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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE JOINT
APPLICATION OF PUGET SOUND
ENERGY, ALBERTA INVESTMENT
MANAGEMENT CORPORATION,
BRITISH COLUMBIA INVESTMENT
MANAGEMENT CORPORATION,
OMERS ADMINISTRATION
CORPORATION, AND PGGM
VERMOGENSBEHEER B.V. FOR AN
ORDER AUTHORIZING PROPOSED
SALES OF INDIRECT INTERESTS
IN PUGET SOUND ENERGY

DOCKET U-180680

RESPONSE OF CENSE SUPPORTING
REQUEST OF PUBLIC COUNSEL ET AL
TO INITIATE AN ADJUDICATIVE
PROCEEDING

Comes now the Coalition of Eastside Neighbors for Sensible Energy (CENSE),
a Washington non-profit corporation organized in 2013. CENSE was formed to
address the regulatory, financial and environmental impacts of an eighteen-mile, 230
kV transmission line proposed by Puget Sound Energy which would pass through the
cities of Redmond, Kirkland, Bellevue, Newcastle and Renton; the project has been
branded as a part of PSE's lobbying campaign as "Energize Eastside." Over the past
years, CENSE has been an active participant in the review of this proposal regarding

RESPONSE OF CENSE SUPPORTING REQUEST
OF PUBLIC COUNSEL ET AL TO INITIATE AN
ADJUDICATIVE PROCEEDING - 1

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1 local permitting, environmental (SEPA) review and proceedings before this
2 Commission.

3 On October 24, 2018, CENSE filed comments, as requested by the
4 Commission, on the potential acquisition of interests in Puget Holdings. These
5 comments raised concerns relating to the public interest to be served by the proposed
6 modification of ownership.
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8 On October 29, 2018, CENSE received a notice from the commission setting a
9 deadline of November 5, 2018, for responses to the Joint Petition of Public Counsel
10 (and others) for the initiation of an adjudicatory hearing.

11 CENSE has carefully reviewed the Joint Petition filed by Public Counsel and
12 hereby supports and joins in the Petition. Public Counsel raises several governance
13 issues in the Petition. Another governance issue is the propriety of Exhibit F to the
14 Purchase and Sale Agreement, which includes a "Voting Agreement," pursuant to
15 which PGGM Fund Manager and AIMCo (i.e., the two members of Puget Holdings
16 with less than a 20 percent interest in Puget Holdings) will vote their shares in Puget
17 Holdings in the same manner regarding certain matters.
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19 As indicated in CENSE's comments, the Commission has an obligation to
20 protect the public interest of Washington property owners and PSE ratepayers. Given
21 the substantial change in the ownership of PSE, an adjudication to allow inquiry into
22 all relevant aspects of the proposed transaction is imperative. Should the Commission
23 initiate an adjudicatory proceeding, CENSE will seek to become an intervenor.
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1 CENSE has also reviewed the order of this Commission from 2008, *In re the*
2 *Joint Application of Puget Holdings LLC and Puget Sound Energy, Inc., For An Order*
3 *Authorizing Proposed Transaction*, Docket UE-072375, Order 08 ¶ 86 (2008
4 Acquisition Order). That order, with its multiple conditions, addressed many issues
5 related to the public interest. However, over the subsequent ten years, many aspects
6 of the electric industry have changed, including the realization that, even in economic
7 boom times, demand for both energy and capacity is declining. Much of this is due to
8 local and governmental initiatives and the realization that reduction in the consumption
9 of electricity is decidedly in the public interest. As expressed in CENSE's comment
10 letter, particular concern focuses on new capital investments by companies like PSE,
11 which may yield substantial financial returns to the owners, but not advance the public
12 interest.
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14
15 PSE claims in its filings that it has been a good corporate citizen and that it will
16 continue to be so under the new ownership regime. However, multiple issues remain
17 about the openness of the organization and its willingness to address a variety of
18 concerns, some of which have been expressed by this Commission in its comments
19 on PSE's Integrated Resource Plans. Also of concern is PSE's use of intensive, and
20 wildly expensive, political style campaigns to "sell" new capital infrastructure to
21 constituents and local governments.
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23 All of these issues warrant careful review by the Commission, which requires
24 an adjudicatory hearing. We urge the Commission to so order.
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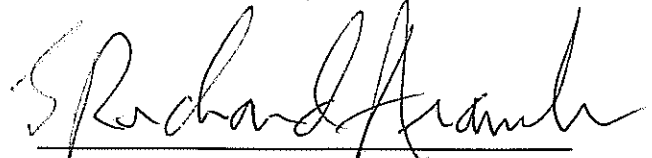
1 Respectfully submitted, this 31st day of October, 2018.

2 Aramburu & Eustis, LLP

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5 _____
6 J. Richard Aramburu, WSBA #466
7 Attorney for CENSE
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