



Washington State Legislature

February 22, 2018

Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

RE: *Puget Sound Energy's 2017 Integrated Resource Plans for Electricity and Natural Gas*
Dockets UE-160918 and UG-160919

Dear Mr. King:

This letter is submitted for filing with comments on Puget Sound Energy's 2017 Integrated Resources Plan. Our comments are directed primarily toward the Plan's disproportionate reliance upon fossil fuels for electricity generation over the next two decades. While PSE has taken the important step of planning to retire Colstrip Units 1 and 2, PSE should now decide - and reflect in this IRP - that it will take steps to retire Colstrip Units 3 and 4 by 2025.

The IRP itself makes a compelling case for the closure of Units 1 and 2, considering changing market prices, advances in renewable energy deployment, and the likelihood that a greenhouse gas emission price will soon be incorporated into all electricity generated from fossil fuels. The same reasoning should be applied to units 3 and 4 and an accelerated timeline for closure of these units should be incorporated into the plan.

With electricity nearly a fifth of the carbon footprint of the state -- despite our state's historical reliance upon low-carbon hydroelectric power -- it is imperative that we address the contribution of these sources of greenhouse gas emissions to the climate changes that are already adversely affecting our state. The impacts caused by these emissions are disrupting our water supplies, fueling more intense forest fires, damaging shellfish, causing sea-level rise with enormous implications for coastal communities, exacerbating public health problems such as childhood asthma, and causing a host of other problems. And the damage from climate impacts will increase greatly unless significant measures are taken to reduce emissions.

It is appropriate for the Commission in its role of protecting the "public interest" as well as ratepayer interests to consider the considerable harm to the state from continuing the current level of greenhouse

gas emissions. In addition to this current authority, it is appropriate for the Commission to consider the legislation currently before the Washington Legislature that would require the Commission to apply a greenhouse gas planning "adder" beginning at \$40 per ton of emissions, adjusted annually by 1.25%, in its evaluation of integrated resource plans.

When considering the environmental costs of heavy reliance on fossil fuels in PSE's fuel mix, it is plain that greater steps to rely upon renewable resources must be incorporated into the IRP. While natural gas is frequently referred to as a "bridge" fuel during a transition to fossil fuel-free generation, the IRP should be cautious in overreliance on this fuel. History shows that natural gas prices are prone to dramatic price swings, with the US Energy Information Agency predicting future price increases. While the IRP calls for substantial investments in natural gas infrastructure, the Northwest Power Planning and Conservation Council's most recent projections demonstrate that new natural gas infrastructure is unnecessary for at least a decade. Instead, the Council calls on utilities to invest in much greater levels of conservation and demand response measures to meet load growth projections.

Perhaps most importantly, PSE's customers are demanding a greater reliance upon renewable energy. Cities and counties within PSE's service territory have called on PSE to reduce its fossil fuel dependence, and major customers such as Microsoft, REI and Starbucks have committed their operations to much reduced reliance upon fossil fuels in their operations. While these large electricity customers have the leverage to procure carbon-free resources, this opportunity should be extended to all of PSE's customers, who desire to receive power that is generated predominantly by renewable fuels.

Puget Sound Energy serves an area of the state with more than half of the state's population, and as the largest electrical and natural gas utility, its plan for the future will provide a model for the rest of the state. It is thus doubly important that the 20-year plan that PSE will adopt in the coming months "gets it right" in charting a course that provides the lowest risk to its customers as well as the best mix of fuels to protect the state's climate future.

For all of the foregoing, we urge the Commission to direct PSE to revise its plan to provide for an earlier retirement of Colstrip Units 3 and 4, to reduce its projected reliance upon natural gas, to step up its investments in conservation and demand response, and to make greater investments in solar generation and other renewable resources.

Thank you considering these comments on this very important plan.

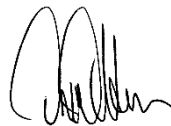
Sincerely,



Christine Rolfes
State Senator
23rd Legislative District



Sherry Appleton
State Representative
23rd Legislative District



Drew Hansen
State Representative
23rd Legislative District