

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

<p>BELLINGHAM COLD STORAGE COMPANY and GEORGIA-PACIFIC WEST, INC.,</p> <p style="text-align: center;">Complainants,</p> <p style="text-align: center;">v.</p> <p>PUGET SOUND ENERGY,</p> <p style="text-align: center;">Respondent.</p>	<p>No. UE-001014</p> <p>RESPONSE OF PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY TO COMPLAINANTS' EMERGENCY MOTION</p>
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Public Utility District No. 1 of Whatcom County (“District”) supports Complainants’ Emergency Motion for Implementation of “Optional Price Stability” Provision of Special Contract and, if Necessary, for a Retail Access Pilot Program (“Motion”).

Bellingham Cold Storage Company and Georgia-Pacific West, Inc. (“Customers”) appropriately seek emergency relief to implement the Optional Price Stability terms of the Power Sales Agreements (“Agreements”) approved by the Commission in June 1996. The Agreements provide terms for “Optional Price Stability” at a negotiated price. Agreements, Section III, at 7. Optional Price Stability service is to be customized to the customer’s needs:

Price of these Optional Price Stability services will be customized to the customer’s needs. Those services could include guarantee on an average commodity price, price caps on the non-firm prices, or collars on the non-firm price.

Agreements, Section I, at 6. The District has entered into agreements to provide electric service to the Customers to begin upon the expiration of the Agreements on or about May 31, 2001. The volatility of the Mid-Columbia Index prices charged to the Customers under the Agreements,

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however, threatens the economic viability of the Customers' operations in Whatcom County. As the declarations of Mr. Cunningham and Mr. Thomas make clear, electric costs may force a shut-down of both companies' operations in August, jeopardizing employment and the production and processing of vital commodities in Whatcom County. Optional Pricing Stability is essential to keep the Customers in business.

While the District's principle concern in this proceeding is to clarify Puget Sound Energy, Inc.'s commitment to provide delivery service after the expiration of the Agreements, the District – and all of Whatcom County's citizens – share a crucial interest in the economic viability of the Customers.

The Commission clearly has the power to grant emergency rate relief. *See, e.g., W.U.T.C. v. Puget Sound Power & Light Co.*, Cause No. U-80-10, 1980 Wash.UTC LEXIS 5 (1980). Emergency proceedings are appropriate when immediate action is required to prevent imminent danger to the public welfare. WAC 480-09-500. The threat to the economic viability of the Customers is imminent and could occur as early as August.

For this reason, the Customers' Motion is urgent, and the Motion should be heard and granted expeditiously.

DATED this 28th day of July, 2000.

PRESTON GATES & ELLIS LLP

By _____
Carol S. Arnold, WSBA # 18474
Douglas H. Rosenberg, WSBA # 11951
Attorneys for Intervenor
Public Utility District No. 1 of Whatcom County

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Response upon all parties of record in this proceeding, via facsimile, simultaneously by U.S. mail, as follows:

PUGET SOUND ENERGY INC.

Kirstin Dodge
Markham Quehrn
Perkins Coie
One Bellevue Center, Suite 1800
411-108th Avenue N.E.
Bellevue, WA 98004-5584

James M. Van Nostrand
Stoel Rives LLP
Suite 3600, One Union Square
600 University Street
Seattle, WA 98101

BELLINGHAM COLD STORAGE COMPANY

John Cameron
Davis Wright Tremaine
1300 S. W. Fifth Avenue, Suite 2300
Portland, OR 97201

GEORGIA-PACIFIC WEST, INC.

John W. Gould
Lane Powell Spears Lubersky LLP
601 S. W. Second Avenue, Suite 2100
Portland, OR 97204-3158

WUTC

Robert D. Cedarbaum
Washington Utilities and Transportation Commission
1400 South Evergreen Park Drive S. W.
Olympia, WA 98504-0128

AAG

Simon ffitich
Office of the Attorney General
Public Counsel
900-4th Avenue, Suite 2000
Seattle, WA 98164

AIR LIQUIDE, BOEING, EQUILON, TESORO, AND AIR PRODUCTS
Melinda J. Davison
Duncan, Weinberg, Genzer & Pembroke, P.C.
1300 S.W. Fifth Avenue, Suite 2915
Portland, OR 97201

ATLANTIC RICHFIELD
Michael Myers
911 Kilmory Lane
Glendale, CA 91207-1105

DATED: July 27, 2000.

Jo Ann Sunderlage
Secretary to Carol S. Arnold