

BEFORE THE

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of) DOCKET NO. UE-060703
)
PACIFICORP) PETITION TO INTERVENE OF THE
) INDUSTRIAL CUSTOMERS OF
Petition for approval of a deferred) NORTHWEST UTILITIES
accounting order to defer the cost of loans)
made to the regional transmission)
organization, Grid West, and to defer)
consideration of amortization and cost)
recovery in a future general rate case.)
_____)

1 Pursuant to WAC § 480-07-355, the Industrial Customers of Northwest Utilities (“ICNU”) hereby petitions the Washington Utilities and Transportation Commission (“WUTC” or “Commission”) for leave to intervene in the above-referenced Docket, as an intervenor with full party status as described in WAC § 480-07-340. The business address of ICNU is:

Michael Early
Executive Director
Industrial Customers of Northwest Utilities
333 S.W. Taylor, Suite 400
Portland, OR 97204

ICNU will be represented in this proceeding by Davison Van Cleve, P.C. All documents relating to these proceedings should also be served on ICNU’s attorneys and consultant at the following addresses:

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2 The administrative rules at issue are WAC §§ 480-07-340, -355.

3 ICNU is an incorporated, non-profit association of large industrial electric
customers in the Pacific Northwest. A list of ICNU members is included as
Attachment A. Many members of ICNU purchase power from PacifiCorp, as indicated
on Attachment A, and represent some of PacifiCorp's largest customers.

4 On May 2, 2006, PacifiCorp filed a Petition for approval of a deferred
accounting order to defer the cost of loans made to the regional transmission organization
("RTO"), Grid West, and to defer consideration of amortization and cost recovery in a
future general rate case ("Petition"). ICNU's member companies have a substantial
interest in PacifiCorp's Petition. The deferral account proposed in this Docket may
directly affect the rates that PacifiCorp provides to several of ICNU's members.

5 ICNU strongly opposes PacifiCorp's Application because it violates the
prohibition against retroactive ratemaking, departs from the Commission's precedent
regarding deferred accounts, seeks the recovery of imprudent costs, and is inconsistent
with the Commission's policy regarding the recovery of RTO-related costs. The
Commission does not have the statutory authority to allow a utility to defer any costs that
were incurred prior to the date of a deferral request. The Application violates the rule
against retroactive ratemaking by seeking to defer the costs of "loans" that were incurred

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prior to the date of the deferral request. In addition, the Commission should also reject the Application because these RTO costs (i.e., “loans” that will never be repaid) do not provide any benefit to ratepayers.

6 ICNU has extensive experience involving PacifiCorp’s rates. ICNU participated in PacifiCorp’s most recent rate cases, including UE-991832, UE-032065, and UE-050684. ICNU’s intervention in this proceeding will assist the Commission in resolving the issues and will not unreasonably broaden the issues, burden the record, or delay this proceeding.

7 As described above, ICNU has a direct and substantial interest in this proceeding that will not be adequately represented by any other party, and may be affected by any Commission determination made in connection with this proceeding. It is in the public interest to allow ICNU to intervene in this proceeding.

WHEREFORE, ICNU respectfully petitions the Commission for leave to intervene in this proceeding.

Dated in Portland, Oregon, this 23rd day of May, 2006.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.



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Of Attorneys for Industrial Customers

of Northwest Utilities

ATTACHMENT A
INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES

Air Liquide
Air Products
BPB Gypsum, Inc.
Blue Heron Paper Company
Boeing
*Boise Cascade
CNC Containers, Northwest
Chemi-Con Materials Corporation
Dyno Nobel, Inc.
ConAgra Foods
Eka Chemicals, Inc.
Evanite Fiber
Georgia-Pacific
Grays Harbor Paper, L.P.
Hewlett-Packard
Inland Empire Paper Co.
Intel
*J.R. Simplot
Kimberly-Clark Corporation
*Longview Fibre
Microsoft Corporation
Norpac Foods
Noveon Kalama, Inc.
Oregon Steel Mills
PCC Structurals, Inc.
Ponderay Newsprint Co
Shell Oil Products US
Simpson Paper
Simpson Timber
Solar Grade Silicon LLC
SP Newsprint
Tesoro Refining and Marketing Co.
Wah Chang
West Linn Paper Company
*Weyerhaeuser

**Denotes PacifiCorp Customers in Washington*