## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	) Docket No. UE-072300
Complainant,	) Docket No. UG-072301
VS.	) ) ) PETITION FOR INTERVENTION
PUGET SOUND ENERGY, INC.,	) FEITHON FOR INTERVENTION
Respondent.	) ) _)

- Seattle Steam Company ("Seattle Steam") hereby moves to intervene in the above-captioned proceeding pursuant to WAC 480-09-430. In support of its petition, Seattle Steam states as follows:
- 1. Seattle Steam owns and operates a steam district heating system, with over 175 customers in the downtown and First Hill areas of Seattle. The predecessors of Seattle Steam were founded in 1893. Through a steam distribution piping network under the streets of Seattle, we serve the space and water heating requirements of many of the office and government buildings in downtown Seattle, as well as hotels, colleges, hospitals and commercial establishments in an area extending from Elliott Bay on the west to Twelfth Avenue on the east, and from Qwest Field on the south to Virginia Street on the north. Because our business is providing heat, our largest business expense is energy. We are concerned in this proceeding not only with the costs to Seattle Steam, but also with the costs that will affect many of the businesses, institutions and non-profit organizations in downtown Seattle. Historically the predominant fuel source for Seattle Steam's two steam plants has

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been natural gas, although it is able to quickly convert to burning residual fuel oil instead. This allows Seattle Steam's use of natural gas to be interrupted any time there is a capacity restriction on either Puget Sound Energy, Inc.'s ("PSE") or Northwest Pipeline's system. Seattle Steam purchases interruptible natural gas transportation service from PSE under Schedule 57. In 2007 Seattle Steam transported an average of sixteen million therms a year through PSE's system.

- 3. In this general rate case PSE proposes to increase the monthly customer charge to Schedule 57 customers by more than 30%, and the per-therm rate it charges to Schedule 57 customers for gas delivery by more than 19%. That is in spite of the fact that the infrastructure that PSE uses to deliver gas to Seattle Steam has been installed to serve it for many decades and all facilities utilized by Seattle Steam should have been long-since fully depreciated. Seattle Steam does not understand how this could be fair, just or reasonable. PSE also proposes to terminate Schedule 57 on December 31, 2012. Seattle Steam sees no basis for that termination.
- 4. PSE has both electric and gas operations, and uses gas in it electric generation. The price of gas is one of the primary justifications given for the increase in electric rates that PSE is seeking, and it is important for Seattle Steam to understand how PSE's use of gas may impact its apparent effort to discriminate against large gas transportation customers. There are also many services which are shared between gas and electric customers such as meter reading, billing, purchasing, accounting and customer service. Thus, there may become a question of the proper allocation of the costs of any shared services to be recovered in electric and gas rates. Therefore, Seattle Steam requests permission to intervene in both dockets.
  - 5. At this time, Seattle Steam does not seek to modify or expand the issues before the Commission in this proceeding. Seattle Steam is not represented by any other party in this proceeding.

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proceeding and intervention is necessary in order to adequately protect Seattle Steam's interests.

Seattle Steam's business address is: Seattle Steam Company 1325 Fourth Avenue, Suite 1440 Seattle, Washington 98101

For Seattle Steam, copies of all pleadings, correspondence and documents filed in these proceedings should be sent to:

Robert B. Sheppard 30 Glacier Key Bellevue, Washington 98006 rbsheppard@comcast.net

7 The name and address of Seattle Steam's attorneys in this proceeding are:

Elaine L. Spencer Graham & Dunn PC Pier 70 - 2801 Alaskan Way, #300 Seattle, Washington 98121 Telephone: (206) 624-8300 espencer@grahamdunn.com

- 8 6. Seattle Steam reserves its right to submit written testimony and exhibits, call witnesses, cross examine witnesses called by other parties and submit written arguments and/or motions.
  - WHEREFORE, Seattle Steam respectfully petitions the Commission for leave to intervene in this proceeding, and the right to participate in any hearings therein.

**GRAHAM & DUNN PC** 

Elaine L. Spencer

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STATE OF WASHINGTON )
) ss.
COUNTY OF KING

I, Elaine L. Spencer, being first duly sworn on oath, depose and say:

I am the attorney for Seattle Steam Company, Intervenor herein. I have read the foregoing Petition for Intervention and I hereby verify that the facts set forth therein are true to the best of my knowledge.

ELAINE L. SPENCER

SUBSCRIBED AND SWORN TO before me this 2rd day of January, 2008.

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(Signature)

Yimberly Sandstrom
(Please print name legibly)

NOTARY PUBLIC in and for the State of Washington, residing at <u>Sueve++</u>, WA.

My commission expires: 11/1/09

## **CERTIFICATE OF SERVICE**

I hereby certify that on this Anday of January, 2008, I served a copy of Seattle Steam Company's Petition for Intervention in Docket Nos. UE-072300 and UG-072301 via electronic mail and by depositing the original and sixteen (16) copies of same via Federal Express, for expedited next-day delivery, at Seattle, King County, Washington, pursuant to WAC 480-07-150(6), to Ms. Carole Washburn, Executive Secretary, Washington Utilities and Transportation Commission, 1300 S. Evergreen Park Dr. SW, Olympia, WA 98504-7250 and by transmitting a copy of same via electronic mail and U. S. First Class Mail, postage prepaid,

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at Seattle, King County, Washington, pursuant to WAC 480-07-150(6), to all parties listed

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EXECUTED this 2 md day of January, 2008, at Seattle, King County, Washington.

Loretta Galland

Secretary to:

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Representative of Seattle Steam Company

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