

UG-151663
9-12-16

Chiles, Pam (UTC)

From: Rendahl, Ann (UTC)
Sent: Monday, September 12, 2016 3:20 PM
To: UTC DL Records Center
Subject: FW: PSE LNG Proposal; DOCKET UG-151663

Please file in the docket. Thanks.

Ann E. Rendahl
Commissioner
Work: (360) 664-1144
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arendahl@utc.wa.gov

Utilities and Transportation Commission
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2016 SEP 12 AM 8:43
RECEIVED
COMMUNICATIONS SECTION
UTILITY AND TRANSPORTATION COMMISSION

From: William Kupinse [mailto:williamkupinse@gmail.com]
Sent: Monday, September 12, 2016 3:17 PM
To: Jones, Philip (UTC) <pjones@utc.wa.gov>; Danner, Dave (UTC) <ddanner@utc.wa.gov>; Rendahl, Ann (UTC) <arendahl@utc.wa.gov>; Moss, Dennis (UTC) <dmoss@utc.wa.gov>
Cc: Bob Ferguson (ATG) <bobf@atg.wa.gov>; ffitch, Simon (ATG) <SimonF@ATG.WA.GOV>; Gafken, Lisa (ATG) <LisaW4@ATG.WA.GOV>; Fisher, Lea (ATG) <LeaD@ATG.WA.GOV>; Baker, Carol (ATG) <CarolW@ATG.WA.GOV>; Mak, Chanda (ATG) <ChandaM@ATG.WA.GOV>; Johnson, Stefanie (ATG) <StefanieJ@ATG.WA.GOV>
Subject: PSE LNG Proposal; DOCKET UG-151663

Washington Utilities and Transportation Commission

1300 Evergreen Park Dr SW

Olympia, WA 98502

RE: DOCKET UG-151663

Dear Commissioners David Danner, Philip Jones, and Ann Rendahl, and Administrative Judge Dennis Moss:

Posted / CASES
EMAILED / FILED / PC

I write to you as a residential customer of Puget Sound Energy to ask that you deny the request by Puget Sound Energy (PSE) to remove the "ring fencing" that protects the consumer utility business of PSE from its plan to build an 8 million gallon LNG liquification and storage facility at the Port of Tacoma.

Specifically, I am concerned that as a residential PSE customer, I am being asked to provide the financial guarantee for and subsidize a risky, polluting, and dangerous scheme.

As you know, when the Australian Macquarie Group purchased PSE in 2008, the Washington UTC required "ring fencing" provisions to be added to the sale to protect residential customers from financial risk. Now PSE is asking to dismantle the ring fencing so that a shell company it created called Puget LNG can run the proposed Port of Tacoma LNG business and charge unregulated rates for natural gas.

It is clear to me that PSE wants its residential customers to subsidize and assume the risk for its LNG scheme. The proposed LNG facility would offer no tangible benefit to residential customers.

Consider the following:

- Peak shaving is a *tiny percent* of the total project (3.5% to 7%, depending on whether one considers PSE claims or the figures provided by ECO Northwest's Economic Impact Analysis). That means that the bulk of this project (93% to 96.5%) is unregulated business. Utility ratepayers should not assume any risk for a venture that is essentially unregulated business without clear public benefit.
- The need for additional peak shaving capacity doubtful, as PSE currently stores 47 billion cubic feet of natural gas at Jackson Prairie in Chehalis.
- Utility ratepayers should have a place at the table in the mediations between PSE, Northwest Industrial Gas Users, and Industrial Customers of Northwest Utilities. These mediations have been neither public nor transparent, and I am concerned that public interests will take a back seat.

Most of the nearly 2 million PSE customers in the Washington State have no other choice of utility and should not have to support a foreign-owned, for-profit fossil fuel business that is asking for a \$49 million public subsidy.

The amount of this public support—in the form of subsidy and underwriting of risk— was made clear in a May 18, 2016 response brief by Public Counsel from the WA Attorney General’s Office: “PSE (effectively Puget Energy) now states that it will not enter into this new risky business venture with Puget LNG unless PSE ratepayers share in the risks and unless Puget LNG receives a \$49 million subsidy (share of the benefits) from PSE ratepayers.”

I am grateful for the advocacy of the WA Attorney General’s Office in the matter of Docket UG-151663, since as a residential customer I am not allowed to participate in the ongoing mediation even though it is likely to affect me directly. During this mediation process, I respectfully ask that you keep in mind the UTC’s own mission statement: “to protect consumers ensuring that utility and transportation services are fairly priced, available, reliable and safe.”

I ask you to honor your historic commitment to protecting Washington State utility customers from predatory schemes such as those proposed by PSE/the Macquarie Group by denying PSE’s request to remove the “ring fencing” provisions. I also ask that you deny any future scheme that PSE may propose that would involve residential customers either to subsidize or assume the risk for PSE’s speculative, private business venture.

This issue is very important to me. I will continue to follow it closely and to speak out about it as widely and as publicly as I am able.

Thank you for your consideration.

Sincerely,

William Kupinse

Tacoma, WA 98407

(4b)

mailing address:

(4b)

Exemption/Redaction Coding

Also enclosed with these responsive documents is a key to the codes indicated as black boxes with a text code, i.e., (1a), centered over the box. The key identifies the statutory bases for the exemption as well as a brief explanation for why the exemption applies. As you review the responsive documents, you will be able to refer to the key to identify the exemption and its application.

Code	Exemption	Explanatory Description
(1a)	Attorney-Client Privilege – RCW 5.60.060(2)(a); RCW 42.56.070(1)	Communication from client to attorney for the purpose of obtaining legal advice
(1b)	Attorney-Client Privilege – RCW 5.60.060(2)(a); RCW 42.56.070(1)	Communication from attorney to client for the purpose of providing legal advice.
(1c)	Attorney-Client Privilege – RCW 5.60.060(2)(a); RCW 42.56.070(1)	Communication between attorney and client regarding litigation
(1d)	Attorney-Client Privilege – RCW 5.60.060(2)(a); RCW 42.56.070(1)	Communication between attorneys that reflect attorney-client communications regarding advice
(1e)	Attorney-Client Privilege – RCW 5.60.060(2)(a); RCW 42.56.070(1)	Communication between attorneys that reflect attorney-client communications regarding litigation
(1f)	Attorney-Client Privilege – RCW 5.60.060(2)(a); RCW 42.56.070(1)	Communication between members of the client agency for the purpose of gathering information to obtain legal advice or to convey attorney-client communications
(2a)	Attorney Work Product Privilege – RCW 42.56.290	Drafts, notes, memoranda, or research reflecting the opinions or mental impressions of an attorney or attorney’s agent prepared, collected, or assembled in litigation or in anticipation of litigation
(2b)	Attorney Work Product/Work Product Privilege – RCW 42.56.290	Notes, Memoranda, statements, records that reveal factual or investigative information prepared, collected or assembled in litigation or in anticipation of litigation
(2c)	Attorney Work Product Privilege – RCW 42.56.290	Communication between attorney and client that reveals opinion or mental impression of attorney, or information prepared, collected, or assembled in litigation or in anticipation of litigation
(2d)	Attorney Work Product Privilege – RCW 42.56.290	Communication between attorneys that reveals opinions or mental impression of attorney, or information prepared, collected, or assembled in litigation or in anticipation of litigation
(2e)	Attorney Work Product Privilege – Common Interest or Joint Defense Protection – RCW 42.56.290	Communications between attorneys who have a common interest or a joint defense agreement that reveals opinions or mental impressions of attorney, or information prepared, collected, or assembled in litigation or in anticipation of litigation.
(2f)	Attorney Work Product Privilege Mediation Privilege – RCW 7.07; RCW 42.56.290; RCW 42.56.070(1)	RCW 7.07.030 provides for confidentiality relating to mediations. RCW 42.56.290 provides for an exemption from disclosure things that are not discoverable when an agency is a party to a controversy
(3a)	Deliberative Process – RCW 42.53.280	Preliminary drafts, notes, recommendations, and intra-agency memorandums in which opinions are expressed or policies formulated or recommended, except that a specific record is not exempt when publicly cited by an agency in connection with any agency action
(4b)	Address; Phone; Email; SSN; Driver’s License; Emergency Contact; Names and DOB (for dependents) – RCW 42.56.250(3)	The residential addresses, residential telephone numbers, personal wireless telephone numbers, personal electronic mail addresses, social security numbers, driver’s license numbers, identocard numbers, and emergency contact information of employees or volunteers of a public agency, and the names, dates of birth, addresses, telephone numbers, and electronic mail addresses, social security numbers, and emergency contact information of dependents of employees or volunteers of a public agency.
(12a)	Security – Computer and Telecommunications Networks – RCW – 42.56.420(5)	Information regarding the infrastructure and security of computer and telecommunications networks, consisting of security passwords, security access codes and programs, access codes for secure software applications, security and service recovery plans, security risk assessments, and security test results to the extent that they