Montana Public                    )   REGULATORY DIVISION  
Service Commission’s Review of the Rates to        )  
Recover NorthWestern Energy’s Electricity         )   DOCKET NO. D2017.5.39  
Supply Costs    )   ORDER NO. 7563a

**PROCEDURAL ORDER**

1. On July 14, 2017, NorthWestern Energy (“NorthWestern”) filed its Power Costs and Credits Adjustment Mechanism (“PCCAM”) Proposal with the Montana Public Service Commission.

2. On July 7, 2017, the Commission issued a separate Notice of Proposal, Intervention Deadline, and Initial Procedural Schedule (“Notice”) addressing NorthWestern’s PCCAM Proposal setting August 9, 2017 as the intervention deadline. On August 8, 2017, WINData, LLC (“WINData”) filed its Second Application for General Intervention. On August 9, 2017, the Montana Consumer Counsel (“MCC”) filed its Petition for Intervention. On August 11, 2017, NorthWestern filed its Objection to WINData, LLC’s Second Application for General Intervention. The Commission granted WINData’s Second Application for General Intervention on August 24, 2016. *See* Order 7563 ¶ 11 (Aug. 24, 2017). On September 1, 2017, the Commission issued a Notice of Staff Action granting intervention to MCC and acknowledging the intervention status that had been provided to WINData in Order 7563.

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. A party may seek reconsideration of this Order within ten (10) days of its service date. Mont. Admin. R. 38.2.4806 (2016).

### Schedule

This Order sets the following procedural schedule for this Docket:

- (a) October 11, 2017: Final day for discovery to NorthWestern related to NorthWestern's initial testimony.
- (b) October 25, 2017: Final day for NorthWestern to respond to discovery. *See also infra* ¶ 8 (establishing "rolling" discovery).
- (c) November 13, 2017: Final day for intervenor testimony.
- (d) November 29, 2017: Final day for the Commission to identify additional issues.\*
- (e) December 1, 2017: Final day for discovery to intervenors.
- (f) December 18, 2017: Final day for intervenors to respond to discovery.
- (g) January 12, 2018: Final day for NorthWestern to file rebuttal testimony and intervenors to file cross-intervenor response testimony.
- (h) January 30, 2018: Final day for discovery to NorthWestern and intervenors related to rebuttal and cross-intervenor response testimony.
- (i) February 14, 2018: Final day for NorthWestern and intervenors to respond to discovery related to rebuttal and cross-intervenor response testimony.
- (j) February 28, 2018: Final day for NorthWestern and intervenors to file pre-hearing memoranda including identification of data responses to be moved into evidentiary record. *See infra* ¶¶ 18–19.
- (k) March 7, 2018: Final day for NorthWestern and intervenors to object to data responses identified on February 15, 2018. *Id.*
- (l) March 12, 2018: Hearing commences and continues from day-to-day as necessary.

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

### Service and Filing

4. 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. Service or filing by means of facsimile is prohibited. Service by mail does not extend a deadline.

#### Intervention

5. The deadline for intervention in this proceeding was August 9, 2017. 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

6. “The exchange of information among parties pursuant to data requests is the primary method of discovery in proceedings before the [C]ommission.” Mont. Admin. R. 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 NorthWestern, PSC-009 through 016 to the MCC, and PSC-017 through 019 again to NorthWestern).
- (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?

7. For data responses, parties must respond to each numbered data request with a separate page.

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 by the deadline to respond. Objections must be sufficiently specific for the Commission to adequately rule on whether to sustain or overrule. 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* ¶ 12. 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 protected 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. 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.

12. If a response to a data request fails to answer the request, the discovering party may move within fourteen (14) 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.

13. 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.

14. In order to promote the efficiency of the administrative process staff attorney Jeremiah Langston 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 (2015); *see also* Mont. Admin. 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 final written decision. Mont. Admin. R. 38.2.4806.

#### Pre-hearing Motions, Conferences and Memoranda

15. 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.

16. 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.

17. 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); and (5) any special accommodations sought regarding witness sequence or scheduling.

18. By February 28, 2018, Parties or Commission staff seeking the admission of a response to a data request must provide the following information in a prehearing memorandum or similar notice: (a) each data response that it intends to offer as evidence; (b) the witness through which it will be offered; and (c) the issue to which the response relates. On March 7, 2018, all participants will be required to state whether it is their intention to permit any identified data responses to be entered into the record, without required formalities or objection, or whether they intend to require that any identified data response be offered only through a witness, subject to further objection and cross-examination. *See In re Mont. Pub. Serv. Comm’n Solicitation of*

*Comments Regarding Decision Making*, Docket 90.7.44, Notice of Comm'n Action 2–3 (Dec. 31, 1992).

19. At the hearing, the Commission in its discretion may admit data requests not identified in any party's pre-hearing memorandum or similar notice consistent with the traditional process of admitting evidence. For example, parties attempting to move this type of data requests will be required to lay sufficient foundation through witnesses to establish relevance.

#### Hearing

20. The Montana Rules of Evidence in effect at the time of the hearing will govern the hearing. *See* Mont. Code Ann. § 2-4-612(2). 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.

21. 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.

22. 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.

23. When a party seeks to 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.

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

DONE AND DATED this 20th day of September, 2017, by delegation to Commission staff as an Order of the Commission.

BY THE MONTANA PUBLIC SERVICE COMMISSION

BRAD JOHNSON, Chairman

TRAVIS KAVULLA, Vice Chairman

ROGER KOOPMAN, Commissioner

BOB LAKE, Commissioner

TONY O'DONNELL, Commissioner