\*\*\*CUSTOMER COMMENT – Received 10/20/16, 11:40 am via email\*\*\*

Dear UTC commissioners,

*I am writing you in regards to Docket # 151663.*

Over the last year or so I have been attending just about every port and city of Tacoma meeting with the PSE LNG facility on the agenda. I have been in close contact with the SEPA lead agency and permit issuing officials. It has been near impossible to get straight answers and a definite idea what PSE LNG would do, how much it would produce, how it would get it to market and how our roads, rails and waterways would be impacted and most importantly if there is a real and proven need for the massive scale peak-shaving in the middle of our community. The project has changed over time and many misstatements have been made by PSE. We also have been inundated with a daily advertisements, a social media blitz on all platforms, push-polling via phone out of state calls and now even door to door personal visits. PSE is using rate payer money to sway public opinion while at the same time refusing to return e-mails and messages or answer very basic and legitimate question.

PSE owns the largest underground gas vault in the NW and is currently leasing out 2/3 of it. PSE owns more gas storage in Utah. PSE used to lease space in the Plymouth LNG facility that had an accident in 2014 and left many safety and regulatory uncertainties and questions in its wake. PSE since pulled out from that facility. If PSE would fully utilize the vault south of Chehalis peak shaving would be no issue.

We did research to see if there had been any gas shortages in the NW over the last few decades and could not find any such occurrence. We also just learned that Tacoma Public Utilities will increase electricity rates due to lower than anticipated retail and wholesale electricity use due to much higher efficiencies. Given that we are in a massive gas glut and that that prices are very low and predicted to be low it is hard to imagine why such a massive peak shaver would be needed and why it would be built so near residents when peak shaving could be happening anyplace, keeping people away from harm due to carcinogen air emissions from liquefaction and clear dangers due to inherent LNG power and volatility.

I urge you to not approve the Puget LNG LLC and to not allow PSE to make regular rate payers to have to pay for nearly half of the infrastructure. I have tried very hard to find out how PSE now has come up with the 6.3 days peak shaving. At public meetings PSE staff has claimed several times maximum 2-3 days every few years. I inquired with the public council and she did not have an answer for me.

PSE has not proven a need for peak shaving. If they like to build a maritime fueling station and sell LNG to private customers than that is a legitimate business they need to pay for themselves, like any other business would. From PSE documents it appears they are intending to use the peak shaver as a back-up gas source for peak electricity generation, since they will have to shutter coal-fired stations, with monetary help from our state. As it stands, PSE already benefits from a LNG gas tax break that could bring them anywhere from $ 2.8 to 7.9 million dollars/year according to Representative Jake Fey, who wrote the bill. In addition, PSE would receive sales tax credit for all the materials they use to build the facility. I own my own small business and can’t make such nice tax claims.

Claims of green and clean by PSE are not as they appears. Methane is a far worse climate change accelerator, burning gas causes carcinogenic emissions and fracking has detrimental risk and permanent damage to drinking water and farm land. PSE indeed is suing our own government over clean air rules, making it abundantly clear that the environment is not PSE’s concern.

Lastly I would like to speak to the owners of the PSE, the Australian Macquarie Group. In 2016, the CEO was named the highest paid CEO in Australia and made $ 18 million. The press calls the Macquarie Group ‘The Millionaire’s Factory“ for a reason. <https://www.google.com/search?q=macqaurie+ceo+18+million&ie=utf-8&oe=utf-8>

The Macquarie Group created a catch-22 financial scheme that ripped of thousands off their life savings. <http://www.abc.net.au/news/2015-11-23/compensation-denied-for-macquarie-bank-customers/6967038>

It seems Tacoma too is stuck in a catch-22. If rate payers are protected from Puget LNG LLC liabilities those liabilities will be shifted over to city and port of Tacoma. We are still paying millions for ASARCO, Kaiser Aluminum and OxyChem. Should a natural disaster strike or a third party incident occur (PSE testified they might use 16/17 contactor to run LNG), the 35 million dollar liability would not come into play at all. Even if Puget LLC would be at fault, if the incident is large enough $ 35 million would be gone in no time.

Lack of proven need for peak shaving and exposure of finical risk to our Tacoma community makes this Puget LLC a risky business. I urge you again to say no to this large and novel business venture. Let private industry finance it, not the public.

Thank you very much for taking the extra time to read so many comments and to have listened to us patiently and courteously Wednesday night. I trust you will find a well-reasoned and balanced solution.

Best regards,

Claudia Riedener

253-274-0655