

July 7, 2016

Dear Steven King, Executive Director and Secretary
Washington Utilities and Transportation Commission

I am writing this in reference to:

In the Matter of the Petition of Puget Sound Energy For Approval of a Special Contract for Liquefied Natural Gas Fuel Service with Totem Ocean Trailer Express, Inc., and a Declaratory Order Approving the Methodology for Allocating Costs between Regulated and Non-regulated Liquefied Natural Gas Services, Docket UG-151663

PSE is filing for some exemptions and considerations from the WUTC that should never be granted. First they want to build an LNG plant that they state is for peak-shaving and will benefit the ratepayers. This is a total falsification and exaggeration of the facts. Depending on the weather, they only forecast about 7% of the total plant production will be used for peak-shaving that will benefit the ratepayers. By calling it a peak-shaving facility, they are also able to skirt around some of the EPA regulations that would be required for an LNG production facility.

The primary purpose of the facility is to provide fuel for Tote and other large commercial fuel users, not to benefit the ratepayers. In fact, the LNG plant location has a large portion of the residents opposed to the plant. It is extremely dangerous and has the potential to cause explosions or fires that might impact several miles away. LNG production facilities are classified as a potential terrorist target by the Department of Homeland Security and the 18 million gallon storage tank located in one of the largest port in the US would be a prime target. PSE has a court order to share their safety modeling information, but is appealing the court order. While they say there is no danger from explosions or fires at the plant, their reason for not sharing the safety information is that it would be too dangerous to let a terrorist have the information. To make matters worse, the plant would be located near the Targa Sound Terminal tank farm which holds over 40 million gallons of fossil fuels. A fire or explosion at either facility could cause an epic disaster involving both sites. The contorted financial arrangement that PSE is seeking might shield them from the risk. This would leave the ratepayers exposed to an impossible financial risk.

Please do not put the rate-paying customers at financial or hazardous risks for a facility that is primarily designed to serve LNG marine ships. If PSE's requirement is to serve the ratepayers, the facility can be built at a different location. It could be built in some remote location out of the residential neighborhoods. A true peak-shaving facility is much more in the public and ratepayer's interest. While it might not be as profitable for the foreign investors, it would better serve the community.

Please protect our interests. Do not contort the existing regulations in order to approve an LNG plant that is designed to have 93% of the production for commercial use.

Thanks

Steven Storms

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