



Business and Financial Affairs
Facilities Management

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August 15, 2013

The Honorable Dave Danner, Chair
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-7250

Re: Puget Sound Energy 2013 Integrated Resource Plan

Dear Chairman Danner:

I am writing about Western Washington University's concern that Puget Sound Energy's 2013 Integrated Resource Plan (IRP) does not adequately address the impacts of greenhouse gas emissions as a part of its overall analysis and recommendations. We find this omission inconsistent with other legislated mandates regarding state agency greenhouse gas emissions, as well as the WAC rules pertaining to integrated resource planning.

According to the Environmental Protection Agency's web site, "*Electricity generation is the dominant industrial source of air emissions in the United States today. Fossil fuel-fired power plants are responsible for 67 percent of the nation's sulfur dioxide emissions, 23 percent of nitrogen oxide emissions, and 40 percent of man-made carbon dioxide emissions.*" With that context, I recommend you **not** approve Puget Sound Energy's (PSE) IRP without adequate consideration of the expected emissions.

As a state-funded institution, Western Washington University is obligated to meet mandates set out in RCW 70.235.050, Greenhouse Gas emission limits for state agencies. This includes:

- (a) By July 1, 2020, reduce emissions by 15 percent from 2005 emission levels;
- (b) By 2035, reduce emissions to 36 percent below 2005 levels; and
- (c) By 2050, reduce emissions to the greater reduction of 57.5 percent below 2005 levels, or 70 percent below the expected state government emissions that year.

In order to make meaningful progress on those mandates, all contributors to our greenhouse gas emissions footprint, including PSE as our electrical provider, must be considered as potential opportunities for reduction.

WAC 480-100-238 requires PSE, as a regulated utility, to prepare an IRP to "meet current and future needs at the lowest reasonable cost to the utility and its ratepayers. "Lowest Reasonable Cost" includes the cost of risks associated with environmental effects including emissions of carbon dioxide. A fundamental component of PSE's plan is to continue producing 18-20 percent

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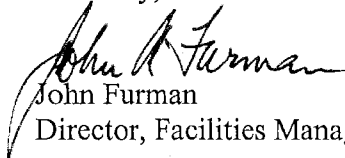
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of electrical demand using the coal fired technology at its Colstrip, MT plant. The rationale for this recommendation is that "replacing Colstrip with another resource would result in approximately a 5 percent annual rate increase, apart from any other rate pressures." Nowhere in the plan does PSE analyze the impact of coal and other fuel sources on the overall greenhouse gas emissions of its electrical generation, nor place a value or cost on the environmental implications of continued use of those fuels to generate electricity.

While PSE's final IRP may well include coal in the power generation plan, the public should be provided with a complete and holistic analysis, meeting the entire WAC requirement rather than the current plan which provides a recommendation based solely on the market costs of fuel.

Western Washington University is preparing students for a future that includes sustainable programs and technologies. We desire to include current business planning and resource acquisition plans such as PSE's resource planning into a holistic and synergistic strategy that best serves the interests of Washington State. I appreciate your consideration of our concerns.

Sincerely,


John Furman
Director, Facilities Management

C: Richard Van Den Hul, Vice President
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