BOEHM, KURTZ & LOWRY

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Via Overnight Mail

February 22, 2006

Ms. Carole Washburn, Executive Secretary Washington Utilities and Transportation Commission 1400 South Evergreen Park Drive, SW Olympia, WA 96504-7250 RECONDS FOR STATE OF STATE OF

Re: <u>Docket No. UE-060266 and UG-060267</u>

Dear Ms. Washburn:

Please find enclosed the original and four (4) copies of the Petition to Intervene of the Kroger Co., on behalf of its Fred Meyer Stores and Quality Food Centers in the above-referenced matter. Please also find enclosed a 3-1/2 diskette containing same.

By copy of this letter, all parties listed on the Certificate of Service have been served. Please place this document of file.

Very Truly Yours,

Michael L. Kurtz, Esq.

BOEHM, KURTZ & LOWRY

MLKkew Enclosures

cc: Certificate of Service

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Washington Utilities and Transportation Commission : DOCKET NO. UE-060266

DOCKET NO. UG-060267

Complainant,

v. : PETITION TO INTERVENE OF

OF THE KROGER CO. ON

Puget Sound Energy, Inc. : BEHALF OF THE FRED MEYER

Respondent. : STORES AND QUALITY FOOD

: CENTERS

PETITION TO INTERVENE

Pursuant to WAC 480-09-430, the Kroger Co., on behalf of its Fred Meyer Stores ("Fred Meyer") and Quality Food Centers ("QFC") divisions, petitions to intervene in these proceedings and states in support as follows:

1. Name and Addresses of Petitioner:

Quality Food Centers, Inc. 10116 N.E. 8th Street Bellevue, WA 98004

Fred Meyer Stores, Inc. 3800 Southeast 2nd Street Portland, OR 99202

The Kroger Co. 1014 Vine Street, G-07 Cincinnati, Ohio 45202

Telephone: 513-762-4538 Facsimile: 513-762-4012

E-mail: dgeorge@kroger.com

2. Name and Address of Attorney Representing Petitioner:

Michael L. Kurtz, Esq. Kurt J. Boehm, Esq.

BOEHM, KURTZ & LOWRY

36 East Seventh Street, Suite 1510

Cincinnati, Ohio 45202

Telephone: 513-421-2255 Facsimile: 513-421-2764

E-mail: mkurtzlaw@BKLlawfirm.com

3. <u>Identify the Petitioner:</u>

Petitioner is a retail electric and natural gas customer of Puget Sound Electric, Inc. ("PSE"). Petitioner has approximately 66 grocery stores and other facilities that purchase their electric supply from PSE and approximately 112 facilities that purchase their natural gas supply from PSE. Several stores purchase both utility services from PSE.

4. Petitioner's Interest in this Proceeding:

Kroger is a corporation engaged in the business of selling groceries at retail throughout the United States. One of the largest retail food companies in the United States, Kroger operates approximately 130 grocery stores in the state of Washington under the Fred Meyer and QFC banners. Of that total, 66 purchase their electric supply from PSE. These stores purchase more than 185 million kWh of electricity from PSE annually under various rate schedules and have a peak demand in excess of 27 MW. Petitioner is one of the largest commercial customers served by PSE. The grocery stores operated by Fred Meyer and QFC are high load factor facilities that use energy for food storage, lighting, heating, cooling and distribution, often on a 24 hour a day, 7 day a week basis. If PSE's rate increase request is granted, then the cost for electric power service to Petitioner will substantially increase. Accordingly, Petitioner has a substantial and vital interest in the outcome of this electric rate case which cannot be adequately represented by any other party.

5. Issues To Be Raised:

Petitioner will examine whether the electric rate increase sought by PSE is just and reasonable and whether the proposed rate spread and rate design is just and reasonable.

6. Testimony of Witnesses:

If Petitioner submits written direct testimony or exhibits, it will be prepared by Mr. Kevin C. Higgins, a principal in the firm Energy Strategies, LLC of Salt Lake City, Utah. Petitioner also intends to cross examine the witnesses called by the other parties to this proceeding and to submit written briefs as appropriate.

WHEREFORE, for the reasons set forth above, Petitioner requests that this Petition to Intervene be granted.

DATED this 24th day of February, 2006.

Michael L. Kurtz, Esq.

Kurt J. Boehm, Esq.

BOEHM, KURTZ & LOWRY

36 East Seventh Street, Suite 2110

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CERTIFICATE OF SERVICE

I certify that I have this 24th day of February, 2006, served the foregoing Petition to Intervene of the Kroger Co. on behalf of the Fred Meyer Stores and Quality Food Centers by overnight mail to the Washington Utilities And Transportation Commission; and depositing same, postage prepaid, in the United States Mail to all parties of record at their addresses shown below:

Puget Sound Energy

Kirstin Dodge Perkins Coie LLP 10885 Northeast Fourth Street, Suite 700 Bellevue, WA 98004

Phone: 425-635.1407 Fax: 425-635-1607

e-mail: kdodge@perkinscoie.com

Michael L. Kurtz, Esq.