

**From:** [Fred L Hamel](#)  
**To:** [ATG WWW E-mail Public Counsel](#)  
**Subject:** PSE LNG Proposal; DOCKET UG-151663  
**Date:** Thursday, October 20, 2016 8:23:05 AM

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Public Counsel Assistant Attorney General  
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SUBJECT: PSE LNG Proposal; DOCKET UG-151663

Dear Public Counsel Assistant Attorney General and UTC Commissioners:

I write to you as a residential customer of Puget Sound Energy to ask that you reject the settlement agreement that would release Puget Sound Energy (PSE) from the current restrictions prohibiting PSE from forming or acquiring another business entity and using funds from its consumer utility business to do so. As you know, these restriction were put into place by the UTC as a requirement to protect residential ratepayers when the Macquarie Group purchased PSE in 2008. Now PSE wants to be released from crucial portions of this agreement so it can use ratepayer funds to build an 8 million gallon LNG liquefaction and storage facility at the Port of Tacoma. I ask that you use your regulatory authority to maintain the terms of the original agreement.

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. 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 is doubtful, as PSE currently stores 47 billion cubic feet of natural gas at Jackson Prairie in Chehalis.

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 multi-million dollar public subsidy.

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 amend its 2008 agreement.

Thank you for your consideration.

Sincerely,

Fred L. Hamel  
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