

UNITED STATES OF AMERICA
US DEPARTMENT OF ENERGY
BEFORE THE
BONNEVILLE POWER ADMINISTRATION

FY 2014-2015 WHOLESAL POWER
RATE ADJUSTMENT PROCEEDING

BPA Docket BP-14

THE ASSOCIATION OF PUBLIC AGENCY
CUSTOMERS, ET AL., PETITION TO
INTERVENE

Pursuant to Section 1010.4 of the BPA Rules of Procedure Governing Rate Hearings and the Bonneville Power Administration Notice of FY 2014-2015 Proposed Power Rate Adjustments issued on November 8, 2012 at 77 Fed. Reg. 66966, the Association of Public Agency Customers (APAC) and each of its member companies individually, identified herein, by and through counsel, Michael Alcantar and the law firm of Alcantar & Kahl, LLP respectfully petition for leave to intervene in the above-captioned proceeding, and to participate with full party status. In support of this petition, APAC and its member companies represent as follows:

1. For purposes of APAC's participation in these proceedings, all documents relating to this proceeding should be served on APAC's designated representatives at the following addresses:

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2. APAC is an unincorporated, not-for-profit consortium formed to address legal and regulatory concerns unique to large industrial customers of publicly-owned utilities. The members of APAC are Georgia-Pacific LLC, Grays Harbor Paper LP, JR Simplot Co., Longview Fibre Paper and Packaging, Inc., Ponderay Newsprint Company and Weyerhaeuser Company. APAC is authorized by its members to represent them in this proceeding before BPA, although each member reserves the right to participate individually in the proceeding to litigate issues affecting them individually, and each member specifically requests individual party status, in addition to that of the group APAC.

3. The publicly-owned utilities that provide electric service to APAC member operations are BPA preference customers under 16 U.S.C. §832(c)(a), with respect to matters such as the §7(i) electricity rate setting process pursuant to the Northwest Power Act, 16 U.S.C. §§ 839-839h.

4. APAC members fulfill a large portion of their electric power needs by purchasing power from publicly-owned utilities pursuant to electric power supply contracts that generally pass through to APAC members the wholesale rates that BPA charges to its preference customers (the PF Preference rate). The preference customer utilities also charge APAC members a markup to cover other costs and expenses incurred by the preference customer utility.

5. On November 8, 2012, BPA issued a Notice of Filing at 77 Fed. Reg. 66966 (“the Notice”), commencing a wholesale rate proceeding to establish power rates and transmission rates for FY 2014-2015. The rates to be set in this case will determine a large portion of the charges to be paid by APAC members for their electric power.

6. The Notice states that rates will be set using the Tiered Rates Methodology (TRM), as adopted by BPA in Case No. TRM-12. The rates to be set will also reflect the terms of the 2012 Residential Exchange Settlement Agreement, adopted by the Administrator in the REP-12 docket. As the Notice indicates, these prior decisions of the Administrator are either currently being challenged under petitions for review at the U.S. Court of Appeals for the Ninth Circuit, or are subject to future petitions for review. In addition, the REP-12 Settlement Agreement purported to supersede the decision of the Administrator in the WP-07S case, which is the subject of petitions for review at the Ninth Circuit. APAC or its members are participating in each of these appeals. The parties will likely present to the Hearing Officer some form of “standstill agreement” as suggested by the Notice which will preserve the evidence and arguments related to each of these prior cases and appeals. APAC and its members must be parties to this case and join in such standstill agreement to preserve their rights.

7. APAC’s members are large consumers of electric power purchased from public preference customers at PF Preference rates. APAC members individually and collectively pay millions of dollars each year for the electric power supplied to them by BPA preference customers. As described more fully above, the establishment of new wholesale rates, the implementation of the TRM, and the complete, lawful rebate of REP Settlement overpayments to BPA preference customers under the WP-07S case are of critical importance to APAC members.

8. APAC members have a direct and substantial interest in these proceedings. Their interests are unique and cannot be adequately represented by any

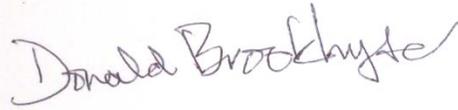
other party. APAC's participation in the proceeding will assist BPA in resolving the issues to be addressed by providing, in part, information regarding the impact the rate proposal will have on the industrial customers of BPA preference customers, including the regulatory action required by the 2007 Ninth Circuit decisions. At a minimum, party status is essential to preserving their rights under any standstill agreement.

9. APAC members intend to participate jointly and collectively in this proceeding to the maximum extent possible, through APAC counsel and consultants. The joint and collective representation of APAC member companies will avoid duplication of effort and aid in the efficient administration of the proceeding.

WHEREFORE, APAC and its member companies respectfully request that the hearing officer issue an order granting this petition to intervene.

Respectfully submitted,

ALCANTAR & KAHL LLP

A handwritten signature in blue ink that reads "Donald Brookhyser". The signature is written in a cursive style and is positioned below the firm name.

Michael Alcantar
Donald Brookhyser

November 15, 2012